



## CITY COUNCIL CLOSED & REGULAR SESSION

550 E. 6th Street, Beaumont, CA

Tuesday, July 21, 2020

Closed Session: 5:00 PM | Regular Meeting: 6:00 PM

---

Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packets are available for public inspection in the City Clerk's office at 550 E. 6th Street during normal business hours

---

### AGENDA

#### MEETING PARTICIPATION NOTICE

This meeting will be conducted utilizing teleconference communications and will be recorded for live streaming as well as open to public attendance subject to social distancing and applicable health orders. All City of Beaumont public meetings will be available via live streaming and made available on the City's official YouTube webpage. Please use the following link during the meeting for live stream access.

#### **BeaumontCa.gov/Livestream**

Public comments will be accepted using the following options.

1. Written comments will be accepted via email and will be read aloud during the corresponding item of the meeting. Public comments shall not exceed three (3) minutes unless otherwise authorized by City Council. Comments can be submitted anytime prior to the meeting as well as during the meeting up until the end of the corresponding item. Please submit your comments to: **[NicoleW@BeaumontCA.gov](mailto:NicoleW@BeaumontCA.gov)**
2. Phone-in comments will be accepted by joining a conference line prior to the corresponding item of the meeting. Public comments shall not exceed three (3) minutes unless otherwise authorized by City Council. Please use the following phone number to join the call: **(800) 369-1985 (Toll Free) Access Code: 4421618**
3. In person comments subject to the adherence of the applicable health orders and social distancing requirements.

In compliance with the American Disabilities Act, if you require special assistance to participate in this meeting, please contact the City Clerk's office using the above email or call (951) 571-3196. Notification 48 hours prior to a meeting will ensure the best reasonable accommodation arrangements.

## **CLOSED SESSION - 5:00 PM**

*A Closed Session of the City Council / Beaumont Financing Authority / Beaumont Utility Authority / Beaumont Successor Agency (formerly RDA)/Beaumont Parking Authority / Beaumont Public Improvement Authority may be held in accordance with state law which may include, but is not limited to, the following types of items: personnel matters, labor negotiations, security matters, providing instructions to real property negotiators and conference with legal counsel regarding pending litigation. Any public comment on Closed Session items will be taken prior to the Closed Session. Any required announcements or discussion of Closed Session items or actions following the Closed Session will be made in the City Council Chambers.*

### **CALL TO ORDER**

Mayor Santos, Mayor Pro Tem Lara, Council Member Carroll, Council Member Martinez, Council Member White

Public Comments Regarding Closed Session

- 1. Conference with Labor Negotiators - Pursuant to Government Code Section 54957.6 City Designated Representatives City Manager Todd Parton and Administrative Services Director Kari Mendoza. Employee Organizations: Beaumont Police Officers Association**
- 2. Conference with Legal Counsel - Anticipated Litigation Significant exposure to litigation pursuant to paragraph (2) and/or (3) of subdivision (d) of Section 54956.9: One potential case**
- 3. Conference with Legal Counsel - Anticipated Litigation Significant exposure to litigation pursuant to paragraph (2) and/or (3) of subdivision (d) of Section 54956.9: One potential case**

Adjourn to Regular Session

## **REGULAR SESSION - 6:00 PM**

### **CALL TO ORDER**

Mayor Santos, Mayor Pro Tem Lara, Council Member Carroll, Council Member Martinez, Council Member White

Report out from Closed Session:

Action on any Closed Session items:

Action of any requests for Excused Absence:

Pledge of Allegiance:

Approval / Adjustments to the Agenda:

Conflict of Interest Disclosure:

### **ANNOUNCEMENTS/ RECOGNITION / PROCLAMATIONS / CORRESPONDENCE**

- 1. Beaumont Police Department Officer of Year Recognition**
- 2. Purple Heart Day Recognition**

## **PUBLIC COMMENT PERIOD (ITEMS NOT ON THE AGENDA)**

*Any one person may address the City Council on any matter not on this agenda. If you wish to speak, please fill out a "Public Comment Form" provided at the back table and give it to the City Clerk. There is a three (3) minute time limit on public comments. There will be no sharing or passing of time to another person. State Law prohibits the City Council from discussing or taking actions brought up by your comments.*

## **CONSENT CALENDAR**

*Items on the consent calendar are taken as one action item unless an item is pulled for further discussion here or at the end of action items.*

*Approval of all Ordinances and Resolutions to be read by title only.*

### **3. Approval of Minutes**

#### **Recommended Action:**

Approve Minutes dated July 7, 2020.

### **4. Beaumont Unified School District Agreement for Livescan Fingerprinting**

#### **Recommended Action:**

Approve the agreement with the Beaumont Unified School District for Livescan services.

### **5. Adoption of a Resolution Authorizing the City Manager to Accept the Offers of Dedication for Park Purposes for DeForge Park (APNs 419-612-001, 419-591-024 and 419-591-025)**

#### **Recommended Action:**

Waive the full reading and adopt by title only, "A Resolution of the City of Beaumont Authorizing the City Manager to Accept the Offers of Dedication for Park Purposes" and authorize staff to record the certificates of acceptance of an interest in real property by the City of Beaumont.

### **6. FY 2020 General Fund and Wastewater Fund Update Through May 2020**

#### **Recommended Action:**

Review and file.

## **PUBLIC HEARINGS**

*Approval of all Ordinances and Resolutions to be read by title only.*

### **7. Continued Public Hearing to Consider Proposed Addition of Chapter 8.55 Regulation of Shopping Carts to the Beaumont Municipal Code**

#### **Recommended Action:**

Hold the continued public hearing, and  
Waive the first full reading and approve by title only, the addition of "Chapter 8.55 Regulation of Shopping Carts" to the Beaumont Municipal Code.

### **8. Conduct a Public Hearing and Consider Resolution Approving a Subscription Agreement with ChargePoint and Establishing A Fee Schedule for Electric Vehicle Charging Stations**

#### **Recommended Action:**

Hold a Public Hearing,

Waive the full reading and adopt by title only, “A Resolution of the City Council of the City of Beaumont, California, Approving a Subscription Agreement with ChargePoint and Establishing a Fee Schedule for Electric Vehicle Charging Stations,” and

Authorize the Mayor to execute the subscription agreement with ChargePoint.

**9. Conduct a Public Hearing and Consider Amendment No. 1 to the Development Agreement (PLAN2019-0336) for the Hidden Canyon Specific Plan, a 2.89 Million Square Foot Industrial Business Park (Hidden Canyon Industrial Park); Located at the Western Terminus of Fourth Street, South of State Highway 60, East of Jack Rabbit Trail**

**Recommended Action:**

Conduct a public hearing, and

Waive the full reading and adopt by title only the first reading of “An Ordinance of the City Council of the City of Beaumont, California, Approving an Amended and Restated Development Agreement by and Between the City of Beaumont and MPLD II Inland Empire, LLC.”

**ACTION ITEMS**

*Approval of all Ordinances and Resolutions to be read by title only.*

**10. Proposed Refunding of Outstanding Bonds Related to Improvement Areas 8C and 17B of Community Facilities District No. 93-1**

**Recommended Action:**

Waive the Full Reading and Adopt by Title Only, “A Resolution of the City Council of the City of Beaumont Acting as Legislative Body of Community Facilities District No. 93-1, Authorizing the Issuance of Special Tax Refunding Bonds and Taking Other Actions in Connection Therewith” and Recess the City Council Meeting,

Convene a Meeting of the Board of Directors of the Beaumont Financing Authority and Waive the Full Reading and Adopt by Title Only, “A Resolution of the Board of Directors of the Beaumont Financing Authority Approving the Execution of Escrow Agreements in Connection with the Refunding of Certain Local Agency Revenue Bonds of the Authority and Special Tax Bonds of the City of Beaumont Community Facilities District No. 93-1, and Taking Certain Other Actions in Connection Therewith”, and Adjourn the Board Meeting,

Convene a Meeting of the Board of Directors of the Beaumont Public Improvement Authority and Waive the Full Reading and Adopt by Title Only, “A Resolution of the Board of Directors of the Beaumont Public Improvement Authority, Riverside County, California, Authorizing the Issuance of its Local Agency Refunding Bonds, in One or More Series, in an Aggregate Principal Amount of Not-to-Exceed Twenty Million Dollars (\$20,000,000) and Approving Certain Documents and Taking Other Actions in Connection Therewith” and Adjourn the Board Meeting and Reconvene the City Council Meeting, and

Provide Direction to Staff and Financing Team on 'Debt Service Structure' as Discussed Herein.

**11. Annual Resolution Directing the Riverside County Auditor-Controller to Place the Levy of Special Taxes for the City's Community Facilities Districts on the Fiscal Year 2020-2021 County Tax Roll**

**Recommended Action:**

Waive the full reading and adopt by title only "A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities Districts No. 93-1, 2016-1, 2016-2, 2016-3, 2016-4, 2018-1 & 2019-1 and Directing the County Auditor to Collect the Same on the Tax Rolls (93-1, 2016-1, 2016-2, 2016-3, 2016-4, 2018-1 & 2019-1)"

Waive the full reading and adopt by title only "A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities Districts No. 93-1 (IA 18) and Directing the County Auditor to Collect the Same on the Tax Rolls (IA 18)"

Waive the full reading and adopt by title only "A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities Districts No. 93-1 (IA 14 & 14A) and Directing the County Auditor to Collect the Same on the Tax Rolls (IA 14 & 14A)"

Waive the full reading and adopt by title only "A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities Districts No. 93-1 (IA 9) and Directing the County Auditor to Collect the Same on the Tax Rolls (IA 9)"

Waive the full reading and adopt by title only "A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities Districts No. 93-1 (IA 17A) and Directing the County Auditor to Collect the Same on the Tax Rolls (IA 17A)"

**12. Analysis of Use of Force Policies of the Beaumont Police Department**

**Recommended Action:**

Receive and file.

**13. Purchase of Three Ford Explorer Police Interceptors and One Ford Escape for the Police Department**

**Recommended Action:**

Authorize staff to retire and auction the listed vehicles from the Police Department fleet at a cost of \$870.00,

Authorize staff to purchase four Police Vehicles in the total amount of \$144,135.91 from National Auto Fleet Group, and

Authorize staff to purchase emergency equipment and installation for all vehicles, in the amount not to exceed \$41,031.70 from West Coast Lights and Siren.

**14. Update on the Highland Springs/I-10 Interchange Project**

**Recommended Action:**

Receive and file the Highland Springs Interchange Update.

**15. Rejection of Bid in Response to a Request for Proposal for Weed Abatement Services**

**Recommended Action:**

Rejecting the proposal from Mariposa Landscapes, Inc.

**16. Approve Payment Wildland Protection Invoice from Cal Fire**

**Recommended Action:**

Approve payment of the invoice for wildland fire protections services to the Department of Forestry and Fire Protection in the amount of \$43,338.12.

**17. Discussion and Direction Regarding Western Riverside Council of Governments (WRCOG) Proposed Programs for Fiscal Year 2021**

**Recommended Action:**

It is recommended that the City Council provide direction with regard each of WRCOG's proposed programs for Fiscal Year 2021 – Economic Development Committee, Housing Trust and GIS/Modeling Service Bureau – and direct Beaumont's representative to submit said direction to the Administration and Finance Committee.

**18. Discussion and Direction to City Staff Regarding the Use of the City of Beaumont's CARES Act Relief Fund Allocation**

**Recommended Action:**

City staff recommends that the City Council authorize the application of the entirety of the City of Beaumont's CARES Act allocation to reimburse Beaumont Police Department payroll and payroll related expenses and direct City staff to prepare a budget amendment to implement a COVID-19 Response Program for City Council consideration in August 2020.

**19. Approval of City Attorney Invoices for the Month of June 2020**

**Recommended Action:**

Approve invoices in the amount of \$97,745.65

**LEGISLATIVE UPDATES AND DISCUSSION**

**20. Townsend Legislative Update**

**COUNCIL REPORTS**

- Carroll

- Lara
- Martinez
- Santos
- White

## **ECONOMIC DEVELOPMENT UPDATE**

Economic Development Committee Report Out and City Council Direction

## **CITY TREASURER REPORT**

Finance and Audit Committee Report Out and City Council Direction

## **CITY CLERK REPORT**

## **CITY ATTORNEY REPORT**

## **CITY MANAGER REPORT**

## **FUTURE AGENDA ITEMS**

## **ADJOURNMENT**

The next regular meeting of the Beaumont City Council, Beaumont Financing Authority, the Beaumont Successor Agency (formerly RDA), the Beaumont Utility Authority, the Beaumont Parking Authority and the Beaumont Public Improvement Agency is scheduled for Tuesday, August 4 2020, at 5:00 p.m. or thereafter as noted on the posted Agenda for Closed Session items in the City Council Board Room No. 5, followed by the regular meeting at 6:00 p.m. or thereafter as noted on the posted Agenda at City Hall.

Beaumont City Hall – Online [www.BeaumontCa.gov](http://www.BeaumontCa.gov)



## CITY COUNCIL CLOSED & REGULAR SESSION

550 E. 6th Street, Beaumont, CA

Tuesday, July 07, 2020

Closed Session: 5:00 PM | Regular Meeting: 6:00 PM

### MINUTES

#### CLOSED SESSION - 5:00 PM

*A Closed Session of the City Council / Beaumont Financing Authority / Beaumont Utility Authority / Beaumont Successor Agency (formerly RDA)/Beaumont Parking Authority / Beaumont Public Improvement Authority may be held in accordance with state law which may include, but is not limited to, the following types of items: personnel matters, labor negotiations, security matters, providing instructions to real property negotiators and conference with legal counsel regarding pending litigation. Any public comment on Closed Session items will be taken prior to the Closed Session. Any required announcements or discussion of Closed Session items or actions following the Closed Session will be made in the City Council Chambers.*

#### **CALL TO ORDER at 5:02 p.m.**

**Present:** Mayor Santos, Mayor Pro Tem Lara, Council Member Carroll, Council Member Martinez, Council Member White

Public Comments Regarding Closed Session

#### **No speakers**

1. Conference with Labor Negotiators - Pursuant to Government Code Section 54957.6 City Designated Representatives City Manager Todd Parton and Administrative Services Director Kari Mendoza. Employee Organizations: Beaumont Police Officers Association

**No reportable action.**

2. Conference with Legal Counsel - Anticipated Litigation  
Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) and/or (3) - One (1) matter

**No reportable action.**

3. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8 for Property Known as Vacant Land APN 418- 190-004, 005, 006, and 007 and 418-140-028 and 029. Agency Negotiator: City Manager Todd Parton or his Designee. Negotiating Parties: City of Beaumont and Heslin Holdings, Inc., Under Negotiation: Price and Terms

**No reportable action.**

Adjourn to Regular Session

## REGULAR SESSION - 6:00 PM

### CALL TO ORDER at 6:10 p.m.

**Present:** Mayor Santos, Mayor Pro Tem Lara, Council Member Carroll, Council Member Martinez, Council Member White

Report out from Closed Session: *see above*

Action on any Closed Session items: **None**

Action of any requests for Excused Absence: **None**

Pledge of Allegiance:

Approval / Adjustments to the Agenda: **None**

Conflict of Interest Disclosure: **None**

### ANNOUNCEMENTS/ RECOGNITION / PROCLAMATIONS / CORRESPONDENCE

4. Introduction of New Beaumont Police Department Staff

### PUBLIC COMMENT PERIOD (ITEMS NOT ON THE AGENDA)

*Any one person may address the City Council on any matter not on this agenda. If you wish to speak, please fill out a "Public Comment Form" provided at the back table and give it to the City Clerk. There is a three (3) minute time limit on public comments. There will be no sharing or passing of time to another person. State Law prohibits the City Council from discussing or taking actions brought up by your comments.*

**R. Roy** - *Requested the allowance of public comments to be submitted virtually.*

### CONSENT CALENDAR

*Items on the consent calendar are taken as one action item unless an item is pulled for further discussion here or at the end of action items.*

*Approval of all Ordinances and Resolutions to be read by title only.*

5. Approval of Minutes

#### **Recommended Action:**

Approve minutes dated June 16, 2020.

6. Amendment No. 1 to the Professional Services Agreement with Townsend Public Affairs

**Recommended Action:**

Approve Amendment No. 1 to the Professional Services Agreement with Townsend Public Affairs for state and federal lobbyist services.

7. Consideration of a Request for a One-Year Extension of Time for Tentative Parcel Map 34990 (South Side of Oak Valley Parkway, East of Interstate 10)

**Recommended Action:**

Approve a one-year extension of time for Tentative Parcel Map 34990.

8. Adoption of a Resolution Authorizing Participation in the County of Riverside's Urban County Program for Fiscal Years 2021-22, 2022-23 and 2023-24

**Recommended Action:**

Waive the full reading and adopt by title only, "A Resolution of the City Council of the City of Beaumont Authorizing Participation in the County of Riverside's Urban County Program for Fiscal Years 2021-22, 2022-23 and 2023-24."

9. Adoption of Electronic Funds Transfer (EFT) Policy

**Recommended Action:**

It is recommended the City Council review the EFT Policy and either direct changes or adopt the policy.

**Motion by Council Member White**

**Second by Council Member Lara**

**To approve the Consent Calendar**

**Ayes: Council Member White, Council Member Martinez, Council Member Carroll, Mayor Pro Tem Lara, Mayor Santos**

**Approved by a unanimous vote**

**PUBLIC HEARINGS**

*Approval of all Ordinances and Resolutions to be read by title only.*

10. Hold a Public Hearing and Consider Proposed Addition of Chapter 8.55 Regulation of Shopping Carts to the Beaumont Municipal Code

**Public Hearing opened at 6:28 p.m.**

**No speakers**

**Public Hearing closed at 6:38 p.m.**

**Motion by Council Member White**

**Second by Mayor Pro Tem Lara**

**To re-open the Public Hearing and continue the Public Hearing to July 21, 2020.**

**Ayes: White, Martinez, Carroll, Lara**

**Recused: Santos**

**Approved by a 4-0 vote.**

**Due to an error in the phone bridge phone number listed, the following motion was made:**

**Motion by Council Member White**

**Second by Council Member Martinez**

**To table items 8, 9 and 10.**

11. Hold a Public Hearing and Consider Resolution Approving a Subscription Agreement with ChargePoint and Establishing A Fee Schedule for Electric Vehicle Charging Stations

**Recommended Action:**

Hold a Public Hearing,

Waive the full reading and adopt by title only, "A Resolution of the City Council of the City of Beaumont, California, Approving a Subscription Agreement with ChargePoint and Establishing a Fee Schedule for Electric Vehicle Charging Stations," and

Authorize the Mayor to execute the subscription agreement with ChargePoint.

**Item tabled.**

**ACTION ITEMS**

*Approval of all Ordinances and Resolutions to be read by title only.*

12. Analysis of Use of Force Policies of the Beaumont Police Department

**Recommended Action:**

Receive and file.

**Item tabled.**

13. Proposed Refunding of Outstanding Bonds Related to Improvement Areas 8C and 17B of Community Facilities District No. 93-1

**Recommended Action:**

Waive the Full Reading and Adopt by Title Only, "A Resolution of the City Council of the City of Beaumont Acting as Legislative Body of Community Facilities District No. 93-1, Authorizing the Issuance of Special Tax Refunding Bonds and Taking Other Actions in Connection Therewith" and Recess the City Council Meeting,

Convene a Meeting of the Board of Directors of the Beaumont Financing Authority and Waive the Full Reading and Adopt by Title Only, “A Resolution of the Board of Directors of the Beaumont Financing Authority Approving the Execution of Escrow Agreements in Connection with the Refunding of Certain Local Agency Revenue Bonds of the Authority and Special Tax Bonds of the City of Beaumont Community Facilities District No. 93-1, and Taking Certain Other Actions in Connection Therewith”, and Adjourn the Board Meeting,

Convene a Meeting of the Board of Directors of the Beaumont Public Improvement Authority and Waive the Full Reading and Adopt by Title Only, “A Resolution of the Board of Directors of the Beaumont Public Improvement Authority, Riverside County, California, Authorizing the Issuance of its Local Agency Refunding Bonds, in One or More Series, in an Aggregate Principal Amount of Not-to-Exceed Twenty Million Dollars (\$20,000,000) and Approving Certain Documents and Taking Other Actions in Connection Therewith” and Adjourn the Board Meeting and Reconvene the City Council Meeting, and

Provide Direction to Staff and Financing Team on ‘Debt Service Structure’ as Discussed Herein.

**Item tabled.**

14. Discussion and Direction to City Staff Regarding Application for the Use of the City of Beaumont’s CARES Act Relief Fund Allocation

**Recommended Action:**

City staff recommends that the City Council approve the Certification for Receipt of Funds Pursuant to Paragraphs (2) or (3) of Subdivision (d) of Control Section 11.90 of the California Budget Act of 2020 authorizing the City Manager to request Beaumont’s CARES Act Relief Fund Allocation, provide direction to City staff on the utilization of Beaumont’s per capita allocation of \$635,569, and direct City staff to present a program for the use of its funds for City Council consideration at the City Council regular session scheduled for July 21, 2020.

**Motion by Council Member Martinez**

**Second by Council Member Carroll**

**To approve the Certification for Receipt of Funds Pursuant to Paragraphs (2) or (3) of Subdivision (d) of Control Section 11.90 of the California Budget Act of 2020 authorizing the City Manager to request Beaumont’s CARES Act Relief Fund Allocation.**

**Ayes: Council Member White, Council Member Martinez, Council Member Carroll, Mayor Pro Tem Lara, Mayor Santos**

**Approved by a unanimous vote**

15. Authorize Amendment One to the Agreement for Claims Administration Services with Sedgwick Claims Management Services

**Motion by Council Member White**

**Second by Council Member Lara**

**To authorize the City Manager to execute Amendment One to the Agreement for Claims Administration Services.**

**Ayes: Council Member White, Council Member Martinez, Council Member Carroll, Mayor Pro Tem Lara, Mayor Santos**

**Approved by a unanimous vote**

16. Award a Public Works Agreement to The Van Dyke Corporation for Construction Services for Seneca Springs Lift Station Piping Modifications Project in an Amount Not to Exceed \$38,720; and Authorize the City Manager to Sign Change Orders up to an Additional \$5,000 for a Total Not to Exceed Construction Budget of \$43,720

**Motion by Council Member Martinez**

**Second by Mayor Santos**

**To Award a Public Works Agreement to The Van Dyke Corporation for construction services for Seneca Springs Lift Station Piping Modifications Project in an amount not to exceed \$38,720, and**

**Authorize the City Manager to sign change orders up to an additional \$5,000 for a total not to exceed construction budget of \$43,720.**

**Ayes: Council Member White, Council Member Martinez, Council Member Carroll, Mayor Pro Tem Lara, Mayor Santos**

**Approved by a unanimous vote**

17. Award a Public Works Agreement to Northstar Chemical and Hasa, Inc., for Chemical Supply Services for the Wastewater Treatment Plant

**Motion by Council Member White**

**Second by Council Member Carroll**

**To Award a Public Works Agreement to Northstar Chemical for chemical supply services for the Wastewater Treatment Plant in accordance with the unit pricing within Attachment B, and**

**Award a Public Works Agreement to Hasa, Inc., for chemical supply services for the Wastewater Treatment Plant in accordance with the unit pricing within Attachment C.**

**Ayes: Council Member White, Council Member Martinez, Council Member Carroll, Mayor Pro Tem Lara, Mayor Santos**

**Approved by a unanimous vote**

## LEGISLATIVE UPDATES AND DISCUSSION

### 18. Legislative Report

#### COUNCIL REPORTS

**Carroll** - Participated in an RTA meeting and gave a report out from a Questions and Answers zoo meeting with the public regarding Police policies.

**Lara** - Will be attending a WRCOG meeting and thanked Chief for his roundtable meeting.

**Martinez** - Congratulated Officer Chaparrosa on being Officer of the Year

**Santos** - Thanked the Chief for his roundtable meeting and thanked staff for their consistent availability.

**White** - Thanked Chief for the roundtable meeting and congratulated the officer of the year.

#### CITY TREASURER REPORT

No report.

#### CITY CLERK REPORT

No report.

#### CITY ATTORNEY REPORT

### 19. Status of Pending Litigation

#### CITY MANAGER REPORT

Announced upcoming RFPs regarding economic development. Announced that City Hall is now open to the public. Will be giving information out to restaurants in the City on outdoor dining. Gave an update of the Wastewater Treatment Plant. Spoke about the upcoming State of the City. Upcoming City Council Workshop on July 28th regarding the City Community Survey.

#### FUTURE AGENDA ITEMS

None.

#### ADJOURNMENT at 8:10 p.m.

The next regular meeting of the Beaumont City Council, Beaumont Financing Authority, the Beaumont Successor Agency (formerly RDA), the Beaumont Utility Authority, the Beaumont Parking Authority and the Beaumont Public Improvement Agency is scheduled for Tuesday, July 21 2020, at 5:00 p.m. or thereafter as noted on the posted Agenda for Closed Session items in the City Council Board Room No. 5, followed by the regular meeting at 6:00 p.m. or thereafter as noted on the posted Agenda at City Hall.



## Beaumont Unified School DISTRICT Agreement for LIVE SCAN Services

**ORIGINATING DEPARTMENT: HUMAN RESOURCES**

**ACCOUNTING CODE: 03-500-0000-0-0000-7401-5831**

This Agreement was made and entered into on the **1st day of July 2020**, by and between the **BEAUMONT UNIFIED SCHOOL DISTRICT** (“DISTRICT”) and the **CITY OF BEAUMONT** (“CITY”).

1. CITY agrees to render the following services in accordance with directions stipulated by DISTRICT or a person so delegated:

CITY will provide Live Scan fingerprint service at a rate not to exceed rate set by City Council Resolution, as adopted from time to time. CITY will follow all standards of the industry and maintain strict confidentiality of all Live Scan results. With respect to Live Scan fingerprint services, CITY agrees to abide by all applicable California law and regulations on behalf of the DISTRICT.

2. DISTRICT agrees to compensate CITY for services rendered in an amount not to exceed **\$16.00** per Live Scan for residents and **\$25.00** per Live Scan for non-residents until such rates are changed by Resolution of City Council. The amount due to CITY shall be paid within a reasonable time not to exceed 60 days after the performance of services by CITY and an itemized monthly bill is rendered to DISTRICT. CITY shall reference DISTRICT Purchase Order numbers on all billings submitted to DISTRICT.

3. **Suspension of Live Scan Services**

The Parties acknowledge that on March 4, 2020, Governor Gavin Newsom proclaimed a state of emergency to exist in the State of California as a result of COVID-19 and on March 19 2020, Governor Newsom signed Executive Order 33-20 (commonly known as the "Safer at Home, Stay at Home" order) to preserve public health and safety throughout the entire State of California during the COVID-19 pandemic. The Parties agree and acknowledge that in the interest of public health and safety, CITY, in its sole and absolute discretion and from time to time, may suspend Live Scan services set forth in this Agreement. In the event CITY suspends services under this Agreement, CITY shall promptly notify DISTRICT of said suspension.

4. **Mutual Indemnification and Hold Harmless**

CITY shall indemnify and hold harmless DISTRICT, its officers, employees, representatives, agents and volunteers from and against any and all liabilities, losses, claims, demands, suits, damages, causes of action, costs and expenses, including

reasonable attorney’s fees, for personal or bodily injuries or property damage arising from the sole negligence or willful misconduct of CITY’s officers, employees, representatives, agents or volunteers in carrying out CITY’s duties under this Agreement.

DISTRICT shall indemnify and hold harmless CITY, its officers, employees, representatives, agents and volunteers from and against any and all liabilities, losses, claims, demands, suits, damages, causes of action, costs and expenses, including reasonable attorney’s fees, for personal or bodily injuries or property damage arising from the sole negligence or willful misconduct of DISTRICT’s officers, employees, representatives, agents or volunteers in carrying out DISTRICT’s duties under this Agreement.

- 5. It is agreed that CITY is acting as an independent contractor and not as an agent or employee of DISTRICT.
- 6. Unless terminated earlier as provided for herein, the term of this Agreement shall be from **July 1, 2020 through June 30, 2021.**
- 7. Contact information for the parties is:

DISTRICT:

CITY:

Beaumont Unified School District  
 Attn: Assistant Superintendent Business Services  
 350 W. Brookside Avenue  
 Beaumont, CA 92223  
 Office: (951) 845-1631, x5360  
 Fax: (951) 845-4561

City of Beaumont  
 Attn: Chief of Police  
 550 E. Sixth Street  
 Beaumont, CA 92223  
 Office: (951) 769-8520  
 Fax: (951) 769-8526

- 8. This Agreement may be amended by the mutual consent of the parties hereto as indicated (both parties must initial):



\_\_\_\_\_  
BUSD INITIAL

\_\_\_\_\_  
CITY INITIAL

SIGNATURES ON THE FOLLOWING PAGE

SIGNATURE PAGE TO  
BEAUMONT UNIFIED SCHOOL DISTRICT  
AGREEMENT FOR LIVE SCAN SERVICES  
(CITY OF BEAUMONT)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

**BEAUMONT UNIFIED SCHOOL DISTRICT**

**CITY OF BEAUMONT**

Print Name: Penni S. Harbauer \_\_\_\_\_

Signature: *Penni S. Harbauer* \_\_\_\_\_

Date: Jun 25, 2020 \_\_\_\_\_

Assistant Superintendent Business Services

\_\_\_\_\_  
Rey Santos, Mayor

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Steven Mehlman, City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
John O. Pinkney, City Attorney



## Staff Report

**TO:** City Council

**FROM:** Elizabeth Gibbs, Community Services Director

**DATE:** July 21, 2020

**SUBJECT:** Adoption of a Resolution Authorizing the City Manager to Accept the Offers of Dedication for Park Purposes for DeForge Park (APNs 419-612-001, 419-591-024 and 419-591-025)

### Background and Analysis:

DeForge Park is a 12.77-acre community park located on Seneca Springs Parkway, south of East First Street, and includes Assessor Parcel Numbers 419-612-001, 419-591-024 and 419-591-025. Through research, it was discovered that the City had never formally accepted the parks and as such, the developers, Richmond American Homes and HHI Seneca LLC, continue to be listed as the parcel owners.

Government Code Section 27281 provides that instruments conveying an interest in real property to the City may not be recorded without a Certificate of Acceptance approved by the City Council. Furthermore, it provides that the City Council may, by a resolution, authorize one or more officers to accept instruments conveying an interest in real property by executing a Certificate of Acceptance, such as the City Manager.

Attached is a resolution authorizing the City Manager to accept the offers of dedication for park purposes (Attachment A).

### Fiscal Impact:

Funding to maintain these parks is included in the current budget. Under Government Code Sections 6103 and 27383, the City of Beaumont is exempt from paying recordation fees to record the certificates of acceptance.

### Recommended Action:

Waive the full reading and adopt by title only, "A Resolution of the City of Beaumont Authorizing the City Manager to Accept the Offers of Dedication for Park Purposes" and authorize staff to record the certificates of acceptance of an interest in real property by the City of Beaumont.

**Attachments:**

- A. Resolution
- B. Certificate of Acceptance

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY OF BEAUMONT AUTHORIZING  
THE CITY MANAGER TO ACCEPT THE OFFERS OF  
DEDICATION FOR PARK PURPOSES**

WHEREAS, Richmond American Homes of California, Inc., a Colorado corporation executed offers of dedication by the following instrument: Tract Map Number 31520-1 filed November 4, 2005 in Book 392 of Maps at Pages 33-42 for park purposes with regards to lots “101” and “103”; and

WHEREAS, the improvements have been completed and are ready to accept; and

WHEREAS, Government Code Section 27281 provides that instruments conveying an interest in real property to the City may not be recorded without a Certificate of Acceptance approved by the City Council; and

WHEREAS, Government Code Section 27281 also provides that the City Council may, by a resolution, authorize one or more officers to accept instruments conveying an interest in real property by executing a Certificate of Acceptance; and

WHEREAS, the City Council desires to delegate to the City Manager the authority to accept the within described real property interests on behalf of the City.

WHEREAS, a certificate of acceptance for accepting the aforementioned Lots will be recorded with the Riverside County Clerk Recorder’s Office once this resolution is adopted by City Council; and

**NOW, THEREFORE, BE IT RESOLVED**, that the City of Beaumont does authorize accepting offers of dedication under the following instrument: Tract Map Number 31520-1 filed November 4, 2005 in Book 392 of Maps at Pages 33-42 for park purposes with regards to lots “101” and “103”:

**Provision 1.** Recordation of the aforementioned certificate of acceptance shall be executed by the City Manager and recorded with the Riverside County Clerk Recorder’s Office.

**MOVED, PASSED AND ADOPTED** this \_\_\_\_day of June 2020.

AYES:

NOES:

ABSTAIN:

ABSENT:

By: \_\_\_\_\_  
\_\_\_\_\_, Mayor, City of Beaumont

ATTEST:

Steven Mehlman  
CITY CLERK

By: \_\_\_\_\_

**When Recorded Return  
Original To:**

City Clerk  
City of Beaumont  
550 East 6<sup>th</sup> Street  
Beaumont, CA 92223

---

**NO RECORDING FEE REQUIRED PER GOVERNMENT CODE SECTIONS 6103 AND 27383**

**CERTIFICATE OF ACCEPTANCE OF AN INTEREST IN REAL  
PROPERTY BY THE CITY OF BEAUMONT**  
(GOVERNMENT CODE SECTION 27281)

This is to certify that the fee interest in real property conveyed by the following instrument: Tract Map Number 31520-1 filed November 4, 2005 in Book 392 of Maps at Pages 33-42 for park purposes with regards to lots “101” and “103” to the City of Beaumont, a general law city in the State of California, is hereby accepted by order of City Council of the City, pursuant to the authority conferred by City Council Resolution No. 2020-\_\_\_\_\_ adopted on June \_\_\_\_, 2020, and the City as grantee further consents to its recordation thereof by its duly authorized officer, the City Manager.

City of Beaumont, a general law city

\_\_\_\_\_  
Dated

By: \_\_\_\_\_  
Todd Parton, City Manager

ATTEST:

\_\_\_\_\_  
Steven Mehlman, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
John Pinkney, City Attorney



## Staff Report

**TO:** City Council  
**FROM:** Jeff Mohlenkamp, Finance Director  
**DATE:** July 21, 2020  
**SUBJECT:** **FY 2020 General Fund and Wastewater Fund Update Through May 2020**

---

### **Background and Analysis:**

Staff have updated the General Fund and Wastewater Fund budget to actual for activity through May 31, 2020. This constitutes 11 months of activity.

The summary schedules and analysis of budget to actual activity is included as Attachments A (General Fund) and Attachment B (Wastewater Fund) to this report.

### **Fiscal Impact:**

There is no fiscal impact.

### **Recommended Action:**

Review and file.

### **Attachments:**

- A. FY 2019-20 General Fund Summary – budget to actual through May 2020
- B. FY 2019-20 Wastewater Fund Summary – budget to actual through May 2020



# Budget Comparison Report

## FY 2020 General Fund through May 2020

SubCategory	2017-2018 YTD Activity Through Per	2018-2019 YTD Activity Through Per	2019-2020 YTD Activity Through Per	Parent Budget		Notes
				2019-2020 REV 2	FY 2019-20 Year End Estimate	
<b>Fund: 100 - GENERAL FUND</b>						
<b>Revenue</b>						
<b>Category: 40 - TAXES</b>						
400 - Real Property Taxes	\$ 4,653,031	\$ 5,033,736	\$ 3,899,935	\$ 4,823,562	\$ 5,716,000	Final payment comes in June
403 - Personal Property Taxes	\$ -	\$ -	\$ 254,416	\$ 228,000	\$ 254,416	
406 - Franchise Fees	\$ 758,144	\$ 789,039	\$ 7,953,449	\$ 7,953,875	\$ 8,400,000	Includes one time solid waste payment of \$5 million, \$2.1 million in franchise fees for solid waste
409 - Sales Taxes	\$ 4,215,871	\$ 4,189,577	\$ 4,208,708	\$ 5,436,227	\$ 4,970,000	The final payment in June includes a true up payment.
420 - Other Taxes	\$ 5,695,825	\$ 3,907,467	\$ 4,159,150	\$ 6,896,381	\$ 6,780,000	Includes VLF which comes in June - \$2.5 million
<b>Total Category: 40 - TAXES:</b>	<b>\$ 15,322,872</b>	<b>\$ 13,919,819</b>	<b>\$ 20,475,658</b>	<b>\$ 25,338,045</b>	<b>\$ 26,120,416</b>	
<b>Category: 41 - LICENSES</b>						
430 - Business Licenses	\$ 150,435	\$ 201,700	\$ 216,275	\$ 214,221	\$ 340,000	Tracking higher than budgeted
<b>Total Category: 41 - LICENSES:</b>	<b>\$ 150,435</b>	<b>\$ 201,700</b>	<b>\$ 216,275</b>	<b>\$ 214,221</b>	<b>\$ 340,000</b>	
<b>Category: 42 - PERMITS</b>						
450 - Building Permits	\$ 1,761,173	\$ 3,693,792	\$ 1,876,582	\$ 3,349,500	\$ 1,947,000	
453 - Inspections	\$ 1,313,458	\$ 270,957	\$ 179,896	\$ 1,080,100	\$ 192,000	
456 - Other Permits	\$ 593,044	\$ 534,190	\$ 473,806	\$ 738,285	\$ 489,000	
<b>Total Category: 42 - PERMITS:</b>	<b>\$ 3,667,675</b>	<b>\$ 4,498,939</b>	<b>\$ 2,530,284</b>	<b>\$ 5,167,885</b>	<b>\$ 2,628,000</b>	
<b>Category: 45 - INTERGOVERNMENTAL</b>						
465 - State	\$ 7,288	\$ 31,935	\$ -	\$ 21,288	\$ -	
470 - Local	\$ -	\$ 9,257	\$ 2,550	\$ -	\$ 2,550	
<b>Total Category: 45 - INTERGOVERNMENTAL:</b>	<b>\$ 7,288</b>	<b>\$ 41,192</b>	<b>\$ 2,550</b>	<b>\$ 21,288</b>	<b>\$ 2,550</b>	
<b>Category: 47 - CHARGES FOR SERVICE</b>						
500 - Sanitation	\$ 6,164,947	\$ 6,899,715	\$ 131,257	\$ -	\$ 138,676	
505 - Animal Control	\$ 207,398	\$ 99,596	\$ 80,890	\$ 118,000	\$ 85,000	
510 - Community Development	\$ 4,019	\$ 5,440	\$ 5,362	\$ 5,000	\$ 5,600	
515 - Public Works	\$ 42,238	\$ 9,445	\$ 11,956	\$ 13,000	\$ 13,500	
525 - Abatements	\$ 49,253	\$ 32,216	\$ 40,412	\$ 66,000	\$ 55,000	
530 - Public Safety	\$ 367,259	\$ 224,863	\$ 201,337	\$ 259,460	\$ 320,000	
535 - Facilities	\$ 160,462	\$ 168,136	\$ 101,948	\$ 125,000	\$ 109,000	
540 - Programs	\$ 139,363	\$ 146,611	\$ 77,882	\$ 110,500	\$ 78,000	
545 - Other	\$ 63,041	\$ 109,700	\$ 137,218	\$ 68,450	\$ 137,000	
<b>Total Category: 47 - CHARGES FOR SERVICE:</b>	<b>\$ 7,197,979</b>	<b>\$ 7,695,722</b>	<b>\$ 788,263</b>	<b>\$ 765,410</b>	<b>\$ 941,776</b>	
<b>Category: 50 - FINES AND FORFEITURES</b>						
555 - Vehicle	\$ 92,147	\$ 76,730	\$ 67,505	\$ 111,780	\$ 75,000	
557 - Other	\$ 3,892	\$ 27,177	\$ 25,247	\$ 22,070	\$ 26,000	

<b>Total Category: 50 - FINES AND FORFEITURES:</b>	\$ 96,038	\$ 103,907	\$ 92,752	\$ 133,850	\$ 101,000	
<b>Category: 53 - COST RECOVERY</b>						
465 - State	\$ -	\$ 8,889	\$ 24,870	\$ -	\$ 26,000	
565 - Other Income	\$ 327,482	\$ 505,279	\$ 423,432	\$ -	\$ 565,000	
<b>Total Category: 53 - COST RECOVERY:</b>	\$ 327,482	\$ 514,169	\$ 448,302	\$ -	\$ 591,000	
<b>Category: 54 - MISCELLANEOUS REVENUES</b>						
560 - Investment Earnings	\$ 4,397	\$ 1,437	\$ 106,383	\$ 1,000	\$ 122,000	
565 - Other Income	\$ 28,133	\$ 19,933	\$ 159,048	\$ 146,500	\$ 193,000	
<b>Total Category: 54 - MISCELLANEOUS REVENUES:</b>	\$ 32,531	\$ 21,370	\$ 265,431	\$ 147,500	\$ 315,000	
<b>Category: 58 - OTHER FINANCING SOURCES</b>						
595 - Sale of Assets	\$ 5,342	\$ 20,629	\$ 27,431	\$ 5,000	\$ 27,431	
599 - Other	\$ -	\$ 174,956	\$ -	\$ -	\$ -	
<b>Total Category: 58 - OTHER FINANCING SOURCES:</b>	\$ 5,342	\$ 195,585	\$ 27,431	\$ 5,000	\$ 27,431	
<b>Category: 90 - TRANSFERS</b>						
900 - Transfers	\$ (21,611)	\$ 130,300	\$ 1,831,408	\$ 6,121,237	\$ 6,121,000	
<b>Total Category: 90 - TRANSFERS:</b>	\$ (21,611)	\$ 130,300	\$ 1,831,408	\$ 6,121,237	\$ 6,121,000	
<b>Total Revenue:</b>	<b>\$ 26,786,029</b>	<b>\$ 27,322,703</b>	<b>\$ 26,678,352</b>	<b>\$ 37,914,436</b>	<b>\$ 37,188,173</b>	
<b>Expense</b>						
<b>Category: 60 - PERSONNEL SERVICES</b>						
600 - SALARIES AND WAGES	\$ 8,708,758	\$ 9,929,543	\$ 10,570,406	\$ 12,724,112	\$ 11,700,000	
610 - BENEFITS	\$ 3,897,463	\$ 4,737,800	\$ 5,182,756	\$ 6,559,431	\$ 6,370,000	
615 - OTHER	\$ 364,392	\$ 675,779	\$ 766,003	\$ 469,089	\$ 912,000	
<b>Total Category: 60 - PERSONNEL SERVICES:</b>	\$ 12,970,613	\$ 15,343,122	\$ 16,519,165	\$ 19,752,632	\$ 18,982,000	Personnel Costs will end under budget
<b>Category: 65 - OPERATING COSTS</b>						
650 - UTILITIES	\$ 1,259,021	\$ 1,507,360	\$ 1,514,281	\$ 2,014,300	\$ 1,970,000	
655 - ADMINISTRATIVE	\$ 351,488	\$ 367,600	\$ 337,575	\$ 370,237	\$ 396,000	
660 - FLEET COSTS	\$ 378,081	\$ 308,295	\$ 366,717	\$ 364,062	\$ 412,000	
665 - PROGRAM COSTS	\$ 504,657	\$ 481,179	\$ 469,881	\$ 493,200	\$ 592,000	
670 - REPAIRS AND MAINTENANCE	\$ 398,469	\$ 366,666	\$ 291,163	\$ 538,039	\$ 382,000	
675 - SUPPLIES	\$ 275,628	\$ 300,349	\$ 296,388	\$ 524,183	\$ 345,000	
680 - SPECIAL SERVICES	\$ 5,365,825	\$ 5,985,422	\$ 612,648	\$ 1,061,000	\$ 732,000	
690 - CONTRACTUAL SERVICES	\$ 3,796,263	\$ 3,658,019	\$ 4,245,472	\$ 6,529,503	\$ 5,827,000	
697 - ADMIN OVERHEAD	\$ (525,000)	\$ (534,000)	\$ (562,500)	\$ (750,000)	\$ (750,000)	
699 - OTHER	\$ 819,378	\$ 986,811	\$ 1,201,391	\$ 1,347,311	\$ 1,497,000	
<b>Total Category: 65 - OPERATING COSTS:</b>	\$ 12,623,810	\$ 13,427,700	\$ 8,773,015	\$ 12,491,835	\$ 11,403,000	Operating costs will end under budget
<b>Category: 70 - CAPITAL IMPROVEMENTS</b>						
700 - EQUIPMENT	\$ 75,224	\$ 410,200	\$ 47,595	\$ 110,950	\$ 63,000	
703 - FURNITURE	\$ 19,609	\$ -	\$ 9,082	\$ 6,038	\$ 9,082	
705 - VEHICLE	\$ 485,844	\$ 174,479	\$ 250,088	\$ 351,020	\$ 317,000	
710 - STRUCTURE	\$ -	\$ 8,019	\$ -	\$ -	\$ -	
750 - OTHER	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Total Category: 70 - CAPITAL IMPROVEMENTS:</b>	\$ 580,677	\$ 592,698	\$ 306,765	\$ 468,009	\$ 389,082	
<b>Category: 77 - CONTINGENCY</b>						
770 - CONTINGENCY	\$ -	\$ 30,000	\$ -	\$ 47,961	\$ -	
<b>Total Category: 77 - CONTINGENCY:</b>	\$ -	\$ 30,000	\$ -	\$ 47,961	\$ -	
<b>Category: 78 - CAPITAL OUTLAY</b>						
780 - CAPITAL OUTLAY	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Total Category: 78 - CAPITAL OUTLAY:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Category: 80 - DEBT SERVICE</b>						

800 - Debt Service	\$	-	\$	-	\$	-	\$	-
<b>Total Category: 80 - DEBT SERVICE:</b>	\$	-	\$	-	\$	-	\$	-
<b>Category: 90 - TRANSFERS</b>								
900 - Transfers	\$	-	\$	43,985	\$	45,194	\$	154,000
<b>Total Category: 90 - TRANSFERS:</b>	\$	-	\$	43,985	\$	45,194	\$	154,000
<b>Total Expense:</b>	\$	26,175,100	\$	29,437,505	\$	25,644,140	\$	32,914,436
<b>Revenues Less Expenses</b>	\$	612,311	\$	(2,042,159)	\$	958,238	\$	5,000,000
	\$		\$		\$		\$	6,368,897

Overall Analysis: The General Fund is tracking to have a surplus (revenues exceeding expenses) of \$6.2 to \$6.7 million. The projection has been revised upward due to some increases in revenues beyond anticipated and reductions in projected expenditures. The surplus is largely due to the receipt of a one-time \$5 million solid waste retention fee. Expense savings provides the remainder of the surplus.



# Budget Comparison Report

## FY 2020 Waste Water Fund through May 2020

SubCategory	2017-2018 YTD Activity Through Per	2018-2019 YTD Activity Through Per	2019-2020 YTD Activity Through Per	Parent Budget	FY 2020	
				2019-2020 REV 2	Estimated Results	
<b>Fund: 700 - WASTEWATER FUND</b>						
<b>Revenue</b>						
<b>Category: 50 - FINES AND FORFEITURES</b>						
557 - Other	\$ -	\$ 9,000	\$ 1,000	\$ -	\$ 1,000	
<b>Total Category: 50 - FINES AND FORFEITURES:</b>	<b>\$ -</b>	<b>\$ 9,000</b>	<b>\$ 1,000</b>	<b>\$ -</b>		
<b>Category: 53 - COST RECOVERY</b>						
565 - Other Income	\$ 11,312	\$ -	\$ 6,236	\$ -	\$ 6,236	
<b>Total Category: 53 - COST RECOVERY:</b>	<b>\$ 11,312</b>	<b>\$ -</b>	<b>\$ 6,236</b>	<b>\$ -</b>		
<b>Category: 54 - MISCELLANEOUS REVENUES</b>						
560 - Investment Earnings	\$ -	\$ 70,544	\$ 40,158	\$ 75,000	\$ 58,500	
<b>Total Category: 54 - MISCELLANEOUS REVENUES:</b>	<b>\$ -</b>	<b>\$ 70,544</b>	<b>\$ 40,158</b>	<b>\$ 75,000</b>		
<b>Category: 56 - PROPRIETARY REVENUES</b>						
570 - WasteWater	\$ 6,697,431	\$ 7,300,995	\$ 8,411,821	\$ 9,862,625	\$ 10,035,000	5 of 6 payments received
<b>Total Category: 56 - PROPRIETARY REVENUES:</b>	<b>\$ 6,697,431</b>	<b>\$ 7,300,995</b>	<b>\$ 8,411,821</b>	<b>\$ 9,862,625</b>	<b>\$ 10,035,000</b>	
<b>Category: 58 - OTHER FINANCING SOURCES</b>						
595 - Sale of Assets	\$ -	\$ 635	\$ -	\$ -		
599 - Other	\$ -	\$ 831	\$ 780	\$ -	\$ 780	
<b>Total Category: 58 - OTHER FINANCING SOURCES:</b>	<b>\$ -</b>	<b>\$ 1,466</b>	<b>\$ 780</b>	<b>\$ -</b>		
<b>Category: 90 - TRANSFERS</b>						
900 - Transfers	\$ (3,955,106)	\$ (100,000)	\$ -	\$ -	\$ -	
<b>Total Category: 90 - TRANSFERS:</b>	<b>\$ (3,955,106)</b>	<b>\$ (100,000)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Total Revenue:</b>	<b>\$ 2,753,637</b>	<b>\$ 7,282,005</b>	<b>\$ 8,459,995</b>	<b>\$ 9,937,625</b>	<b>\$ 10,101,516</b>	Tracking very close to budget
<b>Expense</b>						
<b>Category: 60 - PERSONNEL SERVICES</b>						
600 - SALARIES AND WAGES	\$ 169,920	\$ 552,597	\$ 984,667	\$ 1,313,356	\$ 1,098,000	
610 - BENEFITS	\$ 73,094	\$ 207,092	\$ 289,075	\$ 543,485	\$ 418,500	
615 - OTHER	\$ 2,655	\$ 9,295	\$ 16,253	\$ 38,528	\$ 34,700	
<b>Total Category: 60 - PERSONNEL SERVICES:</b>	<b>\$ 245,669</b>	<b>\$ 768,983</b>	<b>\$ 1,289,995</b>	<b>\$ 1,895,369</b>	<b>\$ 1,551,200</b>	Tracking below budget
<b>Category: 65 - OPERATING COSTS</b>						
650 - UTILITIES	\$ 598,482	\$ 655,164	\$ 719,761	\$ 827,618	\$ 839,000	
655 - ADMINISTRATIVE	\$ 112,680	\$ 116,643	\$ 103,556	\$ 90,946	\$ 152,000	
660 - FLEET COSTS	\$ 12,801	\$ 12,952	\$ 22,812	\$ 36,880	\$ 31,600	
670 - REPAIRS AND MAINTENANCE	\$ 30,651	\$ 73,334	\$ 43,720	\$ 115,500	\$ 57,000	
675 - SUPPLIES	\$ 180,633	\$ 232,826	\$ 161,181	\$ 321,610	\$ 176,300	

690 - CONTRACTUAL SERVICES	\$ 1,297,307	\$ 1,113,240	\$ 691,701	\$ 1,147,140	\$ 907,000
697 - ADMIN OVERHEAD	\$ 450,000	\$ 459,000	\$ 487,500	\$ 650,000	\$ 650,000
699 - OTHER	\$ 13,812	\$ 85,872	\$ 103,265	\$ 233,304	\$ 121,000
<b>Total Category: 65 - OPERATING COSTS:</b>	<b>\$ 2,696,367</b>	<b>\$ 2,749,030</b>	<b>\$ 2,333,495</b>	<b>\$ 3,422,998</b>	<b>\$ 2,933,900</b>
					Expected to finish under budget
<b>Category: 70 - CAPITAL IMPROVEMENTS</b>					
700 - EQUIPMENT	\$ -	\$ 69,588	\$ 29,498	\$ 10,000	\$ 34,000
750 - Contingency	\$ -	\$ -	\$ 353,147	\$ 500,000	\$ 463,600
<b>Total Category: 70 - CAPITAL IMPROVEMENTS:</b>	<b>\$ -</b>	<b>\$ 69,588</b>	<b>\$ 382,645</b>	<b>\$ 510,000</b>	<b>\$ 497,600</b>
<b>Category: 90 - TRANSFERS</b>					
900 - Transfers	\$ -	\$ -	\$ 3,858,375	\$ 4,732,326	\$ 4,751,877
<b>Total Category: 90 - TRANSFERS:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,858,375</b>	<b>\$ 4,732,326</b>	<b>\$ 4,751,877</b>
<b>Total Expense:</b>	<b>\$ 2,942,036</b>	<b>\$ 3,587,601</b>	<b>\$ 7,864,511</b>	<b>\$ 10,560,693</b>	<b>\$ 9,734,577</b>
<b>Total Fund: 700 - WASTEWATER FUND:</b>	<b>\$ (188,399)</b>	<b>\$ 3,694,404</b>	<b>\$ 595,484</b>	<b>\$ (623,068)</b>	<b>\$ 366,939</b>

Overall Evaluation: The wastewater fund is expected to finish the year with an operating surplus of \$300K to \$400K. Revenues are tracking slightly higher than budgeted and expenses are tracking below budget.





## Staff Report

**TO:** City Council  
**FROM:** Christina Taylor, Community Development Director  
**DATE:** July 21, 2020  
**SUBJECT:** Continued Public Hearing to Consider Proposed Addition of Chapter 8.55 Regulation of Shopping Carts to the Beaumont Municipal Code

---

### Background and Analysis:

Many retail establishments provide shopping carts for the convenience of customers, however, shopping carts removed from businesses and left abandoned on public or private property throughout the City constitute a public nuisance and a potential hazard to the health and safety of the public, cause blight in the community, results in the obstruction of free access to public and private sidewalks, streets, parking lots and other ways, interferes with pedestrian and vehicular traffic on public and private streets, and impedes emergency services. In order to minimize the impact of this nuisance, City staff collects and stores abandoned shopping carts while attempting to make contact with the businesses to arrange for carts to be picked up. This has proven to be a strain on City staff time and resources.

On February 4, 2020, citing the issues stated above, City staff requested direction from City Council regarding preparing a shopping cart ordinance. Council directed staff to proceed with preparing an ordinance. After researching how other Inland Empire cities have addressed shopping cart issues, City staff prepared the proposed ordinance.

The ordinance contains the following sections:

- 8.55.010 Declaration of public nuisance**
- 8.55.020 Definitions**
- 8.55.030 Cart containment and retrieval plan**
- 8.55.040 Plan submission and approval**
- 8.55.050 Penalties for failing to submit or implement a plan**
- 8.55.060 Appeals**
- 8.55.070 Unlawful acts by persons**
- 8.55.080 Enforcement**
- 8.55.090 Shopping cart abatement**

## **8.55.100 Procedures for abatement**

### **8.55.110 Fee**

Each section serves a purpose in addressing the City's needs while providing a clear path for business operators to obtain and maintain compliance. The crux of the ordinance revolves around Chapter 8.55.030 Cart Containment and Retrieval Plan. The containment plan establishes requirements for cart identification, prevention measures and mandatory cart retrieval. The ordinance also provides the opportunity for businesses located within the same center to collaborate on a plan.

A plan will be reviewed administratively by City staff and either approved or denied within 30 calendar days. The ordinance provides for modification of a plan if site circumstances change and requires an annual review and recertification of a plan. Chapter 8.55.040 (B) calls for existing retail establishments to submit a plan for review within 60 days of adoption of this ordinance. City staff will be reaching out to individual businesses that fit the criteria and will work with them to establish compliance.

In the event a business is non-compliant, the ordinance provides procedures for obtaining compliance. Chapters 8.55.080 – 8.55.100 establish guidelines and options for addressing shopping carts found outside of a center boundary. The ordinance provides options for notification and removal of carts that allows some flexibility for both the City and the owner depending on the nature of the nuisance.

There is also a cost recovery component for review and approval of a shopping cart containment plan and for the abatement of cart nuisances. The ordinance establishes the use of the administrative citation process in Chapter 1.17 or Chapter 8.32 of the Beaumont Municipal Code. The fee for review and approval of a cart containment plan is being studied and will be presented at City Council for approval prior to implementation. By law, a fee cannot exceed the cost of City staff time necessary to complete the work.

This item was presented at Planning Commission on June 9, 2020. The Commission forwarded a recommendation of approval of the ordinance to City Council after discussion of the following:

- **Laundry Carts:** should laundry carts be included? We don't see an issue with laundry carts abandoned throughout the City and small businesses may be burdened with having to prepare a plan and label the carts.
- **8.55.040 Plan submission and approval (B) Existing Retail Establishments:** The ordinance requires existing businesses provide a cart retrieval plan for review within 60 days of the adoption of this ordinance. City staff has a letter prepared to reach out to businesses and will work with existing businesses to identify cart

containment methods currently in practice that are working and develop a path to implement additional methods where needed.

- 8.55.040 Plan submission and approval (D) Plan Modification: Any addition of carts to a business should be reported to the Planning Department immediately instead of waiting for the cart plan renewal. City staff has inserted language in the ordinance requiring an addition of more than ten carts be reported to the Planning Department within ten days.
- 8.55.100 Procedures for abatement (g) Disposal of carts: The ordinance provides for method of disposal of carts at the City's discretion. Commission suggested recycling should be the first option for cart disposal. City staff has inserted language to this effect.

**Fiscal Impact:**

Cost of City staff time to research and prepare the proposed ordinance is approximately \$1,000. Adoption of this ordinance will provide for cost recovery of service performed.

**Recommended Action:**

Hold the continued public hearing, and  
Waive the first full reading and approve by title only, the addition of "Chapter 8.55 Regulation of Shopping Carts" to the Beaumont Municipal Code.

**Attachments:**

- A. Draft Ordinance Chapter 8.55 Regulation of Shopping Carts

**ORDINANCE NO.**

**AN ORDINANCE OF THE CITY COUNCIL OF THE  
CITY OF BEAUMONT, CALIFORNIA  
ADDING CHAPTER 8.55 “REGULATION OF SHOPPING CARTS”  
TO THE BEAUMONT MUNICIPAL CODE**

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BEAUMONT DOES  
ORDAIN AS FOLLOWS:**

**SECTION 1. CEQA.** The City Council finds that the actions contemplated by this Ordinance are exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15060 (c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

**SECTION 2. Severability.** The City Council hereby declares that if any provision, section, paragraph, sentence, or word of this Ordinance is rendered or declared to be invalid or unconstitutional by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, such invalidity shall not affect the other provisions, sections, paragraphs, sentences or words of this Ordinance, and to this end the provisions of this Ordinance are severable. The City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance enforced.

**SECTION 3. Violation of Prior Ordinances.** Neither the adoption of this Ordinance nor the repeal of any other ordinance of this City shall in any manner affect the prosecution of any violation of any City ordinance or provision of the City of Beaumont Municipal Code, committed prior to the effective date hereof, nor be construed as a waiver of any penalty or the penal provisions applicable to any violation thereof.

**SECTION 4.** The City Council hereby amends Title 17, to add Chapter 8.55, entitled “Regulation of Shopping Carts” to the Beaumont Municipal Code, to read as specifically set forth in Exhibit “A”, which Exhibit is attached hereto and made a part hereof.

**Chapter 8.55**  
**REGULATION OF SHOPPING CARTS**

**Sections:**

- 8.55.010 Declaration of Public Nuisance.
- 8.55.020 Definitions.
- 8.55.030 Cart Containment and Retrieval Plan.
- 8.55.040 Plan Submission and Approval.
- 8.55.050 Penalties for Failing to Submit or Implement a Plan.
- 8.55.060 Appeals.

- 8.55.070 Unlawful Acts by Persons.
- 8.55.080 Enforcement.
- 8.55.090 Shopping Cart Abatement.
- 8.55.100 Procedures for Abatement.
- 8.55.110 Fee.

**8.55.010- Declaration of public nuisance.**

Many retail establishments provide shopping carts for the convenience of customers while shopping on the premises of such businesses. However, shopping carts removed from the premises of such businesses and left abandoned on public or private property throughout the City constitute a public nuisance and a potential hazard to the health and safety of the public. The proliferation of removed and abandoned shopping carts on public and private property causes blight in the community, results in the obstruction of free access to public and private sidewalks, streets, parking lots and other ways, interferes with pedestrian and vehicular traffic on public and private streets, and impedes emergency services. For these reasons, such removed or abandoned shopping carts are hereby declared to be a public nuisance which shall be subject to abatement in the manner set forth in this division or in any other manner provided by law. The purpose of this division is to set forth regulations to ensure that reasonable measures are taken by the owners and operators of retail establishments to either prevent the removal of shopping carts from the premises, or provide for the prompt retrieval of removed or abandoned shopping carts, to complement and supplement provisions of state law, and to adopt local regulations to the extent not otherwise preempted by state statute.

**8.55.020 Definitions.**

Except as otherwise expressly set forth herein, the following words and terms as used in this Chapter shall have the following meanings:

- A. *Abandoned* means a shopping cart which is left unattended or discarded upon any public or private property other than the premises of the retail establishment from which the shopping cart was removed, regardless of whether such shopping cart was removed from the premises with or without the permission of the owner. For purposes of this Chapter, any shopping cart left unattended or discarded on any public property shall be presumed abandoned, and any shopping cart left unattended or discarded on any private property shall be presumed abandoned unless the owner or occupant of the private property is: (i) the owner, or an employee or authorized agent of the owner, entitled to possession of

said shopping cart, (ii) an officer, employee or agent of a cart retrieval service hired by the owner to retrieve shopping carts, or (iii) is enforcement personnel retrieving, storing or disposing of a cart pursuant to the provisions of this Chapter.

- B. *City* means the City of Beaumont, California.
- C. *Community development director* means the Community Development Director of the City.
- D. *Customer* means any person who enters the premises of a retail establishment.
- E. *Enforcement personnel* means any police officer or code enforcement officer employed by the City, or otherwise designated by the City Manager.
- F. *Owner* means any owner, manager, or operator of any retail establishment.
- G. *Parking area* means a parking lot or other property provided by a retail establishment for the use of customers of the retail establishment for parking of customer vehicles. The parking area of a retail establishment located in a multi-store complex or shopping center shall include the entire parking area used by the multi-store complex or shopping center.
- H. *Parkway* means that area between the sidewalks and the curb of any street, and where there is no sidewalk, that area between the edge of the roadway and the adjacent property line. Parkway shall also include any area within a roadway which is not open to vehicular travel.
- I. *Planning commission* means the planning commission of the City.
- J. *Premises* means any building, property or other area upon which any retail establishment is conducted or operated in the City, including the parking area provided for customers of such retail establishment.
- K. *Public property* means and includes, but is not limited to, all that area dedicated to public use for public street purposes, civic purposes, roadways, parks, parkways, alleys, sidewalks, flood control channels and any other public right-of-way.
- L. *Removed* means a shopping cart which is removed from the premises of a retail establishment by any person without the written permission or consent of the owner of the shopping cart.
- M. *Retail establishment* means any business located in the City which offers or provides shopping carts for the use of the customers of such business regardless of whether such business is advertised or operated as a retail or wholesale business, and regardless of

whether such business is open to the general public, or is a private club or business, or is a membership store.

- N. *Shopping cart* or *cart* means a basket or platform which is mounted on wheels or a similar device generally used in a retail establishment by a customer for the purpose of transporting goods of any kind. The term 'shopping cart' or 'cart' includes a laundry cart.

#### **8.55.030 - Cart containment and retrieval plan.**

Except as otherwise provided in this Chapter, every owner who provides shopping carts to customers for use on the premises of any retail establishment shall develop, implement and comply with the provisions of a written plan approved by the City to prevent customers from removing shopping carts from the premises of such business and to provide for the retrieval of removed or abandoned shopping carts which have been removed from the premises of the retail establishment (the "plan"), and shall demonstrate compliance with all other purposes and provisions of this Chapter. The plan, at a minimum, shall include the following elements:

- A. *Owner information.* The name of the owner; the physical address where the retail establishment is conducted; and the name, address, and telephone number(s) of the owner and all on-site managers, including any changes of such persons.
- B. *Cart inventory.* The number of carts to be used or located on the premises.
- C. *Signs affixed to carts.* Every shopping cart made available for use by customers shall have a sign permanently affixed to it that identifies the owner of the cart; notifies the public that the unauthorized removal of the cart from the premises of the retail establishment, or the unauthorized possession of the cart, is a violation of state and local law, and lists a valid telephone number and address for returning the cart removed from the premises to the owner.
- D. *Notice to customers.* Written notice shall be provided to customers, that removal of shopping carts from the premises is prohibited by state law. The plan shall identify the specific measures to be implemented to comply with this notice requirement. In addition, signs shall be placed and maintained on the premises near all customer entrances and exits throughout the premises, including the cart storage areas, warning customers that removal of shopping carts from the premises is prohibited by state law.
- E. *Prevention measures.* A description of the specific measures that the business owner will implement to prevent removal of any cart from the business premises. Such measures

may include, but are not limited to, electronic or other disabling devices on any cart so they cannot be removed from the business premises; management practices; use of courtesy clerks to accompany customers and return carts to the inside of the business premises; use of security personnel to prevent removal; security deposits for cart usage; and other proven measures acceptable to the City that are likely to prevent removal of carts from the business premises.

- F. *New development requirements.* New developments and businesses of over 5,000 square feet in area or having more than ten carts shall be required to install a wheel lock containment system, or similar system, to the satisfaction of the Community Development Director prior to the issuance of a certificate of occupancy for the facility.
- G. *Mandatory cart retrieval operations.* The procedure by which the business owner or qualified cart retrieval service will search, find and return carts removed from the business premises. The cart retrieval operation must demonstrate that carts will be actively located within one mile of the business premises and respond to complaints from the public or notifications from City enforcement personnel in a manner which results in the retrieval of carts within 24 hours of receiving the notification. If a business owner contracts with a cart retrieval service, the retrieval service must be a City licensed and approved service and shall not place limits on daily loads or days per week to retrieve carts within the City. The owner shall provide written authorization to all retrieval personnel, which authorization shall be carried by each such person while performing cart retrieval services on behalf of the owner and shall be provided to any enforcement personnel upon request. Each vehicle used by retrieval personnel shall bear conspicuous signs on the vehicle identifying either the name of the retail establishment for which such retrieval service is being performed or, if applicable, the name of the cart retrieval service with which the retail establishment has contracted for such services.
- H. *Employee training.* The owner of the retail establishment shall implement and maintain a periodic training program for its new and existing employees designed to educate such employees concerning the requirements of the plan and the provisions of state and local law prohibiting the unauthorized removal of shopping carts from the premises of the retail establishment. The plan shall expressly describe the employee training program.

- I. *Daily cart confinement.* All shopping carts located on the premises of the retail establishment (other than an establishment open for business 24 hours per day) shall be collected at the end of each business day by employees of the retail establishment and shall be collectively confined in a secure manner in the cart confinement area, as designated in the approved plan, until the commencement of the next business day. All shopping carts located on the premises of any retail establishment open for business 24 hours per day, other than carts then currently in use by a customer or patron, shall be collected by employees of the retail establishment and returned to the cart confinement area, as designated in approved plan, at least once per calendar day between the hours of 9:00 p.m. and midnight on each day the retail establishment is open for business. The provisions of this subsection shall not apply to any shopping carts located within an enclosed building.
- J. *Collaboration with other businesses.* Two or more retail establishments located within the same shopping or retail center or sharing a common parking area may collaborate and submit a single plan.
- K. *Additional information.* Any other information deemed appropriate by the Community Development Director to ensure compliance with this Chapter and specified within the plan application.
- L. *Exemptions.* The requirements of this Chapter shall not apply to any retail establishment which provides a total of less than ten (10) shopping carts for use by customers of such business.

**8.55.040 - Plan submission and approval.**

- A. *New or relocated retail establishments.* Unless otherwise expressly exempt hereunder, each new retail establishment, and any existing retail establishment relocating to a different location with the City, shall submit a proposed plan complying with the requirements of this Chapter to the Community Development Director, and obtain approval thereof by the City, prior to the issuance of a business license or certificate of occupancy, whichever occurs first. Each proposed plan shall be accompanied by a processing and inspection fee in an amount as set by resolution of the City Council. No proposed plan shall be accepted for filing and processing by the Community Development Director unless accompanied by the fee established by the City Council.

- B. *Existing retail establishments.* Unless otherwise expressly exempt hereunder, each existing retail establishment shall submit a proposed plan complying with the requirements of this Chapter to the Community Development Director within 60 calendar days following the date of adoption of this ordinance. Each proposed plan shall be accompanied by a processing and inspection fee in an amount as set by resolution of the City Council. No proposed plan shall be accepted for filing and processing by the Community Development Director unless accompanied by the fee as established by the City Council.
- C. *Plan review and approval.*
- (1) Upon the filing of any proposed plan pursuant to this Chapter and receipt of the required processing fee, the Community Development Director shall review the proposed plan and either approve, revise or deny the proposed plan within 30 calendar days following the receipt thereof by the Community Development Director.
  - (2) If approved, the plan shall be implemented no later than 30 days from the date of notification to the owner of the approval. An inspection by enforcement personnel shall be made of the premises to confirm compliance at the conclusion of the 30-day period.
  - (3) The decision of the Community Development Director shall be made in writing and notice thereof shall be transmitted to the owner of the retail establishment. If the proposed plan is denied, the notice of decision given to the owner shall state the grounds upon which the proposed plan was denied. The owner may appeal a decision of the Community Development Director in the time and manner provided in Chapter 1.16.
  - (4) The Community Development Director may deny a plan based upon any of the following grounds:
    - a. Implementation of the plan would violate provisions of the building, zoning, health, safety, fire, police or other municipal codes, or any county, state, or federal law that substantially affects public health, welfare or safety;
    - b. The plan fails to include all the information required by this Chapter;
    - c. The plan is insufficient or inadequate to deter removal of carts from the owner's premises;
    - d. The plan fails to address any special or unique conditions, due to the geographical location of the premises, as they relate to cart retention and prevention efforts;

- e. Implementation of the plan would violate a term or condition of another City policy or requirement of this Code;
  - f. The owner has knowingly made a false statement of fact, or omits a fact required to be revealed in an application for a plan, or in any addendum or report or other information required to be provided regarding the plan.
- (5) If the plan is rejected as incomplete or inadequate, the Community Development Director shall indicate the areas of incompleteness or inadequacy, and the owner shall have an additional 15 days in which to resubmit a corrected plan.
- D. *Plan modification.* At any time, subsequent to the Community Development Director's approval of a plan, the owner may request a modification of a previously approved plan to address a change in circumstances, an unanticipated physical or economic impact of the plan, or a need to modify an ineffective plan. Each proposed amendment shall be accompanied by a processing fee in an amount as set by resolution of the City Council. No proposed amendment shall be accepted for filing and processing by the Community Development Director unless accompanied by the processing fee as established by the City Council. Any addition of carts to a business shall be reported to the Planning Department within 10 days.
- E. *Annual renewal.* Every owner that is subject to this Chapter shall annually update the plan on file with the community development department, on or before the annual renewal of the retail establishments' business license. The update shall include any changes, additions or modifications to the plan; or a declaration that the information contained in the plan is still accurate and in full force and effect. Notwithstanding the forgoing, retail establishments that have installed a physical containment system, (such as wheel locks or similar electronic devices), that has been found to effectively deter the removal of carts from the premises and subsequently being abandoned on public and private property, will be subject to renewal of the plan once every three years.

**8.55.050 - Penalties for failing to submit or implement a plan.**

Any owner that fails to submit a plan, implement the proposed plan measures, or implement any required modifications to the plan by the City within the time frames specified in this division shall be subject enforcement proceedings and penalties pursuant to Chapter 1.16 of this Code.

**8.55.060 - Appeals.**

Any owner aggrieved by any adverse decision of the Community Development Director pursuant to this division may appeal such decision pursuant to Chapter 1.16 of this Code.

**8.55.070 - Unlawful acts by persons.**

It is unlawful for any person to do any of the following acts:

- A. To remove a shopping cart from the premises of a retail establishment with the intent to temporarily or permanently deprive the owner of possession of the cart.
- B. To be in possession of any shopping cart while that cart is not located on the premises of a retail establishment, with the intent to temporarily or permanently deprive the owner of possession of the cart.
- C. To be in possession of any shopping cart with serial numbers removed, obliterated, or altered, with the intent to temporarily or permanently deprive the owner of possession of the cart.
- D. To abandon a shopping cart at a location other than the premises of the retail establishment with the intent to temporarily or permanently deprive the owner of possession of the cart.
- E. To alter, convert, or tamper with a shopping cart, or to remove any part or portion thereof or to remove, obliterate or alter serial numbers on a cart, or to remove a sign required by this division from a cart, with the intent to temporarily or permanently deprive the owner of possession of the cart.

**8.55.080 -Enforcement.**

- A. The provisions of this Chapter shall be administered and enforced by enforcement personnel. In the enforcement of this division, enforcement personnel may enter upon public property which the City owns or has a right to enter to examine a shopping cart or parts thereof, or to obtain information as to the identity of a shopping cart and remove, or cause removal of, a shopping cart, or parts thereof, declared to be a nuisance pursuant to this division. Enforcement personnel may enter upon public property which the City does not own or have a right to enter or private property to enforce the provisions of this division after obtaining

permission to enter from the owner or occupant of the property or after obtaining a warrant from a court of competent jurisdiction authorizing entry onto the property.

- B. The City may enforce violations of this division by use of administrative citations as provided in Chapter 1.17 or 8.32. of this Code, and by any other means authorized in this Code.

**8.55.090 - Shopping cart abatement.**

Upon discovering the existence of a removed or abandoned shopping cart which is not properly identified as belonging to a particular retail establishment, or parts thereof, on public or private property within the City, enforcement personnel shall have the authority to cause the abatement and removal thereof in accordance with the procedures described in this Chapter.

**8.55.100 - Procedures for abatement.**

- A. *Shopping carts with signs affixed.* A removed or abandoned shopping cart that has a sign affixed to it may be impounded by enforcement personnel pursuant to either of the following procedures.

- (1) Upon the discovery of a removed or abandoned cart, enforcement personnel give the owner of the cart notice of the cart's discovery and location. If three days after such notice is given the cart has not been retrieved by the owner or his or her agent, enforcement personnel may impound the cart. The owner of any cart impounded pursuant to this subsection (a)(1) shall be subject to any applicable fee or fine imposed pursuant to subdivision (e) or (f). A cart impounded pursuant to this subsection (a)(1) that is not reclaimed within 30 days of the owner's receipt of the notice provided for herein shall be disposed of pursuant to subsection (g).
- (2) Upon the discovery of a removed or abandoned cart, enforcement personnel shall immediately impound the cart and give the owner of the cart actual notice that the cart has been impounded within 24 hours of the impoundment. Any shopping cart impounded pursuant to this subsection (a)(2) that is reclaimed within three business days following the date of actual notice to the owner shall be released and surrendered to the owner or his or her agent at no charge whatsoever, including the waiver of any impound and storage fees or fines that would otherwise be applicable pursuant to subdivision (e) or (f) of this section. Any cart reclaimed within the three business day period shall not be deemed an

occurrence for the purposes of subdivision (f) of this section. The owner of any cart impounded pursuant to this subsection (a)(2) that is not reclaimed within three business days following the date of actual notice to the owner shall be subject to any applicable fee or fine imposed pursuant to subdivision (e) or (f) commencing on the fourth business day following the date of the notice. Any cart not reclaimed within 30 days of the actual notice provided to the owner of the cart shall be disposed of pursuant to subsection (g).

- B. *Shopping carts without signs affixed.* A removed or abandoned shopping cart that does not have a sign affixed to it identifying the owner may be impounded immediately upon its discovery by enforcement personnel. Carts impounded pursuant to this subsection (b) may be disposed of immediately.
- C. *Emergency removal.* Notwithstanding subsection (a) of this section, a removed or abandoned shopping cart with a sign affixed to it identifying the owner may be impounded immediately if the location of the shopping cart will impede emergency services. Enforcement personnel shall give the owner or his or her authorized agent notice of the impoundment within three business days of the impoundment. The owner of any cart impounded pursuant to this subsection (c) shall be subject to any applicable fee or fine imposed pursuant to subdivision (e) or (f). Any cart not reclaimed within 30 days of the date the owner of the cart receives notice of its impoundment shall be disposed of pursuant to subsection (g).
- D. *Impound location.* Any shopping cart that is impounded by the enforcement personnel pursuant to this division shall be held at a location that is reasonably convenient to the owner of the shopping cart and open for business at least six hours of each business day. The City's corporate yard is centrally located within the City and open at least six hours each business day, and the City finds that holding impounded shopping carts at the corporate yard satisfies the requirements of this subsection.
- E. *Recovery of costs.* The City Council may provide by resolution for the recovery of the actual cost in providing the service of impounding shopping carts.
- F. *Fines.* In addition to the fee for the service of impounding shopping carts, a fine in the amount of \$50.00 is hereby imposed upon each owner of a shopping cart for each occurrence in excess of three during a specified six-month period for failure to retrieve shopping carts in accordance with this section. An occurrence includes all shopping carts impounded in accordance with this Chapter in a one-day period. This subsection does not apply to and does not limit or

prohibit any other fee, fine or penalty that the City may charge for violation of the other provisions of this Chapter.

- G. *Disposal of carts.* Any shopping cart not reclaimed from the City within 30 days of receipt of a notice of violation by the owner of the shopping cart may be sold or otherwise disposed of by the City as determined by City in its sole and absolute discretion. The preferred method of disposal shall be recycling.
- H. *Actual notice.* A notice, as required by this division, may be served personally upon the designated owner identified in a sign permanently affixed to a shopping cart or by mail as prescribed by California Code of Civil Procedure Section 1013.

**8.55.110 - Fee.**

The City Council has set by resolution processing and inspection fees for the submissions required by this Chapter at the cost recovery fees authorized by Resolution 2017-48. . The fees set by the resolution of the City Council with regards to this section shall not exceed the amount reasonably necessary for the City to perform the services provided.

**SECTION 8. Effective Date and Publication.** The Mayor shall sign and the City Clerk shall certify to the passage of this Ordinance and cause the same or a summary thereof to be published within 15 days after adoption in accordance with Government Code Section 36933. This Ordinance shall take effect 30 days after adoption in accordance with Government Code Section 36937.

**NOW, THEREFORE, BE IT ORDAINED** the City Council of the City of Beaumont, California, approves an amendment to the City Code.

**INTRODUCED AND READ** for the first time and ordered posted at a regular meeting of the City Council of the City of Beaumont, California, held on the 7th day of July 2020, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the City Council of the City of Beaumont, California, held on the 7th day of July 2020.

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Rey Santos, Mayor

Attest:

\_\_\_\_\_  
Steven Mehlman, City Clerk

Approved as to form:

\_\_\_\_\_  
John O. Pinkney, City Attorney



## Staff Report

**TO:** City Council

**FROM:** Elizabeth Gibbs, Community Services Director

**DATE:** July 21, 2020

**SUBJECT:** **Hold a Public Hearing and Consider Resolution Approving a Subscription Agreement with ChargePoint and Establishing A Fee Schedule for Electric Vehicle Charging Stations**

### Background and Analysis:

Staff has secured funding to purchase and install an electric vehicle charging station at the Beaumont Civic Center public parking lot. A rebate in the amount of \$240,000 from Southern California Incentive Program (SCIP) and \$31,870 from Mobile Source Air Pollution Reduction Committee (MSRC) as well as \$100,000 from Riverside County Transportation Commission STA capital project, which fully funds the purchase and installation of the electric vehicle charging stations.

On September 17, 2019, City Council approved an agreement with Baker Electric in the amount of \$371,000 to purchase and install three ChargePoint DC Fast Charging (DCFC) electric vehicle charging stations at the Beaumont Civic Center parking lot. The stations include a 5-year commercial cloud plan and a 5-year warranty prepaid with the purchase of the terminals. These items are required for the initial five years of the station operation per the rebate grants secured.

### Cloud Service

The electric vehicle (EV) charging stations will utilize ChargePoint, Inc. (ChargePoint) as the direct provider of networking services. As a result, the City must enter into a Master Services and Subscription Agreement (MSSA) with ChargePoint to utilize their cloud-based networking system (Attachment A).

ChargePoint is the industry leader in providing networked EV charging stations throughout the United States. ChargePoint operates 111,000 charging stations and has established partnerships with large and small entities in both the private and public sectors, including the County of Riverside and the University of California at Riverside.

To use a ChargePoint station, customers create an account on ChargePoint's website or download the mobile application. Customers have two options: acquire a ChargePoint Card that can be used at the station or use their phone to pay. Downloading the mobile app is preferred because it offers many options where a customer can 1) see which stations are available for charging, 2) start charging by holding the phone up to the card reader at the station, 3) receive notifications when the car is finished charging or when a station becomes available, 4) schedule charging, set reminders, get notifications and track usage, and 5) alert ChargePoint when issues are encountered.

ChargePoint also has cooperative agreements with other electric vehicle charging operators, such as EVGo, Plug Share, and Sema Connect to name a few. This means that a customer who has an account set up with one of these competitive companies can use the City's ChargePoint station as well.

All EV charging station usage data is available to the City in a cloud database and includes a wide variety of reports to help provide an ongoing review of each station, including revenues received, actual electrical costs, station performance and maintenance needs.

#### Charging Station Use Fees

In order to optimize the use of the charging stations and allow multiple electric vehicles to use the charging equipment during a typical day, ChargePoint encourages the City to develop a pricing plan designed to cover energy costs, transactions fees, and regular equipment maintenance while keeping competitive fees with surrounding stations.

There are two types of chargers offered in the public EV charging industry. Fast chargers (DCFC), which provide a 250-mile charge in one hour, and slow chargers, also known as Level 2 chargers, which provide a 25-mile charge in one hour. In the Pass Area, the City of Beaumont and Kohl's have the DCFC type charging stations, while other stations in the immediate area offer the slower, Level 2 chargers.

Not all EVs charge the same and most have a battery size of 25-30 kWh capacity that can travel about 100 miles before needing to be recharged. In comparison, 100kWh batteries found in Teslas, can travel over 300 miles before needing to be recharged.

The cost for the use of the charger is calculated based on duration of stay and energy consumed (\$/kWh). ChargePoint recommends using kWh pricing to cover electrical cost and provide revenue to cover ongoing operating costs. Additionally, ChargePoint encourages establishing parking fees for vehicles remaining at the station after the charge is completed to encourage turnover of the parking space.

Below is a table of fees for nearby DCFC stations:

Kohl's Beaumont	\$0.25 kWh	\$0.10 parking fee per minute
City of Highland	\$0.35 kWh	\$2.00 an hour parking fee after 1 <sup>st</sup> hour.
County of Riverside	\$0.35 kWh	\$0.50 a minute parking fee after 30 minutes

Staff analyzed the above rates of nearby stations and consulted with Southern California Edison (SCE) for kWh rate and monthly charges that the City of Beaumont could expect to pay. SCE notified staff on May 29, 2020, that the average charge for energy will be \$0.231435 kWh and there is an additional \$117.81 monthly fee. In addition to these fees, ChargePoint will charge 10% of the total amount paid by the customer as a service fee.

Staff recommends setting a fee similar those set at nearby stations at \$0.35/kWh with a parking fee of \$2.00 an hour after the first hour or part thereof. As a fast charging station, all vehicles can be fully charged within the first hour. Staff will monitor demand and use of the charging stations during the first year to determine if any adjustments to the use fees are needed, including implementation of graduated pricing.

<u>Cost Recovery</u>	DCFC / Level 3
Cost of Electricity	\$0.23/kWh
Ongoing Costs- Maintenance Fees, Monthly SCE Service Fees and other expenses not covered by Warranty	\$0.055/kWh
Cost of Network Services \$4,099 year and Warranty \$9,300*	\$0.03/kWh
Payment Processing Fee (10%)	\$0.035/kWh
Total	\$.35/kWh

\*Beaumont has a current 5-year subscription/warranty that begins as soon as the stations are activated. These amounts are listed anticipating renewing the agreements when they expire in 2025.

### **Fiscal Impact:**

The City will not incur any additional operating costs until the current 5-year subscription and warranty expires in 2025. However, there are limitations to what is covered in the warranty, such as expenses incurred due to vandalism. The fees set with ChargePoint will be set at a

level to recover the cost associated with SCE plus 10% for service fees. For the first five years of the station it will generate a modest annual reserve for the coverage of non-warranted damage as well as for the costs associated with warranty and cloud service renewal in year six.

The electric vehicle charging station will be open and available for use 24 hours a day, 365 days a year.

The first year, conservative estimates are that the station will be used for an average of one hour a day and use approximately 50 kWh. If 50 kWh of energy is used to charge a vehicle every day, at a rate of \$0.231435 kWh, driver fees would amount to \$6,388 in a year. Costs associated with the station including SCE fees and 10% transaction fee from ChargePoint would be \$6,210. The difference of \$90 would be the reserve for the first year.

Details on the projected operating costs and revenue for the first six years of the station are provided in the table below. Growth in usage is projected conservatively with half-hour additional charging time in a day over the previous year for the first three years and an additional one hour of use for years thereafter. Parking fees are not included in this calculation since the implementation of the parking fee is to be used as a deterrent for parking longer than needed to charge the vehicle.

	Year 1 2021	Year 2 2022	Year 3 2023	Year 4 2024	Year 5 2025	Year 6+ 2026
	1 hour of total use a day	1.5 hours of total use a day	2 hours of total use a day	3 hours of total use a day	4 hours of total use a day	5 hours of total use a day
<b>Driver Fee</b>	<b>\$6,387</b>	<b>\$9,581</b>	<b>\$12,775</b>	<b>\$19,162</b>	<b>\$25,550</b>	<b>\$31,938</b>
Electricity Average	\$4,223	\$6,336	\$8,447	\$12,671	\$16,895	\$21,118
SCE Service Fees	\$1,004	\$1,506	\$2,008	\$3,011	\$4,015	\$5,019
10% Driver Transaction Fee	\$639	\$958	\$1,278	\$1,916	\$2,555	\$3,194
Network & Warranty	Included	Included	Included	Included	Included	\$13,399*
Annual Reserves	\$90	\$842	\$1,594	\$3,099	\$4,603	-\$7,292

\*Projected network & warranty costs in year six

Although year six shows a loss of revenue to cover the additional incurred charge of warranty and cloud service renewal, the calculations are presented in a conservative nature. The actual use of the station will likely be better than what is conservatively projected in the table above. First, the projections are based on an average electric rate provided to us by SCE and is an average of all peak hours. It is likely that most charging will occur during off-peak hours, corresponding with the Civic Center’s business hours, which generally has lower rates than peak hours which occurs 4 p.m. to 9 p.m. Monday-Friday. Second, the State of California’s goal is to have 5 million zero emission vehicles on the road by 2030, therefore communities will have more vehicles that need charging service in the coming years, with many programs in place to meet this goal.

SCE provided these rates to the City of Beaumont on May 29, 2020:

Summer On Peak (4pm to 9pm weekdays excluding holidays) =	0.49626	¢/kWh
Summer Mid Peak (4pm to 9pm weekends and holidays) =	0.2557	¢/kWh
Summer Off Peak (All hours outside of 4pm to 9pm) =	0.12604	¢/kWh
Winter Mid Peak (4pm to 9pm weekdays and weekends) =	0.29707	¢/kWh
Winter Off Peak (All other hours) =	0.13593	¢/kWh
Winter Super Off Peak (8am to 4pm weekdays and weekends) =	0.07761	¢/kWh
Average=	.231435	¢/kWh

**Recommended Action:**

- Hold a Public Hearing,
- Waive the full reading and adopt by title only, “A Resolution of the City Council of the City of Beaumont, California, Approving a Subscription Agreement with ChargePoint and Establishing a Fee Schedule for Electric Vehicle Charging Stations,” and
- Authorize the Mayor to execute the subscription agreement with ChargePoint.

**Attachments:**

- A. Resolution

**RESOLUTION NO. 2020-\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BEAUMONT,  
CALIFORNIA, APPROVING A SUBSCRIPTION AGREEMENT WITH  
CHARGEPOINT AND ESTABLISHING A FEE SCHEDULE FOR ELECTRIC  
VEHICLE CHARGING STATIONS**

**Section 1.** The City Council of the City of Beaumont hereby finds, determines and declares as follows:

**WHEREAS**, Baker Electric was awarded a design build contract through request for proposals process to install three (3) ChargePoint DC Fast Charging (DCFC) Electric Vehicle Charging Stations at the Beaumont Civic Center;

**WHEREAS**, ChargePoint has presented a Master Services and Subscription Agreement to the City whereby it will enable operation of the DCFC stations and billing session fees to users (Exhibit A);

**WHEREAS**, public users who have an account with ChargePoint will have access the Electric Vehicle Charging Stations. ChargePoint will provide all the net revenue collected less (10%) of the Session Fee to the City on a quarterly basis. All revenue collected will be deposited back into the fund/location that is paying for the estimated expenses. Additionally, excess revenue (e.g. charged revenue less estimated costs) will be applied towards future contributions in maintenance or infrastructure repair costs for Electric Vehicle Charging Stations.

**WHEREAS**, below is a summary of anticipated annual costs per charging station along with anticipated revenue:

Cost Recovery	DCFC / Level 3
Cost of Electricity	\$0.23/kWh
Ongoing Costs- Maintenance Fees and other expenses not covered by Warranty	\$0.055/kWh
Cost of Network Services \$4,099 and Warranty \$9,300	\$0.03/kWh
Payment Processing Fee (10%)	\$0.035/kWh
Total	\$.35/kWh

**Section 2.** The City Council hereby establishes the following pricing structure for the Electric Vehicle Charging Stations installed throughout the City:

**WHEREAS,** based on analysis and evaluation of utilities, network charges, and equipment warranty, the fees to be charged to users of the Electric Vehicle Charging Stations are as set forth below.

Fast Charging (CPE250 50kW)	Rate Per Kilowatt Hour -\$0.35	Parking Rate -\$2.00 per hour or part thereof after first hour
-----------------------------	--------------------------------	--

**Section 3.** Without further action of the City Council, the above-referenced fees established by this Resolution shall be incorporated into the City's Fee Schedule.

**Section 4.** This Resolution shall take effect immediately upon its adoption by the City Council, and the Clerk of the Council shall attest to and certify the vote adopting this Resolution.

**ADOPTED** this 7th day of July 2020.

**MOVED, PASSED, and ADOPTED** this 7th day of July 2020, by the following vote:

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

\_\_\_\_\_  
Rey Santos, Mayor

ATTEST:

\_\_\_\_\_  
Steve Mehlman, City Clerk

Exhibit A

ChargePoint Master Services and Subscription Agreement

**CHARGEPOINT®**  
**MASTER SERVICES AND SUBSCRIPTION AGREEMENT**

**IMPORTANT: THIS MASTER SERVICES AND SUBSCRIPTION AGREEMENT IS A LEGAL AGREEMENT BETWEEN YOU OR THE CORPORATION, PARTNERSHIP OR OTHER LEGAL ENTITY YOU REPRESENT (“SUBSCRIBER”) AND CHARGEPOINT, INC., A DELAWARE CORPORATION (“CPI”). PLEASE READ IT CAREFULLY. BY USING ANY OF THE CHARGEPOINT SERVICES, YOU INDICATE YOUR ACCEPTANCE OF THIS AGREEMENT. IF YOU DO NOT AGREE WITH ANY OF THESE TERMS AND CONDITIONS, DO NOT USE ANY CHARGEPOINT SERVICES.**

**IF YOU ARE ENTERING INTO THIS AGREEMENT ON BEHALF OF A CORPORATION, PARTNERSHIP OR OTHER LEGAL ENTITY, THAT ENTITY REPRESENTS THAT YOU HAVE AUTHORITY TO BIND SUCH ENTITY TO THESE TERMS AND CONDITIONS. IF YOU DO NOT HAVE SUCH AUTHORITY TO BIND SUCH ENTITY TO THESE TERMS AND CONDITIONS, YOU MAY NOT ENTER INTO THIS AGREEMENT AND SUCH ENTITY MAY NOT USE THE CHARGEPOINT SERVICES.**

**1. AGREEMENT.**

**1.1 SCOPE OF AGREEMENT.** This Agreement governs the following activities:

- (a) Provisioning of Subscriber’s Charging Station(s), if any, on ChargePoint;
- (b) Activation and use of the ChargePoint Services on Subscriber’s Charging Station(s), if any;
- (c) Subscriber’s use of the APIs as part of the ChargePoint Services;
- (d) Each grant of Rights by Subscriber; and
- (e) Each grant of Rights by a third party to Subscriber.

**1.2 EXHIBITS AND PRIVACY POLICY.** This Agreement includes the CPI [Privacy Policy](#), as amended from time to time, and the following Exhibits, which are made a part of, and are hereby incorporated into, this Agreement by reference.

- Exhibit 1: Flex Billing Terms
- Exhibit 2: API Terms
- Exhibit 3: Terms Regarding Granting and Receipt of Rights
- Exhibit 4: Cloud Plan Description

In the event of any conflict between the terms of this Agreement on the one hand, and the Privacy Policy or any Exhibit on the other hand, this Agreement shall govern. Capitalized terms not otherwise defined in any Exhibit or the Privacy Policy shall have the same meaning as in this Agreement.

**2. DEFINITIONS.** The following terms shall have the definitions set forth below when used in this Agreement:

**2.1 “Affiliate”** means any entity which directly or indirectly controls, is controlled by, or is under common control with the subject entity. “Control”, for purposes of this definition, means direct or indirect ownership or control of fifty percent (50%) or more of the voting interests of the subject entity.

**2.2 “APIs”** means, individually or collectively, the application programming interfaces which are made available to Subscriber from time to time, as and when updated by CPI.

**2.3 “ChargePoint Connections”** shall have the meaning ascribed to it in the applicable data sheet. The term ChargePoint Connections shall also mean any successor service provided by CPI.

**2.4 “ChargePoint®”** means the open-platform network of electric vehicle charging stations and the vehicle charging applications the network delivers, that is operated and maintained by CPI (as defined below) in order to provide various services to, among others, Subscriber and its employees.

**2.5 “ChargePoint Services”** means, collectively, the various cloud services offerings (including, without limitation, APIs and application Cloud Plans) made available for subscription by CPI.

**2.6 “ChargePoint Application”** means any of the applications established and maintained by CPI which will allow Subscriber to access ChargePoint Services.

**2.7 “Charging Station”** means the electric vehicle charging station(s) purchased by Subscriber, whether manufactured by CPI or by a CPI authorized entity, which are registered and activated on ChargePoint.

**2.8 “Cloud Plan (s)”** means the description attached hereto as Exhibit 4.

**2.9 “Content”** means all data collected or maintained by CPI in connection with the operation of ChargePoint.

**2.10 “CPI Marks”** means the various trademarks, service marks, trade names, logos, domain names, and other distinctive brand features and designations used in connection with ChargePoint and/or CPI manufactured Charging Stations, including without limitation, ChargePoint.

**2.11 “CPI Property”** means (i) ChargePoint, (ii) the ChargePoint Services (including all Content), (iii) all data generated or collected by CPI in connection with the operation of ChargePoint and ChargePoint Services, (iv) the CPI Marks, (v) the ChargePoint Cards, and (vi) all other CPI-supplied material developed or provided by CPI for Subscriber use in connection with the ChargePoint Services. CPI Property does not include the charging stations or other hardware associated with the charging stations.

**2.12 “Documentation”** means written information (whether contained in user or technical manuals, product materials, specifications or otherwise) pertaining to ChargePoint Services and/or ChargePoint and made available from time to time by CPI to Subscriber in any manner (including on-line).

**2.13 “Effective Date”** means the earlier of (a) the date that Subscriber electronically accepts this Agreement, or (b) the date of Subscriber’s first use of the ChargePoint Services.

**2.14 “Intellectual Property Rights”** means all intellectual property rights, including, without limitation, patents, patent applications, patent rights, trademarks, trademark applications, trade names, service marks, service mark applications, copyrights, copyright applications, franchises, licenses, inventories, know-how, trade secrets, Subscriber lists, proprietary processes and formulae, all source and object code, algorithms, architecture, structure, display screens, layouts, inventions, development tools and all documentation and media constituting, describing or relating to the above, including, without limitation, manuals, memoranda and records.

**2.15 “Malicious Code”** means viruses, worms, time bombs, Trojan horses and all other forms of malicious code, including without limitation, malware, spyware, files, scripts, agents or programs.

**2.16 “Party”** means each of CPI and Subscriber.

**2.17** **“PII”** means personally identifiable information regarding Subscriber or a User (e.g., name, address, email address, phone number or credit card number) that can be used to uniquely identify, contact or locate Subscriber or such User.

**2.18** **“Provisioning”** means activating Charging Stations, warranties and Cloud Plans on ChargePoint

**2.19** **“Rights”** means the rights, authorizations, privileges, actions, information and settings within the ChargePoint Services which a Rights Grantor grants to an Rights Grantee, to enable such Rights Grantee to access, obtain and use certain portions of the ChargePoint Services and certain information available therein in the course of providing services to or on behalf of such Rights Grantor in connection with one or more of the Rights Grantor’s Charging Stations. A Rights Grantor shall be deemed to have granted Rights to the entity that will be responsible for creating Subscriber’s account and Provisioning Subscriber’s Charging Stations. Such deemed grant may be terminated by Subscriber at any time.

**2.19** **“Cloud Plan(s)”** means subscription plans to the ChargePoint Services which are offered and sold by CPI from time to time, which vary according to their features, privileges and pricing.

**2.20** **“Subscriber Content and Services”** means any content and/or services that a Subscriber provides or makes available to Users and/or the general public in connection with the ChargePoint Services, other than Content, ChargePoint Services and CPI Property.

**2.21** **“Subscriber Marks”** means the various trademarks, service marks, trade names, logos, domain names, and other distinctive brand features and designations used by Subscriber in connection with its business and/or Charging Stations.

**2.22** **“Subscription Fees”** means the fees payable by Subscriber for subscribing to any ChargePoint Services. At the time of executing this Agreement, Subscriber purchased three (3) ChargePoint DC Fast Charging (DCFC) Electric Vehicle Charging Stations to be installed at the Beaumont Civic Center. The City has prepaid all Subscription Fees for Tokens in the amount of \$4,099 for the DC Fast Charger for Cloud Plan required for 5 years of ChargePoint Services.

**2.23** **“Taxes”** shall mean all present and future taxes, imposts, levies, assessments, duties or charges of whatsoever nature including without limitation any withholding taxes, sales taxes, use taxes, service taxes, value added or similar taxes at the rate applicable for the time being imposed by any national or local government, taxing authority, regulatory agency or other entity on the provision of electric vehicle charging services together with any penalty payable in connection with any failure to pay or any delay in paying any of the same and any interest thereon. Taxes excludes income and other taxes imposed on CPI’s business.

**2.24** **“Token(s)”** means the serialized proof of purchase of a Cloud Plan that is used by CPI in connection with enabling Services and/or provisioning Charging Stations.

**2.25** **“User”** means any person using a Charging Station.

**3. AVAILABLE CHARGEPOINT SERVICES & CLOUD PLANS.** A description of the various ChargePoint Services and Cloud Plans currently available for subscription is located on the CPI website. CPI may make other ChargePoint Services and/or Cloud Plans available from time to time and may amend the features or benefits offered with respect to any ChargePoint Service or Cloud Plan at any time and from time to time. Subscription Fees are based on Subscriber’s choice of Cloud Plan and not on actual usage of the Subscription.

**4. CPI’S RESPONSIBILITIES AND AGREEMENTS.**

**4.1 OPERATION OF CHARGEPOINT.** CPI agrees to provide and shall be solely responsible for:

(i) provisioning and operating, maintaining, administering and supporting ChargePoint which enables Users to charge electric vehicles on Customers Charging Stations and related infrastructure (other than Subscriber's Charging Stations and infrastructure for transmitting data from Charging Stations to any ChargePoint operations center);

(ii) provisioning and operating, maintaining, administering and supporting the ChargePoint Applications; and

(iii) operating ChargePoint in compliance with all applicable laws. CPI will protect the confidentiality and security of PII in accordance with all applicable laws and regulations and the CPI Privacy Policy and acknowledges that it is responsible for the security of "cardholder data" (as that term is defined for purposes of the Payment Card Industry – Data Security Standards), if any, that CPI possesses, otherwise stores, processes or transmits on behalf of Subscriber or for any impact, if any, on the security of Subscriber's cardholder data environment.

**4.2 LIMITATIONS ON RESPONSIBILITY.** CPI shall not be responsible for, and makes no representation or warranty with respect to the following: (i) specific location(s) or number of Charging Stations now, or in the future, owned, operated and/or installed by persons other than Subscriber, or the total number of Charging Stations that comprise ChargePoint; (ii) continuous availability of electrical service to any of Subscriber's Charging Stations; (iii) continuous availability of any wireless or cellular communications network or Internet service provide network necessary for the continued operation by CPI of ChargePoint; (iv) availability of or interruption of the ChargePoint Network attributable to unauthorized intrusions; and/or (v) charging stations that are not registered with and activated on the ChargePoint Network.

**5. SUBSCRIBER'S RESPONSIBILITIES AND AGREEMENTS.**

**5.1 GENERAL.**

(a) All use of ChargePoint and ChargePoint Services by Subscriber, its employees and agents and its grantees of Rights shall comply with this Agreement and all of the rules, limitations and policies of CPI set forth in the Documentation. All ChargePoint Services account details, passwords, keys, etc. are granted to Subscriber solely for Subscriber's own use (and the use of its grantees of Rights), and Subscriber shall keep all such items secure and confidential. Subscriber shall prevent, and shall be fully liable to CPI for, any unauthorized access to or use of ChargePoint or ChargePoint Services via Subscriber's Charging Stations, ChargePoint Services account(s) or other equipment. Subscriber shall immediately notify CPI upon becoming aware of any such unauthorized use.

(b) Subscriber shall be solely responsible for: (i) Provisioning of its Charging Stations, if any; (ii) keeping Subscriber's contact information, email address for the receipt of notices hereunder, and billing address for invoices both accurate and up to date; (iii) updating on the applicable ChargePoint Application, within five (5) business days, the location to which any of Subscriber's Charging Stations are moved; (iv) the maintenance, service, repair and/or replacement of Subscriber's Charging Stations as needed, including informing CPI of the existence of any Charging Stations that are non-operational and not intended to be replaced or repaired by Subscriber; and (v) compliance with all applicable laws.

(c) Subscriber shall deliver in full all benefits promised to Users by Subscriber in exchange for such Users connecting with Subscriber using ChargePoint Connections.

**5.2 REPRESENTATIONS AND WARRANTIES OF SUBSCRIBER.** Subscriber represents and

warrants to CPI that:

(i) it has the power and authority to enter into and be bound by this Agreement and shall have the power and authority to install the Charging Stations and any other electrical vehicle charging products which are registered and activated on the ChargePoint Network);

(ii) the electrical usage to be consumed by Subscriber's Charging Stations will not violate or otherwise conflict with the terms and conditions of any applicable electrical purchase or other agreement including, without limitation, any lease, to which Subscriber is a party; and (iii) it has not installed or attached and will not install or attach Charging Stations on or to infrastructure not owned by Subscriber without proper authority, or in a manner that will block any easement or right of way.

**5.3 CHARGEPOINT CARDS.** Subscriber may be permitted by CPI, in CPI's sole discretion, to obtain CPI-provisioned radio-frequency identification cards ("ChargePoint Cards") which enable the individual card recipients to access and use ChargePoint. Subscriber may distribute such ChargePoint Cards to individuals, and each individual ChargePoint Card recipient is responsible for activating his or her ChargePoint Card on ChargePoint directly with CPI on the CPI web site. In no event will Subscriber create any separate ChargePoint accounts for any ChargePoint Card recipients or other third parties, nor will Subscriber create anonymous ChargePoint accounts associated with any ChargePoint Card.

**5.4 USE RESTRICTIONS AND LIMITATIONS.** Subscriber shall not:

(a) sell, resell, license, rent, lease or otherwise transfer the ChargePoint Services or any Content therein to any third party;

(b) interfere with or disrupt the ChargePoint Services, servers, or networks connected to the ChargePoint Services, or disobey any requirements, procedures, policies, or regulations of networks connected to the ChargePoint Services;

(c) restrict or inhibit any other user from using and enjoying the ChargePoint Services or any other CPI services;

(d) attempt to gain unauthorized access to the ChargePoint Network or the ChargePoint Services or related systems or networks or any data contained therein, or access or use ChargePoint or ChargePoint Services through any technology or means other than those provided or expressly authorized by CPI;

(e) create any ChargePoint Services user account by automated means or under false or fraudulent pretenses, or impersonate another person or entity on ChargePoint, or obtain or attempt to obtain multiple keys for the same URL;

(f) reverse engineer, decompile or otherwise attempt to extract the source code of the ChargePoint Services or any part thereof, or any Charging Station, except to the extent expressly permitted or required by applicable law;

(g) create derivative works based on any CPI Property;

(h) remove, conceal or cover the CPI Marks or any other markings, labels, legends, trademarks, or trade names installed or placed on the Charging Stations or any peripheral equipment for use in connection with Subscriber's Charging Stations;

(i) except as otherwise expressly permitted by this Agreement or in any applicable data sheet relating to a ChargePoint Service, copy, frame or mirror any part of the ChargePoint Services or ChargePoint Content, other than copying or framing on Subscriber's own intranets or otherwise solely for Subscriber's own internal business use and purposes;

(j) access ChargePoint, any ChargePoint Application or the ChargePoint Services for the purpose of monitoring their availability, performance or functionality, or for any other benchmarking or competitive purpose, or for any improper purpose whatsoever, including, without limitation, in order to build a competitive product or service or copy any features, functions, interface, graphics or “look and feel;”

(k) use any robot, spider, site search/retrieval application, or other device to retrieve or index any portion of the ChargePoint Services or Content or collect information about ChargePoint users for any unauthorized purpose;

(l) upload, transmit or introduce any Malicious Code to ChargePoint or ChargePoint Services;

(m) use any of the ChargePoint Services if Subscriber is a person barred from such use under the laws of the United States or of any other jurisdiction; or

(n) use the ChargePoint Services to upload, post, display, transmit or otherwise make available (A) any inappropriate, defamatory, obscene, or unlawful content; (B) any content that infringes any patent, trademark, copyright, trade secret or other proprietary right of any party; (C) any messages, communication or other content that promotes pyramid schemes, chain letters, constitutes disruptive commercial messages or advertisements, or is prohibited by applicable law, the Agreement or the Documentation.

## **5.5 CONTENT.**

(a) ChargePoint Content (including but not limited to Charging Station data and status) is provided for planning purposes only. Subscriber may find that various events may mean actual Charging Station conditions (such as availability or pricing) differ from what is set forth in the Content. In addition, certain Charging Station-related Content, including Charging Station name and use restrictions, is set by the Charging Station owner and is not verified by CPI. Subscriber should exercise judgment in Subscriber’s use of the Content.

(b) Certain Content may be provided under license from third parties and is subject to copyright and other intellectual property rights of such third parties. Subscriber may be held liable for any unauthorized copying or disclosure of such third party-supplied Content. Subscriber’s use of such Content may be subject to additional restrictions set forth in the Documentation.

(c) Subscriber shall not copy, modify, alter, translate, amend, or publicly display any of the Content except as expressly permitted by the Documentation. Subscriber shall not present any portion of the Content in any manner, that would (i) make such Content false, inaccurate or misleading, (ii) falsify or delete any author attributions or labels of the origin or source of Content, or (iii) indicate or suggest that the Charging Station locations provided as part of the Content are anything other than ChargePoint® Network Charging Stations.

(d) Subscriber shall not remove, obscure, or alter in any manner any proprietary rights notices (including copyright and trademark notices), warnings, links or other notifications that appear in the ChargePoint Service.

## **6. SUBSCRIPTION FEES AND PAYMENT TERMS.**

**6.1 SUBSCRIPTION FEES.** Subscriber shall pay all Subscription Fees within forty-five (45) days of its receipt of CPI’s invoice. All payments shall be made in U.S. Dollars by check, wire transfer, ACH payment system or other means approved by CPI. Customer may not offset any amounts due to CPI hereunder against amounts due to Customer under this Agreement or any other agreement. Subscription fees payable to CPI do not include any Taxes imposed thereon, and Subscriber is responsible for any and all such Taxes. All such Taxes shall be set forth on the invoice provided by CPI to Subscriber; provided that,

CPI's failure to include any such Tax on an invoice shall not relieve Subscriber's liability thereof. Except as otherwise set forth in this Agreement, all payment obligations under this Agreement are non-cancelable and non-refundable.

**6.2 LATE PAYMENTS.** Late payments shall be subject to a charge equal to the lesser of ten percent (10%) per annum or the maximum rate permitted by law. If any amount owing by Subscriber under this Agreement is more than thirty (30) days overdue after receipt of written notice from CPI identifying the delinquency and the amount due by Subscriber, CPI may, upon five days further written notice without otherwise limiting CPI's rights or remedies, (a) terminate this Agreement, (b) suspend the use by Subscriber of the ChargePoint Services until such amounts are paid in full, provided that CPI shall not exercise any such rights if Subscriber has reasonably disputed such charges and is cooperating diligently in good faith to resolve the dispute.

## **7. INTELLECTUAL PROPERTY RIGHTS AND LICENSES.**

**7.1 CPI PROPERTY.** As between CPI and Subscriber, CPI retains and reserves all right, title and interest (including all related Intellectual Property Rights) in and to the CPI Property and any improvements thereto. No rights are granted to Subscriber in the CPI Property hereunder except as expressly set forth in this Agreement.

**7.2 SUBSCRIBER PROPERTY.** As between CPI and Subscriber, Subscriber retains and reserves all right, title and interest (including all related Intellectual Property Rights) in and to (i) all Subscriber Marks and (ii) all Subscriber Content and Services (collectively, the "Subscriber Property") and (iii) the ChargePoint Charging Stations, purchased by the Subscriber, or related hardware. No rights are granted to CPI in the Subscriber Property hereunder except as expressly set forth in this Agreement.

**7.3 LIMITED LICENSE TO SUBSCRIBER.** CPI hereby grants to Subscriber a royalty-free, non-assignable, non-transferable, and non-exclusive license to use the CPI Property solely in accordance with the terms of this Agreement (including without limitation all limitations and restrictions on such use) to the extent necessary for Subscriber to access, use and receive the ChargePoint Services as permitted herein.

**7.4 LIMITED LICENSE TO CPI.** Subscriber hereby grants to CPI a non-assignable, non-transferable, and non-exclusive license to use the Subscriber Property solely in accordance with the terms of this Agreement (including without limitation all limitations and restrictions on such use) to the extent necessary for CPI to provide the ChargePoint Services. CPI may utilize the Subscriber Marks to advertise that Subscriber is using the ChargePoint Services. The foregoing license includes a perpetual and irrevocable right of CPI to reproduce, adapt, modify, translate, publicly perform, publicly display and distribute all Subscriber Content and Services submitted, posted or displayed by Subscriber in the ChargePoint Services, solely for the purpose of enabling CPI to operate, market and promote the ChargePoint Services, and to index and serve such Subscriber Content and Services as search results through ChargePoint Services. CPI shall have a royalty-free, worldwide, transferable, sublicensable, irrevocable perpetual license to use or incorporate in the ChargePoint Services any suggestions, enhancement requests, recommendations or other feedback provided by Subscriber or Subscriber Rights Grantees relating to the ChargePoint Services.

### **7.5 ADDITIONAL TERMS REGARDING CPI MARKS.**

**(a) USE LIMITATIONS.** Subscriber shall display the CPI Marks in connection with Subscriber Charging Stations as required in this Agreement during the term of Subscriber's Cloud Plan. Subscriber shall not use any of the CPI Marks for or with any products other than its Charging Stations. From time to time, CPI may provide updated CPI Mark usage guidelines on the ChargePoint Application or elsewhere in the Documentation, and Subscriber shall thereafter comply with such updated guidelines. For any use of the CPI Mark not authorized by such guidelines, or if no such guidelines are provided, then

for each initial use of the CPI Mark, Subscriber must obtain CPI's prior written consent, which shall not be unreasonably withheld or delayed, and after such consent is obtained, Subscriber may use the CPI Mark in the approved manner. All use by Subscriber of CPI's Marks (including any goodwill associated therewith) will inure to the benefit of CPI.

**(b) PROHIBITIONS.** Subscriber shall not use or display any CPI Mark (or any likeness of a CPI Mark):

(i) as a part of the name under which Subscriber's business is conducted or in connection with the name of a business of Subscriber or its Affiliates;

(ii) in any manner that (x) implies a relationship or affiliation with CPI other than as described under the Agreement, (y) implies any sponsorship or endorsement by CPI, or (z) can be reasonably interpreted to suggest that any Subscriber Content and Services has been authored by, or represents the views or opinions of CPI or CPI personnel;

(iii) in any manner intended to disparage CPI, ChargePoint, or the ChargePoint Services, or in a manner that is misleading, defamatory, infringing, libelous, disparaging, obscene or otherwise objectionable to CPI;

(iv) in any manner that violates any law or regulation; or

(v) that is distorted or altered in any way (including squeezing, stretching, inverting, discoloring, etc.) from the original form provided by CPI.

**(c) NO REGISTRATION OF CPI MARKS.** Subscriber shall not, directly or indirectly, register or apply for, or cause to be registered or applied for, any CPI Marks or any patent, trademark, service mark, copyright, trade name, domain name or registered design that is substantially or confusingly similar to a CPI Mark, patent, trademark, service mark, copyright, trade name, domain name or registered design of CPI, or that is licensed to, connected with or derived from confidential, material or proprietary information imparted to or licensed to Subscriber by CPI. At no time will Subscriber challenge or assist others to challenge the CPI Marks (except to the extent such restriction is prohibited by law) or the registration thereof by CPI.

**(d) TERMINATION AND CESSATION OF USE OF CPI MARKS.** Upon termination of this Agreement, Subscriber will immediately discontinue all use and display of all CPI Marks.

## **8. LIMITATIONS OF LIABILITY.**

**8.1 DISCLAIMER OF WARRANTIES.** CHARGEPOINT AND THE CHARGEPOINT SERVICES ARE PROVIDED "AS IS" AND "AS AVAILABLE" FOR SUBSCRIBER'S USE, WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, EXCEPT AS PROVIDED TO THE CONTRARY IN THIS AGREEMENT, INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NONINFRINGEMENT. WITHOUT LIMITING THE FOREGOING, CPI DOES NOT WARRANT THAT (A) SUBSCRIBER'S USE OF THE CHARGEPOINT SERVICES WILL BE UNREASONABLY UNINTERRUPTED, TIMELY, SECURE, FREE FROM ERROR, OR MEET SUBSCRIBER'S REQUIREMENTS; (B) ALL CONTENT AND OTHER INFORMATION OBTAINED BY SUBSCRIBER FROM OR IN CONNECTION WITH THE CHARGEPOINT SERVICES WILL BE ACCURATE AND RELIABLE; (C) ALL DEFECTS IN THE OPERATION OR FUNCTIONALITY OF THE CHARGEPOINT SERVICES WILL BE CORRECTED. ALL CONTENT OBTAINED THROUGH THE CHARGEPOINT SERVICES IS OBTAINED AT SUBSCRIBER'S OWN DISCRETION AND RISK, AND SUBSCRIBER WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGE TO SUBSCRIBER'S COMPUTER SYSTEM OR OTHER DEVICE, LOSS OF DATA, OR ANY OTHER DAMAGE OR INJURY THAT RESULTS FROM THE DOWNLOAD OR USE OF ANY SUCH CONTENT.

**8.2 EXCLUSION OF CONSEQUENTIAL AND RELATED DAMAGES.** REGARDLESS OF WHETHER ANY REMEDY SET FORTH HEREIN FAILS OF ITS ESSENTIAL PURPOSE OR OTHERWISE, IN NO

EVENT WILL CPI OR SUBSCRIBER BE LIABLE FOR ANY LOST REVENUE OR PROFIT, LOST OR DAMAGED DATA, BUSINESS INTERRUPTION, LOSS OF CAPITAL, OR FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES, HOWEVER CAUSED AND REGARDLESS OF THE THEORY OF LIABILITY OR WHETHER ARISING OUT OF THE USE OF OR INABILITY TO USE THE CHARGEPOINT NETWORK, ANY CHARGEPOINT SERVICES, THIS AGREEMENT, A GRANT OR RECEIPT OF RIGHTS OR OTHERWISE OR BASED ON ANY EXPRESSED, IMPLIED OR CLAIMED WARRANTIES BY SUBSCRIBER NOT SPECIFICALLY SET FORTH IN THIS AGREEMENT.

**8.3 ELECTRICAL, CELLULAR AND INTERNET SERVICE INTERRUPTIONS.** Neither CPI nor Subscriber shall have any liability whatsoever to the other with respect to damages caused by: (i) electrical outages, power surges, brown-outs, utility load management or any other similar electrical service interruptions, whatever the cause; (ii) interruptions in wireless or cellular service linking Charging Stations to ChargePoint; (iii) interruptions attributable to unauthorized ChargePoint Network intrusions; (iv) interruptions in services provided by any Internet service provider not affiliated with CPI; or (v) the temporary inability of a Charging Station to access ChargePoint as a result of any change in product offerings (including, without limitation, the any network upgrade or introduction of any “next generation” services) by any wireless or cellular carrier. This includes the loss of data resulting from such electrical, wireless, cellular or Internet service interruptions.

**8.4 LIMITATION OF LIABILITY.** CPI’s aggregate liability under this Agreement shall not exceed aggregate Subscription Fees and CPI Fees paid by Subscriber to CPI. .

**8.5 CELLULAR CARRIER LIABILITY.** IN ORDER TO DELIVER THE CHARGEPOINT SERVICES, CPI HAS ENTERED INTO CONTRACTS WITH ONE OR MORE UNDERLYING WIRELESS SERVICE CARRIERS (THE “UNDERLYING CARRIER”). SUBSCRIBER HAS NO CONTRACTUAL RELATIONSHIP WITH THE UNDERLYING CARRIER AND SUBSCRIBER IS NOT A THIRD PARTY BENEFICIARY OF ANY AGREEMENT BETWEEN CPI AND THE UNDERLYING CARRIER. SUBSCRIBER UNDERSTANDS AND AGREES THAT THE UNDERLYING CARRIER HAS NO LIABILITY OF ANY KIND TO SUBSCRIBER, WHETHER FOR BREACH OF CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY IN TORT OR OTHERWISE. SUBSCRIBER HAS NO PROPERTY RIGHT IN ANY NUMBER ASSIGNED TO IT, AND UNDERSTANDS THAT ANY SUCH NUMBER CAN BE CHANGED. SUBSCRIBER UNDERSTANDS THAT CPI AND THE UNDERLYING CARRIER CANNOT GUARANTEE THE SECURITY OF WIRELESS TRANSMISSIONS, AND WILL NOT BE LIABLE FOR ANY LACK OF SECURITY RELATING TO THE USE OF THE CHARGEPOINT SERVICES.

**8.6 ADDITIONAL RIGHTS.** BECAUSE SOME STATES OR JURISDICITONS DO NOT ALLOW THE LIMITATION OR EXCLUSION OF CONSEQUENTIAL OR INCIDENTAL DAMAGES AND/OR THE DISCLAIMER OF IMPLIED WARRANTIES AS SET FORTH IN THIS SECTION 8, ONE OR MORE OF THE ABOVE LIMITATIONS MAY NOT APPLY; PROVIDED THAT, IN SUCH INSTANCES, CPI’S LIABILITY AND/OR IMPLIED WARRANTIES GRANTED IN SUCH CASES SHALL BE LIMITED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.

## **9. TERM, RENEWAL AND TERMINATION.**

**9.1 TERM OF AGREEMENT.** This Agreement shall become effective on the Effective Date and shall continue until the expiration of all of Subscriber’s Cloud Plan, attached hereto as Exhibit “4” and made a part hereof by this reference. The initial term of this Agreement shall be for five years and it shall automatically renew thereafter for additional terms of one year each unless either party delivers notice of non-renewal at least thirty (30) days prior to the expiration of the then applicable term.

**9.2 CLOUD PLAN TERM.** Each Cloud Plan acquired by Subscriber is attached hereto as Exhibit “4” and shall commence as follows: Each Cloud Plan acquired for use with a new Charging Station will commence on the earlier to occur of (i) the date of Provisioning such new Charging Station, or (ii) one year from the date the Token(s) necessary for Provisioning such new Charging Station is made

available to Subscriber or its installer. Upon expiration of the original term, this Agreement will renew automatically for successive one-year terms on the terms contained herein and subject to Subscriber's or CPI's right to terminate on thirty (30) days advanced written notice. If, however, at any time after the original term Subscriber wishes to terminate a Cloud Plan that has been automatically renewed, Subscriber may do so by providing CPI thirty (30) days' written notice of cancellation and CPI will issue Subscriber a pro-rata refund of any funds paid for periods from the effective date of cancellation to the end of the auto-renewed term. Renewals of Cloud Plans will commence on the date of the expiration of the Subscription being renewed. All other Cloud Plans will commence on the date of activation of such Cloud Plans, but in no event more than one year after the date the Token(s) necessary for such activation is made available to Subscriber. Each Subscriber Cloud Plan shall continue for the applicable duration thereof unless this Agreement is terminated earlier in accordance with its terms.

### **9.3 TERMINATION BY CPI.**

a) This Agreement may be immediately terminated by CPI: (i) if Subscriber is in material breach of any of its obligations under this Agreement, and has not cured such breach within thirty (30) days (or within five (5) days in the case of any payment default) of Subscriber's receipt of written notice thereof; (ii) Subscriber becomes the subject of a petition in bankruptcy or any other proceeding related to insolvency, receivership, liquidation or an assignment for the benefit of creditors; (iii) upon the determination by any regulatory body that the subject matter of this Agreement is subject to any governmental regulatory authorization or review that imposes additional costs of doing business upon CPI; or (iv) as otherwise explicitly provided in this Agreement. Regardless of whether Subscriber is then in breach, CPI may, in its reasonable discretion, determine that it will not accept any renewal by Subscriber of its subscription to ChargePoint Services. In such case, this Agreement shall terminate upon the later of the expiration of all of Subscriber's subscriptions to ChargePoint Services.

### **9.4 TERMINATION BY SUBSCRIBER.**

This Agreement may be immediately terminated by Subscriber without prejudice to any other remedy of Subscriber at law or equity: (i) if CPI is in material breach of any of its obligations under this Agreement, and has not cured such breach within thirty (30) days of the date of its receipt of written notice thereof (5 days for monetary defaults), (ii) CPI becomes the subject of a petition in bankruptcy or any other proceeding related to insolvency, receivership, liquidation or an assignment for the benefit of creditors, or (iii) upon providing thirty (30) days prior written notice.

**9.5 REFUND OR PAYMENT UPON TERMINATION.** Upon any termination of this Agreement for cause by Subscriber pursuant to Section 9.4(i) or by CPI pursuant to Section 9.3(a)(iii), CPI shall refund to Subscriber a pro-rata portion of any pre-paid Subscription Fees based upon the remaining Cloud Plan term. Upon any termination for any other reason, Subscriber shall not be entitled to any refund of any Subscription Fees as a result of such termination. Except as otherwise set forth in this Agreement, in no event shall any termination relieve Subscriber of any unpaid Subscription Fees due CPI for the Cloud Plan term in which the termination occurs or any prior Cloud Plan term.

**9.6 SURVIVAL.** Those provisions dealing with the Intellectual Property Rights of CPI, limitations of liability and disclaimers, restrictions of warranty, Applicable Law and those other provisions which by their nature or terms are intended to survive the termination of this Agreement will remain in full force and effect as between the Parties hereto regardless of the termination of this Agreement.

## **10. GENERAL.**

**10.1 AMENDMENT OR MODIFICATION.** CPI reserves the right to modify this Agreement from time to time. CPI will provide notice of each such modification to Subscriber. Subscriber's continued

use of the ChargePoint Services following such notice will constitute an acceptance of the modified Agreement.

**10.2 WAIVER.** The failure of either Party at any time to enforce any provision of this Agreement shall not be construed to be a waiver of the right of such Party to thereafter enforce that provision or any other provision or right.

**10.3 FORCE MAJEURE.** Except with respect to payment obligations, neither CPI nor Subscriber will be liable for failure to perform any of its obligations hereunder due to causes beyond such party's reasonable control and occurring without its fault or negligence, including but not limited to fire, flood, earthquake or other natural disaster (irrespective of such Party's condition of any preparedness therefore); war, embargo; riot; strike; labor action; any lawful order, decree, or other directive of any government authority that prohibits a Party from performing its obligations under this Agreement; material shortages; shortage of transport; and failures of suppliers to deliver material or components in accordance with the terms of their contracts.

**10.4 ARBITRATION.** This Agreement is to be construed according to the laws of the State of California, excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods and any conflict of law provisions that would require application of another choice of law. Except with respect to any matter relating to Subscriber's violation of the intellectual property rights of CPI, any dispute arising from or relating to this Agreement shall be arbitrated in Riverside County California. The arbitration shall be administered by JAMS in accordance with its Comprehensive Arbitration Rules and Procedures, and judgment on any award may be entered in any court of competent jurisdiction. If the Parties agree, a mediator may be consulted prior to arbitration. All claims shall be brought in the parties' individual capacity, and not as a plaintiff or class member in any purported class or representative proceeding. With respect to any matter relating to the intellectual property rights of CPI, such claim may be litigated in a court of competent jurisdiction. The prevailing party in any dispute arising out of this Agreement shall be entitled to reasonable attorneys' fees and costs.

**10.5 NOTICE TO CALIFORNIA CUSTOMERS.**

(a) California's Low Carbon Fuel Standard ("LCFS") was enacted to ensure that the mix of fuels sold by California oil refiners and distributors meets applicable greenhouse gas emissions targets. California has a statewide goal to reduce carbon intensity of transportation fuels by at least 10% by 2020.

(b) The ChargePoint Network can track the fueling of electric vehicles, which positively contributes to reducing California's carbon intensity. If applicable reporting requirements are met, LCFS credits are issued by the California Air Resources Board. An available LCFS credit may be claimed by certain owners and operators of electric vehicle charging stations, including both Subscriber and CPI. However, the LCFS credits are only available to one party, meaning any available credits may be claimed by either Subscriber or CPI, but not by both. CPI intends to claim available LCFS credits generated from use of the Charging Stations, but will not claim any available LCFS credits that Subscriber intends to claim.

If Subscriber intends to claim the LCFS credits, it must engage in the reporting and other administrative obligations necessary to generate such credits.

(c) Subscriber agrees that it will provide CPI with written notice of its intent to claim LCFS credits within ten (10) days of the date of the Effective Date. If Subscriber does not currently intend to claim the LCFS credits, but desires to do so at any time in the future, Subscriber may, by providing written notice to CPI, elect to claim LCFS credits generated thirty (30) days or more after the date of such notice. Subscriber represents and warrants to CPI that, in the absence of providing written notice, Subscriber will not claim any LCFS credits. All notices shall be provided by email to CPI at [lcfnotification@chargepoint.com](mailto:lcfnotification@chargepoint.com).

#### **10.6 NOTICE TO OREGON CUSTOMERS**

(a) Oregon's Clean Fuel Program ("OCFP") was created with the purpose of reducing greenhouse gas emissions in the transportation sector.

(b) The fueling of electric vehicles, and the operation of the ChargePoint Network, contributes to reducing Oregon's greenhouse gas emissions and is eligible for OCFP credits, which are issued by the Oregon Department of Environmental Quality. By reporting the amount of electric vehicle fueling, ChargePoint is able to help Oregon track the growing use of electric vehicles in the state, for which ChargePoint will receive OCFP credits.

(c) An available OCFP credit may be claimed by certain owners and operators of electric vehicle charging stations, including both Subscriber and CPI. However, the OCFP credits are only available to one party. This means any available credits may be claimed by either Subscriber or CPI, but not by both. CPI intends to claim available OCFP credits generated from use of the Charging Stations, but will not claim any available OCFP credits that Subscriber intends to claim.

(d) Subscriber agrees that it will provide CPI with written notice of its intent to claim OCFP credits within ten (10) days of the date of the Effective Date. If Subscriber does not currently intend to claim the OCFP credits, but desires to do so at any time in the future, Subscriber may, by providing written notice to CPI, elect to claim OCFP credits generated thirty (30) days or more after the date of such notice. Subscriber represents and warrants to CPI that, in the absence of providing written notice, Subscriber will not claim any OCFP credits. All notices shall be provided by email to CPI at [lcfnotification@chargepoint.com](mailto:lcfnotification@chargepoint.com).

**10.7 NOTICE REGARDING RIN DATA.** For Subscriber's located in the United States, CPI will participate in an application to the U.S. Environmental Protection Agency ("EPA") to permit vehicle charging data ("Charging Data") collected by CPI from centrally networked charging stations to be utilized in a process to generate an environmental credit called a Renewable Identification Number ("RIN") under the Renewable Fuel Standard program. CPI must establish its exclusive right to utilize the Charging Data and the associated environmental attributes underlying the charging events represented by the Charging Data (Charging Data and such environmental attributes referred to collectively as, the "RIN Data") for the purposes of RIN generation. Subscriber confirms that it will not pursue utilizing RIN Data for the purposes of RIN generation and that, as between Subscriber and CPI, CPI has the exclusive right to use the RIN Data for the purpose of RIN generation.

**10.8 NOTICES.** Other than the notices required in Sections 11.5 and 11.6, any notice required or permitted by this Agreement shall be sent (a) if by CPI, via electronic mail to the address indicated by Subscriber in Subscriber's ChargePoint Services account; or (b) if by Subscriber, via electronic mail to [mssa@chargepoint.com](mailto:mssa@chargepoint.com).

**10.9 INJUNCTIVE RELIEF.** Subscriber acknowledges that damages for improper use of the ChargePoint Services may be irreparable; therefore, CPI is entitled to seek equitable relief, including but not limited to preliminary injunction and injunction, in addition to all other remedies.

**10.10 SEVERABILITY.** Except as otherwise specifically provided herein, if any term or condition of this Agreement or the application thereof to either Party will to any extent be determined jointly by the Parties or by any judicial, governmental or similar authority, to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to this Agreement, the Parties or circumstances other than those as to which it is determined to be invalid or unenforceable, will not be affected thereby.

**10.11 ASSIGNMENT.** Subscriber may not assign any of its rights or obligations hereunder, whether by operation of law or otherwise, without the prior written consent of CPI (not to be unreasonably withheld). In the event of any purported assignment in breach of this Section, CPI shall be entitled, at its sole discretion, to terminate this Agreement upon written notice given to Subscriber. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the parties, their respective successors and permitted assigns. CPI may assign its rights and obligations under this Agreement.

**10.12 NO AGENCY OR PARTNERSHIP.** CPI, in the performance of this Agreement, is an independent contractor. In performing its obligations under this Agreement, CPI shall maintain complete control over its employees, its subcontractors and its operations. No partnership, joint venture or agency relationship is intended by CPI and Subscriber to be created by this Agreement. Neither Party has any right or authority to assume or create any obligations of any kind or to make any representation or warranty on behalf of the other Party, whether express or implied, or to bind the other Party in any respect whatsoever.

**10.13 ENTIRE AGREEMENT.** This Agreement (including the attached Exhibits) contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes and cancels all previous and contemporaneous agreements, negotiations, commitments, understandings, representations and writings. All purchase orders issued by Subscriber shall state that such purchase orders are subject to all of the terms and conditions of this Agreement, and contain no other term other than the type of Cloud Plan, the number of Charging Stations for which such Cloud Plan is ordered, the term of such Cloud Plans and applicable Subscription Fees. To the extent of any conflict or inconsistency between the terms and conditions of this Agreement and any purchase order, the Agreement shall prevail. Notwithstanding any language to the contrary therein, no terms or conditions stated in any other documentation shall be incorporated into or form any part of this Agreement, and all such purported terms and conditions shall be null and void.

**10.14 COPYRIGHT POLICIES.** It is CPI's policy to respond to notices of alleged copyright infringement that comply with applicable international intellectual property law (including, in the United States, the Digital Millennium Copyright Act) and to terminate the accounts of repeat infringers.

**10.15 THIRD PARTY RESOURCES.** The ChargePoint Services may include hyperlinks to other websites or resources. CPI has no control over any web sites or resources that are provided by companies or persons other than CPI. Subscriber acknowledges and agrees that CPI is not responsible for the availability of any such web sites or resources, CPI does not endorse any advertising, products or other materials on or available from such web sites or resources, and CPI is not liable for any loss or damage that may be incurred by Subscriber as a result of any reliance placed by Subscriber on the completeness, accuracy or existence of any advertising, products, or other materials on, or available from, such websites or resources.

**10.16 COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute but one and the same document.

**10.17 ENGLISH LANGUAGE AGREEMENT GOVERNS.** Where CPI has provided Subscriber with a translation of the English language version of this Agreement, Subscriber agrees that the translation is provided for Subscriber’s convenience only and that the English language version of this Agreement governs Subscriber’s relationship with CPI. If there is any conflict between the English language version of this Agreement and such translation, the English language version will prevail.

City of Beaumont

Name: Rey Santos

Signature: \_\_\_\_\_

Title: Mayor

Date: \_\_\_\_\_

Address: 550 E 6<sup>th</sup> Street  
Beaumont, CA 92223

ChargePoint, Inc.

Name: Henrik Gerdes

DocuSigned by:  
Signature: Henrik Gerdes  
0273ECE89F57429...

Title: Chief Accounting Officer

Date: 5/29/2020

Address: 254 E Hacienda Ave  
Campbell, CA 95008

ATTEST:  
  
By: \_\_\_\_\_  
Steven Mehlman, City Clerk  
  
APPROVED AS TO FORM:  
  
By: \_\_\_\_\_  
John O. Pinkney, City Attorney

**EXHIBIT 1**  
**FLEX BILLING TERMS**

This Exhibit sets forth certain additional terms and conditions (“Flex Billing Terms”) pursuant to which Subscriber may charge Users fees for the use of Subscriber’s Charging Stations. In order to charge such fees, Subscriber must subscribe to a Cloud Plan that includes CPI’s management, collection and/or processing services related to such fees (“Flex Billing”).

1. **DEFINITIONS.** The following additional defined terms shall apply to these Flex Billing Terms:

1.1 **“CPI Fees”** means a fee, currently equal to ten percent (10%) of Session Fees, charged for a particular Session. CPI Fees are charged by CPI in exchange for its collection and processing of Session Fees on behalf of Subscriber. CPI will provide Subscriber with thirty (30) days prior written notice (which may include, without limitation, notice provided by CPI through its regular newsletter to Subscriber) of any increase in CPI Fees.

1.2 **“Net Session Fees”** means the total amount of Session Fees collected on behalf of the Subscriber by CPI, less CPI Fees and Taxes, if any, required by law to be collected by CPI from Users in connection with the use of Charging Stations. Except as required by law, Subscriber shall be responsible for the payment of all Taxes incurred in connection with use of Subscriber’s Charging Stations.

1.3 **“Session”** or **“Charging Session”** means the period of time during which a User uses Subscriber’s Charging Station to charge his or her electric vehicle for a continuous period of time not less than two (2) minutes commencing when a User has accessed such Charging Station and ending when such User has terminated such access.

1.4 **“Session Fees”** means the fees set by the Subscriber for a Charging Session, inclusive of any applicable Taxes.

2. **FLEX-BILLING SERVICE FOR CHARGING STATIONS.**

2.1. **SESSION FEES.** Subscriber shall have sole authority to determine and set Session Fees. Subscriber shall be solely responsible for determining and charging Session Fees in compliance with all applicable laws and regulations (including without limitation any restriction on Subscriber’s use of per-kWh pricing). Subscriber acknowledges that CPI is not responsible for informing Subscriber of applicable laws or changes thereto, and CPI will not be liable to Subscriber or any third party for any alleged or actual failure of Subscriber to comply with such applicable laws and regulations.

2.2 **DEDUCTIONS FROM SESSION FEES.** In exchange for CPI collecting Session Fees on behalf of the Subscriber, the Subscriber hereby authorizes CPI to deduct from all Session Fees collected: (i) CPI Fees and (ii) to the extent required by Section 3, applicable Taxes.

2.3 **PAYMENT TO SUBSCRIBER OF NET SESSION FEES.** CPI will remit Net Session Fees to Subscriber, not less than quarterly, provided that the amount due to Subscriber hereunder is at least two hundred and fifty U.S. Dollars (\$250) (or, if Subscriber is located in Canada, two hundred and fifty Canadian dollars) or more. Notwithstanding, the foregoing, CPI shall remit any unpaid Net Session Fees, regardless of the amount, to Subscriber at least annually and within thirty (30) days of the expiration or termination

of this Agreement. All payments shall be made by ACH. In order to facilitate such payments, Subscriber agrees to provide to CPI, or its payment provider, Subscriber's bank information to enable electronic remittance of the Net Session Fees. If the Subscriber requests payment in a manner other than ACH (e.g., check or wire transfer), Subscriber agrees to bear the reasonable costs related to such request.

**3. TAXES.** If applicable, Subscriber is responsible for setting pricing on a Tax inclusive basis. CPI is not responsible for remittance of any Taxes on behalf of Subscriber and Subscriber shall be responsible to report and remit any and all applicable taxes whether state, federal, provincial or otherwise; provided that CPI is solely responsible for all Taxes assessable based on CPI's income, property and employees. Where CPI is required by law to collect and/or remit the Taxes for which Subscriber is responsible, the appropriate amount shall be invoiced to Subscriber and deducted by CPI from Session Fees, unless Subscriber has otherwise provided CPI with proof of direct payment of such taxes, a valid tax or regulatory exemption certificate or authorization from the appropriate taxing or regulatory authority.

**EXHIBIT 2**  
**API TERMS**

This Exhibit sets forth certain additional terms and conditions (“API Terms”) governing Subscriber’s use of the APIs in connection with Subscriber’s use of the ChargePoint Services. The API Terms are part of the Agreement, and all such use of the APIs remains subject to the Agreement terms.

**1. ADDITIONAL DEFINITIONS.** The following additional definitions shall apply to the API Terms.

**1.1 “API Implementation”** means a Subscriber software application or website that uses any of the APIs to obtain and display Content in conjunction with Subscriber Content and Services.

**1.2 “API Documentation”** means all Documentation containing instructions, restrictions or guidelines regarding the APIs or the use thereof, as amended and/or supplemented by CPI from time to time.

**1.3 “CPI Site Terms”** means the Terms and Conditions displayed on CPI’s website, governing use of CPI’s website and the ChargePoint Services by visitors who are not Cloud Plan subscribers.

**2. API USE.** Subscriber may use the APIs as and to the extent permitted by Subscriber’s Cloud Plan and the API Documentation, subject to the terms and conditions of the Agreement.

**2.1 AVAILABLE APIs AND FUNCTION CALLS.** The APIs give Subscriber access to information through a set of function calls. The particular APIs and API function calls made available by CPI from time to time (and the Content available through such APIs and function calls) will be limited by Subscriber’s Cloud Plan, and Subscriber’s particular Cloud Plan may not include all APIs and function calls then available from CPI.

**2.2 USE AND DISPLAY OF CONTENT.** Subscriber is permitted to access, use and publicly display the Content with Subscriber Content and Services in Subscriber’s API Implementation, subject to the following requirements and limitations.

(a) All Charging Station locations provided to Subscriber as part of the Content shall be clearly identified by Subscriber in Subscriber’s API Implementation as ChargePoint® Network Charging Stations and shall contain the Brand Identifiers required by the API Documentation. In no event shall Subscriber’s API Implementation identify or imply that any Charging Station is a part of any network of charging stations other than ChargePoint.

(b) Subscriber shall keep the Content used by Subscriber’s API Implementation current with Content obtained with the APIs to within every forty eight (48) hours.

(c) Content provided to Subscriber through the APIs may contain the trade names, trademarks, service marks, logos, domain names, and other distinctive brand features of CPI’s business partners and/or other third party rights holders of Content indexed by CPI, which may not be deleted or altered in any manner.

(d) Subscriber shall not:

- (i) pre-fetch, cache, or store any Content, except that Subscriber may store limited amounts of Content for the purpose of improving the performance of Subscriber's API Implementation if Subscriber does so temporarily, securely, and in a manner that does not permit use of the Content outside of the ChargePoint Service;
- (ii) hide or mask from CPI the identity of Subscriber's service utilizing the APIs, including by failing to follow the identification conventions listed in the API Documentation; or
- (iii) defame, abuse, harass, stalk, threaten or otherwise violate the legal rights (such as rights of privacy and publicity) of others.

**2.3 REQUIRED INFORMATION.** Subscriber must:

- (a) display to all viewers and users of Subscriber's API Implementation the link to the CPI Site Terms and Conditions as presented through the ChargePoint Services or described in the Documentation;
- (b) explicitly state in the use terms governing Subscriber's API Implementation that, by using Subscriber's API Implementation, such viewers and users are agreeing to be bound by the CPI Site Terms; and
- (c) include in Subscriber's API Implementation, and abide by, a privacy policy complying with all applicable laws; and
- (d) comply with all applicable laws designed to protect the privacy and legal rights of users of Subscriber's API Implementation.

**2.4 REPORTING.** Subscriber must implement reporting mechanisms, if any, that CPI requires in the API Documentation.

**3. CPI BRANDING REQUIREMENTS AND RESTRICTIONS.**

**3.1 MANDATORY CPI BRANDING.** Subject to Section 3.2 below and the restrictions on use of CPI Marks set forth in the Agreement, Subscriber agrees that each page comprising Subscriber's API Implementation will include a ChargePoint logo and will state that Subscriber's application or website is provided, in part, through the ChargePoint Services.

**3.2 RESTRICTIONS.** Subscriber shall not:

- (a) display any CPI Mark as the most prominent element on any page in Subscriber's API Implementation or Subscriber's website (except as used in connection with the display of Charging Stations); or
- (b) display any CPI Mark anywhere in Subscriber's API Implementation or on Subscriber's website if Subscriber's API Implementation or website contains or displays adult content or promotes illegal activities, gambling, or the sale of tobacco or alcohol to persons under twenty-one (21) years of age.

**EXHIBIT 3**  
**TERMS REGARDING GRANTING OF RIGHTS**

This Exhibit sets forth certain additional terms and conditions applicable to Rights Grantors and Rights Grantees regarding the granting of Rights (“Rights Terms”). The Rights Terms are part of the Agreement, and all use of the ChargePoint Services permitted pursuant to the Rights Terms remains subject to the Agreement.

**1. ADDITIONAL DEFINITIONS.** The following additional definitions shall apply.

**1.1 “Rights Grantor”** means Subscriber.

**1.2 “Rights Grantee”** means any person to whom Subscriber has granted Rights. For purposes of this Agreement, a Subscriber shall be deemed to have granted Rights to the entity assisting Subscriber with creating its account and initiating Subscriber’s access to Services.

**2. TERMS.** This Section governs Subscriber’s granting of Rights as a Rights Grantor.

**2.1 LIMITED RIGHTS.** A Rights Grantee’s right to access and use the ChargePoint Services for and on behalf of a Rights Grantor is limited to the specific Rights granted by such Rights Grantor to such Rights Grantee. Such Rights may be limited according to the Cloud Plan(s) subscribed to by Subscriber. Subscriber may revoke Rights, or any portion thereof, it has granted to a Rights Grantee at will and such Rights will thereafter be terminated with respect to such Rights Grantee. In no event may Subscriber grant Rights in excess of those provided to it through the Cloud Plan(s) to which it has subscribed.

**2.2 RESPONSIBILITY FOR AUTHORIZED USER.** All use of the ChargePoint Services by a Rights Grantee exercising Rights granted by Subscriber shall be subject to the terms and conditions of the Agreement (including without limitation Subscriber’s indemnification obligation pursuant to Section 10 thereof). Subscriber shall be responsible for the actions, omissions, or performance of such Rights Grantee while exercising any such Rights, as if such action, omission or performance had been committed by Subscriber directly.

**2.3 NO AGREEMENT.** Subscriber acknowledges and agrees that the ChargePoint Services merely enable a Rights Grantor to extend Rights to Rights Grantees. The mere extension of such Rights by a Rights Grantor to a Rights Grantee does not constitute an agreement between Rights Grantor and the Rights Grantee with respect to the granted Rights or the exercise of such Rights by the Rights Grantee. CPI does not, either through the terms of the Agreement or the provision of ChargePoint Services undertake to provide any such agreement. It is the responsibility of the Rights Grantor and the Rights Grantee to enter into such an agreement on terms mutually acceptable to each. CPI expressly undertakes no liability with respect to such an agreement and Rights Grantor fully and unconditionally releases CPI from any liability arising out of such an agreement. Further Rights Grantor agrees to indemnify and hold CPI, its officers, directors, agents, affiliates, distribution partners, licensors and suppliers harmless from and against any and all claims, actions, proceedings, costs, liabilities, losses and expenses (including, but not limited to, reasonable attorneys’ fees) (collectively, “Claims”) suffered or incurred by such indemnified parties resulting from or arising out of such agreement.

## Exhibit 4

## ChargePoint Commercial CloudPlan

## Features and Ordering Information

The ChargePoint® Commercial cloud plan makes it simple to manage stations with a real-time graphical dashboard and detailed map. Charging session analytics and reports simplify operations and satisfy management requests for information. Additional features for fleet managers make it easy to electrify fueling, including controlling access to chargers and integration with other fleet systems.

Power management software allows site administrators to maximize the number of charging ports they can deploy while still ensuring EV drivers get an adequate charge. Power management features can also be used to reduce electricity costs.

When demand for charging exceeds supply EV drivers have to contend for charging spots. Waitlist lets drivers tap their card at stations to get in a queue and receive notifications when a station is available. Stations are held until the next driver in line arrives to plug in.

Setting fees for charging allows electricity costs to be recovered and motivates drivers to move their vehicles when they're done charging to make room for another car. Seven pricing models meet any requirement and a wizard simplifies configuration.

Station owners who want to limit access to charging stations at their sites can take advantage of access controls that determine who can charge, and when.

Managing large charging networks can be challenging, especially when they're widely distributed. Features in the Commercial plan allow configuration of stations and reporting data to be securely delegated to third parties. Station managers also get access to support experts during business hours.

EV drivers who use connected stations get real-time availability of stations, simple navigation, the most convenient charging, tracking of their activity and reporting of helpful tips to assist other drivers. They also get 24-hour phone support so they're never stranded.

Full-color, high-resolution instructional (or promotional) videos for drivers can be downloaded to stations with displays.

More advanced cloud plans, available only when both parties execute an amendment to the Agreement with a simple upgrade, enable advanced analytics (with 15 minute reporting interval), integration with OpenADR and Building Management Systems through energy management APIs and many other useful capabilities to maximize station return on investment and the driver experience.

## Commercial Cloud Plan Summary

Feature	Description
Flex Billing	Gives station managers the option to set prices that drivers pay to use their stations. Funds collected from drivers are electronically transferred to a designated bank account once a month. Different prices can be applied to different driver groups. Prices can be based on energy cost, duration, time of use or session. A pricing wizard is included with suggested pricing plans for different industries.
Waitlist	Lets drivers get in line to use ChargePoint stations.
Driver Access Controls	Empowers station managers to manage who can access their stations and when.

Administrative Controls (Rights Granting)	Allows secure delegation of configuration tasks and reports to third parties.
Roaming and Interoperability (where available)	Lets drivers of supported third-party networks use accessible ChargePoint stations with one card and one account.
Plug-and-Charge (supported stations only)	Authenticates vehicles automatically when they plug in (IEC 15118) based on ChargePoint driver account information.
Videos	Allows branded video content to be delivered to supported stations.
Power Management	Manages available power at a circuit, panel or site level so more charging stations can be installed without upgrading existing electrical facilities; also reduces electricity costs by managing the load.
Scheduled Charging	Schedules the time when charging starts to reduce electrical costs.

## ChargePoint Commercial Cloud Plan

## Commercial Cloud Plan Summary continued

Feature	Description
24/7 Driver Support	Assists EV drivers with questions about charging.
Station Manager Support	Supports station managers over the phone (5 AM – 6 PM PT) or via email.
Charging Data and Analytics	Reports on key station metrics, including status, power and energy use, charging session details and more.
Fleet Vehicle Management	Allows fleet managers to activate RFID cards for fleet vehicles and track their station usage by vehicle.
Fleet Ecosystem Integration	Integrates fleet telematics, fuel card and asset management systems.
Fleet Access Controls	Limits charging to authorized fleet vehicles.
Valet Dashboard	Notifies station managers when cars are done charging so they can be moved.
Power Select	Permits stations to be provisioned on smaller circuits without exceeding the rated capacity.
Network Connection	Enables 24/7 remote monitoring and status of stations.
Automatic Station Software Updates	Downloads software upgrades over the air so the latest features and performance enhancements are always available.
Station Inventory	Displays real-time station availability and details in a simple online dashboard.



## Staff Report

**TO:** City Council  
**FROM:** Christina Taylor, Community Development Director  
**DATE:** July 21, 2020  
**SUBJECT:** Conduct a Public Hearing and Consider Amendment No. 1 to the Development Agreement (PLAN2019-0336) for the Hidden Canyon Specific Plan, a 2.89 Million Square Foot Industrial Business Park (Hidden Canyon Industrial Park); Located at the Western Terminus of Fourth Street, South of State Highway 60, East of Jack Rabbit Trail

---

### Background and Analysis:

The subject site, known as the Hidden Canyon Specific Plan, is located along the south side of State Route 60 in the westerly-most area of the City of Beaumont.



The site has been subject to other various entitlement activities in the past, as follows:

Beaumont Gateway Specific Plan

When owned by the Lockheed Corporation, the site received specific plan and tentative tract approval in 1995 for 573 dwelling units, with a minimum lot size of 5,000 square feet. Due to economic and market considerations at that time, the project never moved forward with development.

Wyle Laboratories Test Facility

Wyle Laboratories subsequently acquired the site and received City approval in 2001 for a zone change and general plan amendment for an industrial designation, and a conditional use permit for operation of a small industrial testing facility on the site.

Hidden Canyon Specific Plan (2005)

CRV-SC Beaumont Partners, LP received City approval in 2005 for the entitlement for a maximum of 426 residential lots, 19.5 acres of parks and open space, and a 4.8 acre commercial site.

Hidden Canyon Industrial Specific Plan (2012)

Amendment to the specific plan changing the land use designations from residential to industrial and providing for up to 2.89 million square feet of industrial floor space. This is the currently entitled status for this site.

Plot Plan Approval

11-PP-04 Plot Plan was approved by the Planning Commission on February 14, 2012, and is now expired.

16-PP-02 Plot Plan was re-approved by the City Council on September 6, 2016, and is now expired.

Plot Plan PP2018-0134 is the current entitlement, approved by the Planning Commission on November 13, 2018, and was extended by the Planning Commission until November 13, 2020. The development agreement approved in December 2020, extended this entitlement until November 13, 2027.

The approved specific plan, environmental impact report (EIR) addendum, and 2012 staff report are available for review on the City's Transparency Portal website within Community Development/Specific Plans.

The original development agreement had two main items:

- The extension of the entitlements for Plot Plan 2018-0134 for a period of seven (7) years from the current expiration date. Under the proposed development agreement, the expiration date would be November 13, 2027, and

- The allowance of assignment or transfer of the development agreement.

The proposed amendment to the development agreement will address the following:

- Establishing a maximum allowable sewer flow.

At this time, an end user for the development has not been disclosed. Based on current sewer infrastructure, the sewer treatment plant expansion and proposed improvements in the area surrounding the development, establishing a maximum sewer flow is necessary to ensure the integrity of the City's system and to ensure capacity is available to serve an occupant. If an occupant for the development will require more capacity than the proposed cap allows, a reassessment will be necessary and mitigation for any identified impacts will be required.

The amendment to the development agreement proposes adding the following language regarding the maximum allowable sewer flow:

**Section 9. Vested Rights and Applicable Rules, Regulations and Policies**

*(e) "Sewer flow from the Crossroads II Project shall be limited to the amount provided in the June 1, 2020, dated Sewer Study prepared by Thienes Engineering, titled "SEWER AREA STUDY AND PRELIMINARY LIFT STATION DESIGN FOR BEAUMONT CROSSROADS II LOGISTICS", which study has been accepted by the City. The maximum sewer flow from the Project shall not be greater than a projected cumulative 139,679 gallons per day (gpd) peak flow for the Project at any given time. Any actual or projected exceedance in the projected maximum flow generated by the Project as determined by City shall be reassessed for sewer system impacts by City and mitigated by Developer accordingly. All sewer discharges from the Project shall comply with the applicable provisions of law, regulations, policies and orders including, but not limited to, those contained in the Beaumont Municipal Code".."*

Both the City and the applicant have agreed to this language and the means by which the need for excess flow will be addressed.

**Environmental Documentation:**

An EIR was prepared and certified in 1995 for the Beaumont Gateway Specific Plan, and the later Hidden Canyon addendums in both 2005 and 2012, assessing the environmental impacts of the project and subsequent implementation steps, including subdivision of the site, for the same project. The EIR and the findings made by the City Council remain valid. This development agreement amendment is not subject to CEQA, as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment (14 CCR Section 15061(b)(3)).

## Findings:

The guidelines for development agreements are established in City of Beaumont Resolution No. 1987-34. This resolution requires City Council to make the following findings:

1. The proposed agreement is consistent with the objectives, policies, general land use and programs specified in the General Plan;

*The proposed amendment to the development agreement is consistent with the General Plan and its goals, objectives and policies. Specifically, approval of this amendment will help facilitate a development which is an avenue for new employment, improvements to infrastructure and circulation.*

2. The proposed agreement facilitates land uses which are compatible with the uses authorized in, and the regulations prescribed for, the land use districts in which the real property is located;

*The proposed development agreement amendment has no impact on zoning or land use on the property or in the surrounding area. There are no proposed changes to the zoning, land use or project approvals as a result of this amendment.*

3. The proposed agreement is in conformity with public convenience, general welfare and good land use practice;

*The development agreement amendment has no impact on land use or compatibility with the surrounding area. The limits on sewer discharge as a result of this project will add to the public convenience and improve the general welfare of the businesses and residents in the area by ensuring existing and proposed infrastructure can adequately serve the public.*

4. The proposed agreement will not be detrimental to the health, safety and general welfare;

*Approval of the amendment to the development agreement will have no impact on the health, safety or welfare of the City, the surrounding area or its residents. The amendment to this agreement, through the imposition of conditions, will not have a detrimental effect on the health, safety or general welfare of the City or its residents and will ensure the existing and proposed infrastructure can adequately serve the public.*

5. The proposed agreement will not adversely affect the orderly development of property or the preservation of property values;

*Approval of this development agreement amendment will help facilitate the orderly development of infrastructure and related facilities. Approval of this agreement amendment will not have a negative effect on orderly development or preservation of property rights and is agreed to by both the City and the property owner.*

There are no unusual or changed circumstances at this site that would affect the entitlements or consideration of amendment to the development agreement. All of the required findings can be made in a positive manner.

**Fiscal Impact:**

Cost of staff time and legal review for preparation of this report is covered by the development agreement deposit on file.

**Recommended Action:**

Conduct a public hearing, and  
Waive the full reading and adopt by title only the first reading of “An Ordinance of the City Council of the City of Beaumont, California, Approving an Amended and Restated Development Agreement by and Between the City of Beaumont and MPLD II Inland Empire, LLC.”

**Attachments:**

- A. Proposed Ordinance
- B. Restated and Amended Development Agreement
- C. Sewer & Preliminary Lift Station Design for Beaumont Crossroads II Logistics

**ORDINANCE NO.**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BEAUMONT, CALIFORNIA, APPROVING AN AMENDED AND RESTATED DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF BEAUMONT AND MPLD II INLAND EMPIRE, LLC**

**WHEREAS**, City is a general law city and a municipal corporation of the State of California; and;

**WHEREAS**, MPLD II INLAND EMPIRE, LLC (“Owner”) owns approximately 198.38 acres of land, described in Exhibit “A” ("Subject Property") attached hereto and incorporated herein by this reference also known as Assessor’s Parcel No. 424-010-011 through 424-010-018, inclusive, located within an existing specific plan known as the Hidden Canyon Specific Plan, located south of SR-60 west of Potrero Boulevard and east of Jack Rabbit Trail in the City of Beaumont; and

**WHEREAS**, City approved that certain DEVELOPMENT AGREEMENT BY AND BETWEEN CITY OF BEAUMONT AND MPLD II INLAND EMPIRE, LLC dated December 3, 2019 which currently applies to the Property and City and developer desire to amend and restate the original Development Agreement as provided in this Agreement and supersede and replace the original Development Agreement.

**WHEREAS**, the property owner and the City agree to limitations on sewer flow as specified in the Amended and Restated Development Agreement as determined in the “Sewer Area Study and Preliminary Lift Station Design for Beaumont Crossroads II Logistics”; and

**WHEREAS**, the Subject Property is subject to the following entitlements: General Plan Amendment 11-GPA-02, Hidden Canyon Specific Plan 11-SPA-01, Hidden Canyon EIR and Addendum, Parcel Map 36426 and Plot Plan PP2018-0134 (“Development Approvals” or “Project”); and

**WHEREAS**, the Project will provide jobs and industry in the City of Beaumont; and

**WHEREAS**, Developer is not requesting any form of financial assistance from City to locate, develop, construct and/or operate the Project in the City of Beaumont, and agrees to comply with all conditions of approval; and

**WHEREAS**, to strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Sections 65864 et seq. of the California Government Code, "Development Agreement Statute" which authorizes cities to enter into property development agreements with any person(s) or entity(ies) having a legal or equitable interest in real property for the development of such real property in order to establish certain development rights in the real property; and

**WHEREAS**, under Government Code Sections 65864 et seq. and Beaumont City

Council Resolution No. 1987-34 a development agreement is intended to provide assurances to developer that an approved project may proceed subject to the policies, rules, regulations, and conditions of approval applicable to the project at the time of approval, regardless of any changes to City policies, rules, and regulations after project approval, and provide assurances that City cannot otherwise unilaterally impose conditions of approval of the project outside the context of a negotiated development agreement; and

**WHEREAS**, this Agreement will eliminate uncertainty in planning for and secure orderly development of the Subject Property, assure progressive installation of necessary improvements, and ensure attainment of the maximum effective utilization of resources within City at the least economic cost to its citizens; and

**WHEREAS**, based on the foregoing recitals, City has determined that this Agreement is appropriate under Government Code Sections 65864 et seq. and Beaumont City Council Resolution No. 1987-34; and

**WHEREAS**, this Agreement is voluntarily entered into in consideration of the benefits to and the rights created in favor of each of the parties hereto and in reliance upon the various representations and warranties contained herein; and

**WHEREAS**, City, as "Lead Agency" under the California Environmental Quality Act ("CEQA") and the CEQA Guidelines, has determined that the "Project," as more fully described in this Ordinance, has been fully analyzed under CEQA and CEQA Guidelines and is subject to a certified EIR and addendum.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BEAUMONT DOES ORDAIN AS FOLLOWS:**

**SECTION 1. RECITALS**

That the above Recitals are true and correct and are incorporated as though fully set forth herein.

**SECTION 2. APPROVAL OF AMENDED AND RESTATED DEVELOPMENT AGREEMENT**

That the City Council hereby approves the Amended and Restated Development Agreement by and Between the City of Beaumont and MPLD II Inland Empire, LLC ("Development Agreement"), a copy of which is attached hereto as **Exhibit "B"** and incorporated herein by this reference, subject to the terms and conditions stated therein.

**SECTION 3. SEVERABILITY**

That the City Council declares that, should any provision, section, paragraph, sentence or word of this Ordinance be rendered or declared invalid by any final court

action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this Ordinance as hereby adopted shall remain in full force and effect.

**SECTION 4. EFFECTIVE DATE OF ORDINANCE**

That this Ordinance shall take effect thirty (30) days after its second reading by the City Council.

**SECTION 5. EFFECTIVE DATE OF DEVELOPMENT AGREEMENT**

The Development Agreement shall not be executed by the City until on or after the effective date of the Ordinance.

**SECTION 6. REPEAL OF CONFLICTING PROVISIONS**

That all the provisions of the Beaumont Municipal Code as heretofore adopted by the City of Beaumont that are in conflict with the provisions of this ordinance are hereby superseded to the extent of such inconsistency.

**SECTION 7. RECORDATION OF DEVELOPMENT AGREEMENT**

The City Clerk is hereby directed to record the fully executed Amended and Restated Development Agreement with the Riverside County Recorder no later than ten (10) days after its execution.

**SECTION 8. CERTIFICATION**

That the City Clerk shall certify to the passage of this Ordinance and shall cause the same to be published according to law.

**INTRODUCED AND READ** for the first time and ordered posted at a regular meeting of the City Council of the City of Beaumont, California, held on the 21st day of July, 2020, by the following roll call vote:

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

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the City Council of the City of Beaumont, California, held on the \_\_\_th day of August, 2020.

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

\_\_\_\_\_  
Ray Santos, Mayor

Attest: \_\_\_\_\_  
Nicole Wheelwright, Deputy City Clerk

Approved as to form:

\_\_\_\_\_  
John O. Pinkney, City Attorney

**EXHIBIT "A"**

**EXHIBIT "B"**

RECORDING REQUESTED BY:

City of Beaumont

WHEN RECORDED MAIL TO:

City of Beaumont  
550 E. 6<sup>th</sup> Street  
Beaumont, CA 92223  
Attention: City Manager's Office

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

Exempt from Recording Fees Pursuant to Government Code Section 27383  
APN: 424-010-011 through 424-010-018

**AMENDED AND RESTATED  
DEVELOPMENT AGREEMENT BY AND  
BETWEEN  
CITY OF BEAUMONT  
AND  
MPLD II INLAND EMPIRE, LLC**

This Amended and Restated Development Agreement ("Agreement") is entered into this 21 day of JULY, 2020, by and between CITY OF BEAUMONT, a general law city and municipal corporation located in the County of Riverside, State of California ("City"), and MPLD II INLAND EMPIRE, LLC, a Delaware limited liability partnership ("Developer") pursuant to the authority of Sections 65864 et seq. of the California Government Code and Beaumont City Council Resolution No. 1987-34.

**RECITALS:**

**WHEREAS**, City is a general law city and a municipal corporation of the State of California; and;

**WHEREAS**, Developer owns approximately 198.38 acres of land the legal description of which is attached hereto and incorporated herein by reference in Exhibit "A" ("Subject Property") (Assessor Parcel Nos. 424-010-011 through 424-010-018, inclusive), subject to an existing specific plan known as the Hidden Canyon Specific Plan, located south of SR-60, west of Potrero Boulevard and east of Jack Rabbit Trail in the City of Beaumont; and

**WHEREAS**, City approved that certain DEVELOPMENT AGREEMENT BY AND BETWEEN CITY OF BEAUMONT AND MPLD II INLAND EMPIRE, LLC dated \_\_\_\_\_, 2019 which currently applies to the Property and City and developer desire to amend and restate the original Development Agreement as provided in this Agreement and supersede and replace the original Development Agreement. and

**WHEREAS**, the Subject Property is subject to the following entitlements: General Plan Amendment 11-GPA-02, Hidden Canyon Specific Plan 11-SPA-01, Hidden Canyon EIR and Addendum, Parcel Map 36426 and Plot Plan PP2018-0134 (as extended on October 8, 2019) ("Entitlements"); and

**WHEREAS**, the permitted uses of the Property are industrial uses being Trucking Terminal, Industrial Complex, Wholesale, Distribution and Storage, Administrative Offices and Other Uses determined to be substantially similar; the density and intensity of use is up to 2.89 million square feet of distribution warehouses, maximum allowable lot coverage 55%; the maximum height of the proposed buildings is 50 feet above building finish floor elevation, the current approved size of Building 1 is 1,867,040 sf and the current approved size of Building 2 is 1,015,280 sf, minor modifications to building size and design are allowed per the specific plan as long as the maximum square footage is not exceeded; the specific provisions for reservation or dedication of land for public purposes are that Lots A & B of Parcel Map dedicated for streets and public utilities, Parcel A is open space, Parcel B is a retention basin and Parcel C is an open space area (collectively, the "Project"); and

**WHEREAS**, the Project will provide jobs and industry in the City of Beaumont; and

**WHEREAS**, Developer is not requesting from the City, nor is the City providing, any form of financial assistance to locate, develop, construct and/or operate in the City of Beaumont, and Developer agrees to comply with all conditions of approval; and

**WHEREAS**, to strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Sections 65864 et seq. of the California Government Code, "Development Agreement Statute" which authorizes cities to enter into property development agreements with any person(s) or entity(ies) having a legal or equitable interest in real property for the development of such real property in order to establish certain development rights in the real property; and

**WHEREAS**, this Development Agreement is intended to provide assurances to Developer that an approved Project may proceed subject to the policies, rules, regulations, and conditions of approval applicable to the Project at the time of approval, regardless of any changes to City policies, rules, and regulations after project approval, and provide assurances that City cannot otherwise unilaterally impose conditions of approval of the Project outside the context of the negotiated development agreement; and

**WHEREAS**, this Agreement will eliminate uncertainty in planning for and securing orderly development of the Subject Property, assure installation of necessary improvements, and ensure attainment of the maximum effective utilization of resources within the City at the least economic cost to its citizens; and

**WHEREAS**, based on the foregoing recitals, City has determined that this Agreement is appropriate under the Development Agreement Statute and Beaumont City

Council Resolution No. 1987-34; and

**WHEREAS**, this Agreement is voluntarily entered into in consideration of the benefits to and the rights created in favor of each of the parties hereto and in reliance upon the various representations and warranties contained herein; and

**WHEREAS**, City, as "Lead Agency" under the California Environmental Quality Act ("CEQA") and the CEQA Guidelines, has determined that the "Project," as more fully described in this Agreement, has been fully analyzed per CEQA Guidelines under the existing EIR and Addendum for the Project.

**NOW, THEREFORE**, pursuant to the authority contained in the Development Agreement Statute and Beaumont City Council Resolution No. 1987-34 and in consideration of the mutual covenants and promises of the parties contained herein, the Parties agree as follows:

**AGREEMENT:**

**Section 1. Incorporation of Recitals and Exhibits**

The foregoing Recitals and attached Exhibits are true and correct and are incorporated into this Agreement by this reference as though fully set forth herein.

**Section 2. Effective Date**

This Agreement shall become effective on the effective date ("Effective Date") of the ordinance enacting this Agreement ("Enacting Ordinance").

**Section 3. Term**

The parties agree that the Term of this Agreement shall be for a term of seven (7) years commencing on the Effective Date, subject to any termination provisions described in this Agreement ("Term").

**Section 4. Project**

The "Project" will include the development of up to 2.89 million square feet of industrial development with associated on and off-site improvements and landscaping on the Subject Property, which consist of approximately 198.38 acres of vacant land in the Hidden Canyon Specific Plan, subject to the following Entitlements: General Plan Amendment 11-GPA-02, Hidden Canyon Specific Plan 11-SPA-01, Hidden Canyon EIR and Addendum, Parcel Map 36426 and Plot Plan PP2018-0134 (as extended on October 8, 2019).

## **Section 5. Project Site**

The "Project Site" is the same as the Subject Property, which consists of approximately 198.38 acres of vacant land in the Hidden Canyon Specific Plan, located south of SR-60, west of Potrero Boulevard and east of Jack Rabbit Trail, in the City of Beaumont, California.

## **Section 6. Termination**

This Agreement shall be terminated and of no further effect upon the occurrence of any of the following events:

- (a) The expiration of the Term of this Agreement; or
- (b) Entry of final judgment or issuance of a final order by a court of competent jurisdiction directing City to set aside, withdraw, or abrogate City's approval of this Agreement or any material part of the Entitlements;
- (c) The effective date of City's election to terminate this Agreement in response to an uncured default by Developer, pursuant to the terms of this Agreement; or
- (d) The effective date of Developer's election to terminate this Agreement for any reason.

In the event of a termination of this Agreement with respect to any portion of the Project or Project Site, any then-existing rights and obligations of the parties under this Agreement with respect to such portion of the Project or Project Site shall automatically terminate and be of no further force, effect or operation. No termination of this Agreement with respect to any portion of the Project or Project Site shall affect in any way the parties' rights and obligations hereunder with respect to any other portion of the Project or Project Site. If City lawfully terminates this Agreement because of Developer's default, then City shall retain any and all benefits, including without limitation any money, improvements, structures, easements or dedications received by City pursuant to any term or condition of this Agreement.

## **Section 7. Cooperation by Developer**

Developer shall, in a timely manner, provide City with all documents, applications, plans and other information necessary for City to carry out its obligations under this Agreement and cause its planners, engineers and other consultants to do the same. Developer also shall apply in a timely manner for such other permits and approvals from other governmental or quasi- governmental agencies having jurisdiction over the Project or Project Site as may be required for the development or operation of the Project or Project Site, as contemplated by this Agreement. For the avoidance of doubt, nothing in this Agreement shall be construed to require Developer to develop, construct, open or operate on the Project Site. Except as provided to the contrary in Sections 23 and 24 regarding Hold Harmless and Indemnity, Developer shall have no obligations under this Agreement for matters that occur or obligations that arise with respect to any portion of the Project Site after it has transferred such portion of the Project Site to another party so long as Developer has complied with

Section 17 hereof by providing notice to the City or obtaining the City's approval to the extent required in Section 17.

### **Section 8. Processing Fees**

Notwithstanding anything else herein, Developer shall pay all applicable fees pursuant to the Beaumont Municipal Code and established Fee Schedule in the amounts set forth in the schedule of fees in effect at the time such fees are due and payable during the development process. Without limiting the forgoing such fees will include grading permit fees, building permit fees and other similar fees.

### **Section 9. Vested Rights and Applicable Rules, Regulations and Policies**

(a) Except as otherwise provided in this Agreement, Developer shall have the vested right to develop the Project and Project Site pursuant to the Entitlements and the rules, regulations, and policies governing use, density, design, improvement, construction, maximum height and size of proposed buildings in effect on the Effective Date of this Agreement (collectively, "Applicable Law"). It is the intent of City and Developer that the vesting of development rights of Developer shall include the permitted land uses, density and intensity of use of the Project Site, timing or phasing of development, zoning, and the location and size of public improvements and other terms and conditions of development of the Project or Project Site as set forth in the Entitlements and this Agreement. Except in the event of termination of this Agreement under Section 6, the Entitlements associated with the Project shall not expire prior to the end of the Term. In addition, pursuant to the City's policies, if, prior to the expiration of the Term of this Agreement, Developer has completed either Building 1 or Building 2, and all public and private improvements required in relation thereto and an unconditional Certificate of Occupancy has been issued by City, the Entitlements relative to such building shall have been deemed satisfied as it relates to this Agreement and the Entitlements for the remaining building to be constructed will continue in effect as otherwise provided in this Agreement.

(b) In accordance with Government Code Section 65866, nothing herein shall be construed to limit City's authority in subsequent actions applicable to the Property, to apply new rules, regulations and policies to the Project or Project Site which do not conflict with the Applicable Law or this Agreement, nor to limit City's police power to implement, based upon appropriate and adequate findings, specific emergency measures necessary to protect against real and actual threats to the health, safety and welfare of the general public. Nor shall this Development Agreement prevent the City from denying or conditionally approving any subsequent development project application on the basis of these existing or new rules, regulations, and policies.

(c) Notwithstanding anything to the contrary contained in this Agreement, City shall apply to the Project or Project Site, at any time during the term of this Agreement, the codes then in effect, as set forth in Title 15 of the Beaumont Municipal Code "Buildings and Construction".

(d) As provided in California Government Code Section 65869.5, this Agreement

shall not preclude the application to the Project or Project Site of changes in laws, regulations, plans or policies, to the extent that such changes are specifically mandated and required by changes in state or federal laws or regulations ("Changes in the Law"). In the event Changes in the Law prevent or preclude compliance with one or more of the provisions of this Agreement, such provisions of this Agreement shall be modified or suspended, or performance thereof delayed, as may be necessary to comply with the Changes in the Law, and City and Developer shall take such action as may be required pursuant to this Agreement.

(e) "Sewer flow from the Crossroads II Project shall be limited to the amount provided in the June 1, 2020 dated Sewer Study prepared by Thienes Engineering, titled "SEWER AREA STUDY AND PRELIMINARY LIFT STATION DESIGN FOR BEAUMONT CROSSROADS II LOGISTICS", which study has been accepted by the City. The maximum sewer flow from the Project shall not be greater than a projected cumulative 139,679 gallons per day (gpd) peak flow at any given time. Any actual or projected exceedance in the projected maximum flow generated by the Project as determined by City shall be reassessed for sewer system impacts by City and mitigated by Developer accordingly. All sewer discharges from the Project shall comply with the applicable provisions of law, regulations, policies and orders including, but not limited to, those contained in the Beaumont Municipal Code".

#### **Section 10. Assessments, Fees, Mitigation and Exactions.**

The City shall not impose any future assessment, fee, mitigation measure or exaction on the Property, the Project or the Development Plan or any portion thereof, except (a) those existing and proposed assessments, fees, mitigation measures and exactions in existence on the date of this Agreement as they may be amended from time to time, (b) such other fees, assessments and exactions as may be adopted or imposed by the City in conformance with the requirements of Article XIII D of the California Constitution, (c) such other development impact fees or categories of development impact fees which are adopted on a City or County-wide basis or as required as a condition to obtaining County funding; and (d) such other development impact fees or categories of development impact fees which are imposed on other development projects in the City and are adopted and levied based on a benefit assessment. Fees payable to City shall be at rates applicable on the date the fee is paid.

#### **Section 11. Revisions**

Developer initiated revisions to the entitlements related to the Project or Project Site shall not require an amendment to this Agreement, provided that City finds and determines that the proposed change or modification is consistent with the development standards and guidelines set forth in this Agreement and Applicable Laws.

#### **Section 12. Nexus/Reasonable Relationship Challenges**

Developer consents to, and waives any rights it may have now or in the future to challenge the legal validity of, the conditions or requirements set forth in this Agreement

including, without limitation, any claim that they constitute an abuse of the police power, violate substantive due process, deny equal protection of the laws, effect a taking of property without payment of just compensation, or impose an unlawful tax.

Covenant Not To Sue. The Parties to this Agreement, and each of them, agree that this Agreement and each term hereof is legal, valid, binding, and enforceable. The Parties to this Agreement, and each of them, hereby covenant and agree that each of them will not commence, maintain, or prosecute any claim, demand, cause of action, suit, or other proceeding against any other Party to this Agreement, in law or in equity, or based on an allegation, or assert in any such action, that this Agreement or any term hereof is void, invalid, or unenforceable

### **Section 13. Covenants Binding**

All of the terms, provisions, and obligations contained in this Agreement shall be binding upon the City and Developer. Notwithstanding anything set forth in this Agreement to the contrary, during the term hereof, the Project and Project Site shall be subject to this Agreement, and any development of any portion of the Project and Project Site shall be subject to and in accordance with the terms of this Agreement.

### **Section 14. Periodic Review**

City shall conduct a review of this Agreement as set forth as follows:

(a) Annual Review. City will review the extent of good faith compliance by Developer with the terms of this Agreement annually commencing on the first anniversary of the Effective Date of this Agreement.

(b) Notice. City shall notify Developer in writing of the date of review at least thirty (30) days prior thereto.

(c) Cooperation. Developer agrees to reasonably cooperate with City's review process.

(d) Failure to Conduct Review. City's failure to conduct an annual review of this Agreement shall not constitute a breach of this Agreement.

(e) Certificate of Compliance. If, at the conclusion of a periodic or special review, Developer is found to be in compliance with this Agreement, City shall issue a Certificate of Compliance ("Certificate") to Developer stating that after the most recent periodic or special review, and based upon the information known or made known to City that: (i) this Agreement remains in effect and (ii) Developer is not in default. City shall not be bound by a Certificate if a default existed at the time of the periodic or special review, but was concealed from or otherwise not known to City, regardless of whether or not the Certificate is relied upon by assignees or other transferees or Developer.

### **Section 15. Relationship of Parties**

It is specifically understood and agreed by and among the parties hereto that the Project is a private development and that neither party is acting as the agent of the other in any respect hereunder. City and Developer also hereby renounce the existence of any form of joint venture or partnership among them, and agree that nothing contained herein or in any document executed in connection herewith shall be construed as making City and Developer joint venturers or partners.

### **Section 16. No Third Party Beneficiaries**

The only parties to this Agreement are Developer and City. There are no third-party beneficiaries and this Agreement is not intended, and shall not be construed, to benefit, or be enforceable by any other person whatsoever.

### **Section 17. Assignment of Rights**

Developer shall have the right to assign or delegate all or a portion of its rights, duties and obligations under this Agreement to subsequent fee owners of the Subject Property, (a) by giving prior written notice to City, to any entity in which Developer, or its principal shareholders, retain a majority ownership interest so long as such assignee expressly assumes the obligations of Developer hereunder, and (b) with the prior written consent of the City, which shall not be unreasonably withheld, to any other subsequent fee owner of the Project or portion thereof. Otherwise, Developer may not assign all or any portion of its rights hereunder nor delegate all or any portion of its duties and obligations hereunder. Notwithstanding the foregoing provisions of this Section 17, without further approval by the City, Developer may assign its rights and obligations hereunder, upon the conveyance of the Subject Property within one hundred twenty (120) days after the Effective Date, to the "Assignee" defined in the Recitals. Developer shall provide the City a copy of a written assignment of Development Agreement to such Assignee within ten (10) days after such conveyance of the Subject Property. When a permitted assignment has taken place pursuant to this Section 17, the assignor shall have no further duties, obligations or rights thereafter under this Agreement with respect to the portion of the Subject Property which is being transferred (except in relation to matters which occurred prior to the date of such transfer as provided in Sections 23 and 24).

### **Section 18. Singular and Plural; Gender; and Person**

Except where the context requires otherwise, the singular of any word shall include the plural and vice versa; pronouns inferring the masculine gender shall include the feminine gender and neuter, and vice versa; and a reference to "person" shall include, in addition to a natural person, any governmental entity and any partnership, corporation, joint venture or any other form of business entity.

**Section 19. Time Is of the Essence**

Time is of the essence of this Agreement and of each and every term and condition hereof.

**Section 20. Waiver**

All waivers must be in writing to be effective or binding upon the waiving party, and no waiver shall be implied from any omission by a party to take any action with respect to an Event of Default as defined in this Agreement. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party shall not constitute waiver of such party's right to demand strict compliance and specific performance by the other party in the future. In addition, no express written waiver of any Event of Default shall affect any other Event of Default, or cover any period of time other than as specified in such express waiver.

**Section 21. Amendments**

This Agreement may be amended from time to time by mutual consent of the original parties or their successors in interest, with City's costs payable by amendment applicants, in accordance with the provisions of Government Code Sections 65867 and 65868 and City's adopted procedures and requirements for the consideration of amendments to development agreements. Minor revisions, as described above, shall not require an amendment to this Agreement.

**Section 22. Ambiguities or Uncertainties**

The parties hereto have mutually negotiated the terms and conditions of this Agreement and each party received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions contained herein. As such, this Agreement is a product of the joint drafting efforts of both parties and neither party shall be deemed to have solely or independently prepared or framed this Agreement. Therefore, any ambiguities or uncertainties are not to be construed against or in favor of either party.

**Section 23. Hold Harmless**

Developer hereby agrees to, and shall defend, indemnify and hold harmless City, city council, commissions, boards, subcommittees and City's elected and appointed officials, commissioners, board members, officers, agents, consultants and employees ("City Parties") from, any and all claims, costs and liability for any damages, personal injury or death, which may arise, directly or indirectly, from Developer's or Developer's officers', agents', consultants', employees', contractors' or subcontractors' negligent, willful or reckless conduct performed under or with respect to this Agreement. Developer shall have no obligations under

this Section 23 (except in relation to matters which occurred prior to the date of such transfer) with respect to any portion or all of the Subject Property after it has transferred and conveyed its fee interest in such portion or all of the Subject Property to a third party.

#### **Section 24. Indemnification**

Developer shall defend, indemnify and hold harmless City, city council, commissions, boards, subcommittees and City's elected and appointed officials, commissioners, board members, officers, agents, consultants and employees ("City Parties") from and against any and all liabilities, demands, claims, actions or proceedings and costs and expenses incidental thereto (including costs of defense, settlement and reasonable attorneys' fees), which any or all of them may suffer, incur, be responsible for or pay out as a result of or in connection with any challenge to the legality, validity or adequacy of any of the following items: (i) this Agreement and the concurrent and subsequent permits, licenses and entitlements approved by City; (ii) any environmental determination made by City in connection with the Project, Project Site or this Agreement; and (iii) any proceedings or other actions undertaken by City in connection with the adoption or approval of any of the above. In the event of any administrative, legal, equitable action or other proceeding instituted by any third party (including without limitation a governmental entity or official) challenging the legality, validity or adequacy of any of the above items or any portion thereof, the Parties shall mutually cooperate with each other in defense of said action or proceeding. Notwithstanding the above, City, at its sole option, may tender the complete defense of any third-party challenge as described herein. In the event City elects to contract with special counsel to provide for such a defense, City shall meet and confer with Developer regarding the selection of counsel, and Developer shall pay all costs related to retention of such counsel by City. Developer shall have no obligations under this Section 24 (except in relation to matters which occurred prior to the date of such transfer) with respect to any portion or all of the Subject Property after it has transferred and conveyed its fee interest in such portion or all of the Subject Property to a third party.

#### **Section 25. Delays in Performance**

In addition to any other provisions of this Agreement with respect to delay, Developer and City shall be excused for performance of their obligations hereunder during any period of delay caused by acts of God or civil commotion; major acts of terrorism occurring in the United States of America, riots, strikes, picketing, or other labor disputes; shortage of materials or supplies; damage to or prevention of work in process by reason of fire, floods, earthquake, or other casualties; litigation, restrictions imposed or mandated by governmental or quasi-governmental entities; and/or enactment of conflicting provisions of the Constitution, laws of the United States of America, the State of California, or any codes, statutes, regulations or executive mandates promulgated thereunder. If written notice of such delay is given to either party within thirty (30) days after the commencement of such delay, an extension of time for such cause shall be granted in writing for the period of the delay, or longer as may be mutually agreed upon.

## **Section 26. Events of Default**

A default under this Agreement shall be deemed to have occurred upon the happening of one or more of the following events or conditions: (i) a warranty, representation, or statement made or furnished by Developer expressly in this Agreement to City or by City to Developer is false or proves to have been false in any material respect when it was made, or (ii) a finding by City made following a periodic review of the Agreement under the procedure provided in this Agreement, based on substantial evidence, that Developer has not complied in good faith with one or more of the terms or conditions of this Agreement, or (iii) Developer's failure to perform any of its material obligations under this Agreement (each an "Event of Default"). Upon the occurrence of an Event of Default by Developer or City, the non-defaulting party shall provide the other party thirty (30) calendar days written notice specifying the nature of the alleged default and the manner in which said default may be satisfactorily cured ("Notice of Default"). Subject to any extensions of time by mutual consent of the parties in writing, and subject to the provisions of Sections 25 and 31 of this Agreement, the failure or unreasonable delay by either party to perform any material term or provision of this Agreement for a period of thirty (30) days after the receipt of a written notice of default from the other party shall constitute a default under this Agreement. If the nature of the alleged default is such that it cannot reasonably be cured within such thirty (30) calendar day period, the commencement of the cure within such time period and the diligent prosecution to completion of the cure shall be deemed a cure within such period. Any Notice of Default given hereunder shall specify in detail the nature of the alleged Event of Default and the manner in which such Event of Default may be satisfactorily cured in accordance with the terms and conditions of this Agreement. During the time periods herein specified for cure of an Event of Default, the party charged therewith shall not be considered to be in default for purposes of termination of this Agreement, institution of legal proceedings with respect thereto, or whether any further building permits shall be issued with respect to the Project Site.

## **Section 27. No Ministerial Permits upon Developer Default**

No ministerial permits, such as but not limited to building permits and grading permits, shall be issued nor shall any applications for such ministerial permits be accepted for any structure or improvement for the Project or on the Project Site during the course of any default proceedings initiated by City until after it has been determined Developer is not in default or until such default is cured by Developer or is waived by City.

## **Section 28. Applicable Law**

This Agreement shall be construed and enforced in accordance with the laws of the State of California.

## **Section 29. Venue**

In the event that suit is brought by either party to this Agreement, the parties agree that venue shall be exclusively vested in the State courts of the County of Riverside, California or where appropriate, in the United States District Court, Southern District of California, Riverside, California.

### **Section 30. No Damages Relief**

Notwithstanding anything else in this Agreement to the contrary, the parties acknowledge that neither would have entered into this Agreement had either been exposed to damage claims for any breach hereof. As such, the parties agree that in no event shall either party be entitled to recover monetary damages of any kind whatsoever (other than the recovery of costs and attorney's fees pursuant to the terms of this Agreement or applicable law) against the other for breach of this Agreement.

### **Section 31. Legal Action; Attorneys' Fees**

Either party may, in addition to any other rights or remedies, institute legal action to cure, correct or remedy a default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation hereof, or enforce by specific performance the obligations and rights of the parties hereto. The prevailing party in any such action shall be entitled to its reasonable attorneys' fees and costs to be paid by the losing party.

### **Section 32. Notices**

Any notice or communication required hereunder among City and Developer shall be in writing, and may be given either personally or by registered mail, return-receipt requested. Notice, by personal delivery, shall be deemed to have been given and received on the actual receipt by any of the addressees designated below as the party to whom notices are to be sent. Notice by registered mail shall be deemed to have been received when delivered by the US Mail service to the recipient. Any party hereto may at any time, upon written notice to the other party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the parties at their addresses set forth below:

To City:

City of Beaumont  
550 E. 6th Street  
Beaumont, CA 92223  
Attention: Community Development Director

To Developer:

MPLD II Inland Empire, LLC  
a Delaware limited liability limited partnership

9830 Colonnade Blvd., Suite 600  
San Antonio, TX 78230  
Attn: Bruce McDonald

**Section 33. Consistency of Entitlements with Agreement**

The parties hereto acknowledge that it is their intention that all terms, conditions and obligations of any and all entitlements related to the Project Site and/or Project, or arising from this Agreement shall be consistent with, or at minimum, shall not conflict with, the terms, provisions and obligations of this Agreement.

**Section 34. Partial Invalidity Due to Governmental Action**

In the event state or federal laws or regulations enacted after the Effective Date, or formal action of any governmental entity other than City, prevent compliance with one or more provisions of this Agreement, or require changes in plans, maps or permits approved by City, the parties agree that the provisions of this Agreement shall be modified, extended or suspended only to the minimum extent necessary to comply with such laws or regulations.

**Section 35. Further Actions and Instruments**

The parties agree to provide reasonable assistance to the other and cooperate to carry out the intent and fulfill the provisions of this Agreement. Each of the parties shall promptly execute and deliver all documents and perform all acts as necessary to carry out the matters contemplated by this Agreement.

**Section 36. Entire Agreement**

This Agreement and the exhibits attached hereto contain all the representations and the entire agreement between the parties with respect to the subject matter hereof. Except as otherwise specified in this Agreement and the exhibits attached hereto, any prior correspondence, memoranda, warranties, representations and agreements unless otherwise provided in this Agreement, are superseded in total by this Agreement and the exhibits attached hereto.

**Section 37. Severability**

If any term, provision, covenant or condition of this Agreement is repealed by referendum or is held by a court of competent jurisdiction or an authorized government enforcement agency to be invalid, void or unenforceable, the remaining provisions, if any, of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as so invalidated would be unreasonable or grossly inequitable under all the circumstances or would frustrate the purposes of this Agreement.

**Section 38. Authority to Execute Agreement**

The person or persons executing this Agreement on behalf of Developer and City warrant and represent that they have the authority to execute this Agreement and the authority to bind Developer and City, as applicable, to the performance of their respective obligations hereunder.

**Section 39. Counterparts**

This Agreement may be executed in duplicate counterpart originals, each of which is deemed to be an original, and all of which when taken together shall constitute one and the same instrument.

**Section 40. Recordation**

In order to comply with Section 65868.5 of the Development Agreement Statute, the parties do hereby direct the City Clerk to cause a copy of this Agreement to be recorded with the Riverside County Recorder's Office within ten (10) days after the Enacting Ordinance takes effect.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed as of the dates written above.

<p><b>CITY OF BEAUMONT</b></p> <p><b>APPROVED:</b></p> <p>_____</p> <p>By: Rey Santos, Mayor</p> <p><b>ATTEST:</b></p> <p>By: _____</p> <p>Steven Mehlman, City Clerk</p> <p><b>APPROVED AS TO FORM:</b></p>	<p><b>DEVELOPER</b></p> <p><b>APPROVED:</b></p> <p><b>MPLD II Inland Empire, LLC</b>  <b>a Delaware limited liability limited partnership</b></p> <p>By: MPLD II Inland Empire, LLC  a Delaware limited liability company,  its General Partner</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>
--	--

5291.009.2093655.6

**SEWER AREA STUDY  
AND PRELIMINARY LIFT STATION DESIGN**

**FOR**

**BEAUMONT CROSSROADS II LOGISTICS**

**4<sup>th</sup> Street**

**BEAUMONT, CA 92223**

**P.M. No. 36426**

**Prepared for:**

**McDonald Property Group**

**1140 N. COAST HIGHWAY**

**LAGUNA BEACH, CA 92651**

**PHONE: (949) 999-2800**

**Prepared By:**



**TEI PROJECT #3080i**



*Reinhard Stenzel*  
**Reinhard Stenzel, RCE #56155**

**Date: June 1, 2020**

**TABLE OF CONTENTS**

1. INTRODUCTION
2. PROJECT DESCRIPTION
3. SEWER CAPACITY ANALYSIS
4. SEWER CAPACITY STUDY RESULTS
5. LIFT STATION DESCRIPTION
6. PRELIMINARY LIFT STATION DESIGN

**LIST OF EXHIBITS**

- Exhibit 1. Sewer Study Area Map
- Exhibit 2. Proposed Sewer Sizing Exhibit
- Exhibit 3. Public Sewer Improvement Exhibit
- Exhibit 4. Preliminary Sewer Lift Station Layout

**APPENDICES**

- Appendix A. Sewer Area Study Calculations
- Appendix B. Hydraulic Calculations
- Appendix C. EMWD Table 1: Development Densities  
City of Beaumont General Plan
- Appendix D. Preliminary Lift Station Pump Design
- Appendix E. Sewer Improvement Plans
- Appendix F. Legacy Highlands Site Plan  
Preserve Phasing Map  
Jack Rabbit Trail Site Plan

## 1. INTRODUCTION

The following study is being prepared at the request of the City of Beaumont to verify that the proposed size of public sewer mains, being constructed with the Beaumont Crossroads II Logistics project, will adequately convey the ultimate sewer discharges from all tributary developments.

The tributary developments for this study include various properties on the north and south side of 4<sup>th</sup> Street (see Exhibit 1), bounded on the east by Distribution Way and bounded on the west by the west end of the proposed Jack Rabbit Trail development.

A 15" public gravity sewer main and 6" and 16" sewer force mains have been constructed in 4<sup>th</sup> Street from the Amazon/Wolverine development to the intersection of 4<sup>th</sup> Street and Potrero Blvd., with a 15" gravity sewer main stubbed to the south and west at Potrero Blvd.

A preliminary sewer lift station design is presented based on a 2-phase approach with an interim and ultimate tributary sewer flow as determined by the sewer area study.

## 2. PROJECT DESCRIPTION

The project site will consist of two warehouse buildings. Building 1 (1,867,040 SF), south of 4<sup>th</sup> Street and Building 2 (1,000,170 SF), north of 4<sup>th</sup> Street. The project will be responsible to construct new sewer mains in 4<sup>th</sup> Street from the west end cul-de-sac, west to the proposed public sewer lift station (Line A) and from the intersection with Potrero Blvd east to the proposed lift station (Line B). Refer to attached Exhibit 2. The proposed sewer lift station will be located at the east end of building 1, on the south side of 4<sup>th</sup> Street.

The entire project site and the majority of tributary sewer area study is designated as "Industrial" by the City of Beaumont General Plan Land Use map (see Appendix A) with only the Legacy Highland project being proposed Residential and a portion of the Legacy Highlands and Jack Rabbit Trail projects being Commercial/Retail.

## 3. SEWER CAPACITY ANALYSIS

The City of Beaumont has adopted the Eastern Municipal Water Districts (EMWD) design guidelines for wastewater collection system master plan design. Wastewater Flow (GPD/Acre) based on Land Use Category was obtained from EMWD Table 1 for each tributary land use (see Appendix C).

The areas and densities used to determine the proposed flow generated by the Highland Legacy Residential/Warehouse/Commercial projects were obtained from the Legacy Highlands Site Plan and Preserve Phasing Map prepared by SRD Design Studio, Inc. dated 5/19/20 and 6/3/19 (see Appendix E).

The areas used to determine the proposed flow generated by the Jack Rabbit Trail Warehouse/Commercial project were obtained from the JRT Site Plan prepared by HPA (see Appendix E). Much of the project site is natural open space, therefore, the actual project area, for use in determining sewer flow, was based on an assumed 50% site coverage for warehouse

use. The known proposed building square footage was multiplied by 2 to obtain site area. The commercial site area is based on the site plan.

The Wolverine, Amazon, ASM, Hall, Ricker, Lassen and Beaumont Crossroads II project flows are all based on site area (excluding open space) and warehouse land use.

The proposed sanitary sewer pipelines were analyzed using the EMWD Sanitary Sewer System Planning & Design Guidelines. The sewer capacity criteria cites a maximum design capacity at 50% full for new pipes less than 15" and 70% full for new pipes 15" and greater. Each pipe segment is modeled at peak flow, calculated from the average daily flow factor for land use category from EMWD Table 1. A maximum peak flow factor of 2.87 is applied, per EMWD 2015 Master Plan Supplement – Planning and Sizing Criteria.

The equation for the tributary sewer discharge is:

$$Q_{\text{Design}} = Q_{\text{Ave}} \times \text{Peaking Factor}$$

Where,  $Q_{\text{Ave}} = \text{Design Loading Criteria (GPD/Acre)} \times \text{Service Area (Acres)}$

Pipe capacity calculations were generally provided for the pipe segment with the least slope (s) for each pipe diameter (D) and flow (Q) condition. This would represent the maximum flow depth (d) for a particular reach with similar Q and D.

#### 4. SEWER CAPACITY STUDY RESULTS

Sewer flow values used in the capacity analysis can be found in the Sewer Area Study Calculations Tables (see Appendix A). Table 1 reflects interim condition at build out of Beaumont Crossroads II project and Table 2 reflects ultimate condition at buildout of entire sewer study area. The flow depth and velocity of each sewer reach was calculated using AES Hydraulic Elements I software and are presented in Hydraulic Calculations (see Appendix B).

The controlling reach for Line A is between Manhole 1 and Manhole 7. The proposed pipe diameter for this reach is 12" with a slope of 0.0040. With a projected  $Q=0.6664$  cubic feet per second (cfs), the velocity (V) is 2.5 feet per second (fps) and the depth is 0.37'. This reach therefore is flowing at 53% of the maximum allowed depth of 50% full. The remainder reaches in Line A are also 12" in diameter with the same Q and slopes greater than 0.0040, therefore these reaches will all meet capacity requirements.

The controlling reach for Line B is between Manhole 10 and the future Lift Station. The proposed pipe diameter for this reach is 15" with a slope of 0.0080. With a projected  $Q=3.7835$  cfs, the  $V=5.0$  fps and the  $d=0.74'$ . This reach therefore is flowing at 85% of the maximum allowed depth of 70% full. The remainder reaches in Line B are also 15" in diameter with the same or lesser  $Q$ 's and slopes greater than 0.0080, therefore these reaches will all meet capacity requirements.

It must be noted that a reach upstream of Line B, the existing pipe between Manhole 17 and the next existing upstream manhole, will be the limiting reach for flow from the east. The existing pipe diameter for this reach is 15" with a slope of 0.0055. With a projected  $Q=3.6585$  cfs, the  $V=4.3$  fps and the  $d=0.82'$ . This reach therefore is flowing at 94% of the maximum allowed depth of 70% full.

## 5. LIFT STATION DESCRIPTION

The above sewer area study provides the sewer flow data necessary, per EMWD and City of Beaumont standards, to design a new public sewer lift station that utilizes the two force mains and gravity main installed in 4th Street (see Exhibit 3). In addition, Romtec has provided support for the preliminary design of the lift station and force main capacities. This public lift station will be located on the south side of 4<sup>th</sup> Street (by easement from Parcel 1 owner), approximately 650 feet west of Cooper's Creek on Parcel 1 of Parcel Map 36426. The public sewer lift station will be maintained and operated by the City of Beaumont upon completion and activation of Phase 1. Based on the preliminary sewer/lift station study we have concluded a two-phase lift station concept, with both lift stations located side by side in the same easement area (approximately 75' x 180'), will best meet the interim and ultimate needs.

The Phase 1 lift station design will accommodate sewer flow from the existing Wolverine and Amazon buildings and the proposed flow anticipated from the entire Beaumont Crossroads II warehouse project upon full buildout. The Beaumont Crossroads II discharge assumes standard warehouse/ logistics uses (excludes non-food manufacturing or heavy processing sewer needs, if any). The Peak Average Dry Weather Flow from these projects is 171 gpm. The existing Wolverine and Amazon buildings currently utilize a temporary private lift station located at Prime Dr. and 4th Street. The temporary lift station will be abandoned when the Phase 1 lift station is activated. The Phase 1 lift station will utilize the 6" force main in 4th street to pump flows to the existing sewer treatment plant on the south side of 4<sup>th</sup> Street, east of Nicholas Road. The Phase 1 sewer lift station will require two 72 horsepower pumps and have a maximum capacity of 300 gpm. The fully completed and operational Phase 1 lift station, along with the basic infrastructure of the overall lift station site, will be installed prior to a certificate of occupancy for either: a) The first building completed by the Beaumont Crossroads II project, or b) The first new building tributary to the lift station requiring sewer service and not being served by the existing temporary lift station located at 4<sup>th</sup> Street and Prime Way.

The Phase 2 lift station design will accommodate sewer flow from the entire Sewer Area Study tributary to this lift station. The Peak Average Dry Weather Flow for the entire sewer study area is 1,997 gpm. The Phase 2 sewer lift station will require three 160 horsepower pumps and have a maximum capacity of 3,000

gpm. When future development occurs that exceeds the maximum capacity of the Phase 1 lift station, the development that causes this increase will be responsible to install and pay for the Phase 2 lift station project and extension of the 16" force main from Distribution Way to Nicholas Road. The Phase 2 lift station will utilize the 16" force main to pump flows to the sewer treatment plant. When the Phase 2 lift station becomes active, the Phase 1 lift station may be disconnected/abandoned or incorporated into the Phase 2 lift station design.

## 6. PRELIMINARY LIFT STATION DESIGN

A preliminary lift station design has been prepared by Romtec Utilities based on flow data and sewer improvement plans provided by Thienes Engineering. Per EMWD design standards the lift station and force mains will be designed with a 20% allowance for wet weather flows (Peak Lift Station Flow = Peak Average Dry Weather Flow X 1.2).

### Phase 1 Lift Station:

Peak Lift Station Flow = 171 gpm X 1.2 = 205 gpm

Phase 1 lift station and 6" force main maximum capacity = 300 gpm, therefore OK

### Phase 2 Lift Station:

Peak Lift Station Flow = 1,997 gpm X 1.2 = 2,396 gpm

Phase 2 lift station and 16" force main maximum capacity = 3,000 gpm, therefore OK

## Preliminary Lift Station Layout

Romtec Utilities has completed a preliminary equipment layout for the proposed lift station site (see Exhibit 4). The following are key considerations and notes for this proposed equipment layout and site plan:

### 1. Site Size

- a. Romtec Utilities is showing 77' ft. from the street to the back CMU wall, and 146' ft. of total driveway. The CMU screened area would be roughly 63 x 84 ft. and includes space for both lift stations, generator pad, CMU control building, and the access drive. This is not an exact layout, as we have not designed all equipment, but is "best efforts" at this time.

### 2. CMU Walls

- a. Romtec Utilities is proposing that the site be screened by CMU walls with 16' gates at each end.

**3. Center Driveway**

- a. Romtec Utilities is proposing that the site be accessed by a 16' wide center driveway which would allow "now and future" access to both lift stations for delivery, construction, and maintenance of both systems without having to have trucks/semis turning within the site. By having a "drive through" configuration, the lot is significantly smaller than if we needed appropriate space for trucks to turn around within the site.
- b. Romtec Utilities would envision a gravel driveway be added first during construction of the first lift station and the wet well of the future lift station. Then, after the full buildout of the future station, the finishing site work/paving could be completed.
- c. It is crucial that an operator boom truck can access both wet wells and valve manifold for removal, installation, and maintenance.

**4. Generator Location**

- a. Romtec Utilities is proposing a single generator location in which the pad is sized for the future generator, but the initial phase generator can be located until it needs to be replaced.

**5. CMU Building**

- a. Romtec Utilities has sized a simple CMU building that can house the Motor Control Center (MCC). The equipment layout is currently designed such that the building only houses the full-buildout control panel. If needed, Romtec Utilities can review the options of housing both the initial and full-buildout MCC's within the control building.

**6. System Phasing**

- a. For the initial phase, Romtec Utilities would recommend that the first pump station and the wet well of the full buildout system be installed as well as the generator pad, CMU building, CMU screening walls, and driveway.
- b. Then, once the full buildout system is needed, the construction can be finished with the addition of the valve manifold, MCC, and Generator.
- c. Also, the first phase wet well would become the upstream manhole to the full buildout wet well which would simplify the gravity piping and provide direct access for maintenance or bypass pumping within the pump station site.



**Exhibits:**

**Exhibit 1. Sewer Study Area Map**

**Exhibit 2. Proposed Sewer Sizing Exhibit**

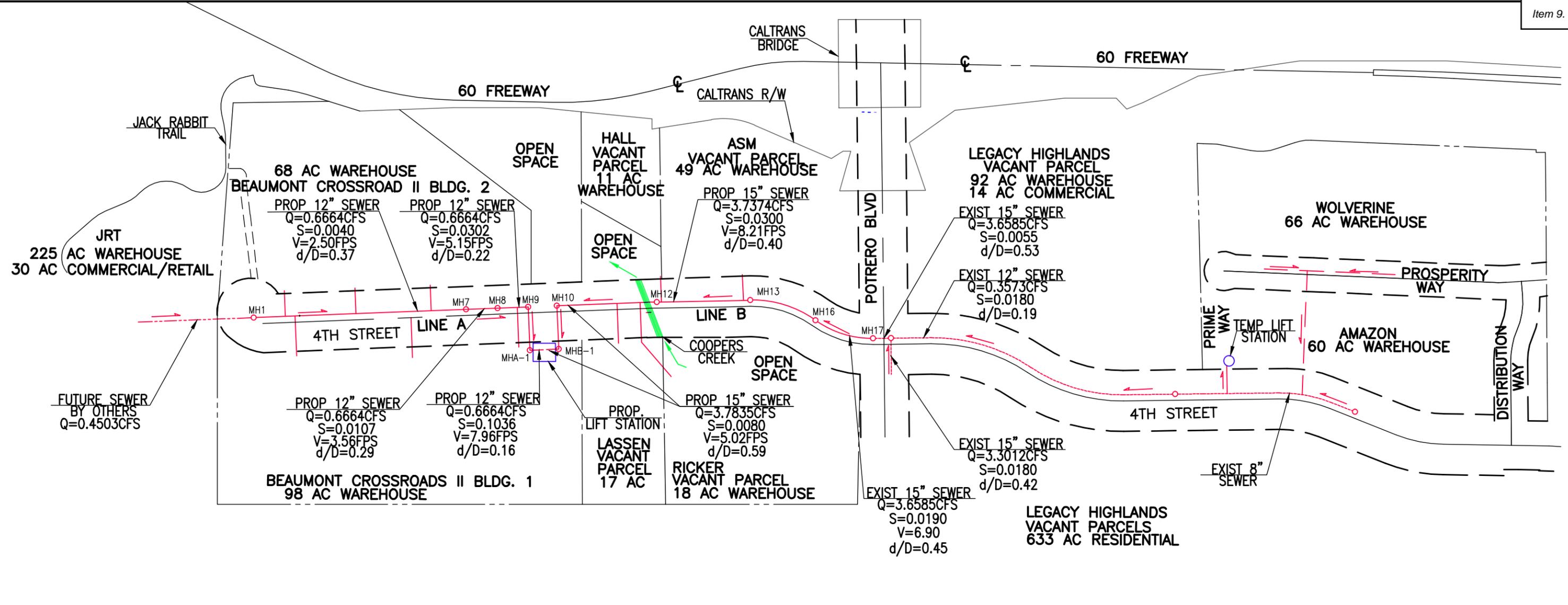
**Exhibit 3. Public Sewer Improvement Exhibit**

**Exhibit 4. Preliminary Sewer Lift Station Layout**

STUDY AREA BOUNDARY  
SUB AREA BOUNDARY



SEWER STUDY AREA MAP EXHIBIT 1



REFER TO PUBLIC SEWER IMPROVEMENT PLAN FOR 4TH STREET WEST OF POTRERO BLVD. PW2020-0430

REFER TO PUBLIC SEWER IMPROVEMENT PLAN FOR 4TH STREET EAST OF POTRERO BLVD. PW2018-0250, FILE NO. 3251



EXHIBIT 2

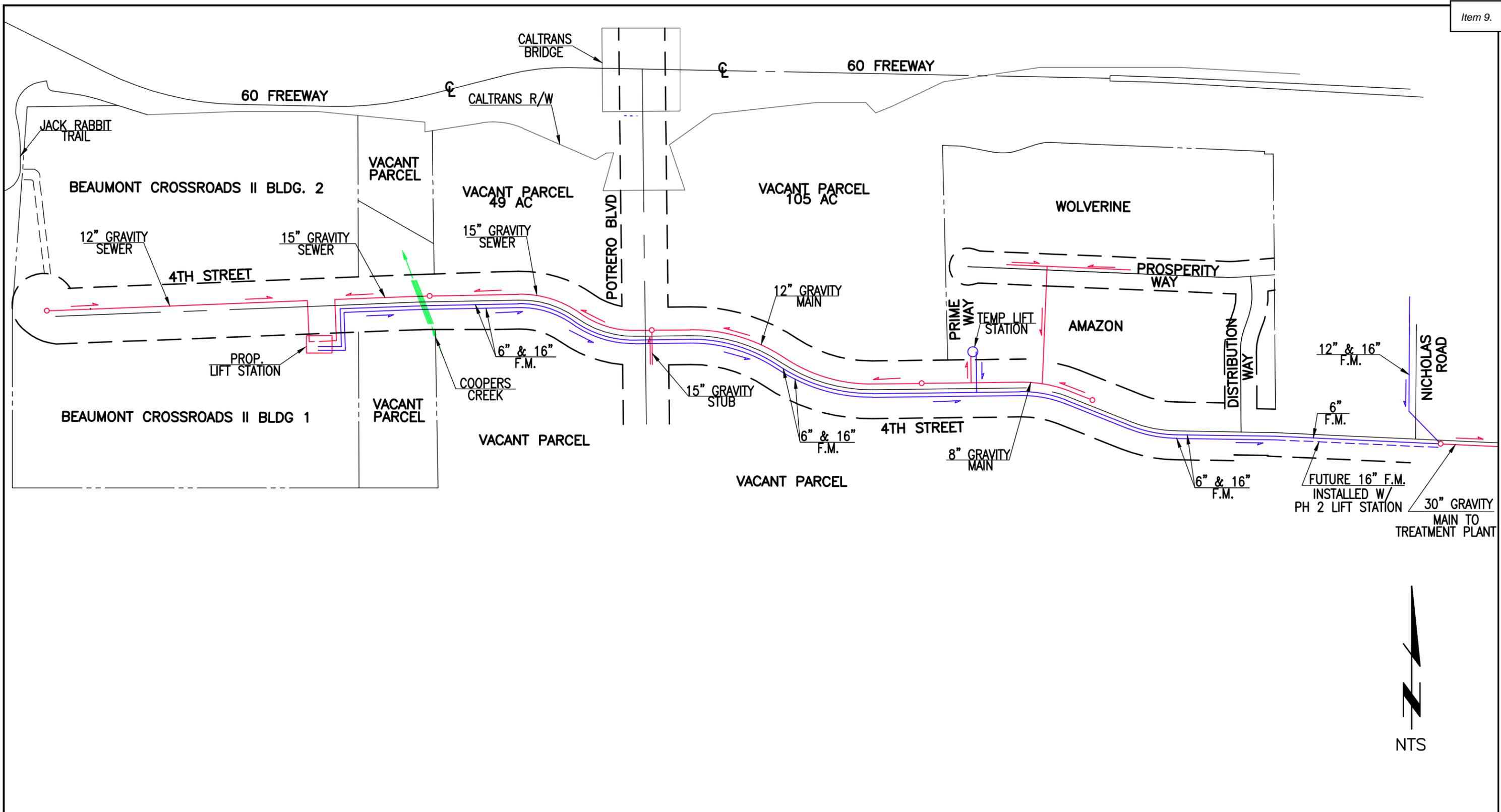
Last Update: 5/31/20  
 O:\3000-3099\3080\30801 MPG OFF SITES\SEWER AREA STUDY\PROP SEWER SIZING EXHIBIT.dwg

**Thienes Engineering, Inc.**  
 CIVIL ENGINEERING • LAND SURVEYING  
 14349 FIRESTONE BOULEVARD  
 LA MIRADA, CALIFORNIA 90638  
 PH.(714)521-4811 FAX(714)521-4173

**PROPOSED SEWER SIZING EXHIBIT**

---

**BEAUMONT CROSSROADS II LOGISTICS  
 GRAVITY SEWER  
 4TH STREET - BEAUMONT, CA**



Last Update: 6/1/20  
 O:\3000-3099\3080\30801 MPG OFF SITES\SEWER AREA STUDY\SEWER IMP EXHIBIT.dwg

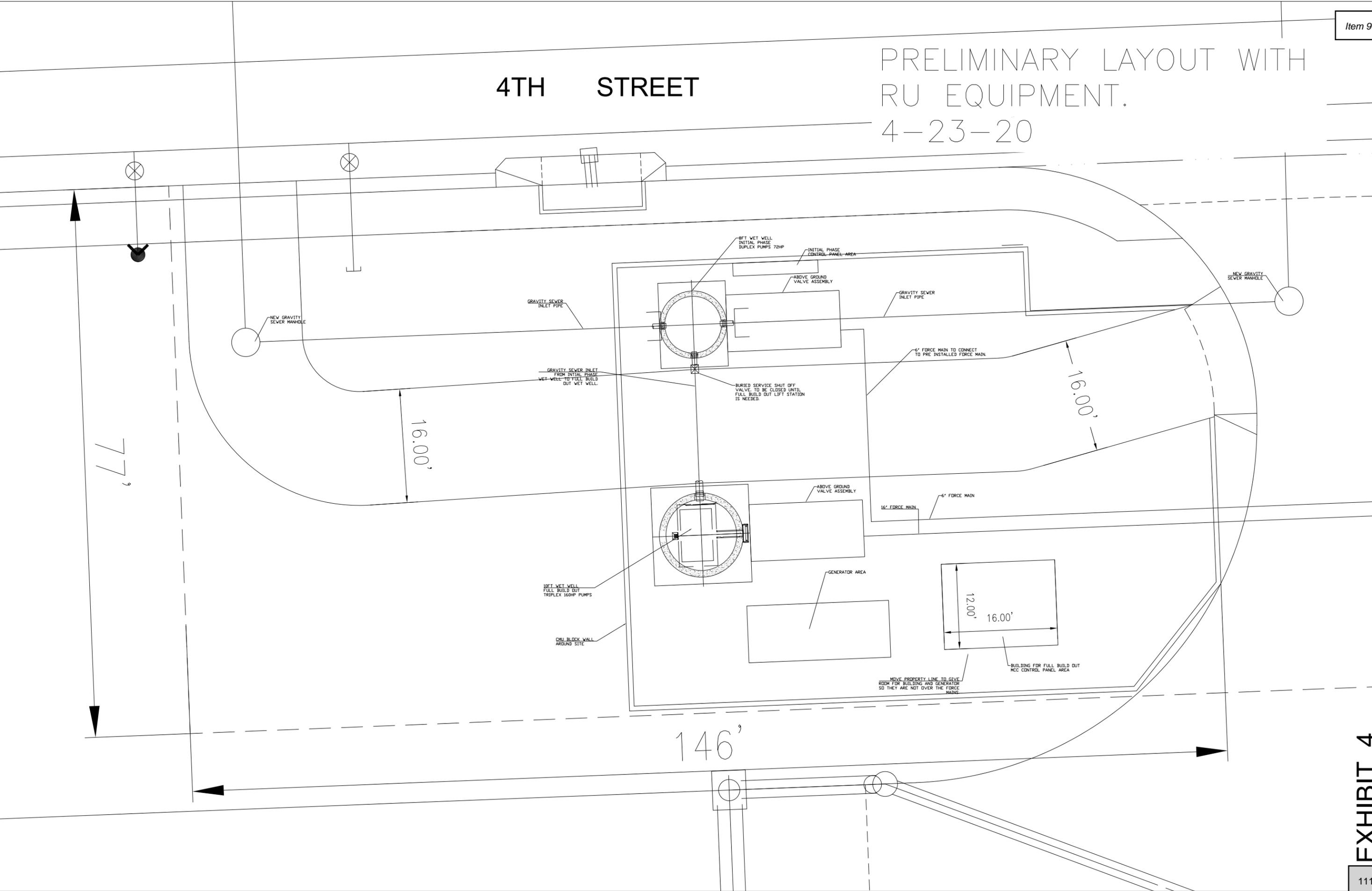
**TEI** Thienes Engineering, Inc.  
 CIVIL ENGINEERING • LAND SURVEYING  
 14349 FIRESTONE BOULEVARD  
 LA MIRADA, CALIFORNIA 90638  
 PH.(714)521-4811 FAX(714)521-4173

**PUBLIC SEWER IMPROVEMENT - EXHIBIT 3**

**4TH STREET GRAVITY SEWER & FORCE MAIN**  
**4TH STREET**  
**BEAUMONT, CA**

# 4TH STREET

## PRELIMINARY LAYOUT WITH RU EQUIPMENT. 4-23-20





## **Appendix A**

### **Sewer Area Study Calculations**

**4th Street, Beaumont Public Sewer Main  
TEI Project #3080i - June 1, 2020**

**Table 1: Sewer Area Study Calculations - Interim Condition, Phase 1 Lift Station**

Subarea/Reach	Pipe		Capacity (cfs)		Building Area (SF)	Building Area (ac)	Parcel Area (acres)	Average Daily Flow (GPD/ac)	Average Daily Flow (GPD)	Average Daily Flow (MGD)	Cumulative Average Daily Flow (MGD)	Peak Factor	Peak Flow (MGD)	Peak Flow (GPD)	Peak Flow (cfs)	Peak Flow (GPM)	Cumulative Depth (ft)	Velocity (ft/sec)	D/D (ft/ft)	% Full Allowed Depth
	Size (ft.)	Slope (ft/ft)	50% Full (<15")	70% Full (>15")																
<b>Proposed Sewer Flowing West in 4th St.</b>																				
Wolverine Project <sup>4</sup>							65.74	294	19328	0.0193	0.0193	2.87	0.0555	55470	0.0858	39				
Amazon Project							59.98	294	17634	0.0176	0.0176	2.87	0.0506	50610	0.0783	35				
<b>SUB TOTAL</b>	0.67	0.0040	0.390											<b>106080</b>	<b>0.1641</b>	<b>74</b>	0.21	1.74	<b>0.32</b>	<b>63.0%</b>
Legacy Highlands- Warehouse							92.00	0	0	0.0000	0.0000	2.87	0.0000	0	0.0000	0				
Legacy Highlands- Commercial							14.00	0	0	0.0000	0.0000	2.87	0.0000	0	0.0000	0				
<b>SUB TOTAL</b>														<b>0</b>	<b>0.0000</b>	<b>0</b>				
<b>TOTAL</b>	1.00	0.0180	2.390											<b>106080</b>	<b>0.1641</b>	<b>74</b>	0.19	3.58	<b>0.19</b>	<b>38.0%</b>
<b>Proposed Sewer Flowing North in Potrero</b>																				
Legacy Highlands Residential																				
Low Density							234.30	0	0	0.0000	0.0000	2.87	0.0000	0	0.0000	0				
Medidum Density							196.40	0	0	0.0000	0.0000	2.87	0.0000	0	0.0000	0				
Medium High Density							110.70	0	0	0.0000	0.0000	2.87	0.0000	0	0.0000	0				
High Density							71.30	0	0	0.0000	0.0000	2.87	0.0000	0	0.0000	0				
School							20.00	0	0	0.0000	0.0000	2.87	0.0000	0	0.0000	0				
<b>SUB TOTAL</b>	1.25	0.0180	7.260											<b>0</b>	<b>0.0000</b>	<b>0</b>	0.53	6.58	<b>0.42</b>	<b>60.6%</b>
<b>Confluence at Potrero &amp; 4th St. - TOTAL</b>	1.25	0.0055	4.010											<b>106080</b>	<b>0.1641</b>	<b>74</b>	0.82	4.30	<b>0.66</b>	<b>93.7%</b>
<b>Proposed Sewer Flowing West in 4th St.</b>																				
ASM Beaumont - Warehouse	1.25	0.0300					49.25	0	0	0.0000	0.0000	2.87	0.0000	0	0.0000	0				
Hall - Warehouse	1.25	0.0300					11.16	0	0	0.0000	0.0000	2.87	0.0000	0	0.0000	0				
<b>SUB TOTAL</b>	1.25	0.0300	9.370											<b>106080</b>	<b>0.1641</b>	<b>74</b>	0.42	7.50	<b>0.34</b>	<b>48.0%</b>
Ricker - Warehouse	1.25	0.0080					18	0	0	0.0000	0.0000	2.87	0.0000	0	0.0000	0				
Lassen - Warehouse	1.25	0.0080					17.34	0	0	0.0000	0.0000	2.87	0.0000	0	0.0000	0				
<b>Lift Station Flow From East - TOTAL</b>	1.25	0.0080	4.840											<b>106080</b>	<b>0.1641</b>	<b>74</b>	0.74	5.02	<b>0.59</b>	<b>84.6%</b>
<b>Proposed Sewer Flowing East in 4th St.</b>																				
Jack Rabbit Trail																				
Commercial/Retail							30.00	0	0	0.0000	0.0000	2.87	0.0000	0	0.0000	0				
Warehouse							225.00	0	0	0.0000	0.0000	2.87	0.0000	0	0.0000	0				
<b>SUB TOTAL</b>														<b>0</b>	<b>0.0000</b>	<b>0</b>				
<b>Beaumont Crossroads II Logistics</b>																				
Parcel 2							67.87	294	19954	0.0200	0.0200	2.87	0.0573	57267	0.0886	40				
Parcel 1							97.67	294	28715	0.0287	0.0287	2.87	0.0824	82412	0.1275	57				
<b>SUB TOTAL</b>														<b>139679</b>	<b>0.2161</b>	<b>97</b>				
<b>Lift Station Flow From West - TOTAL</b>	1.00	0.0040	1.130											<b>139679</b>	<b>0.2161</b>	<b>97</b>	0.37	2.50	<b>0.37</b>	<b>52.9%</b>
<b>Confluence at Lift Station- GRAND TOTAL<sup>5</sup></b>														<b>245759</b>	<b>0.3802</b>	<b>171</b>				

<sup>1</sup> Calculated using n=0.013

<sup>2</sup> Based on 2015 EMWD flow factors by land use type

<sup>3</sup> Flow depth shall not exceed 0.50 for pipes 12" or smaller and 0.70 for pipes 15" and larger

<sup>4</sup> Acreage shown includes expansion land

<sup>5</sup> Maximum design capacity of Phase 1 lift station and force main = 300 gpm

4th Street, Beaumont Public Sewer Main

TEI Project #3080i - May 31, 2020

Table 2: Sewer Area Study Calculations - Proposed Ultimate Condition, Phase 2 Lift Station

Subarea/Reach	Pipe		Capacity (cfs)		Building Area (SF)	Building Area (ac)	Parcel Area (acres)	Average Daily Flow (GPD/ac)	Average Daily Flow (GPD)	Average Daily Flow (MGD)	Cumulative Average Daily Flow (MGD)	Peak Factor	Peak Flow (MGD)	Peak Flow (GPD)	Peak Flow (cfs)	Peak Flow (GPM)	Cumulative Depth (ft)	Velocity (ft/sec)	D/D (ft/ft)	% Full Allowed Depth
	Size (ft.)	Slope (ft/ft)	50% Full (<15")	70% Full (>15")																
<b>Proposed Sewer Flowing West in 4th St.</b>																				
Wolverine Project <sup>6</sup>							65.74	294	19328	0.0193	0.0193	2.87	0.0555	55470	0.0858	39				
Amazon Project							59.98	294	17634	0.0176	0.0176	2.87	0.0506	50610	0.0783	35				
<b>SUB TOTAL</b>	0.67	0.0040	0.390											<b>106080</b>	<b>0.1641</b>	<b>74</b>	0.21	1.74	<b>0.32</b>	<b>63.0%</b>
Legacy Highlands- Warehouse <sup>5</sup>							92.00	294	27048	0.0270	0.0270	2.87	0.0776	77628	0.1201	54				
Legacy Highlands- Commercial <sup>5</sup>							14.00	1175	16450	0.0165	0.0165	2.87	0.0472	47212	0.0730	33				
<b>SUB TOTAL</b>														<b>124839</b>	<b>0.1932</b>	<b>87</b>				
<b>TOTAL</b>	1.00	0.0180	2.390											<b>230919</b>	<b>0.3573</b>	<b>160</b>	0.19	3.58	<b>0.19</b>	<b>38.0%</b>
<b>Proposed Sewer Flowing North in Potrero</b>																				
Legacy Highlands Residential <sup>4</sup>																				
Low Density							234.30	1175	275303	0.2753	0.2753	2.87	0.7901	790118	1.2225	549				
Medium Density							196.40	1175	230770	0.2308	0.2308	2.87	0.6623	662310	1.0247	460				
Medium High Density							110.70	1175	130073	0.1301	0.1301	2.87	0.3733	373308	0.5776	259				
High Density							71.30	1175	83778	0.0838	0.0838	2.87	0.2404	240441	0.3720	167				
School							20.00	1175	23500	0.0235	0.0235	2.87	0.0674	67445	0.1044	47				
<b>SUB TOTAL</b>	1.25	0.0180		7.260										<b>2133623</b>	<b>3.3012</b>	<b>1482</b>	0.53	6.58	<b>0.42</b>	<b>60.6%</b>
<b>Confluence at Potrero &amp; 4th St. - TOTAL</b>	1.25	0.0055		4.010										<b>2364542</b>	<b>3.6585</b>	<b>1642</b>	0.82	4.30	<b>0.66</b>	<b>93.7%</b>
<b>Proposed Sewer Flowing West in 4th St.</b>																				
ASM Beaumont - Warehouse	1.25	0.0300					49.25	294	14480	0.0145	0.0145	2.87	0.0416	41556	0.0643	29				
Hall - Warehouse	1.25	0.0300					11.16	294	3281	0.0033	0.0033	2.87	0.0094	9417	0.0146	7				
<b>SUB TOTAL</b>	1.25	0.0300		9.370										<b>2415515</b>	<b>3.7374</b>	<b>1677</b>	0.42	7.50	<b>0.34</b>	<b>48.0%</b>
Ricker - Warehouse	1.25	0.0080					18	294	5292	0.0053	0.0053	2.87	0.0152	15188	0.0235	11				
Lassen - Warehouse	1.25	0.0080					17.34	294	5098	0.0051	0.0051	2.87	0.0146	14631	0.0226	10				
<b>Lift Station Flow From East - TOTAL</b>	1.25	0.0080		4.840										<b>2445334</b>	<b>3.7835</b>	<b>1698</b>	0.74	5.02	<b>0.59</b>	<b>84.6%</b>
<b>Proposed Sewer Flowing East in 4th St.</b>																				
Jack Rabbit Trail																				
Commercial/Retail							30.00	1175	35250	0.0353	0.0353	2.87	0.1012	101168	0.1565	70				
Warehouse							225.00	294	66150	0.0662	0.0662	2.87	0.1899	189851	0.2937	132				
<b>SUB TOTAL</b>														<b>291018</b>	<b>0.4503</b>	<b>202</b>				
<b>Beaumont Crossroads II Logistics</b>																				
Parcel 2							67.87	294	19954	0.0200	0.0200	2.87	0.0573	57267	0.0886	40				
Parcel 1							97.67	294	28715	0.0287	0.0287	2.87	0.0824	82412	0.1275	57				
<b>SUB TOTAL</b>														<b>139679</b>	<b>0.2161</b>	<b>97</b>				
<b>Lift Station Flow From West - TOTAL</b>	1.00	0.0040	1.130											<b>430697</b>	<b>0.6664</b>	<b>299</b>	0.37	2.50	<b>0.37</b>	<b>52.9%</b>
<b>Confluence at Lift Station-GRAND TOTAL<sup>7</sup></b>														<b>2876031</b>	<b>4.4499</b>	<b>1997</b>				

<sup>1</sup> Calculated using n=0.013

<sup>2</sup> Based on 2015 EMWD flow factors by land use type

<sup>3</sup> Flow depth shall not exceed 0.50 for pipes 12" or smaller and 0.70 for pipes 15" and larger

<sup>4</sup> Parcel Areas and Residential Density obtained from "Preserve Phasing Map" prepared by SRD Design Studio, Inc dated 6/3/19

<sup>5</sup> Parcel Area obtained from Legacy Highlands Site Plan" prepared by SRD Design Studio, Inc dated 5/19/20

<sup>6</sup> Acreage shown includes expansion land

<sup>7</sup> Maximum design capacity of Phase 2 lift station and force main = 3,000 gpm



## **Appendix B**

### **Hydraulic Calculations**

# SEWER LINE A HYDRAULICS

HYDRAULIC ELEMENTS - I PROGRAM PACKAGE  
(C) Copyright 1982-99 Advanced Engineering Software (aes)  
Ver. 8.0 Release Date: 01/01/99 License ID 1435

Analysis prepared by:

THIENES ENGINEERING  
16800 VALLEY VIEW AVENUE  
LA MIRADA CA 90638  
PH: (714) 521-4811 FAX: (714) 521-4173

-----  
TIME/DATE OF STUDY: 19: 2 5/10/2020  
=====

\*\*\*\*\* DESCRIPTION OF STUDY \*\*\*\*\*  
\* BEAUMONT CROSSROADS II LOGISTICS \*  
\* MH1 TO MH7 \*  
\* **LINE A** \*  
\*\*\*\*\*

\*\*\*\*\*  
>>>>PIPEFLOW HYDRAULIC INPUT INFORMATION<<<<  
-----

PIPE DIAMETER (FEET) = 1.000  
PIPE SLOPE (FEET/FEET) = 0.0040  
PIPEFLOW (CFS) = 0.67  
MANNINGS FRICTION FACTOR = 0.013000

-----  
CRITICAL-DEPTH FLOW INFORMATION:  
-----

CRITICAL DEPTH (FEET) = 0.34  
CRITICAL FLOW AREA (SQUARE FEET) = 0.236  
CRITICAL FLOW TOP-WIDTH (FEET) = 0.947  
CRITICAL FLOW PRESSURE + MOMENTUM (POUNDS) = 5.74  
CRITICAL FLOW VELOCITY (FEET/SEC.) = 2.829  
CRITICAL FLOW VELOCITY HEAD (FEET) = 0.12  
CRITICAL FLOW HYDRAULIC DEPTH (FEET) = 0.25  
CRITICAL FLOW SPECIFIC ENERGY (FEET) = 0.46

-----  
NORMAL-DEPTH FLOW INFORMATION:  
-----

NORMAL DEPTH (FEET) = 0.37  
FLOW AREA (SQUARE FEET) = 0.27  
FLOW TOP-WIDTH (FEET) = 0.967  
FLOW PRESSURE + MOMENTUM (POUNDS) = 5.81  
FLOW VELOCITY (FEET/SEC.) = 2.498  
FLOW VELOCITY HEAD (FEET) = 0.097  
HYDRAULIC DEPTH (FEET) = 0.28  
FROUDE NUMBER = 0.838  
SPECIFIC ENERGY (FEET) = 0.47

HYDRAULIC ELEMENTS - I PROGRAM PACKAGE  
(C) Copyright 1982-99 Advanced Engineering Software (aes)  
Ver. 8.0 Release Date: 01/01/99 License ID 1435

Analysis prepared by:

THIENES ENGINEERING  
16800 VALLEY VIEW AVENUE  
LA MIRADA CA 90638  
PH: (714) 521-4811 FAX: (714) 521-4173

TIME/DATE OF STUDY: 8:31 5/13/2020

\*\*\*\*\* DESCRIPTION OF STUDY \*\*\*\*\*  
\* BEAUMONT CROSSROADS II LOGISTICS \*  
\* MH7 TO MH8 \*  
\* LINE A \*  
\*\*\*\*\*

>>>>PIPEFLOW HYDRAULIC INPUT INFORMATION<<<<

PIPE DIAMETER (FEET) = 1.000  
PIPE SLOPE (FEET/FEET) = 0.0107  
PIPEFLOW (CFS) = 0.67  
MANNINGS FRICTION FACTOR = 0.013000

CRITICAL-DEPTH FLOW INFORMATION:

CRITICAL DEPTH (FEET) = 0.34  
CRITICAL FLOW AREA (SQUARE FEET) = 0.236  
CRITICAL FLOW TOP-WIDTH (FEET) = 0.947  
CRITICAL FLOW PRESSURE + MOMENTUM (POUNDS) = 5.74  
CRITICAL FLOW VELOCITY (FEET/SEC.) = 2.829  
CRITICAL FLOW VELOCITY HEAD (FEET) = 0.12  
CRITICAL FLOW HYDRAULIC DEPTH (FEET) = 0.25  
CRITICAL FLOW SPECIFIC ENERGY (FEET) = 0.46

NORMAL-DEPTH FLOW INFORMATION:

NORMAL DEPTH (FEET) = 0.29  
FLOW AREA (SQUARE FEET) = 0.19  
FLOW TOP-WIDTH (FEET) = 0.906  
FLOW PRESSURE + MOMENTUM (POUNDS) = 6.00  
FLOW VELOCITY (FEET/SEC.) = 3.560  
FLOW VELOCITY HEAD (FEET) = 0.197  
HYDRAULIC DEPTH (FEET) = 0.21  
FROUDE NUMBER = 1.380  
SPECIFIC ENERGY (FEET) = 0.48

\*\*\*\*\*

HYDRAULIC ELEMENTS - I PROGRAM PACKAGE  
(C) Copyright 1982-99 Advanced Engineering Software (aes)  
Ver. 8.0 Release Date: 01/01/99 License ID 1435

Analysis prepared by:

THIENES ENGINEERING  
16800 VALLEY VIEW AVENUE  
LA MIRADA CA 90638  
PH: (714) 521-4811 FAX: (714) 521-4173

-----  
TIME/DATE OF STUDY: 8:35 5/13/2020  
=====

\*\*\*\*\* DESCRIPTION OF STUDY \*\*\*\*\*  
\* BEAUMONT CROSSROADS II LOGISTICS \*  
\* MH8 TO MH9 \*  
\* **LINE A** \*  
\*\*\*\*\*

\*\*\*\*\*  
>>>>PIPEFLOW HYDRAULIC INPUT INFORMATION<<<<  
-----

PIPE DIAMETER (FEET) = 1.000  
PIPE SLOPE (FEET/FEET) = 0.0302  
PIPEFLOW (CFS) = 0.67  
MANNINGS FRICTION FACTOR = 0.013000  
-----

CRITICAL-DEPTH FLOW INFORMATION:  
-----

CRITICAL DEPTH (FEET) = 0.34  
CRITICAL FLOW AREA (SQUARE FEET) = 0.236  
CRITICAL FLOW TOP-WIDTH (FEET) = 0.947  
CRITICAL FLOW PRESSURE + MOMENTUM (POUNDS) = 5.74  
CRITICAL FLOW VELOCITY (FEET/SEC.) = 2.829  
CRITICAL FLOW VELOCITY HEAD (FEET) = 0.12  
CRITICAL FLOW HYDRAULIC DEPTH (FEET) = 0.25  
CRITICAL FLOW SPECIFIC ENERGY (FEET) = 0.46  
-----

NORMAL-DEPTH FLOW INFORMATION:  
-----

NORMAL DEPTH (FEET) = 0.22  
FLOW AREA (SQUARE FEET) = 0.13  
FLOW TOP-WIDTH (FEET) = 0.831  
FLOW PRESSURE + MOMENTUM (POUNDS) = 7.40  
FLOW VELOCITY (FEET/SEC.) = 5.150  
FLOW VELOCITY HEAD (FEET) = 0.412  
HYDRAULIC DEPTH (FEET) = 0.16  
FROUDE NUMBER = 2.300  
SPECIFIC ENERGY (FEET) = 0.63  
-----

\*\*\*\*\*

HYDRAULIC ELEMENTS - I PROGRAM PACKAGE  
(C) Copyright 1982-99 Advanced Engineering Software (aes)  
Ver. 8.0 Release Date: 01/01/99 License ID 1435

Analysis prepared by:

THIENES ENGINEERING  
16800 VALLEY VIEW AVENUE  
LA MIRADA CA 90638  
PH: (714) 521-4811 FAX: (714) 521-4173

-----  
TIME/DATE OF STUDY: 8:38 5/13/2020  
=====

\*\*\*\*\* DESCRIPTION OF STUDY \*\*\*\*\*  
\* BEAUMONT CROSSROADS II LOGISTICS \*  
\* MHAI TO LIFT STATION \*  
\* LINE A-1 \*  
\*\*\*\*\*

\*\*\*\*\*  
>>>PIPEFLOW HYDRAULIC INPUT INFORMATION<<<<  
-----

PIPE DIAMETER (FEET) = 1.000  
PIPE SLOPE (FEET/FEET) = 0.1036  
PIPEFLOW (CFS) = 0.67  
MANNINGS FRICTION FACTOR = 0.013000

-----  
CRITICAL-DEPTH FLOW INFORMATION:  
-----

CRITICAL DEPTH (FEET) = 0.34  
CRITICAL FLOW AREA (SQUARE FEET) = 0.236  
CRITICAL FLOW TOP-WIDTH (FEET) = 0.947  
CRITICAL FLOW PRESSURE + MOMENTUM (POUNDS) = 5.74  
CRITICAL FLOW VELOCITY (FEET/SEC.) = 2.829  
CRITICAL FLOW VELOCITY HEAD (FEET) = 0.12  
CRITICAL FLOW HYDRAULIC DEPTH (FEET) = 0.25  
CRITICAL FLOW SPECIFIC ENERGY (FEET) = 0.46

-----  
NORMAL-DEPTH FLOW INFORMATION:  
-----

NORMAL DEPTH (FEET) = 0.16  
FLOW AREA (SQUARE FEET) = 0.08  
FLOW TOP-WIDTH (FEET) = 0.740  
FLOW PRESSURE + MOMENTUM (POUNDS) = 10.63  
FLOW VELOCITY (FEET/SEC.) = 7.957  
FLOW VELOCITY HEAD (FEET) = 0.983  
HYDRAULIC DEPTH (FEET) = 0.11  
FROUDE NUMBER = 4.168  
SPECIFIC ENERGY (FEET) = 1.15  
=====

# SEWER LINE B HYDRAULICS

Item 9.

Analysis prepared by:

THIENES ENGINEERING  
16800 VALLEY VIEW AVENUE  
LA MIRADA CA 90638  
PH: (714) 521-4811 FAX: (714) 521-4173

-----  
TIME/DATE OF STUDY: 17:36 5/25/2020  
-----

\*\*\*\*\* DESCRIPTION OF STUDY \*\*\*\*\*  
\* BEAUMONT CROSSROADS II LOGISTICS \*  
\* MH17 TO MH16 \*  
\* **LINE B** \*  
\*\*\*\*\*

\*\*\*\*\*  
>>>>PIPEFLOW HYDRAULIC INPUT INFORMATION<<<<  
-----

PIPE DIAMETER (FEET) = 1.250  
PIPE SLOPE (FEET/FEET) = 0.0190  
PIPEFLOW (CFS) = 3.66  
MANNINGS FRICTION FACTOR = 0.013000

-----  
CRITICAL-DEPTH FLOW INFORMATION:  
-----

CRITICAL DEPTH (FEET) = 0.77  
CRITICAL FLOW AREA (SQUARE FEET) = 0.796  
CRITICAL FLOW TOP-WIDTH (FEET) = 1.215  
CRITICAL FLOW PRESSURE + MOMENTUM (POUNDS) = 49.22  
CRITICAL FLOW VELOCITY (FEET/SEC.) = 4.594  
CRITICAL FLOW VELOCITY HEAD (FEET) = 0.33  
CRITICAL FLOW HYDRAULIC DEPTH (FEET) = 0.66  
CRITICAL FLOW SPECIFIC ENERGY (FEET) = 1.10

-----  
NORMAL-DEPTH FLOW INFORMATION:  
-----

NORMAL DEPTH (FEET) = 0.56  
FLOW AREA (SQUARE FEET) = 0.53  
FLOW TOP-WIDTH (FEET) = 1.243  
FLOW PRESSURE + MOMENTUM (POUNDS) = 56.69  
FLOW VELOCITY (FEET/SEC.) = 6.900  
FLOW VELOCITY HEAD (FEET) = 0.739  
HYDRAULIC DEPTH (FEET) = 0.43  
FROUDE NUMBER = 1.862  
SPECIFIC ENERGY (FEET) = 1.30

HYDRAULIC ELEMENTS - I PROGRAM PACKAGE  
(C) Copyright 1982-99 Advanced Engineering Software (aes)  
Ver. 8.0 Release Date: 01/01/99 License ID 1435

Analysis prepared by:

THIENES ENGINEERING  
16800 VALLEY VIEW AVENUE  
LA MIRADA CA 90638  
PH: (714) 521-4811 FAX: (714) 521-4173

-----  
TIME/DATE OF STUDY: 17:39 5/25/2020  
=====

\*\*\*\*\* DESCRIPTION OF STUDY \*\*\*\*\*  
\* BEAUMONT CROSSROADS II LOGISTICS \*  
\* MH16 TO MH13 \*  
\* **LINE B** \*  
\*\*\*\*\*

\*\*\*\*\*  
>>>PIPEFLOW HYDRAULIC INPUT INFORMATION<<<<  
-----

PIPE DIAMETER (FEET) = 1.250  
PIPE SLOPE (FEET/FEET) = 0.0300  
PIPEFLOW (CFS) = 3.66  
MANNINGS FRICTION FACTOR = 0.013000  
-----

CRITICAL-DEPTH FLOW INFORMATION:  
-----

CRITICAL DEPTH (FEET) = 0.77  
CRITICAL FLOW AREA (SQUARE FEET) = 0.796  
CRITICAL FLOW TOP-WIDTH (FEET) = 1.215  
CRITICAL FLOW PRESSURE + MOMENTUM (POUNDS) = 49.22  
CRITICAL FLOW VELOCITY (FEET/SEC.) = 4.594  
CRITICAL FLOW VELOCITY HEAD (FEET) = 0.33  
CRITICAL FLOW HYDRAULIC DEPTH (FEET) = 0.66  
CRITICAL FLOW SPECIFIC ENERGY (FEET) = 1.10  
-----

NORMAL-DEPTH FLOW INFORMATION:  
-----

NORMAL DEPTH (FEET) = 0.49  
FLOW AREA (SQUARE FEET) = 0.45  
FLOW TOP-WIDTH (FEET) = 1.221  
FLOW PRESSURE + MOMENTUM (POUNDS) = 63.58  
FLOW VELOCITY (FEET/SEC.) = 8.159  
FLOW VELOCITY HEAD (FEET) = 1.034  
HYDRAULIC DEPTH (FEET) = 0.37  
FROUDE NUMBER = 2.373  
SPECIFIC ENERGY (FEET) = 1.53  
-----

HYDRAULIC ELEMENTS - I PROGRAM PACKAGE  
(C) Copyright 1982-99 Advanced Engineering Software (aes)  
Ver. 8.0 Release Date: 01/01/99 License ID 1435

Analysis prepared by:

THIENES ENGINEERING  
16800 VALLEY VIEW AVENUE  
LA MIRADA CA 90638  
PH: (714) 521-4811 FAX: (714) 521-4173

-----  
TIME/DATE OF STUDY: 17:42 5/25/2020  
=====

\*\*\*\*\* DESCRIPTION OF STUDY \*\*\*\*\*  
\* BEAUMONT CROSSROADS II LOGISTICS \*  
\* MH13 TO MH12 \*  
\* LINE B \*  
\*\*\*\*\*

\*\*\*\*\*  
>>>PIPEFLOW HYDRAULIC INPUT INFORMATION<<<<  
-----

PIPE DIAMETER (FEET) = 1.250  
PIPE SLOPE (FEET/FEET) = 0.0300  
PIPEFLOW (CFS) = 3.74  
MANNINGS FRICTION FACTOR = 0.013000  
=====

CRITICAL-DEPTH FLOW INFORMATION:  
-----

CRITICAL DEPTH (FEET) = 0.78  
CRITICAL FLOW AREA (SQUARE FEET) = 0.807  
CRITICAL FLOW TOP-WIDTH (FEET) = 1.210  
CRITICAL FLOW PRESSURE + MOMENTUM (POUNDS) = 50.64  
CRITICAL FLOW VELOCITY (FEET/SEC.) = 4.633  
CRITICAL FLOW VELOCITY HEAD (FEET) = 0.33  
CRITICAL FLOW HYDRAULIC DEPTH (FEET) = 0.67  
CRITICAL FLOW SPECIFIC ENERGY (FEET) = 1.11  
=====

NORMAL-DEPTH FLOW INFORMATION:  
-----

NORMAL DEPTH (FEET) = 0.50  
FLOW AREA (SQUARE FEET) = 0.46  
FLOW TOP-WIDTH (FEET) = 1.224  
FLOW PRESSURE + MOMENTUM (POUNDS) = 65.33  
FLOW VELOCITY (FEET/SEC.) = 8.206  
FLOW VELOCITY HEAD (FEET) = 1.046  
HYDRAULIC DEPTH (FEET) = 0.37  
FROUDE NUMBER = 2.370  
SPECIFIC ENERGY (FEET) = 1.54  
=====

HYDRAULIC ELEMENTS - I PROGRAM PACKAGE  
(C) Copyright 1982-99 Advanced Engineering Software (aes)  
Ver. 8.0 Release Date: 01/01/99 License ID 1435

Analysis prepared by:

THIENES ENGINEERING  
16800 VALLEY VIEW AVENUE  
LA MIRADA CA 90638  
PH: (714) 521-4811 FAX: (714) 521-4173

-----  
TIME/DATE OF STUDY: 14:40 5/27/2020  
=====

\*\*\*\*\* DESCRIPTION OF STUDY \*\*\*\*\*  
\* BEAUMONT CROSSROADS II LOGISTICS \*  
\* MH12 TO LIFT STATION \*  
\* LINE B, LAT B-1 \*  
\*\*\*\*\*

\*\*\*\*\*  
>>>>PIPEFLOW HYDRAULIC INPUT INFORMATION<<<<  
-----

PIPE DIAMETER (FEET) = 1.250  
PIPE SLOPE (FEET/FEET) = 0.0080  
PIPEFLOW (CFS) = 3.78  
MANNINGS FRICTION FACTOR = 0.013000  
=====

CRITICAL-DEPTH FLOW INFORMATION:  
-----

CRITICAL DEPTH (FEET) = 0.79  
CRITICAL FLOW AREA (SQUARE FEET) = 0.813  
CRITICAL FLOW TOP-WIDTH (FEET) = 1.208  
CRITICAL FLOW PRESSURE + MOMENTUM (POUNDS) = 51.47  
CRITICAL FLOW VELOCITY (FEET/SEC.) = 4.655  
CRITICAL FLOW VELOCITY HEAD (FEET) = 0.34  
CRITICAL FLOW HYDRAULIC DEPTH (FEET) = 0.67  
CRITICAL FLOW SPECIFIC ENERGY (FEET) = 1.12  
=====

NORMAL-DEPTH FLOW INFORMATION:  
-----

NORMAL DEPTH (FEET) = 0.74  
FLOW AREA (SQUARE FEET) = 0.75  
FLOW TOP-WIDTH (FEET) = 1.230  
FLOW PRESSURE + MOMENTUM (POUNDS) = 51.74  
FLOW VELOCITY (FEET/SEC.) = 5.021  
FLOW VELOCITY HEAD (FEET) = 0.391  
HYDRAULIC DEPTH (FEET) = 0.61  
FROUDE NUMBER = 1.130  
SPECIFIC ENERGY (FEET) = 1.13  
=====

# EXISTING SEWER LINES

Item 9.

\*\*\*\*\*  
HYDRAULIC ELEMENTS - I PROGRAM PACKAGE  
(C) Copyright 1982-99 Advanced Engineering Software (aes)  
Ver. 8.0 Release Date: 01/01/99 License ID 1435

Analysis prepared by:

THIENES ENGINEERING  
16800 VALLEY VIEW AVENUE  
LA MIRADA CA 90638  
PH: (714) 521-4811 FAX: (714) 521-4173

-----  
TIME/DATE OF STUDY: 18: 6 5/25/2020  
-----

\*\*\*\*\* DESCRIPTION OF STUDY \*\*\*\*\*  
\* BEAUMONT CROSSROADS II LOGISTICS \*  
\* POTRERO SOUTH \*  
\* EXISTING SEWER STUB \*  
\*\*\*\*\*

\*\*\*\*\*  
>>>PIPEFLOW HYDRAULIC INPUT INFORMATION<<<<  
-----

PIPE DIAMETER (FEET) = 1.250  
PIPE SLOPE (FEET/FEET) = 0.0180  
PIPEFLOW (CFS) = 3.30  
MANNINGS FRICTION FACTOR = 0.013000  
-----

CRITICAL-DEPTH FLOW INFORMATION:

-----  
CRITICAL DEPTH (FEET) = 0.73  
CRITICAL FLOW AREA (SQUARE FEET) = 0.747  
CRITICAL FLOW TOP-WIDTH (FEET) = 1.232  
CRITICAL FLOW PRESSURE + MOMENTUM (POUNDS) = 42.93  
CRITICAL FLOW VELOCITY (FEET/SEC.) = 4.419  
CRITICAL FLOW VELOCITY HEAD (FEET) = 0.30  
CRITICAL FLOW HYDRAULIC DEPTH (FEET) = 0.61  
CRITICAL FLOW SPECIFIC ENERGY (FEET) = 1.04  
-----

NORMAL-DEPTH FLOW INFORMATION:

-----  
NORMAL DEPTH (FEET) = 0.53  
FLOW AREA (SQUARE FEET) = 0.50  
FLOW TOP-WIDTH (FEET) = 1.237  
FLOW PRESSURE + MOMENTUM (POUNDS) = 49.12  
FLOW VELOCITY (FEET/SEC.) = 6.583  
FLOW VELOCITY HEAD (FEET) = 0.673  
HYDRAULIC DEPTH (FEET) = 0.41  
FROUDE NUMBER = 1.822  
SPECIFIC ENERGY (FEET) = 1.21  
-----

HYDRAULIC ELEMENTS - I PROGRAM PACKAGE  
(C) Copyright 1982-99 Advanced Engineering Software (aes)  
Ver. 8.0 Release Date: 01/01/99 License ID 1435

Analysis prepared by:

THIENES ENGINEERING  
16800 VALLEY VIEW AVENUE  
LA MIRADA CA 90638  
PH: (714) 521-4811 FAX: (714) 521-4173

=====

TIME/DATE OF STUDY: 18: 7 5/25/2020

=====

\*\*\*\*\* DESCRIPTION OF STUDY \*\*\*\*\*  
\* BEAUMONT CROSSROADS II LOGISTICS \*  
\* 4TH STREET EAST \*  
\* EXISTING SEWER LINE \*  
\*\*\*\*\*

\*\*\*\*\*  
>>>PIPEFLOW HYDRAULIC INPUT INFORMATION<<<<

=====

PIPE DIAMETER(FEET) = 1.000  
PIPE SLOPE(FEET/FEET) = 0.0180  
PIPEFLOW(CFS) = 0.36  
MANNINGS FRICTION FACTOR = 0.013000

=====

CRITICAL-DEPTH FLOW INFORMATION:

=====

CRITICAL DEPTH(FEET) = 0.25  
CRITICAL FLOW AREA(SQUARE FEET) = 0.151  
CRITICAL FLOW TOP-WIDTH(FEET) = 0.863  
CRITICAL FLOW PRESSURE + MOMENTUM(POUNDS) = 2.63  
CRITICAL FLOW VELOCITY(FEET/SEC.) = 2.377  
CRITICAL FLOW VELOCITY HEAD(FEET) = 0.09  
CRITICAL FLOW HYDRAULIC DEPTH(FEET) = 0.18  
CRITICAL FLOW SPECIFIC ENERGY(FEET) = 0.34

=====

NORMAL-DEPTH FLOW INFORMATION:

=====

NORMAL DEPTH(FEET) = 0.19  
FLOW AREA(SQUARE FEET) = 0.10  
FLOW TOP-WIDTH(FEET) = 0.778  
FLOW PRESSURE + MOMENTUM(POUNDS) = 2.98  
FLOW VELOCITY(FEET/SEC.) = 3.581  
FLOW VELOCITY HEAD(FEET) = 0.199  
HYDRAULIC DEPTH(FEET) = 0.13  
FROUDE NUMBER = 1.755  
SPECIFIC ENERGY(FEET) = 0.38

=====

HYDRAULIC ELEMENTS - I PROGRAM PACKAGE  
(C) Copyright 1982-99 Advanced Engineering Software (aes)  
Ver. 8.0 Release Date: 01/01/99 License ID 1435

Analysis prepared by:

THIENES ENGINEERING  
16800 VALLEY VIEW AVENUE  
LA MIRADA CA 90638  
PH: (714) 521-4811 FAX: (714) 521-4173

-----  
TIME/DATE OF STUDY: 18: 9 5/25/2020  
-----

\*\*\*\*\* DESCRIPTION OF STUDY \*\*\*\*\*  
\* BEAUMONT CROSSROADS II LOGISTICS \*  
\* 4TH STREET WEST \*  
\* EXISTING SEWER STUB \*  
\*\*\*\*\*

\*\*\*\*\*  
>>>>PIPEFLOW HYDRAULIC INPUT INFORMATION<<<<  
-----

PIPE DIAMETER (FEET) = 1.250  
PIPE SLOPE (FEET/FEET) = 0.0055  
PIPEFLOW (CFS) = 3.66  
MANNINGS FRICTION FACTOR = 0.013000  
-----

CRITICAL-DEPTH FLOW INFORMATION:  
-----

CRITICAL DEPTH (FEET) = 0.77  
CRITICAL FLOW AREA (SQUARE FEET) = 0.796  
CRITICAL FLOW TOP-WIDTH (FEET) = 1.215  
CRITICAL FLOW PRESSURE + MOMENTUM (POUNDS) = 49.22  
CRITICAL FLOW VELOCITY (FEET/SEC.) = 4.594  
CRITICAL FLOW VELOCITY HEAD (FEET) = 0.33  
CRITICAL FLOW HYDRAULIC DEPTH (FEET) = 0.66  
CRITICAL FLOW SPECIFIC ENERGY (FEET) = 1.10  
-----

NORMAL-DEPTH FLOW INFORMATION:  
-----

NORMAL DEPTH (FEET) = 0.82  
FLOW AREA (SQUARE FEET) = 0.85  
FLOW TOP-WIDTH (FEET) = 1.189  
FLOW PRESSURE + MOMENTUM (POUNDS) = 49.48  
FLOW VELOCITY (FEET/SEC.) = 4.300  
FLOW VELOCITY HEAD (FEET) = 0.287  
HYDRAULIC DEPTH (FEET) = 0.72  
FROUDE NUMBER = 0.896  
SPECIFIC ENERGY (FEET) = 1.11  
-----



## **Appendix C**

### **EMWD Table 1: Development Densities**

#### **City of Beaumont General Plan**

Table 1: Development Densities

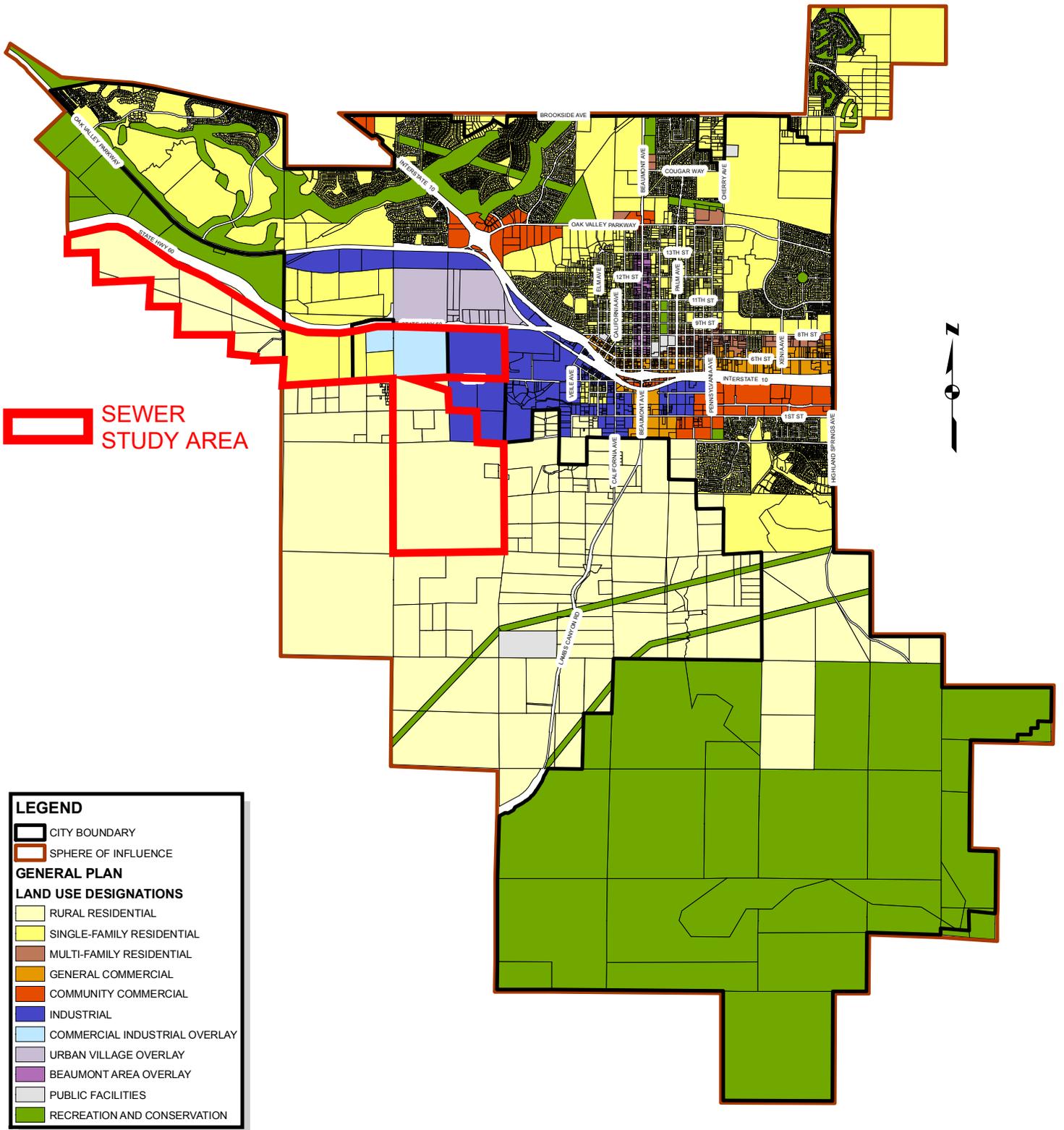
LAND USE CATEGORY	UNITS	AVERAGE RESIDENTIAL DENSITY (DU/ACRE)	RESIDENTIAL (EDU/DU)	DEVELOPMENT DENSITY (EDU/ACRE)
<b>Residential Land Use</b>				
Estate Density	DU	0.5	1.5	0.8
High Density	DU	12	0.7	8.4
Low Density	DU	2	1.3	2.6
Medium Density	DU	4.5	1	4.5
Medium High Density	DU	6	0.9	5.4
Mobile Home Park	DU	10	0.65	6.5
Rural Mountainous <sup>(1)</sup>	DU	0.1	3	0.3
Rural <sup>(1)</sup>	DU	0.2	3	0.6
Very High Density	DU	17	0.65	11.1
Very Low Density <sup>(1)</sup>	DU	1	1	1.5
<b>Non-Residential Use</b>				
Agriculture <sup>(1)</sup>	acre			0
Business Park/Light Industrial	acre			5
Business Park/Light Industrial/Warehouse	acre			1.25
Commercial Office	acre			5
Commercial Retail	acre			5
Heavy Industrial	acre			7.5
Hospital	acre			5
Mixed Use Policy Area	acre			5
Open Space (Conservation, Landscape, Recreation, Rural, or Water) <sup>(1)</sup>	acre			5
Public Facilities (Municipal or School)	acre			5

<sup>(1)</sup> The following uses were assumed to be served by septic systems and do not contribute flow to the wastewater collection system: Rural Mountainous, Rural, Very Low Density, and Agriculture, and Open Space.

### 3A2.1.3 Flow Per Equivalent Dwelling Unit

For all types of development, the land use categories were converted to EDUs based on Table 1. Wastewater flow (ADWF) was calculated by multiplying the number of EDUs per land parcel by a rate of 235 gpd/EDU; the District's criteria used for regional planning.

# CITY OF BEAUMONT General Plan





## Appendix D

### Preliminary Lift Station Pump Design

**PROJECT INFO**

Job Name:	3080i Hidden Canyon
Company:	Thienes
Contact:	Reinhard Stenzel
Job Type:	New Station
Water Type/Source:	Wastewater (Sewage)
Import/Domestic:	Import Acceptable



**PACKAGE/STARTUP**

Offering:	Complete System
Mechanical:	All by Romtec Utilities
Pumps:	By Romtec Utilities
Control Panel:	By Romtec Utilities
Generator:	By Romtec Utilities
Advisor/Startup:	Mechanical & Electrical
Turnkey:	No

**DESIGN CRITERIA - WWC10D-VM-T1500-2000x230-10S-43-DPG**

**FLOW RATE**

Peak Inflow:	2986	GPM
Pumping Rate:	1900	GPM (of single pump)
Static Head:	183.0	Feet
TDH:	232.1	Feet
TDH Calcs:	RU Calcs	

**ACTIVE VOLUME**

Max Pump Starts:	10.00	Starts/Hr
Cycle Time:	6.00	Minutes
Active Volume:	2850.00	Gallons
Active Volume:	381.01	Cu Feet
Well Shape:	Round	
Well Diameter:	10	Feet
Well Dimensions:	N/A	N/A
Cross-Section Area:	78.54	Sq Feet
Min. Depth Required:	4.85	Feet
Active Depth:	4.90	Feet

**STORAGE VOLUME (if required)**

Time:		Minutes
Flow Rate:		GPM
Volume:	0.00	Gallons
Volume:	0.00	Cu. Feet
Min. Depth Required:	0.00	Feet
Storage Depth:		Feet

**ON-SITE POWER**

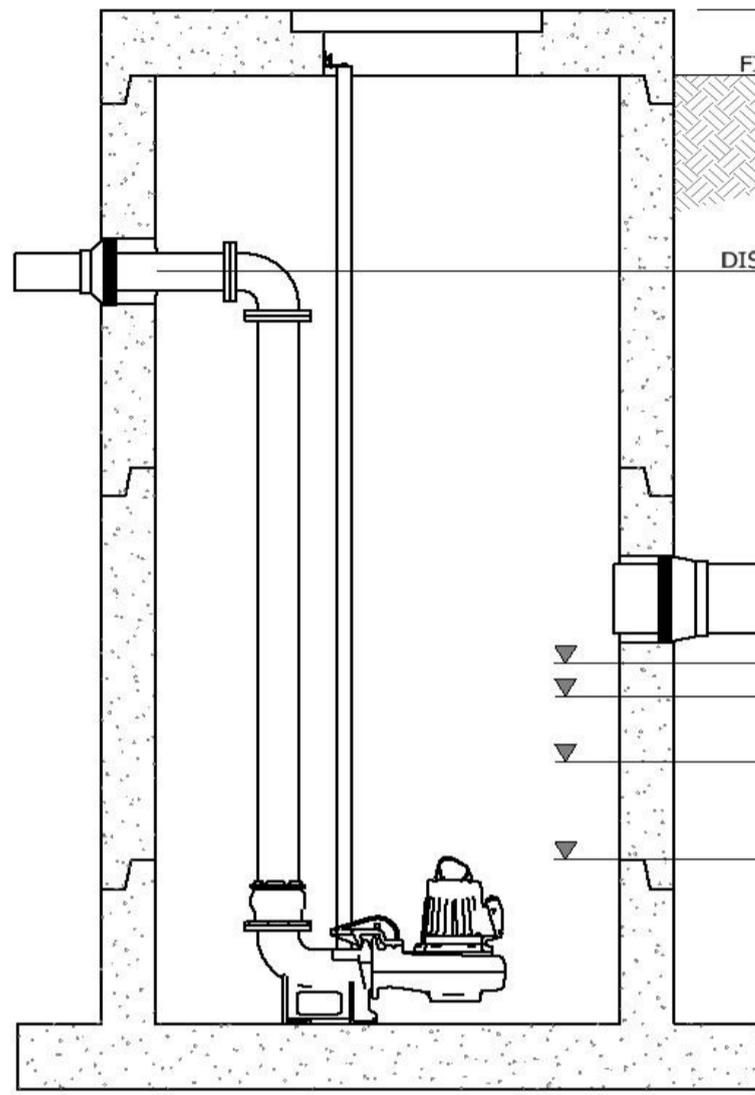
Power:	480V / 3-Phase
--------	----------------

**FORCE MAIN**

FM Info:	New	Dual FM	
Length:	9140	Feet	
FM Discharge:	2535.00	Feet	
FM High Point:	2535.00	Feet	
	(1)	(2)	(3)
Nominal ID:	6"	16"	
Type/Rating:	PVC C900 DR 18, PVC C905 DR25		

**INFLUENT PIPING**

Influent Invert:	2361.3	(1)	(2)	(3)
Influent Size:				
Type:				



RIM:	2385.00
FINISH GRADE:	2385.00
DISCHARGE C.L.:	2381.00
INVERT:	2361.30
HIGH LEVEL:	2358.40
LAG START:	2357.90
LEAD START:	2356.90
PUMP STOP:	2352.00
SUMP:	2348.00
BASE:	2347.00

Note: Image is a preliminary representation of the pumping system. Elevations shown are the primary factors used for sizing the wet well. Backup levels not shown. Additional (or fewer) level settings may be required.

## NP 3315 HT 3~ 456

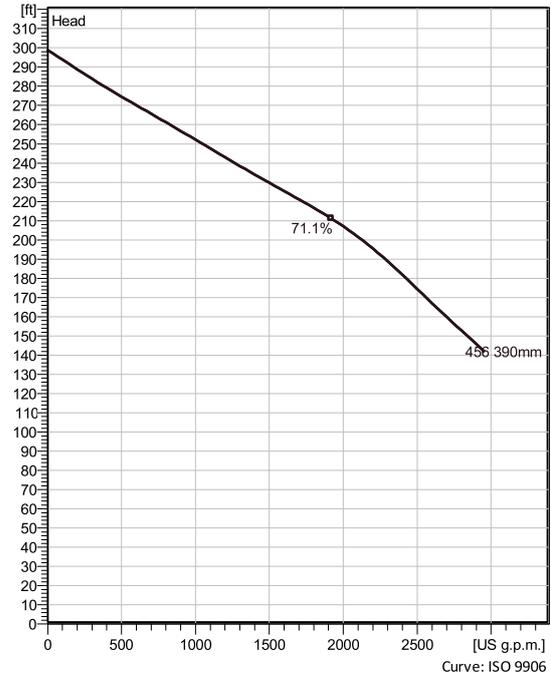
Patented self cleaning semi-open channel impeller, ideal for pumping in waste water applications. Possible to be upgraded with Guide-pin® for even better clogging resistance. Modular based design with high adaptation grade.



### Technical specification



Curves according to: Water, pure [100%], 39.2 °F, 62.43 lb/ft³, 1.6889E-5 ft²/s



### Configuration

<b>Motor number</b> N3315.095 35-45-4AA-W 160hp	<b>Installation type</b> P - Semi permanent, Wet
<b>Impeller diameter</b> 390 mm	<b>Discharge diameter</b> 5 7/8 inch

### Pump information

<b>Impeller diameter</b> 390 mm
<b>Discharge diameter</b> 5 7/8 inch
<b>Inlet diameter</b> 200 mm
<b>Maximum operating speed</b> 1780 rpm
<b>Number of blades</b> 3
<b>Max. operating temperature</b> 40 °F

### Materials

<b>Impeller</b> Hard-Iron™
-------------------------------

<b>Project</b>	<b>Created by</b>	<b>Last update</b>
<b>Block</b> 0	<b>Created on</b> 3/27/2020	

# NP 3315 HT 3~ 456

## Technical specification



### Motor - General

<b>Motor number</b> N3315.095 35-45-4AA-W 160hp	<b>Phases</b> 3~	<b>Rated speed</b> 1780 rpm	<b>Rated power</b> 160 hp
<b>Approval</b> EN	<b>Number of poles</b> 4	<b>Rated current</b> 190 A	<b>Stator variant</b> 1
<b>Frequency</b> 60 Hz	<b>Rated voltage</b> 460 V	<b>Insulation class</b> H	<b>Type of Duty</b> S1
<b>Version code</b> 095			

### Motor - Technical

<b>Power factor - 1/1 Load</b> 0.83	<b>Motor efficiency - 1/1 Load</b> 94.7 %	<b>Total moment of inertia</b> 43.9 lb ft <sup>2</sup>	<b>Starts per hour max.</b> 15
<b>Power factor - 3/4 Load</b> 0.78	<b>Motor efficiency - 3/4 Load</b> 95.4 %	<b>Starting current, direct starting</b> 1120 A	
<b>Power factor - 1/2 Load</b> 0.68	<b>Motor efficiency - 1/2 Load</b> 95.6 %	<b>Starting current, star-delta</b> 375 A	

<b>Project</b>		<b>Created by</b>		<b>Last update</b>
<b>Block</b>	0	<b>Created on</b>	3/27/2020	

# NP 3315 HT 3~ 456

## Performance curve

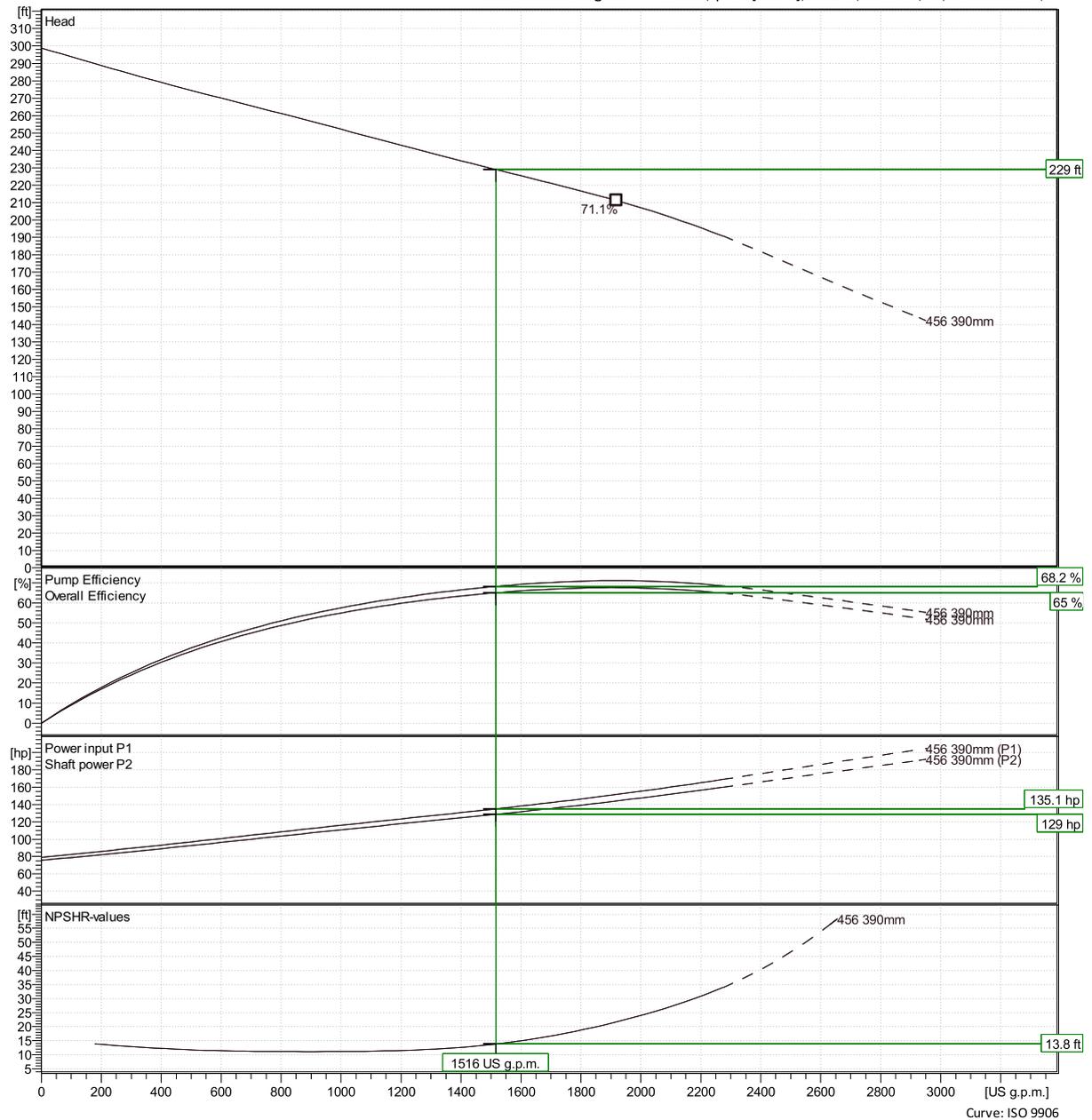


### Duty point

**Flow**  
1520 US g.p.m.

**Head**  
229 ft

Curves according to: Water, pure [100%], 39.2 °F, 62.43 lb/ft<sup>3</sup>, 1.6889E-5 ft<sup>2</sup>/s



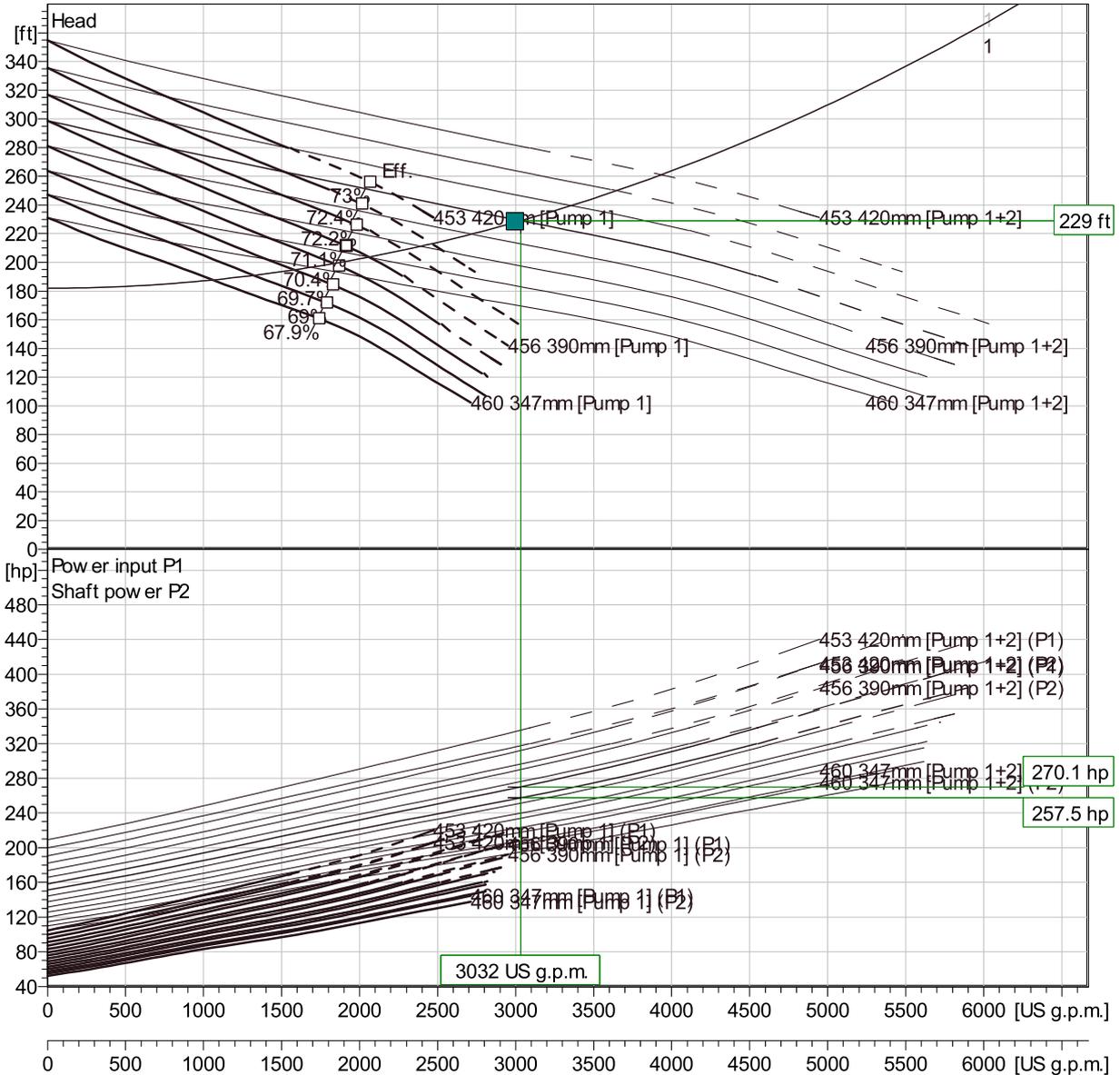
Project	Created by	Last update
Block 0	Created on 3/27/2020	

# NP 3315 HT 3~ 456

## Duty Analysis



Curves according to: Water, pure [100%], 39.2 °F, 62.43 lb/ft³, 1.6889E-5 ft²/s



Curve: ISO 9906

### Operating characteristics

Pumps/Systems	Flow	Head	Shaft power	Flow	Head	Shaft power	Hydr. eff.	Specific energy	NPSHr
2 / 1	1520 US g.p.m.	229 ft	129 hp	3030 US g.p.m.	229 ft	258 hp	68.2 %	1110 kWh/US M	13.8 ft
1 / 1	2060 US g.p.m.	204 ft	150 hp	2060 US g.p.m.	204 ft	150 hp	70.7 %	955 kWh/US M	25.9 ft

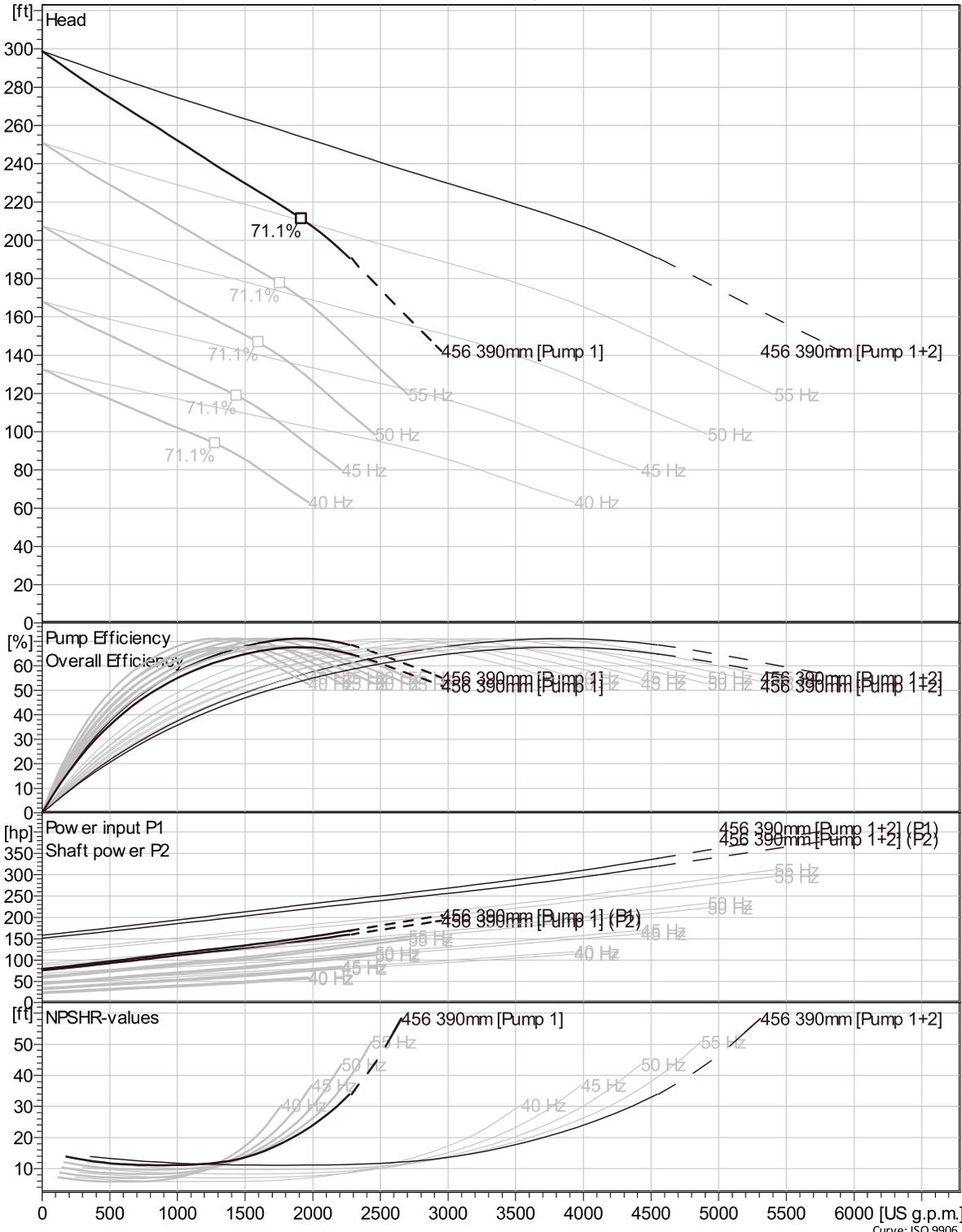
Project		Created by		Last update	
Block	0	Created on	3/27/2020		

# NP 3315 HT 3~ 456

## VFD Curve



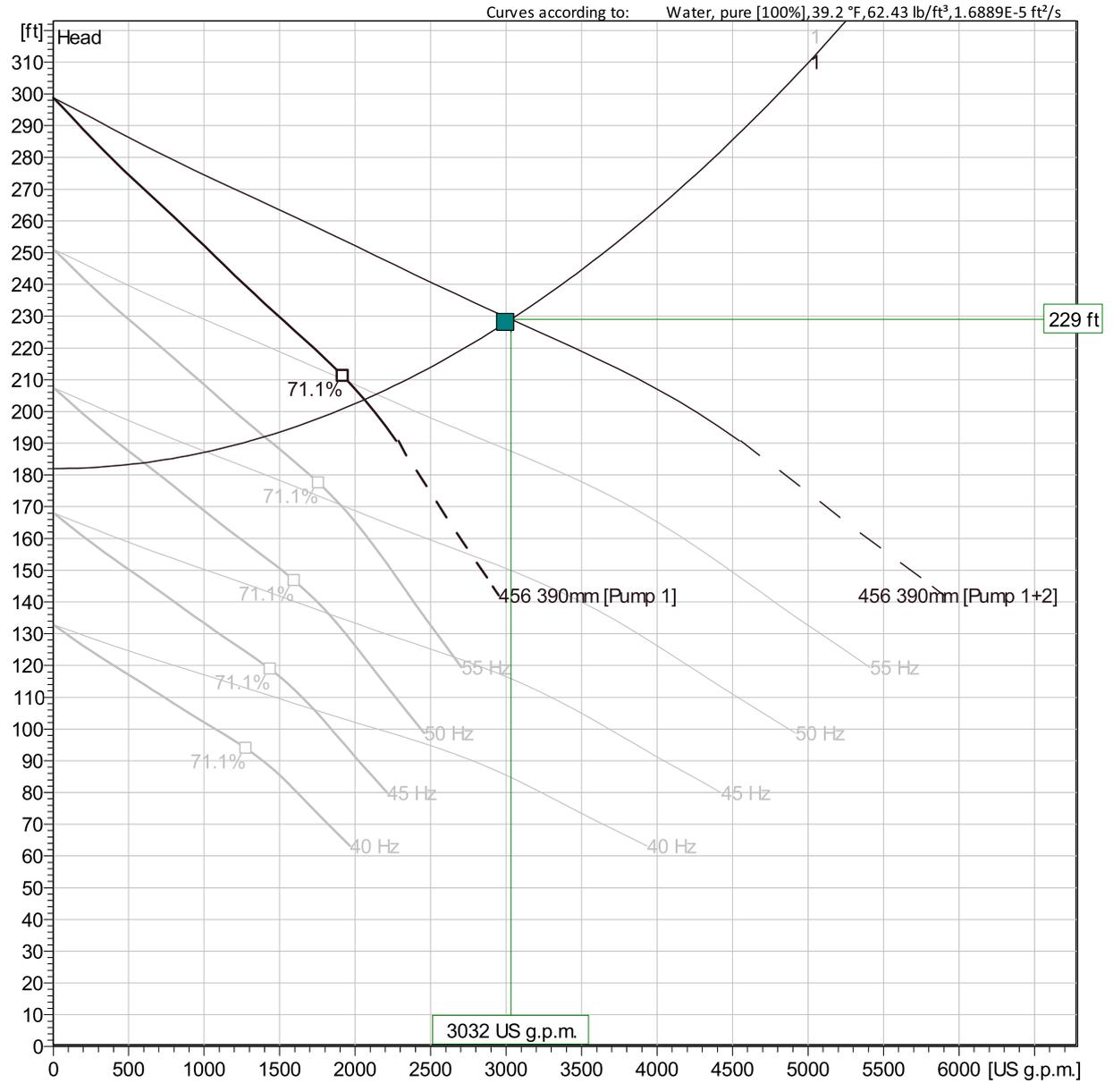
Curves according to: Water, pure [100%], 39.2 °F, 62.43 lb/ft³, 1.6889E-5 ft²/s



Project		Created by		Last update
Block	0	Created on	3/27/2020	

# NP 3315 HT 3~ 456

## VFD Analysis



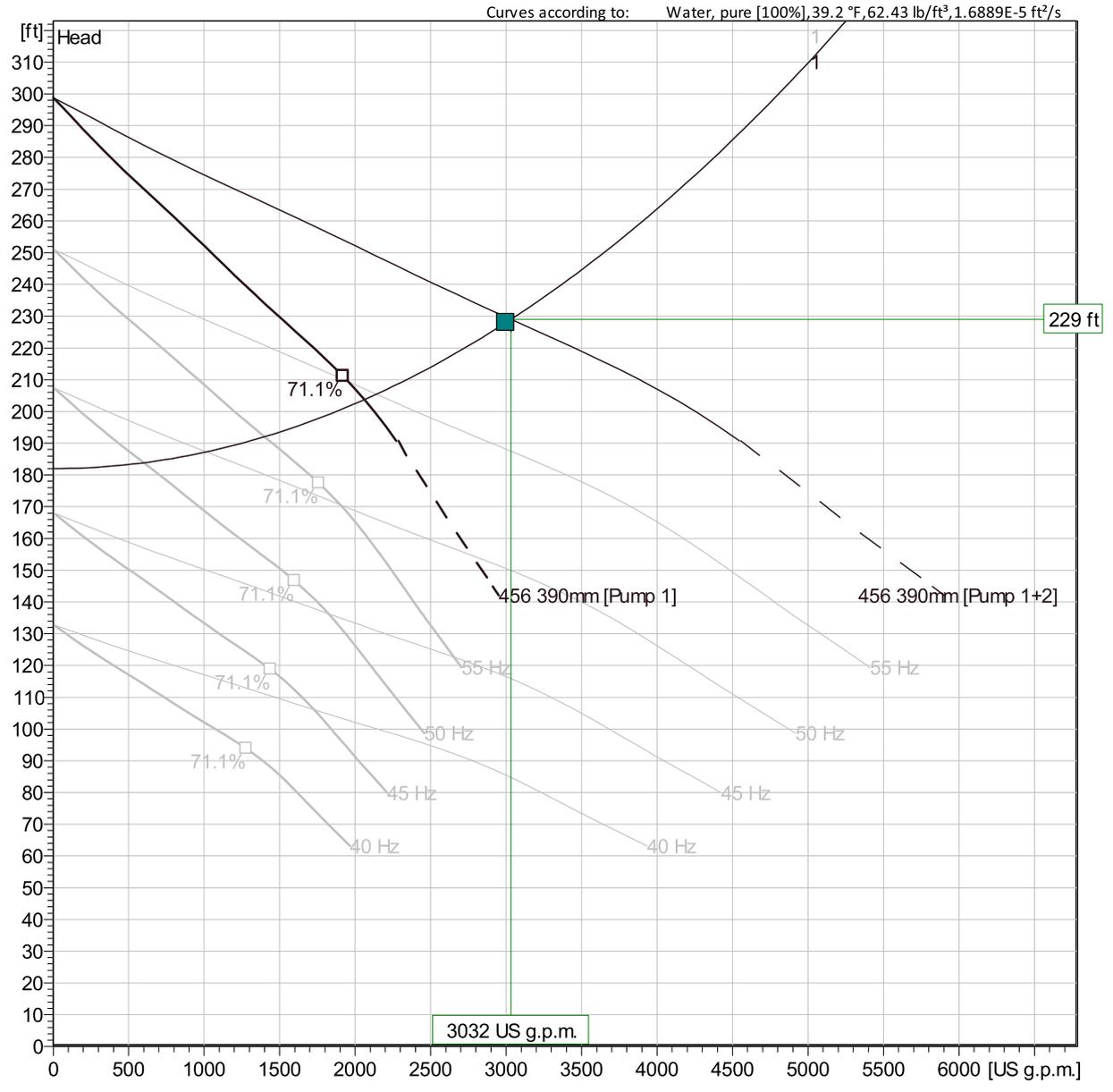
### Operating Characteristics

Pumps/Systems	Frequency	Flow	Head	Shaft power	Flow	Head	Shaft power	Hydr. eff.	Specific Energy	NPSHr
2 / 1	60 Hz	1520 US g.p.m.	229 ft	129 hp	3030 US g.p.m.	229 ft	258 hp	68.2 %	1110 kWh/US M	13.8 ft
2 / 1	55 Hz	1070 US g.p.m.	205 ft	89.9 hp	2140 US g.p.m.	205 ft	180 hp	61.9 %	1090 kWh/US M	9.94 ft
2 / 1	50 Hz	508 US g.p.m.	187 ft	55.9 hp	1020 US g.p.m.	187 ft	112 hp	43 %	1440 kWh/US M	8.53 ft
2 / 1	45 Hz									
2 / 1	40 Hz									
1 / 1	60 Hz	2060 US g.p.m.	204 ft	150 hp	2060 US g.p.m.	204 ft	150 hp	70.7 %	955 kWh/US M	25.9 ft

Project		Created by		Last update
Block	0	Created on	3/27/2020	

# NP 3315 HT 3~ 456

## VFD Analysis

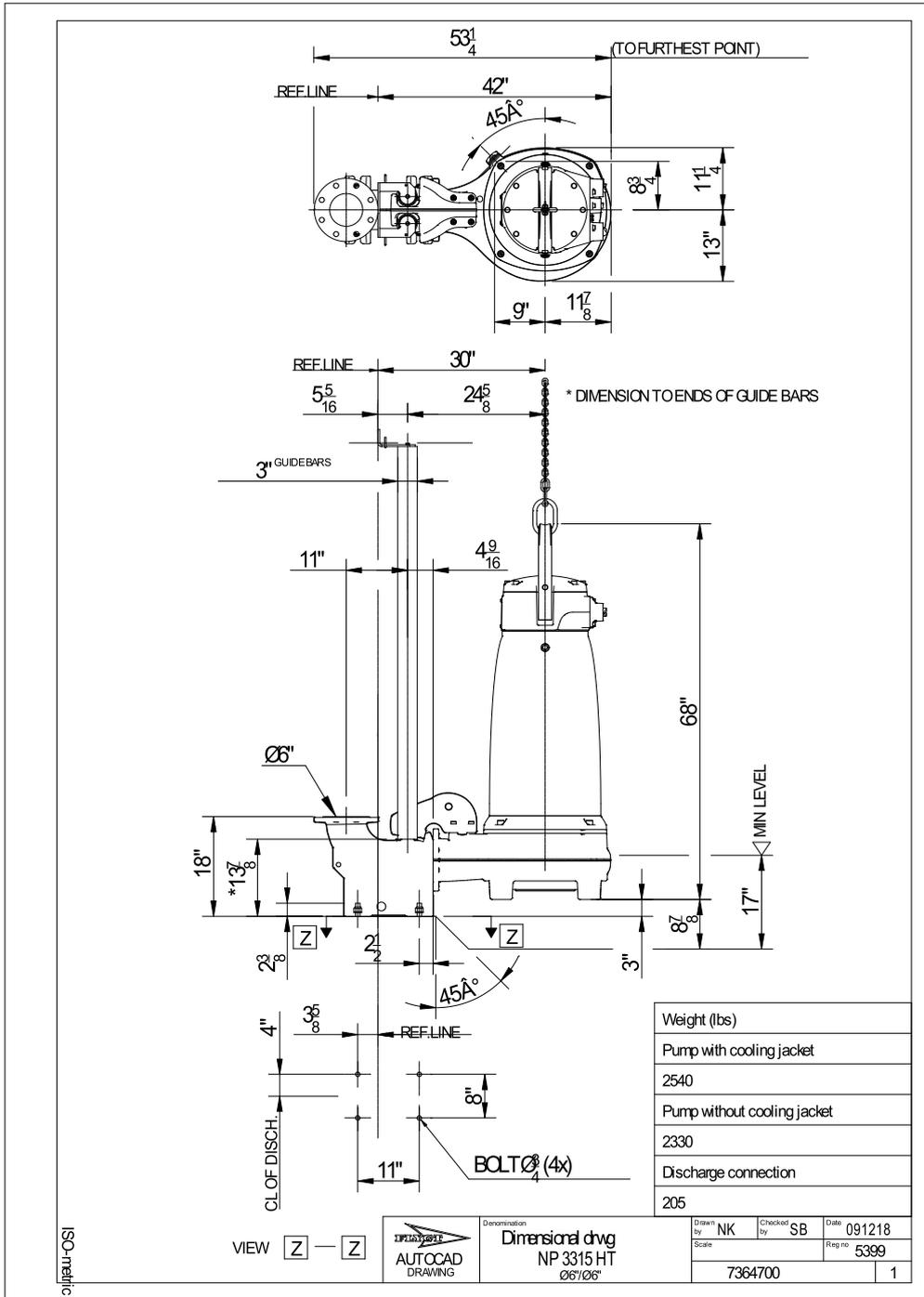


### Operating Characteristics

Pumps/Syste s	Frequency	Flow	Head	Shaft power	Flow	Head	Shaft power	Hydr.eff.	Specific Energy	NPSHr
1 / 1	55 Hz	1400 US g.p.m.	192 ft	99.5 hp	1400 US g.p.m.	192 ft	99.5 hp	68.4 %	924 kWh/US M	12.1 ft
1 / 1	50 Hz	601 US g.p.m.	184 ft	58.3 hp	601 US g.p.m.	184 ft	58.3 hp	47.9 %	1260 kWh/US M	8.38 ft
1 / 1	45 Hz									
1 / 1	40 Hz									

Project		Created by		Last update
Block	0	Created on	3/27/2020	

**NP 3315 HT 3~ 456**  
Dimensional Drawing



Project	Created by	Last update
Block 0	Created on 3/27/2020	



## Appendix E

### **Sewer Improvement Plans**

**GENERAL NOTES**

- THIS PLAN SUPERSEDES ALL OTHER PLANS PREVIOUSLY APPROVED BY THE CITY OF BEAUMONT REGARDING IMPROVEMENTS SHOWN ON THIS SET OF PLANS.
- APPROVAL OF THIS PLAN DOES NOT LESSEN OR WAIVE ANY PORTION OF THE BEAUMONT MUNICIPAL CODE, RESOLUTION OF CONDITIONAL APPROVAL, CITY STANDARDS OR OTHER ADDITIONAL DOCUMENTS LISTED HEREIN AS THEY MAY PERTAIN TO THIS PROJECT. THE ENGINEER IN RESPONSIBLE CHARGE SHALL REVISE THESE PLANS WHEN NON-CONFORMANCE IS DISCOVERED.
- APPROVAL OF PLANS DOES NOT RELIEVE THE DEVELOPER OR ENGINEER-OF-WORK FROM RESPONSIBILITY FOR THE CORRECTION OF ERRORS AND OMISSIONS DISCOVERED DURING CONSTRUCTION. ALL PLAN REVISIONS SHALL BE PROMPTLY SUBMITTED TO THE CITY ENGINEER FOR APPROVAL.
- A RIGHT-OF-WAY PERMIT FROM THE BUILDING & SAFETY DEPARTMENT WILL BE REQUIRED FOR ANY WORK IN THE PUBLIC RIGHT OF WAY. PRIOR TO PERMIT ISSUANCE, A CERTIFICATE OF INSURANCE MUST BE FILED NAMING THE CITY OF BEAUMONT AS AN ADDITIONAL INSURED ON THE PERMITTEE'S POLICY IN THE MINIMUM AMOUNT OF \$1,000,000.00 FOR EACH OCCURRENCE OF LIABILITY. THE INSURANCE COMPANY WRITING THE POLICY MUST HAVE A RATING OF "A-" OR BETTER AND A SIZE CATEGORY OF CLASS VII OR BETTER AS ESTABLISHED BY "BESTS" KEY RATING GUIDE.
- NO WORK SHALL BE COMMENCED UNTIL ALL PERMITS HAVE BEEN OBTAINED FROM THE CITY AND OTHER APPROPRIATE AGENCIES.
- REVISION OF THESE PLANS MAY BE REQUIRED IF THE PROPOSED IMPROVEMENTS ARE NOT CONSTRUCTED PRIOR TO THE DEADLINE DATE OF THE IMPROVEMENT AGREEMENT.
- NO REVISIONS WILL BE MADE TO THESE PLANS WITHOUT THE WRITTEN APPROVAL OF THE CITY ENGINEER, NOTED WITHIN THE REVISION BLOCK, ON THE APPROPRIATE SHEET OF THE PLANS AND TITLE SHEET.
- ORIGINAL DRAWINGS SHALL BECOME THE PROPERTY OF THE CITY UPON BEING SIGNED BY THE CITY ENGINEER.
- THE ORIGINAL DRAWING SHALL BE REVISED TO REFLECT AS-BUILT CONDITIONS BY THE ENGINEER-OF-WORK PRIOR TO FINAL ACCEPTANCE OF THE WORK BY THE CITY.
- ACCESS FOR FIRE AND OTHER EMERGENCY VEHICLES SHALL BE MAINTAINED TO THE PROJECT SITE AT ALL TIMES DURING CONSTRUCTION.
- WHERE TRENCHES ARE WITHIN CITY EASEMENTS, A SOILS REPORT COMPRISED OF:
  - SUMMARY SHEET
  - LABORATORY WORK SHEETS
  - COMPACTION CURVES, SHALL BE SUBMITTED BY A PROFESSIONAL ENGINEER OF THE STATE OF CALIFORNIA, PRIMARILY DOING BUSINESS IN THE FIELD OF APPLIED SOILS MECHANICS. THE SOILS REPORT WILL BE SUBMITTED TO THE CITY ENGINEERING INSPECTOR WITHIN TWO WORKING DAYS OF COMPLETION OF FIELD TESTS. THE WRITTEN FIELD COMPACTION REPORT(S) SHALL BE IMMEDIATELY SUBMITTED TO THE CITY ENGINEERING INSPECTOR UPON COMPLETION OF THE FIELD TESTS.
- A PRECONSTRUCTION MEETING SHALL BE HELD AT THE SITE PRIOR TO THE BEGINNING OF WORK AND SHALL BE ATTENDED BY ALL REPRESENTATIVES RESPONSIBLE FOR CONSTRUCTION, INSPECTION, SUPERVISION, TESTING AND ALL OTHER ASPECTS OF THE WORK. THE CONTRACTOR SHALL SCHEDULE THE MEETING BY CALLING THE INSPECTION LINE AT (951) 572-3224 AT LEAST FIVE (5) WORKING DAYS PRIOR TO STARTING CONSTRUCTION. APPROVED DRAWINGS MUST BE AVAILABLE PRIOR TO SCHEDULING.
- ALL INSPECTION REQUESTS OTHER THAN FOR THE PRECONSTRUCTION MEETING WILL BE MADE BY CALLING THE BUILDING AND SAFETY INSPECTION REQUEST LINE AT (951) 572-3224. INSPECTION REQUESTS MUST BE RECEIVED PRIOR TO 2:00 P.M. ON THE DAY BEFORE THE INSPECTION IS NEEDED. INSPECTIONS WILL BE MADE THE NEXT WORK DAY UNLESS YOU REQUEST OTHERWISE. REQUESTS MADE AFTER 2:00 P.M. WILL BE SCHEDULED FOR TWO FULL WORK DAYS LATER.
- THE OWNER AND/OR APPLICANT THROUGH THE DEVELOPER AND/OR CONTRACTOR SHALL DESIGN, CONSTRUCT AND MAINTAIN ALL SAFETY DEVICES, INCLUDING SHORING, AND SHALL BE SOLELY RESPONSIBLE FOR CONFORMING TO ALL LOCAL, STATE AND FEDERAL SAFETY AND HEALTH STANDARDS, LAWS AND REGULATIONS.
- THE CONTRACTOR SHALL CONFORM TO LABOR CODE SECTION 6705 BY SUBMITTING A DETAIL PLAN TO THE CITY ENGINEER AND/OR CONCERNED AGENCY SHOWING THE DESIGN OF SHORING, BRACING SLOPE OR OTHER PROVISIONS TO BE MADE OF WORKER PROTECTION FROM THE HAZARD OF CAVING GROUND DURING THE EXCAVATION OF SUCH TRENCH OR TRENCHES OR DURING THE PIPE INSTALLATION THEREIN. THIS PLAN MUST BE PREPARED FOR ALL TRENCHES FIVE FEET (5') OR MORE IN DEPTH AND APPROVED BY THE CITY ENGINEER AND/OR CONCERNED AGENCY PRIOR TO EXCAVATION. IF THE PLAN VARIES FROM THE SHORING SYSTEM STANDARDS ESTABLISHED BY THE CONSTRUCTION SAFETY ORDERS, TITLE 8 CALIFORNIA ADMINISTRATIVE CODE, THE PLAN SHALL BE PREPARED BY A REGISTERED ENGINEER AT THE CONTRACTOR'S EXPENSE. A COPY OF THE OSHA EXCAVATION PERMIT MUST BE SUBMITTED TO THE INSPECTOR PRIOR TO EXCAVATION.
- IF ANY ARCHAEOLOGICAL RESOURCES ARE DISCOVERED WITHIN ANY WORK ZONE DURING CONSTRUCTION, OPERATIONS WILL CEASE IMMEDIATELY, AND THE PERMITTEE WILL NOTIFY THE CITY ENGINEER. OPERATIONS WILL NOT RESTART UNTIL THE PERMITTEE HAS RECEIVED WRITTEN AUTHORITY FROM THE CITY ENGINEER TO DO SO.
- ALL OPERATIONS CONDUCTED ON THE SITE OR ADJACENT THERETO SHALL ADHERE TO THE NOISE ORDINANCE SET FORTH BY THE CITY MUNICIPAL CODE. ALL OPERATIONS SHALL BE LIMITED BY THE NOISE ORDINANCE TO THE LEVEL OF DECIBELS SPECIFIED FOR THE AREA AND TIME PERIOD. CONSTRUCTION ACTIVITIES WILL BE LIMITED TO THE PERIOD BETWEEN 7:00 A.M. AND 6:00 P.M. EACH DAY MONDAY THROUGH FRIDAY, UNLESS OTHERWISE PERMITTED.
- ALL OFF-SITE HAUL ROUTES SHALL BE SUBMITTED BY THE CONTRACTOR TO THE CITY ENGINEER FOR APPROVAL TWO FULL WORKING DAYS PRIOR TO BEGINNING OF WORK. THE CONTRACTOR SHALL BE RESPONSIBLE FOR ANY DEBRIS OR DAMAGE OCCURRING ALONG THE HAUL ROUTE OR ADJACENT STREETS AS A RESULT OF THE GRADING OPERATION.
- NO BLASTING SHALL BE COMMENCED WITHOUT A CITY ENGINEER APPROVED BLASTING PROGRAM AND BLASTING PERMIT.
- THE EXISTENCE AND LOCATION OF UTILITY STRUCTURES AND FACILITIES SHOWN ON THE CONSTRUCTION PLANS WERE OBTAINED BY A SEARCH OF THE AVAILABLE RECORDS. ATTENTION IS CALLED TO THE POSSIBLE EXISTENCE OF OTHER UTILITY FACILITIES OR STRUCTURES NOT SHOWN OR IN A LOCATION DIFFERENT FROM THAT SHOWN ON THE PLANS. THE CONTRACTOR IS REQUIRED TO TAKE DUE PRECAUTIONARY MEASURES TO PROTECT THE UTILITIES SHOWN ON THE PLANS AND ANY OTHER EXISTING FACILITIES OR STRUCTURES NOT SHOWN.
- THE CONTRACTOR SHALL VERIFY THE LOCATION OF ALL EXISTING FACILITIES (ABOVEGROUND AND UNDERGROUND) WITHIN THE PROJECT SITE SUFFICIENTLY AHEAD OF THE CONSTRUCTION TO PERMIT THE REVISIONS OF THE CONSTRUCTION PLANS IF IT IS FOUND THAT THE ACTUAL LOCATIONS ARE IN CONFLICT WITH THE PROPOSED WORK.
- THE CONTRACTOR SHALL NOTIFY AFFECTED UTILITY COMPANIES (SEE BELOW) AT LEAST TWO FULL WORKING DAYS PRIOR TO STARTING CONSTRUCTION NEAR THEIR FACILITIES AND SHALL COORDINATE WORK WITH A COMPANY REPRESENTATIVE.
 

UNDERGROUND SERVICE ALERT	(800) 422-4133
SOUTHERN CALIFORNIA EDISON	(800) 409-2365
AT&T	(800) 892-0123
TIME WARNER CABLE	(760) 340-2225
COX COMMUNICATIONS	(888) 423-3913
- IN ACCORDANCE WITH THE CITY STORM WATER STANDARDS ALL STORM DRAIN INLETS CONSTRUCTED BY THIS PLAN SHALL INCLUDE "STENCILS" BE ADDED TO PROHIBIT WASTE DISCHARGE DOWNSTREAM. STENCILS SHALL BE ADDED TO THE SATISFACTION OF THE CITY ENGINEER.

**SEWER NOTES**

- SEWER SYSTEM CONSTRUCTION AND MATERIALS SHALL BE IN ACCORDANCE WITH EASTERN MUNICIPAL WATER DISTRICT (EMWD'S) STANDARDS AND SPECIFICATIONS.
- GRAVITY SEWER PROFILE ELEVATIONS ARE TO FLOW LINE (CONDUIT INVERT). FORCE MAIN PROFILE ELEVATIONS ARE TO CENTIGRADE (CG).
- CONTRACTOR HAS THE OPTION TO INSTALL PLASTIC OR VCP SEWERS EXCEPT WHERE SPECIFICALLY DESIGNATED ON PLANS PER EMWD STANDARDS AND SPECIFICATIONS.
- MANHOLES SHALL BE CONSTRUCTED IN ACCORDANCE WITH STANDARD DRAWINGS SB-53, SB-58, AND SB-61, AS APPLICABLE. SEWER MAINS MAY BE LAID THROUGH THE MANHOLES AND USED AS A FORM FOR THE INVERT.
- MANHOLES OF DEPTHS LESS THAN FIVE FEET FROM FINISH STREET GRADE TO SEWER PIPE SHELF ARE TO BE CONSTRUCTED IN ACCORDANCE WITH STANDARD DRAWING SB-30.
- ALL LATERALS SHALL HAVE AN ON-SITE CLEANOUT IN ACCORDANCE WITH STANDARD DRAWING SB-52. IN ADDITION, FOR LATERALS SERVING INDUSTRIAL AND/OR COMMERCIAL DEVELOPMENTS, THE REQUIREMENTS FOR SAMPLING AND/OR PRETREATMENT FACILITIES SHALL BE DETERMINED BY CONTRACTING THE BUILDING AND SAFETY DEPARTMENT.
- MAINLINE CLEANOUTS, WHERE CALLED FOR ON THE PLANS, SHALL BE CONSTRUCTED IN ACCORDANCE WITH STANDARD DRAWING SB-52.
- PRIOR TO CONSTRUCTION OF SEWER, CONTRACTOR SHALL EXPOSE EXISTING SEWER AND VERIFY ITS EXISTING ELEVATION AND LOCATION. WHEN CONNECTING TO EXISTING MANHOLES AND INLET STUB OF PROPER SIZE EXISTS, NO ALTERATIONS SHALL BE MADE TO EXISTING MANHOLE BASE OR STUB EXCEPT AS SPECIFICALLY AUTHORIZED BY THE CITY INSPECTOR.
- ALL SEWER INLETS AT THE MANHOLE SHALL BE SUCH THAT ITS CROWN SHALL BE LEVEL WITH THE CROWN OF THE OUTLET PIPE, AT THEIR PROJECTIONS TO THE MANHOLE CENTERLINE.
- RECONSTRUCTION OF EXISTING MANHOLES SHALL BE SCHEDULED AT THE CONVENIENCE OF THE CITY AND SHALL BE COMPLETED WITHIN FIVE WORKING DAYS FOLLOWING ITS COMMENCEMENT.
- SEWER LATERALS SHALL BE CONSTRUCTED IN ACCORDANCE WITH SB-177. LOCATIONS OF WYES AND LATERALS, WHERE NOT SHOWN ON THE PLANS, ARE TO BE DETERMINED IN THE FIELD PRIOR TO CONSTRUCTION TO MISS DRIVEWAYS. ALL LATERALS ARE TO BE 4" IN DIAMETER UNLESS OTHERWISE SHOWN ON PLANS. CONNECTIONS OF NEW LATERALS TO EXISTING SEWER ARE TO BE PER STANDARD DRAWING SB-176.
- THE CONTRACTOR IS ADVISED THAT THE WORK ON THIS PROJECT MAY INVOLVE WORKING IN A CONFINED AIR SPACE. CONTRACTOR SHALL BE RESPONSIBLE FOR "CONFINED AIR SPACE" ARTICLE 108, TITLE 8, CALIFORNIA ADMINISTRATIVE CODE.
- BACKWATER VALVES SHALL BE INSTALLED PER SECTION 710.1 OF THE UNIFORM PLUMBING CODE.
- ALL PIPE ZONE BEDDING AND TRENCH BACKFILL ARE TO BE PER STANDARD DRAWING SB-157, SB-158, AND SB-159.

**NOTE**

- APPROVAL OF THESE PLANS APPLIES ONLY WITHIN THE JURISDICTION OF THE CITY OF BEAUMONT.
- TRENCHING FOR UTILITIES AND STRUCTURES IS NOT ALLOWED UNTIL SOIL COMPACTION REPORT IS SUBMITTED AND APPROVED BY THE PUBLIC WORKS DEPARTMENT.
- THE CITY RESERVES THE RIGHT TO REQUIRE REVISION OF THE APPROVED PLANS TO CONFORM WITH CURRENT STANDARDS AND TO POST A NEW BOND IF CONSTRUCTION HAS NOT COMMENCED WITHIN TWO YEARS AFTER PLANS WERE APPROVED.
- SIDEWALK AND DRIVEWAY APPROACHES WILL BE POURED/CONSTRUCTED ONLY AFTER DRIVEWAY LOCATIONS ARE DETERMINED.

**PRIVATE ENGINEERS NOTICE TO CONTRACTOR(S)**

- THE EXISTENCE AND LOCATION OF ANY UNDERGROUND UTILITIES OR STRUCTURES SHOWN ON THESE PLANS ARE OBTAINED BY A SEARCH OF AVAILABLE RECORDS. TO THE BEST OF OUR KNOWLEDGE, THERE ARE NO EXISTING UTILITIES EXCEPT THOSE SHOWN ON THESE PLANS. THE CONTRACTOR IS REQUIRED TO TAKE ALL PRECAUTIONARY MEASURES TO PROTECT THE UTILITIES SHOWN, AND ANY OTHER LINES OR STRUCTURES NOT SHOWN ON THESE PLANS AND IS RESPONSIBLE FOR THE PROTECTION OF, AND ANY DAMAGE TO THESE LINES OR STRUCTURES.
- IT SHALL BE THE CONTRACTORS RESPONSIBILITY TO NOTIFY THE OWNER OF ALL UTILITIES OR STRUCTURES CONCERNED BEFORE STARTING WORK.
- QUANTITIES SHOWN HEREON ARE PROVIDED FOR BIDDING PURPOSES ONLY. CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING ALL QUANTITIES PRIOR TO BIDDING FOR CONSTRUCTION.
- THE PRIVATE ENGINEER SIGNING THESE PLANS IS RESPONSIBLE FOR ASSURING THE ACCURACY AND ACCEPTABILITY OF THE DESIGN HEREON. IN THE EVENT OF DISCREPANCIES ARISING AFTER CITY APPROVAL OR DURING CONSTRUCTION, THE PRIVATE ENGINEER SHALL BE RESPONSIBLE FOR DETERMINING AN ACCEPTABLE SOLUTION AND REVISING THE PLANS FOR APPROVAL BY THE CITY.

**WORK TO BE DONE**

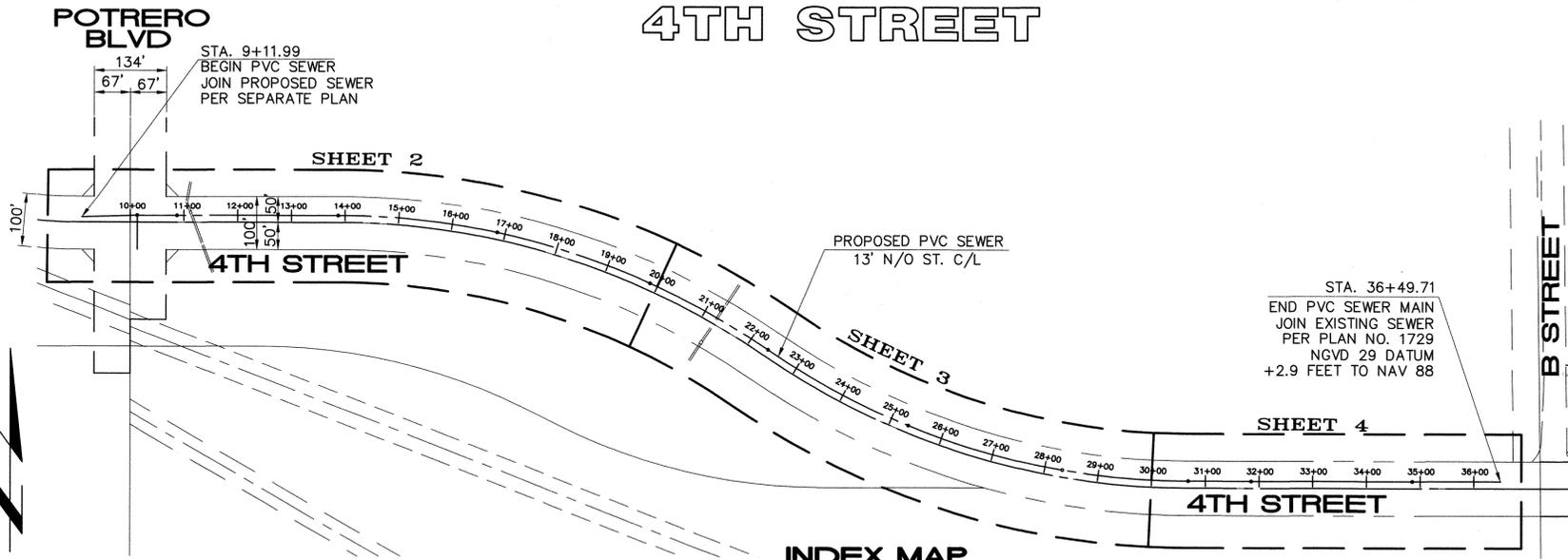
THE IMPROVEMENT WORK SHALL BE PERFORMED IN ACCORDANCE WITH THE FOLLOWING DOCUMENTS, CURRENT AT THE TIME OF CONSTRUCTION, AS DIRECTED BY THE CITY ENGINEER.

- BEAUMONT MUNICIPAL CODE.
- FOR STREETS: RIVERSIDE COUNTY ORDINANCE NO. 461. FLOOD CONTROL FACILITIES: THE RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT'S STANDARDS FOR FLOOD CONTROL FACILITIES. SANITARY SEWER FACILITIES: THE EASTERN MUNICIPAL WATER DISTRICT'S STANDARDS FOR SANITARY SEWER FACILITIES. ALL OTHER PUBLIC WORKS: THE STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION (GREEN BOOK).
- THIS SET OF PLANS.
- RESOLUTION NO \_\_\_\_\_, DATED \_\_\_\_\_.
- SOILS REPORT AND RECOMMENDATIONS BY \_\_\_\_\_, DATED \_\_\_\_\_.

ALL STANDARD DRAWINGS ARE COUNTY OF RIVERSIDE ROAD IMPROVEMENT STANDARDS & SPECIFICATIONS UNLESS NOTED OTHERWISE:

- \* RCF&WCD STANDARD MANUAL
- \*\* EMWD SEWER STANDARD DRAWINGS
- \*\*\* STANDARD PLANS FOR PUBLIC WORKS CONSTRUCTION

# CITY OF BEAUMONT, CA PUBLIC SEWER IMPROVEMENT PLAN 4TH STREET



**INDEX MAP**  
SCALE 1" = 150'

**LINE TYPE LEGEND:**

8"-15" GRAVITY SEWER MAIN	---
6" SEWER FORCE MAIN	---
16" SEWER FORCE MAIN	---
12" BRINE LINE	---
24" DOMESTIC WATER MAIN	---
18" RECLAIM WATER MAIN	---

**"DECLARATION OF RESPONSIBLE CHARGE"**

I HEREBY DECLARE THAT I AM THE ENGINEER OF WORK FOR THIS PROJECT, THAT I HAVE EXERCISED RESPONSIBLE CHARGE OVER THE DESIGN OF THE PROJECT AS DEFINED IN SECTION 6703 OF THE BUSINESS AND PROFESSIONS CODE, AND THAT THE DESIGN IS CONSISTENT WITH CURRENT STANDARDS. I UNDERSTAND THAT THE CHECK OF PROJECT DRAWINGS AND SPECIFICATIONS BY THE CITY OF BEAUMONT DOES NOT RELIEVE ME AS ENGINEER OF WORK OF MY RESPONSIBILITIES FOR PROJECT DESIGN.

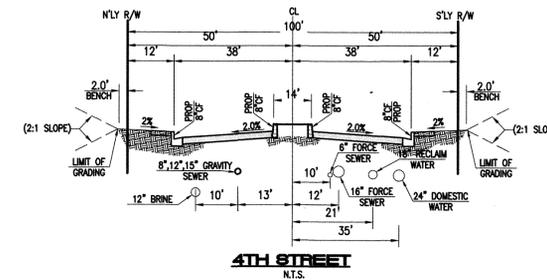
FIRM: THIENES ENGINEERING, INC

ADDRESS: 14349 FIRESTONE BLVD.

CITY, ST.: LA MIRADA, CA

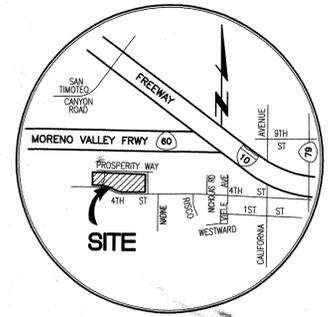
TELEPHONE: 714-521-4811

BY: REINHARD STENZEL 56155 DATE: 1/28/19  
(NAME OF ENGINEER & RCE)



**NOTICE TO CONTRACTOR:**  
ALL WORK TO BE CONSTRUCTED PER THIS PLAN BY PREVAILING WAGES.

THIS PLAN DOES NOT INCLUDE PROPOSED SIDEWALKS, FIRE HYDRANTS, WATER MAINS, GAS LINES, ELECTRICAL LINES OR TELEPHONE LINES.



SHEET INDEX	
1	TITLE SHEET
2	SEWER IMPROVEMENT PLANS STA 8+94 TO 20+00
3	SEWER IMPROVEMENT PLANS STA 20+00 TO 30+00
4	SEWER IMPROVEMENT PLANS STA 30+00 TO 36+49.71

SEWER CONSTRUCTION NOTES:	QTY:
1 - INSTALL 8" SDR26 PVC SEWER MAIN	163 LF
2 - INSTALL 12" SDR26 PVC SEWER MAIN	2,438 LF
3 - INSTALL 15" SDR26 PVC SEWER MAIN	119 LF
4 - INSTALL 48" SEWER MANHOLE PER COUNTY OF RIVERSIDE STD. 606	11 EA
5 - REMOVE EXISTING PLUG AND JOIN EXISTING 8" SEWER MAIN	1 EA
6 - INSTALL PLUG AT END OF PIPE	1 EA

AGENCIES	TELEPHONE
AT&T.....	(909) 776-3914
BEAUMONT-CHERRY VALLEY WATER.....	(951) 845-9581
CITY OF BEAUMONT.....	(951) 769-8520
KINDER MORGAN.....	(714) 560-4400
MCI WORLDCOM.....	(972) 729-6016
QUESTAR LINE 90 COMPANY.....	(801) 324-3388
SOUTHERN CALIFORNIA EDISON.....	(909) 307-6770
SOUTHERN CALIFORNIA GAS COMPANY.....	(909) 335-7725
VERIZON.....	(909) 748-6646

**ABBREVIATIONS:**

A.B. - AGGREGATE BASE	L.P. - LOW POINT
ARCH. - ARCHITECTURAL	M.H. - MANHOLE
A.C. - ASPHALT CONCRETE	N.G. - NATURAL GRADE
B.W. - BACK OF WALK	PKWY DRAIN - PARKWAY DRAIN
B.C.R. - BEGINNING OF CURVE	P.P. - POWER POLE
B.O.P. - BOTTOM OF PIPE	R. - PROPERTY LINE
B.O.W. - BOTTOM OF WALL	P.V.C. - POLYVINYLCHLORIDE
BLDG - BUILDING	R. - RATE OF GRADE
C.I.P. - CAST IRON PIPE	R.C.P. - REINFORCED CONCRETE PIPE
C.B. - CATCH BASIN	R.D. - ROOF DRAIN
C. - CENTERLINE	R/W - RIGHT OF WAY
C.L.F. - CHAIN LINK FENCE	S. - SLOPE
CONF. - CONCRETE	S.F. - SQUARE FEET
C.M.B. - CRUSHED MISC. BASE	S.D. - STORM DRAIN
C.F. - CURB FACE	ST.L.T. - STREET LIGHT
E.P. - EDGE OF PAVEMENT	S.W. - STEM WALL
E.C.R. - END OF CURVE	T.B. - TOP OF BERM
EXIST. (O.O.O) - EXISTING ELEVATION	T.C. - TOP OF CURB
F. - FINISH FLOOR	T.S. - TRASH ENCLOSURE
F.G. - FINISH GRADE	T.F. - TRANSFORMER PAD
F.S. - FINISH SURFACE	T.F. - TOP OF FOOTING
F.H. - FIRE HYDRANT	T.G. - TOP OF GRADE
F.L. - FLOW LINE	TOE - TOE OF SLOPE
G.B. - GRADE BREAK	TOP - TOP OF SLOPE
H. - HANDICAP	T.O.P. - TOP OF PIPE
H.P. - HIGH POINT	T.R. - TOP OF RAIL
INV. - INVERT	T.W. - TOP OF WALL
L.S. - LANDSCAPING	X+XX - SEWER STATION
	XX+XX - STREET STATION

**NOTE TO CONTRACTOR:**  
PRIOR TO CONSTRUCTION OF SEWER AND WATER. THE CONTRACTOR SHALL VERIFY INVERT AND LOCATION OF EXISTING UTILITIES AT POINT OF CONNECTION AND NOTIFY CIVIL ENGINEER IN CASE OF CONFLICT.

**DIGALERT**  
Call 2 Working Days Before You Dig! 811

**BENCHMARK:**  
NATIONAL GEODETIC SURVEY BENCHMARK NO. "Q 1311"  
1.4 MILES WEST OF BEAUMONT ON INTERSTATE 10 TO SAN TIMOTEO CANYON ROAD NEAR FRONTAGE ROAD ON SOUTHWEST SIDE OF INTERSTATE 10, 0.1 MILES SOUTHEAST ALONG FRONTAGE ROAD, SOUTH AND ACROSS THE ROAD FROM A GUY POLE 22.8 FEET SOUTH OF THE CENTERLINE OF FRONTAGE ROAD, 1.8 FEET WEST OF POTRERO BLVD. 1.5 FEET EAST OF A BUSINESS POST, INSIDE A 4 INCH PVC PIPE WITH SLOTTED PLUG 1/2 INCH ABOVE GROUND (ELEVATION = 2468.07). ALSO SHOWN ON HIGHWAY 60 / POTRERO BLVD. INTERCHANGE SIGNING PROJECT CONTROL DRAWING AND IDENTIFIED THEREON AS 3508 SB 023474 WHEREIN THE PUBLISHED ELEVATION = 2468.07 IS CORRECTED WITH A MEASURED ELEVATION = 2468.01 USED HEREIN.

BY	MARK	DESCRIPTION	APPR.	DATE
ENGINEER		REVISIONS		CITY

COMPANY NAME  
**Tii Thienes Engineering, Inc.**  
CIVIL ENGINEERING & LAND SURVEYING  
14349 FIRESTONE BOULEVARD  
LA MIRADA, CALIFORNIA 90638  
PH: (714) 521-4811 FAX: (714) 521-4173

REINHARD STENZEL  
R.C.E. 56155  
EXPIRE 12-31-20

SEAL  
REGISTERED PROFESSIONAL ENGINEER  
REINHARD STENZEL  
R.C.E. NO. 56155  
Exp. 12-31-20  
CIVIL  
STATE OF CALIFORNIA

DESIGN BY:  
DRAWN BY:  
CHECKED BY:  
SCALE:  
DATE:  
JOB NUMBER:

**CITY OF BEAUMONT**  
CALIFORNIA  
NOV. 18, 1912

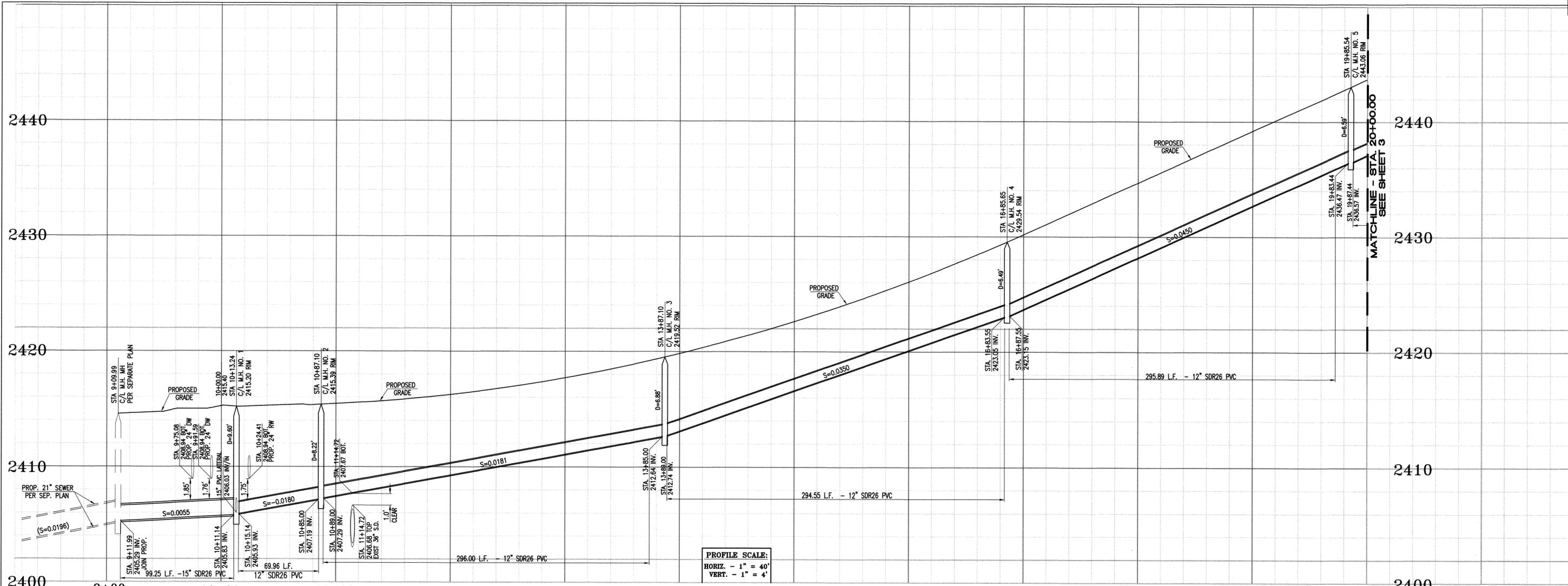
Reviewed By: A.C. Stenzel Date: 2.1.19  
Recommended for Approval By: A.C. Stenzel Date: 2.1.19  
Approved By: Suzanne Dajuda Date: 2.10.19  
City Engineer/President of Public Works  
RCE 36988

CITY OF BEAUMONT, PUBLIC WORKS DEPARTMENT  
ENGINEERING DIVISION  
Beaumont, CA 92223  
TEL: (951) 769-8220 FAX: (951) 769-8221

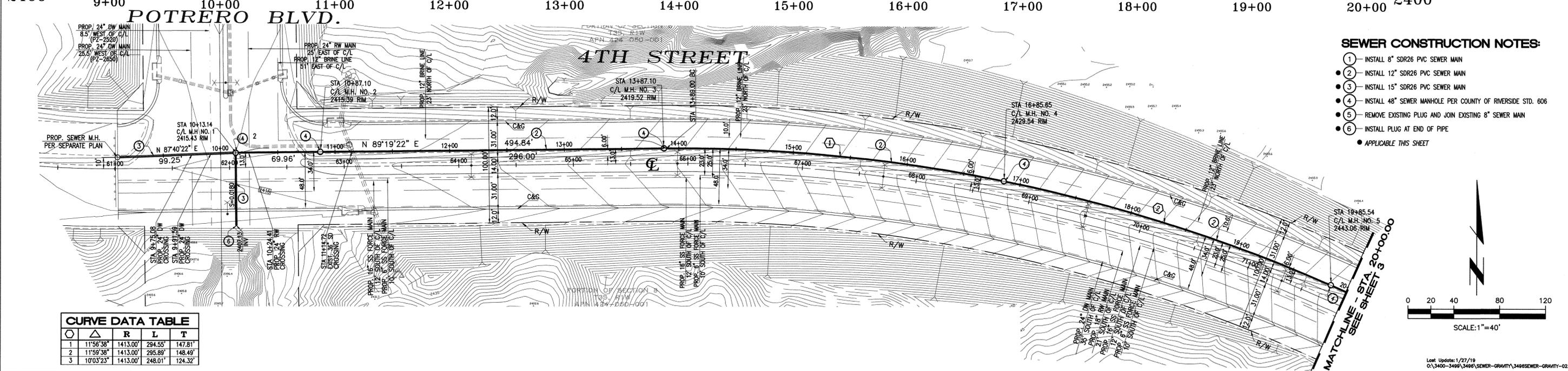
CITY OF BEAUMONT, CALIFORNIA  
**PUBLIC SEWER IMPROVEMENT PLAN**  
FOR  
**4TH STREET**  
FROM POTRERO TO END OF 4TH STREET  
TITLE SHEET

SHEET  
**1**  
OF 4 SHEETS  
FILE NO:  
3251

PW2018-025D



**PROFILE SCALE:**  
 HORIZ. - 1" = 40'  
 VERT. - 1" = 4'

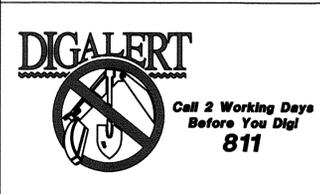
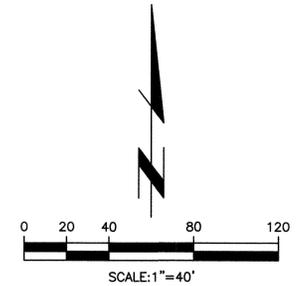


**SEWER CONSTRUCTION NOTES:**

- ① INSTALL 8" SDR26 PVC SEWER MAIN
  - ② INSTALL 12" SDR26 PVC SEWER MAIN
  - ③ INSTALL 15" SDR26 PVC SEWER MAIN
  - ④ INSTALL 48" SEWER MANHOLE PER COUNTY OF RIVERSIDE STD. 606
  - ⑤ REMOVE EXISTING PLUG AND JOIN EXISTING 8" SEWER MAIN
  - ⑥ INSTALL PLUG AT END OF PIPE
- APPLICABLE THIS SHEET

**CURVE DATA TABLE**

Curve No.	R	L	T
1	11'56"38"	1413.00'	294.55'
2	11'59"38"	1413.00'	295.89'
3	10'03"23"	1413.00'	248.01'



**BENCHMARK:**  
 NATIONAL GEODETIC SURVEY BENCHMARK NO. "1311"  
 1.4 MILES WEST OF BEAUMONT ON INTERSTATE 10 TO SAN TIMOTEY CANYON ROAD NEAR FRONTAGE ROAD ON SOUTHWEST SIDE OF INTERSTATE 10, 0.1 MILES SOUTHEAST ALONG FRONTAGE ROAD, SOUTH AND ACROSS THE ROAD FROM A GUY POLE 253.9 FEET SOUTH OF THE CENTERLINE OF FRONTAGE ROAD, 1.8 FEET WEST OF POWERPOLE AND 1.5 FEET EAST OF A WITNESS POST, INSIDE A 4 INCH PVC PIPE WITH SCREW PLUG 1 INCH ABOVE GROUND (ELEVATION = 2468.07'). ALSO SHOWN ON HIGHWAY 60 / POTRERO BLVD. INTERCHANGE STATIC GPS PROJECT CONTROL DIAGRAM AND IDENTIFIED THEREIN AS 3496 BY DTDATA WHENEVER THE PUBLISHED ELEVATION = 2468.07' IS CORRECTED WITH A MEASURED ELEVATION = 2468.061', USED HEREON.

BY	MARK	DESCRIPTION	APPR.	DATE
ENGINEER		REVISIONS		CITY

COMPANY NAME  
**Tii Thienes Engineering, Inc.**  
 CIVIL ENGINEERING • LAND SURVEYING  
 14349 FIRESTONE BOULEVARD  
 LA MIRADA, CALIFORNIA 90638  
 PH.(714)521-4811 FAX(714)521-4173

REINHARD STENZEL  
 R.C.E. 56155 EXPIRE 12-31-20  
 DATE 1/28/19

DESIGN BY: J.P.  
 DRAWN BY: J.P.  
 CHECKED BY: R.S.  
 SCALE:  
 DATE:  
 JOB NUMBER:



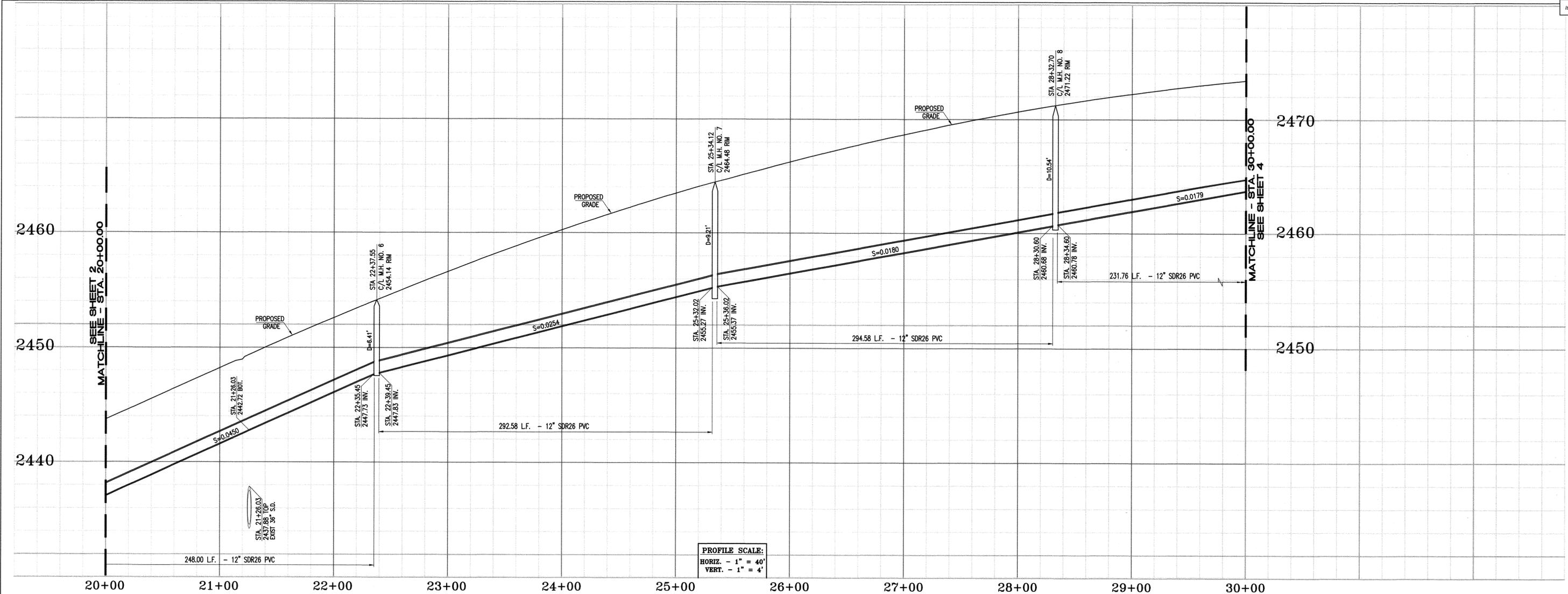
Reviewed By: *[Signature]* Staff Engineer Date: 2.1.19  
 Recommended for Approval By: *[Signature]* Administrative Engineer Date: 2.1.19  
 Approved By: *[Signature]* City Engineer/Member of Public Works Date: 2.18.19  
 RCE 36188

CITY OF BEAUMONT, PUBLIC WORKS DEPARTMENT  
 ENGINEERING DIVISION

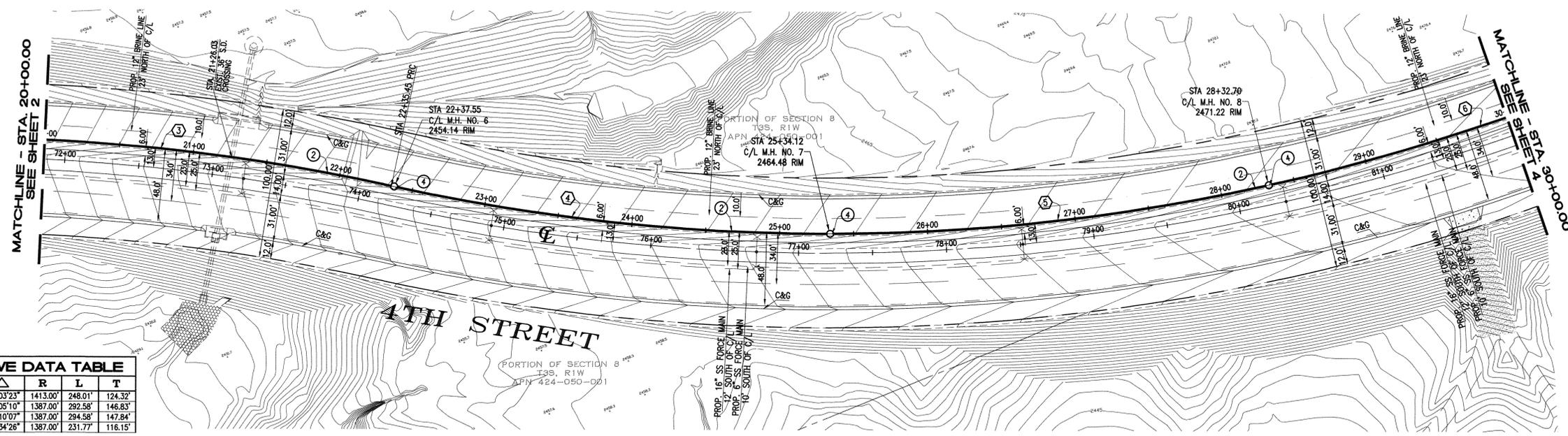
CITY OF BEAUMONT, CALIFORNIA  
**PUBLIC SEWER IMPROVEMENT PLAN AND PROFILE**  
 FOR  
**4TH STREET**  
 FROM POTRERO TO END OF 4TH STREET  
 STA. 8+94 TO STA. 20+00

S H E E T  
**2**  
 OF 4 SHEETS  
 FILE NO.: 3251

Last Update: 1/27/19  
 G:\3400-3499\3468\SEWER-GRAVITY\3468SEWER-GRAVITY-02.dwg



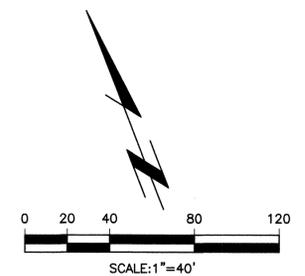
PROFILE SCALE:  
 HORIZ. - 1" = 40'  
 VERT. - 1" = 4'



- SEWER CONSTRUCTION NOTES:**
- ① - INSTALL 8" SDR26 PVC SEWER MAIN
  - ② - INSTALL 12" SDR26 PVC SEWER MAIN
  - ③ - INSTALL 15" SDR26 PVC SEWER MAIN
  - ④ - INSTALL 48" SEWER MANHOLE PER COUNTY OF RIVERSIDE STD. 606
  - ⑤ - REMOVE EXISTING PLUG AND JOIN EXISTING 8" SEWER MAIN
  - ⑥ - INSTALL PLUG AT END OF PIPE
- APPLICABLE THIS SHEET

**CURVE DATA TABLE**

Station	R	L	T
3	10703.23'	1413.00'	248.01'
4	12051.01'	1387.00'	292.58'
5	12107.07'	1387.00'	284.58'
6	09342.26'	1387.00'	231.77'

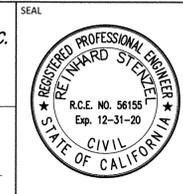


**BENCHMARK:**  
 NATIONAL GEODETIC SURVEY BENCHMARK NO. "0 1311"  
 1.4 MILES WEST OF BEAUMONT ON INTERSTATE 10 TO SAN TIMOTHY CANYON ROAD NEAR FRONTAGE ROAD ON SOUTH/WEST SIDE OF INTERSTATE 10, 0.1 MILES SOUTHEAST ALONG FRONTAGE ROAD, SOUTH AND ACROSS THE ROAD FROM A CITY POLE 25.9 FEET SOUTH OF THE CENTERLINE OF FRONTAGE ROAD, 1.8 FEET WEST OF POWERPOLE AND 1.5 FEET EAST OF A WITNESS POST, INSIDE A 4 INCH PVC PIPE WITH SCREEN PLUG 1 INCH ABOVE GROUND (ELEVATION = 2468.07). ALSO SHOWN ON HIGHWAY 60 / POTRERO BLVD. INTERCHANGE STAFFING PROJECT CONTROL DIAGRAM AND IDENTIFIED THEREON AS 3505 BU 02474 WHEREIN THE PUBLISHED ELEVATION = 2468.07 IS CORRECTED WITH A MEASURED ELEVATION = 2468.071, USED HEREON.

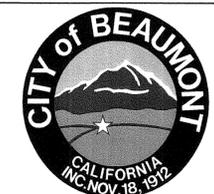
BY	MARK	DESCRIPTION	APPR.	DATE

**COMPANY NAME**  
**Ti** Thienes Engineering, Inc.  
 CIVIL ENGINEERING - LAND SURVEYING  
 14349 FIRESTONE BOULEVARD  
 LA MIRADA, CALIFORNIA 90638  
 PH: (714) 521-4811 FAX: (714) 521-4173

REINHARD STENZEL  
 R.C.E. 56155 EXPIRE 12-31-20



DESIGN BY: J.P.  
 DRAWN BY: J.P.  
 CHECKED BY: R.S.  
 SCALE: R.S.  
 DATE:                      
 JOB NUMBER:           



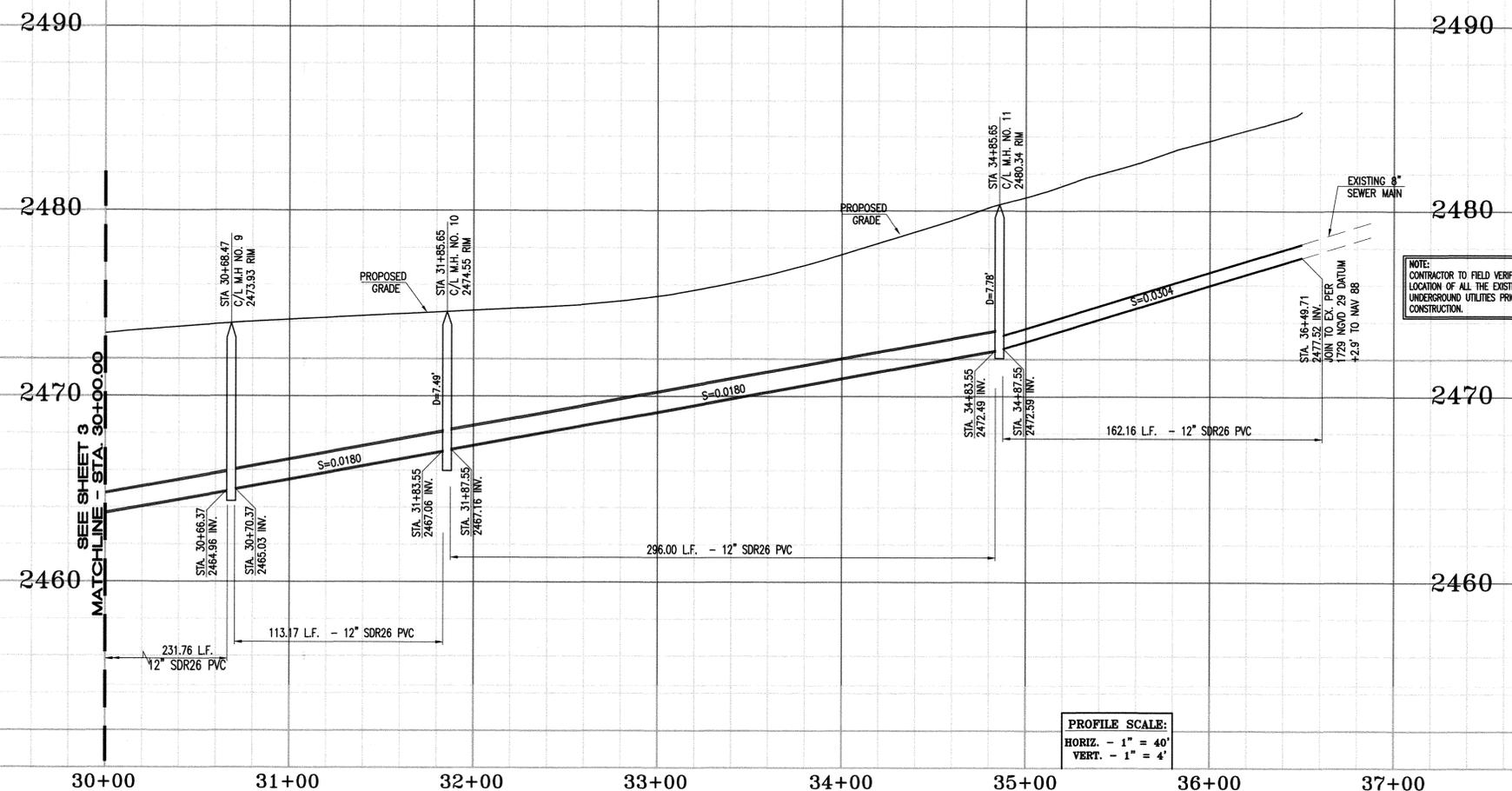
Reviewed By: *A.C. Stenzel* Staff Engineer Date: 2.1.19  
 Recommended for Approval By: *A.C. Stenzel* Administrative Engineer Date: 2.1.19  
 Approved By: *Guadalupe D. Ortiz* City Engineer/Manager of Public Works Date: 2.18.19  
 RCE 36188

CITY OF BEAUMONT, PUBLIC WORKS DEPARTMENT  
 ENGINEERING DIVISION

CITY OF BEAUMONT, CALIFORNIA  
**PUBLIC SEWER IMPROVEMENT PLAN AND PROFILE**  
 FOR  
**4TH STREET**  
 FROM POTRERO TO END OF 4TH STREET  
 STA. 20+00 TO STA. 30+00

S H E E T  
**3**  
 OF 4 SHEETS  
 FILE NO: 3251

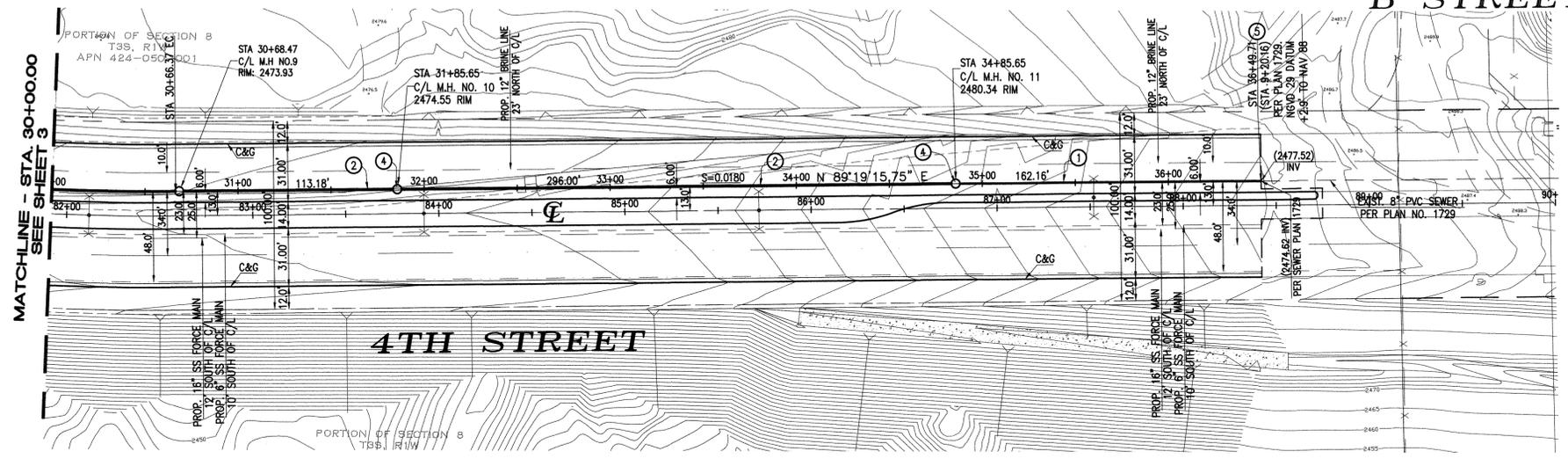
Last Update: 1/27/19  
 C:\3400-3499\3499\SEWER-GRAVITY\3498SEWER-GRAVITY-03.dwg



NOTE:  
CONTRACTOR TO FIELD VERIFY THE  
LOCATION OF ALL THE EXISTING  
UNDERGROUND UTILITIES PRIOR TO  
CONSTRUCTION.

PROFILE SCALE:  
HORIZ. - 1" = 40'  
VERT. - 1" = 4'

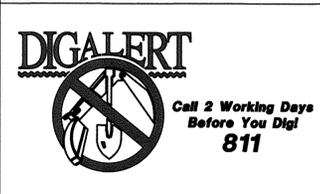
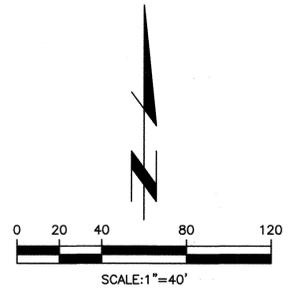
30+00 31+00 32+00 33+00 34+00 35+00 36+00 37+00  
**B STREET**



NOTE:  
CONTRACTOR TO FIELD VERIFY THE  
LOCATION OF ALL THE EXISTING  
UNDERGROUND UTILITIES PRIOR TO  
CONSTRUCTION.

**SEWER CONSTRUCTION NOTES:**

- ① - INSTALL 8" SDR26 PVC SEWER MAIN
  - ② - INSTALL 12" SDR26 PVC SEWER MAIN
  - ③ - INSTALL 15" SDR26 PVC SEWER MAIN
  - ④ - INSTALL 48" SEWER MANHOLE PER COUNTY OF RIVERSIDE STD. 606
  - ⑤ - REMOVE EXISTING PLUG AND JOIN EXISTING 8" SEWER MAIN
  - ⑥ - INSTALL PLUG AT END OF PIPE
- APPLICABLE THIS SHEET



**BENCHMARK:**  
NATIONAL GEODETIC SURVEY BENCHMARK NO. "1311"  
1.4 MILES WEST OF BEAUMONT ON INTERSTATE 10 TO SAN TIMOTEO  
CHECKER ROAD NEAR FRONTAGE ROAD ON SOUTHWEST SIDE OF  
INTERSTATE 10, 0.1 MILES SOUTHEAST ALONG FRONTAGE ROAD,  
SOUTH AND ACROSS THE ROAD FROM A GUY WIRE 25.9 FEET SOUTH  
OF THE CENTERLINE OF FRONTAGE ROAD, 1.8 FEET WEST OF  
POWERSPOLE AND 1.5 FEET EAST OF A WITNESS POST, INSIDE A 4  
INCH PVC PIPE WITH SCREW PLUG 1 INCH ABOVE GROUND  
(ELEVATION = 2468.07). ALSO SHOWN ON HIGHWAY 60 / POTRERO  
BLVD. INTERCHANGE STATIC GPS PROJECT CONTROL DIAGRAM AND  
ENTERED THEREIN AS 5488 BY DICKITA WISBERN THE PUBLISHED  
ELEVATION = 2468.07 IS CORRECTED WITH A MEASURED ELEVATION  
= 2468.061'. USED HEREON.

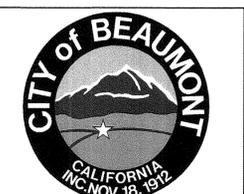
BY	MARK	DESCRIPTION	APPR.	DATE

COMPANY NAME  
**Tii** Thienes Engineering, Inc.  
CIVIL ENGINEERING • LAND SURVEYING  
14349 FIRESTONE BOULEVARD  
LA MIRADA, CALIFORNIA 90638  
PH: (714) 521-4811 FAX: (714) 521-4173

REINHARD STENZEL 1/28/19  
R.C.E. 56155 EXPIRE 12-31-20



DESIGN BY:  
DRAWN BY:  
CHECKED BY:  
SCALE:  
DATE:  
JOB NUMBER:



Reviewed By: A.C. Steno Date: 2.1.19  
Staff Engineer

Recommended for Approval By: A.C. Steno Date: 2.1.19  
Administrative Engineer

Approved By: Guadalupe D. Ojeda Date: 2.18.19  
City Engineer, Director of Public Works  
R.C.E. 34988

CITY OF BEAUMONT, PUBLIC WORKS DEPARTMENT  
ENGINEERING DIVISION

CITY OF BEAUMONT, CALIFORNIA  
**PUBLIC SEWER IMPROVEMENT  
PLAN AND PROFILE**  
FOR  
**4TH STREET**  
FROM POTRERO TO END OF 4TH STREET  
STA. 30+00 TO STA. 36+49.71

SHEET  
**4**  
OF 4 SHEETS  
FILE NO:  
3251

Last Update: 1/27/19  
O:\3400-3499\3498\SEWER-GRAVITY\3498SEWER-GRAVITY-04.dwg

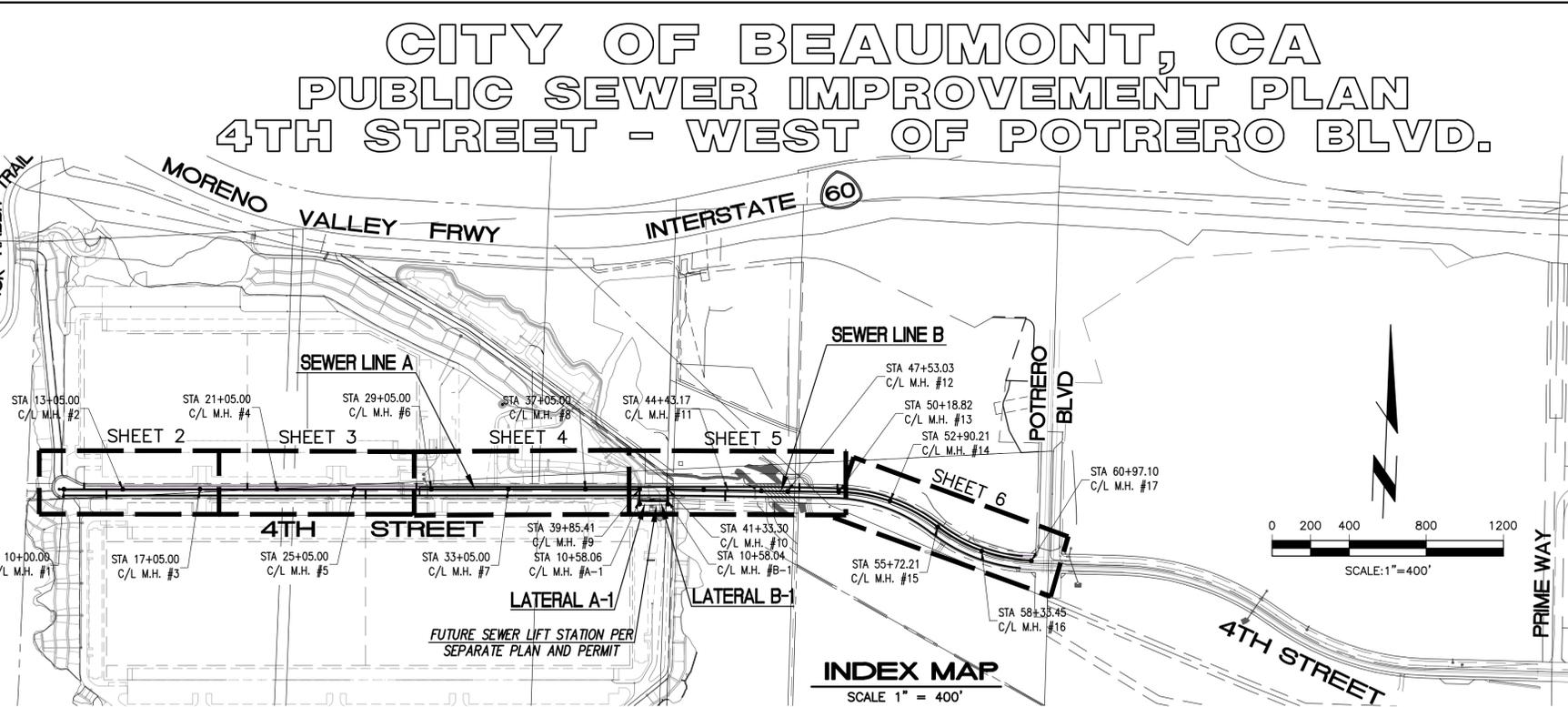
**GENERAL NOTES**

- THIS PLAN SUPERSEDES ALL OTHER PLANS PREVIOUSLY APPROVED BY THE CITY OF BEAUMONT REGARDING IMPROVEMENTS SHOWN ON THIS SET OF PLANS.
- APPROVAL OF THIS PLAN DOES NOT LESSEN OR WAIVE ANY PORTION OF THE BEAUMONT MUNICIPAL CODE, RESOLUTION OF CONDITIONAL APPROVAL, CITY STANDARDS OR OTHER ADDITIONAL DOCUMENTS LISTED HEREIN AS THEY MAY PERTAIN TO THIS PROJECT. THE ENGINEER IS RESPONSIBLE TO CHARGE SHALL REVISE THESE PLANS WHEN NON-COMFORMANCE IS DISCOVERED.
- CITY APPROVAL OF PLANS DOES NOT RELIEVE THE DEVELOPER OR ENGINEER OF WORK FROM RESPONSIBILITY FOR THE CORRECTION OF ERRORS AND OMISSIONS DISCOVERED DURING CONSTRUCTION. ALL PLAN REVISIONS SHALL BE PROMPTLY SUBMITTED TO THE CITY ENGINEER FOR APPROVAL. A RIGHT-OF-WAY PERMIT FROM THE BUILDING & SAFETY DEPARTMENT WILL BE REQUIRED FOR ANY WORK IN THE PUBLIC RIGHT OF WAY. PRIOR TO PERMIT ISSUANCE, A CERTIFICATE OF INSURANCE MUST BE FILED NAMING THE CITY OF BEAUMONT AS AN ADDITIONAL INSURED ON THE PERMITTEE'S POLICY IN THE MINIMUM AMOUNT OF \$1,000,000.00 FOR EACH OCCURRENCE OF LIABILITY. THE INSURANCE COMPANY WRITING THE POLICY MUST HAVE A RATING OF "A-" OR BETTER AND A SIZE CATEGORY OF CLASS VI OR BETTER AS ESTABLISHED BY "BESTS" KEY RATING GUIDE.
- NO WORK SHALL BE COMMENCED UNTIL ALL PERMITS HAVE BEEN OBTAINED FROM THE CITY AND OTHER APPROPRIATE AGENCIES.
- REVISION OF THESE PLANS MAY BE REQUIRED IF THE PROPOSED IMPROVEMENTS ARE NOT CONSTRUCTED PRIOR TO THE DEADLINE DATE OF THE IMPROVEMENT AGREEMENT.
- NO REVISIONS WILL BE MADE TO THESE PLANS WITHOUT THE WRITTEN APPROVAL OF THE CITY ENGINEER, NOTED WITHIN THE REVISION BLOCK, ON THE APPROPRIATE SHEET OF THE PLANS AND TITLE SHEET.
- ORIGINAL DRAWINGS SHALL BECOME THE PROPERTY OF THE CITY UPON BEING SIGNED BY THE CITY ENGINEER.
- THE ORIGINAL DRAWING SHALL BE REVISED TO REFLECT AS-BUILT CONDITIONS BY THE ENGINEER-OF-WORK PRIOR TO FINAL ACCEPTANCE OF THE WORK BY THE CITY.
- ACCESS FOR FIRE AND OTHER EMERGENCY VEHICLES SHALL BE MAINTAINED TO THE PROJECT SITE AT ALL TIMES DURING CONSTRUCTION.
- WHERE TRENCHES ARE WITHIN CITY EASEMENTS, A SOILS REPORT COMPRISED OF:
  - SUMMARY SHEET
  - LABORATORY WORK SHEETS
  - COMPACTION CURVES, SHALL BE SUBMITTED BY A PROFESSIONAL ENGINEER OF THE STATE OF CALIFORNIA, PRINCIPALLY DOING BUSINESS IN THE FIELD OF APPLIED SOILS MECHANICS. THE SOILS REPORT WILL BE SUBMITTED TO THE CITY ENGINEERING INSPECTOR WITHIN TWO WORKING DAYS OF COMPLETION OF FIELD TESTS. THE WRITTEN FIELD COMPACTION REPORT(S) SHALL BE IMMEDIATELY SUBMITTED TO THE CITY ENGINEERING INSPECTOR UPON COMPLETION OF THE FIELD TESTS.
- A PRECONSTRUCTION MEETING SHALL BE HELD AT THE SITE PRIOR TO THE BEGINNING OF WORK AND SHALL BE ATTENDED BY ALL REPRESENTATIVES RESPONSIBLE FOR CONSTRUCTION INSPECTION, SUPERVISION, TESTING AND ALL OTHER ASPECTS OF THE WORK. THE CONTRACTOR SHALL SCHEDULE THE MEETING BY CALLING THE INSPECTION LINE AT (951) 572-3224 AT LEAST FIVE (5) WORKING DAYS PRIOR TO STARTING CONSTRUCTION. APPROVED DRAWINGS MUST BE AVAILABLE PRIOR TO SCHEDULING.
- ALL INSPECTION REQUESTS OTHER THAN FOR THE PRECONSTRUCTION MEETING WILL BE MADE BY CALLING THE BUILDING AND SAFETY INSPECTION REQUEST LINE AT (951) 572-3224. INSPECTION REQUESTS MUST BE RECEIVED PRIOR TO 2:00 P.M. ON THE DAY BEFORE THE INSPECTION IS NEEDED. INSPECTIONS WILL BE MADE THE NEXT WORK DAY UNLESS YOU REQUEST OTHERWISE. REQUESTS MADE AFTER 2:00 P.M. WILL BE SCHEDULED FOR TWO FULL WORK DAYS LATER.
- THE OWNER AND/OR APPLICANT THROUGH THE DEVELOPER AND/OR CONTRACTOR SHALL DESIGN, CONSTRUCT AND MAINTAIN ALL SAFETY DEVICES, INCLUDING SHORING, AND SHALL BE SOLELY RESPONSIBLE FOR CONFORMING TO ALL LOCAL, STATE AND FEDERAL SAFETY AND HEALTH STANDARDS, LAWS AND REGULATIONS.
- THE CONTRACTOR SHALL CONFORM TO LABOR CODE SECTION 6705 BY SUBMITTING A DETAIL PLAN TO THE CITY ENGINEER AND/OR CONCERNED AGENCY SHOWING THE DESIGN OF SHORING, BRACING SLOPE OR OTHER PROVISIONS TO BE MADE OF WORKER PROTECTION FROM THE HAZARD OF CAVING GROUND DURING THE EXCAVATION OF SUCH TRENCH OR TRENCHES OR DURING THE PIPE INSTALLATION THEREIN. THIS PLAN MUST BE PREPARED FOR ALL TRENCHES FIVE FEET (5') OR MORE IN DEPTH AND APPROVED BY THE CITY ENGINEER AND/OR CONCERNED AGENCY PRIOR TO EXCAVATION. IF THE PLAN VARIES FROM THE SHORING SYSTEM STANDARDS ESTABLISHED BY THE CONSTRUCTION SAFETY ORDERS, TITLE 8 CALIFORNIA ADMINISTRATIVE CODE, THE PLAN SHALL BE PREPARED BY A REGISTERED ENGINEER AT THE CONTRACTOR'S EXPENSE. A COPY OF THE OSHA EXCAVATION PERMIT MUST BE SUBMITTED TO THE INSPECTOR PRIOR TO EXCAVATION.
- IF ANY ARCHAEOLOGICAL RESOURCES ARE DISCOVERED WITHIN ANY WORK ZONE DURING CONSTRUCTION, OPERATIONS WILL CEASE IMMEDIATELY, AND THE PERMITTEE WILL NOTIFY THE CITY ENGINEER. OPERATIONS WILL NOT RESTART UNTIL THE PERMITTEE HAS RECEIVED WRITTEN AUTHORITY FROM THE CITY ENGINEER TO DO SO.
- ALL OPERATIONS CONDUCTED ON THE SITE OR ADJACENT THERETO SHALL ADHERE TO THE NOISE ORDINANCE SET FORTH BY THE CITY MUNICIPAL CODE. ALL OPERATIONS SHALL BE LIMITED BY THE NOISE ORDINANCE TO THE LEVEL OF DECIBELS SPECIFIED FOR THE AREA AND TIME PERIOD. CONSTRUCTION ACTIVITIES WILL BE LIMITED TO THE PERIOD BETWEEN 7:00 A.M. AND 6:00 P.M. EACH DAY MONDAY THROUGH FRIDAY, OTHER THAN PERMITTED PERIODS.
- ALL ON-SITE HAUL ROUTES SHALL BE SUBMITTED BY THE CONTRACTOR TO THE CITY ENGINEER FOR APPROVAL. TWO FULL WORKING DAYS PRIOR TO BEGINNING OF WORK. THE CONTRACTOR SHALL BE RESPONSIBLE FOR ANY DEBRIS OR DAMAGE OCCURRING ALONG THE HAUL ROUTE OR ADJACENT STREETS AS A RESULT OF THE GRADING OPERATION.
- NO BLASTING SHALL BE COMMENCED WITHOUT A CITY ENGINEER APPROVED BLASTING PROGRAM AND BLASTING PERMIT.
- THE EXISTENCE AND LOCATION OF UTILITY STRUCTURES AND FACILITIES SHOWN ON THE CONSTRUCTION PLANS WERE OBTAINED BY A SEARCH OF THE AVAILABLE RECORDS. ATTENTION IS CALLED TO THE POSSIBLE EXISTENCE OF OTHER UTILITY FACILITIES OR STRUCTURES NOT SHOWN OR IN A LOCATION DIFFERENT FROM THAT SHOWN ON THE PLANS. THE CONTRACTOR IS REQUIRED TO TAKE DUE PRECAUTIONARY MEASURES TO PROTECT THE UTILITIES SHOWN ON THE PLANS AND ANY OTHER EXISTING FACILITIES OR STRUCTURES NOT SHOWN.
- THE CONTRACTOR SHALL VERIFY THE LOCATION OF ALL EXISTING FACILITIES (ABOVEGROUND AND UNDERGROUND) WITHIN THE PROJECT SITE SUFFICIENTLY AHEAD OF THE CONSTRUCTION TO PERMIT THE REVISIONS OF THE CONSTRUCTION PLANS IF IT IS FOUND THAT THE ACTUAL LOCATIONS ARE IN CONFLICT WITH THE PROPOSED WORK.
- THE CONTRACTOR SHALL NOTIFY AFFECTED UTILITY COMPANIES (SEE BELOW) AT LEAST TWO FULL WORKING DAYS PRIOR TO STARTING CONSTRUCTION NEAR THEIR FACILITIES AND SHALL COORDINATE WORK WITH A COMPANY REPRESENTATIVE.
 

UNDERGROUND SERVICE ALERT	(800) 422-4133
SOUTHERN CALIFORNIA EDISON	(800) 409-2365
AT&T	(800) 892-0123
TIME WARNER CABLE	(760) 340-2225
COX COMMUNICATIONS	(888) 423-3913
- IN ACCORDANCE WITH THE CITY STORM WATER STANDARDS ALL STORM DRAIN INLETS CONSTRUCTED BY THIS PLAN SHALL INCLUDE "STENCILS" TO BE ADDED TO PROHIBIT WASTE DISCHARGE DOWNSTREAM. STENCILS SHALL BE ADDED TO THE SATISFACTION OF THE CITY ENGINEER.

**NOTE**

- APPROVAL OF THESE PLANS APPLIES ONLY WITHIN THE JURISDICTION OF THE CITY OF BEAUMONT.
- TRENCHING FOR UTILITIES AND STRUCTURES IS NOT ALLOWED UNTIL SOIL COMPACTION REPORT IS SUBMITTED AND APPROVED BY THE PUBLIC WORKS DEPARTMENT.
- THE CITY RESERVES THE RIGHT TO REQUIRE REVISION OF THE APPROVED PLANS TO CONFORM WITH CURRENT STANDARDS AND TO POST A NEW BOND IF CONSTRUCTION HAS NOT COMMENCED WITHIN TWO YEARS AFTER PLANS WERE APPROVED.
- SIDEWALK AND DRIVEWAY APPROACHES WILL BE POURED/CONSTRUCTED ONLY AFTER DRIVEWAY LOCATIONS ARE DETERMINED.



**PRIVATE ENGINEERS NOTICE TO CONTRACTOR(S)**

- THE EXISTENCE AND LOCATION OF ANY UNDERGROUND UTILITIES OR STRUCTURES SHOWN ON THESE PLANS ARE OBTAINED BY A SEARCH OF AVAILABLE RECORDS. TO THE BEST OF OUR KNOWLEDGE, THERE ARE NO EXISTING UTILITIES EXCEPT THOSE SHOWN ON THESE PLANS. THE CONTRACTOR IS REQUIRED TO TAKE ALL PRECAUTIONARY MEASURES TO PROTECT THE UTILITIES SHOWN, AND ANY OTHER LINES OR STRUCTURES NOT SHOWN ON THESE PLANS AND IS RESPONSIBLE FOR THE PROTECTION OF, AND ANY DAMAGE TO THESE LINES OR STRUCTURES
- IT SHALL BE THE CONTRACTORS RESPONSIBILITY TO NOTIFY THE OWNER OF ALL UTILITIES OR STRUCTURES CONCERNED BEFORE STARTING WORK.
- QUANTITIES SHOWN HEREON ARE PROVIDED FOR BIDDING PURPOSES ONLY. CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING ALL QUANTITIES PRIOR TO BIDDING FOR CONSTRUCTION.
- THE PRIVATE ENGINEER SIGNING THESE PLANS IS RESPONSIBLE FOR ASSURING THE ACCURACY AND ACCEPTABILITY OF THE DESIGN HEREON. IN THE EVENT OF DISCREPANCIES ARISING AFTER CITY APPROVAL OR DURING CONSTRUCTION, THE PRIVATE ENGINEER SHALL BE RESPONSIBLE FOR DETERMINING AN ACCEPTABLE SOLUTION AND REVISING THE PLANS FOR APPROVAL BY THE CITY.

**WORK TO BE DONE**

THE IMPROVEMENT WORK SHALL BE PERFORMED IN ACCORDANCE WITH THE FOLLOWING DOCUMENTS, CURRENT AT THE TIME OF CONSTRUCTION, AS DIRECTED BY THE CITY ENGINEER.

- BEAUMONT MUNICIPAL CODE.
- FOR STREETS: RIVERSIDE COUNTY ORDINANCE NO. 461. FLOOD CONTROL FACILITIES: THE RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT'S STANDARDS FOR FLOOD CONTROL FACILITIES. SANITARY SEWER FACILITIES: THE EASTERN MUNICIPAL WATER DISTRICT'S STANDARDS FOR SANITARY SEWER FACILITIES. ALL OTHER PUBLIC WORKS: THE STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION (GREEN BOOK).
- THIS SET OF PLANS.
- RESOLUTION NO. 16-PP-02, DATED 9/16/2016
- SOILS REPORT AND RECOMMENDATIONS BY KLING CONSULTING GROUP, DATED 5/1/2017

ALL STANDARD DRAWINGS ARE COUNTY OF RIVERSIDE ROAD IMPROVEMENT STANDARDS & SPECIFICATIONS UNLESS NOTED OTHERWISE:  
 \* RCFC&WCD STANDARD MANUAL  
 \*\* EMDW SEWER STANDARD DRAWINGS  
 \*\*\* STANDARD PLANS FOR PUBLIC WORKS CONSTRUCTION

**SEWER NOTES**

- SEWER SYSTEM CONSTRUCTION AND MATERIALS SHALL BE IN ACCORDANCE WITH EASTERN MUNICIPAL WATER DISTRICT (EMWD'S) STANDARDS AND SPECIFICATIONS.
- GRAVITY SEWER PROFILE ELEVATIONS ARE TO FLOW LINE (CONDUIT INVERT). FORCE MAIN PROFILE ELEVATIONS ARE TO TOP OF PIPE (TOP).
- CONTRACTOR HAS THE OPTION TO INSTALL PLASTIC OR VCP SEWERS EXCEPT WHERE SPECIFICALLY DESIGNATED ON PLANS PER EMWD STANDARDS AND SPECIFICATIONS.
- MANHOLES SHALL BE CONSTRUCTED IN ACCORDANCE WITH STANDARD DRAWINGS SB-53, SB-58, AND SB-61, AS APPLICABLE. SEWER MAINS MAY BE LAID THROUGH THE MANHOLES AND USED AS A FORM FOR THE INVERT.
- MANHOLES OF DEPTHS LESS THAN FIVE FEET FROM FINISH STREET GRADE TO SEWER PIPE SHELF ARE TO BE CONSTRUCTED IN ACCORDANCE WITH STANDARD DRAWING SB-30.
- ALL LATERALS SHALL HAVE AN ON-SITE CLEANOUT IN ACCORDANCE WITH STANDARD DRAWING SB-52. IN ADDITION, FOR LATERALS SERVING INDUSTRIAL AND/OR COMMERCIAL DEVELOPMENTS, THE REQUIREMENTS FOR SAMPLING AND/OR PRE-TREATMENT FACILITIES SHALL BE DETERMINED BY CONTRACTING THE BUILDING AND SAFETY DEPARTMENT.
- MAINLINE CLEANOUTS, WHERE CALLED FOR ON THE PLANS, SHALL BE CONSTRUCTED IN ACCORDANCE WITH STANDARD DRAWING SB-52.
- PRIOR TO CONSTRUCTION OF SEWER, CONTRACTOR SHALL EXPOSE EXISTING SEWER AND VERIFY ITS EXISTING ELEVATION AND LOCATION. WHEN CONNECTING TO EXISTING MANHOLES AND INLET STUB OF PROPER SIZE EXISTS, NO ALTERATIONS SHALL BE MADE TO EXISTING MANHOLE BASE OR STUB EXCEPT AS SPECIFICALLY AUTHORIZED BY THE CITY INSPECTOR.
- ALL SEWER INLETS AT THE MANHOLE SHALL BE SUCH THAT ITS CROWN SHALL BE LEVEL WITH THE CROWN OF THE OUTLET PIPE, AT THEIR PROJECTIONS TO THE MANHOLE CENTERLINE.
- RECONSTRUCTION OF EXISTING MANHOLES SHALL BE SCHEDULED AT THE CONVENIENCE OF THE CITY AND SHALL BE COMPLETED WITHIN FIVE WORKING DAYS FOLLOWING ITS COMMENCEMENT.
- SEWER LATERALS SHALL BE CONSTRUCTED IN ACCORDANCE WITH SB-177. LOCATIONS OF WYES AND LATERALS, WHERE NOT SHOWN ON THE PLANS, ARE TO BE DETERMINED IN THE FIELD PRIOR TO CONSTRUCTION TO MISS DRIVEWAYS. ALL LATERALS ARE TO BE 4" IN DIAMETER UNLESS OTHERWISE SHOWN ON PLANS. CONNECTIONS OF NEW LATERALS TO EXISTING SEWER ARE TO BE PER STANDARD DRAWING SB-176.
- THE CONTRACTOR IS ADVISED THAT THE WORK ON THIS PROJECT MAY INVOLVE WORKING IN A CONFINED AIR SPACE. CONTRACTOR SHALL BE RESPONSIBLE FOR "CONFINED AIR SPACE" ARTICLE 108, TITLE 8, CALIFORNIA ADMINISTRATIVE CODE.
- WHERE GROUNDWATER IS ENCOUNTERED, ALL VCP PIPE SHALL BE TREATED FOR ABSORPTION RESISTANCE PER EMWD'S SPECIFICATIONS.
- BACKWATER VALVES SHALL BE INSTALLED PER SECTION 710.1 OF THE UNIFORM PLUMBING CODE.
- ALL PIPE ZONE BEDDING AND TRENCH BACKFILL ARE TO BE PER STANDARD DRAWING SB-157, SB-158, AND SB-159.
- ALL MANHOLE AND CLEANOUT COVERS WITHIN PAVED AREAS SHALL BE ADJUSTED TO FINISHED GRADES AFTER PAVING IS COMPLETED; AND SUCH ADJUSTMENTS SHALL BE DONE IN A MANNER AS TO PREVENT ENTRY OF SILT AND/OR DEBRIS INTO THE SEWER SYSTEM. A CONCRETE COLLAR AROUND SEWER MANHOLES 12" THICK AND 12" WIDE MUST BE PROVIDED.

**LINE TYPE LEGEND:**

PROPOSED GRAVITY SEWER MAIN	—○—	SF	SF	SF
PROPOSED SEWER FORCE MAIN	—○—	DW	DW	DW
PROPOSED DOMESTIC WATER MAIN	—○—	RW	RW	RW
PROPOSED RECLAIM WATER MAIN	—○—	(SS)	(SS)	(SS)
EXISTING GRAVITY SEWER MAIN	—○—	(DW)	(DW)	(DW)
EXISTING DOMESTIC WATER MAIN	—○—	(RW)	(RW)	(RW)
EXISTING RECLAIM WATER MAIN	—○—	(SF)	(SF)	(SF)
EXISTING SEWER FORCE MAIN	—○—	(SF)	(SF)	(SF)

**NOTICE TO CONTRACTOR:**

ALL WORK TO BE CONSTRUCTED PER THIS PLAN BY PREVAILING WAGES.

THIS PLAN DOES NOT INCLUDE PROPOSED SIDEWALKS, FIRE HYDRANTS, WATER MAINS, GAS LINES, ELECTRICAL LINES OR TELEPHONE LINES.

**NOTE TO CONTRACTOR:**

PRIOR TO CONSTRUCTION OF SEWER THE CONTRACTOR SHALL VERIFY INVERT AND LOCATION OF EXISTING UTILITIES AT POINT OF CONNECTION AND NOTIFY CIVIL ENGINEER IN CASE OF CONFLICT.

**"DECLARATION OF RESPONSIBLE CHARGE"**

I HEREBY DECLARE THAT I AM THE ENGINEER OF WORK FOR THIS PROJECT, THAT I HAVE EXERCISED RESPONSIBLE CHARGE OVER THE DESIGN OF THE PROJECT AS DEFINED IN SECTION 6703 OF THE BUSINESS AND PROFESSIONS CODE, AND THAT THE DESIGN IS CONSISTENT WITH CURRENT STANDARDS. I UNDERSTAND THAT THE CHECK OF PROJECT DRAWINGS AND SPECIFICATIONS BY THE CITY OF BEAUMONT DOES NOT RELIEVE ME AS ENGINEER OF WORK OF MY RESPONSIBILITIES FOR PROJECT DESIGN.

FIRM: THIENES ENGINEERING INC.  
 ADDRESS: 14349 FIRESTONE BLVD  
 CITY, ZIP: LA MIRADA, CA 90638  
 TELEPHONE: (714) 521-4811  
 BY: REINHARD STENZEL RCE 56155 DATE:

**SHEET INDEX**

1	TITLE SHEET
2	SEWER LINE 'A' PLAN & PROFILE STA 9+74.00 TO STA 19+00.00
3	SEWER LINE 'A' PLAN & PROFILE STA 19+00.00 TO STA 28+00.00
4	SEWER LINE 'A' PLAN & PROFILE STA 28+00.00 TO STA 39+00.00
5	SEWER LINE 'A' PLAN & PROFILE STA 39+00.00 TO STA 39+85.41 SEWER LINE 'B' PLAN & PROFILE STA 41+33.30 TO STA 50+00.00
6	SEWER LINE 'B' PLAN & PROFILE STA 50+00.00 TO STA 60+99.10
7	SEWER LATERAL 'A-1' PLAN & PROFILE STA 10+00.00 TO 11+34.96 SEWER LATERAL 'B-1' PLAN & PROFILE STA 10+00.00 TO 11+39.69

**SEWER CONSTRUCTION NOTES:**

1	INSTALL 6" SDR26 PVC SEWER LATERAL	364 LF
2	INSTALL 15" SDR26 PVC SEWER MAIN	2,062 LF
3	INSTALL 12" SDR26 PVC SEWER MAIN	3,093 LF
4	INSTALL 48" SEWER MANHOLE PER E.M.W.D. SB-53	20 EA
5	INSTALL FLAT END OF PIPE	12 EA
6	REMOVE EXISTING PLUG AND JOIN EXISTING 15" SEWER MAIN	1 EA
7	INSTALL CLEAN OUT PER E.M.W.D. SB-52	10 EA

**AGENCIES TELEPHONE**

BEAUMONT-CHERRY VALLEY WATER.....	(951) 845-9581
CITY OF BEAUMONT.....	(951) 769-8520
KINDER MORGAN.....	(951) 712-8842
MCI WORLDCOM.....	(972) 729-6016
QUESTAR PIPELINE COMPANY.....	(307) 352-7115
SOUTHERN CALIFORNIA EDISON.....	(909) 307-6710
SOUTHERN CALIFORNIA GAS COMPANY.....	(909) 335-7755
FRONTIER COMMUNICATIONS.....	(909) 217-0116

**ABBREVIATIONS:**

A.B. —AGGREGATE BASE	L.P. —LOW POINT
ARCH. —ARCHITECTURAL	M.H. —MANHOLE
A.C. —ASPHALT CONCRETE	N.G. —NATURAL GRADE
B.W. —BACK OF WALK	PKWY DRAIN —PARKWAY DRAIN
B.C.R. —BEGINNING OF CURVE	P.P. —POWER POLE
B.O.P. —BOTTOM OF PIPE	R. —PROPERTY LINE
B.O.W. —BOTTOM OF WALL	P.V.C. —POLYVINYLCHLORIDE
B.LDG. —BUILDING	R. —RATE OF GRADE
C.I.P. —CAST IRON PIPE	R.C.P. —REINFORCED CONCRETE PIPE
C.B. —CATCH BASIN	R.D. —ROOF DRAIN
Q. —CENTERLINE	R/W —RIGHT OF WAY
C.L.F. —CHAIN LINK FENCE	S. —SLOPE
CONC. —CONCRETE	S.F. —SQUARE FEET
C.M.B. —CRUSHED MISC. BASE	S.D. —STORM DRAIN
C.F. —CURB FACE	ST.L.T. —STREET LIGHT
E.P. —EDGE OF PAVEMENT	S.W. —STEM WALL
E.C.R. —END OF CURVE	T.B. —TOP OF BERM
EXIST. —EXISTING	T.C. —TOP OF CURB
(0.00) —EXISTING ELEVATION	T.S. —TOP OF CONCRETE SLAB
F.F. —FINISH FLOOR	T.E. —TRASH ENCLOSURE
F.O. —FIBER OPTIC	TRANS PAD —TRANSFORMER PAD
F.G. —FINISH GRADE	T.F. —TOP OF FOOTING
F.S. —FINISH SURFACE	T.G. —TOP OF GRATE
F.H. —FIRE HYDRANT	TOE —TOE OF SLOPE
F.L. —FLOW LINE	TOP —TOP OF SLOPE
G.B. —GRADE BREAK	T.O.P. —TOP OF PIPE
H.C. —HANDICAP	T.R. —TOP OF RAIL
H. —HEIGHT OF RETAINING	T.W. —TOP OF WALL
H.P. —HIGH POINT	X+XX —SEWER STATION
INV. —INVERT	X+XX —STREET STATION
L.S. —LANDSCAPING	

**OWNER INFORMATION:**

**MCDONALD PROPERTY GROUP**  
 1140 N. COAST HIGHWAY  
 LAGUNA BEACH, CA 92651  
 PHONE: (949) 999-2800  
 FAX: (949) 999-2839

**DIGALERT**  
 Call 2 Working Days Before You Dig! 811

**BENCHMARK:**  
 NATIONAL GEODETIC SURVEY BENCHMARK NO. "D 1311"  
 1.4 MILES WEST OF BEAUMONT ON INTERSTATE 10 TO SAN TIMOTEO CANYON ROAD NEAR FRONTAGE ROAD ON SOUTHWEST SIDE OF INTERSTATE 10, 0.1 MILES SOUTHWEST ALONG FRONTAGE ROAD, SOUTH AND ACROSS THE ROAD FROM A GUY POLE 25.9 FEET SOUTH OF THE CENTERLINE OF FRONTAGE ROAD, 1.8 FEET WEST OF POWERPOLE AND 1.5 FEET EAST OF A WITNESS POST, INSIDE A 4 INCH PVC PIPE WITH SODIUM PLUG 1 INCH ABOVE GROUND (ELEVATION = 2468.07). ALSO SHOWN ON "HIGHWAY 60 / POTRERO BLVD. INTERCHANGE STATIC GPS PROJECT CONTROL DIAGRAM" AND IDENTIFIED THEREON AS 3508 BM DX3474 WHEREIN THE PUBLISHED ELEVATION = 2468.07 IS CORRECTED WITH A MEASURED ELEVATION = 2468.061", USED HEREON.  
 ELEVATION = 2468.061 (ADJUSTED) (STAMPED 9/13/11/1878)

**BASIS OF BEARINGS:**  
 BEARINGS SHOWN HEREON ARE BASED ON THE CALIFORNIA STATE PLANE COORDINATE SYSTEM, ZONE 6, NORTH AMERICAN DATUM 1983, AS DETERMINED LOCALLY BY THE LINE BETWEEN CSRC CO. CORN STATIONS "ONP" AND "MDC", BOTH PUBLISHED ON CSRC DATA SHEETS, BEING N 86°04'01.1716" E (2007.D EPD3).

**LEGAL DESCRIPTION:**

**DAVID RICKER (WEST OF POTRERO):**  
 A STRIP OF LAND, 100.00 FEET IN WIDTH, SITUATED IN A PORTION OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 3 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF BEAUMONT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BEING ALSO A PORTION OF THE LAND DESCRIBED IN THAT CERTAIN DEED RECORDED OCTOBER 1, 2008 AS DOCUMENT NO. 2008-0533024, OF OFFICIAL RECORDS OF SAID COUNTY.

**LASSEN DEVELOPMENT PARTNERS (EAST OF PM NO. 36426):**  
 THAT CERTAIN LAND DESCRIBED IN IRREVOCABLE RIGHT OF WAY OFFER OF DEDICATION TO THE CITY OF BEAUMONT, BEING A PORTION OF THE EAST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 3 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF BEAUMONT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, RECORDED JUNE 2, 2016 AS DOCUMENT NO. 2016-0227312, OF OFFICIAL RECORDS OF SAID COUNTY.

**PARCEL MAP NO. 36426**  
 BEING A SUBDIVISION OF A PORTION OF THE NORTH HALF OF SECTION 7 AND THE SOUTHWEST QUARTER OF SECTION 6, BOTH OF TOWNSHIP 3 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, AS RECORDED MARCH 16, 2017, AS DOCUMENT NO. 2017-0108002, OF OFFICIAL RECORDS OF SAID COUNTY.

**COMPANY NAME**  
**Thienes Engineering, Inc.**  
 CIVIL ENGINEERING • LAND SURVEYING  
 14349 FIRESTONE BOULEVARD  
 LA MIRADA, CALIFORNIA 90638  
 PH. (714) 521-4811 FAX (714) 521-4173

**DESIGN BY:** J.P.  
**DRAWN BY:** J.P.  
**CHECKED BY:** R.S.  
**SCALE:**  
**DATE:**  
**JOB NUMBER:**

**REINHARD STENZEL**  
 R.C.E. 56155 EXPIRE 12-31-20

**CITY OF BEAUMONT**  
 CALIFORNIA INC. NOV. 18, 1912

**REINHARD STENZEL**  
 REGISTERED PROFESSIONAL ENGINEER  
 R.C.E. NO. 56155  
 Exp. 12-31-20  
 CIVIL ENGINEER  
 STATE OF CALIFORNIA

Reviewed By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Staff Engineer

Recommended for Approval By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Administrative Engineer

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
 City Engineer/Director of Public Works

CITY OF BEAUMONT, PUBLIC WORKS DEPARTMENT  
 ENGINEERING DIVISION

5506 6th St  
 Beaumont, CA 92223  
 TEL: (951) 769-8520 FAX: (951) 769-8528

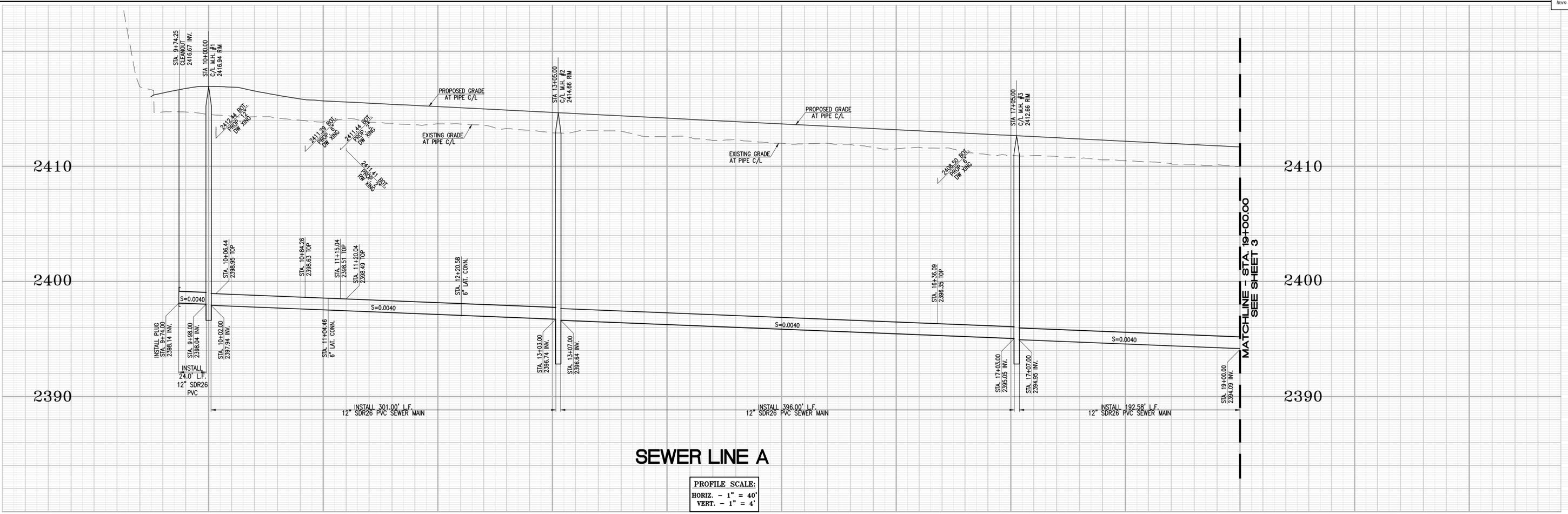
CITY OF BEAUMONT, CALIFORNIA

**PUBLIC SEWER IMPROVEMENT PLAN**

FOR  
**4TH STREET WEST OF POTRERO BLVD.**

TITLE SHEET

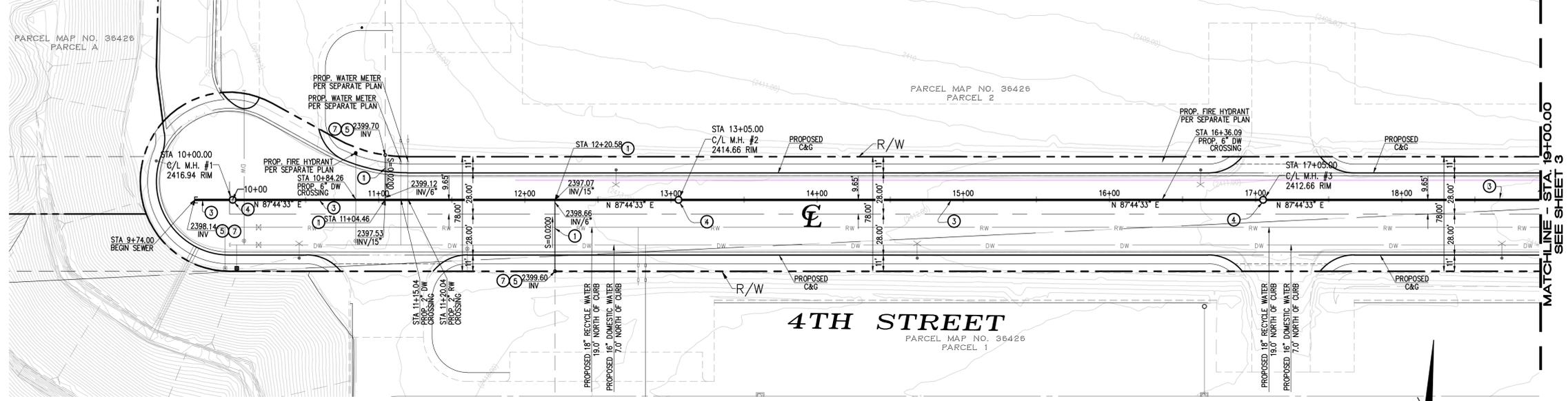
OF 7 SHEETS  
 FILE NO.: PW2020-0430



### SEWER LINE A

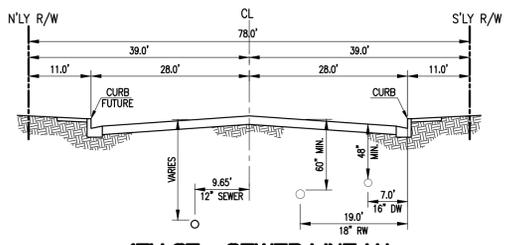
PROFILE SCALE:  
 HORIZ. - 1" = 40'  
 VERT. - 1" = 4'

10+00      11+00      12+00      13+00      14+00      15+00      16+00      17+00      18+00      19+00

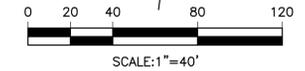


### SEWER CONSTRUCTION NOTES:

1. INSTALL 6" SDR26 PVC SEWER LATERAL
2. INSTALL 15" SDR26 PVC SEWER MAIN
3. INSTALL 12" SDR26 PVC SEWER MAIN
4. INSTALL 48" SEWER MANHOLE PER E.M.W.D. SB-53
5. INSTALL PLUG AT END OF PIPE
6. REMOVE EXISTING PLUG AND JOIN EXISTING 15" SEWER MAIN
7. INSTALL CLEAN OUT PER E.M.W.D. SB-52



**4TH ST - SEWER LINE 'A'**  
 STA. 10+00.00 TO STA. 28+44.03  
 N.T.S.



Last Update: 6/1/20  
 O:\3000-3099\3080\SEWER\3080SEW-02.dwg



**BENCHMARK:**  
 NATIONAL GEODETIC SURVEY BENCHMARK NO. 1311"  
 1.4 MILES WEST OF BEAUMONT ON INTERSTATE 10 TO SAN TIMOTEY CANYON ROAD NEAR FRONTAGE ROAD ON SOUTHWEST SIDE OF INTERSTATE 10, 0.1 MILES SOUTHWEST ALONG FRONTAGE ROAD, SOUTH AND ACROSS THE ROAD FROM A GUY POLE 25.9 FEET SOUTH OF THE CENTERLINE OF FRONTAGE ROAD, 1.8 FEET WEST OF POWERPOLE AND 1.5 FEET EAST OF A WITNESS POST, INSIDE A 4 INCH PVC PIPE WITH SCREW PLUG 1 INCH ABOVE GROUND (ELEVATION = 2488.07). ALSO SHOWN ON "HIGHWAY 60 / POTRERO BLVD. INTERCHANGE STATIC GPS PROJECT CONTROL DIAGRAM" AND IDENTIFIED THEREON AS 3508 BM DX3474 WHEREIN THE PUBLISHED ELEVATION = 2488.07 IS CORRECTED WITH A MEASURED ELEVATION = 2488.06(1), USED HEREON. ELEVATION = 2488.06(1) (AUG 200) (STAMPED 0 1311 1879)

**BASIS OF BEARINGS:**  
 THE BEARINGS SHOWN HEREON ARE BASED ON THE CALIFORNIA STATE PLANE COORDINATE SYSTEM, ZONE 6, NORTH AMERICAN DATUM 1983, AS DETERMINED LOCALLY BY THE LINE BETWEEN CSRC CO CORN STATIONS "ONP" AND "MDC", BOTH PUBLISHED ON CSRC DATA SHEETS, BEING N 86°04'01.17163" E (2007.D EPOCH).

BY	MARK	DESCRIPTION	APPR.	DATE

COMPANY NAME  
**Thienes Engineering, Inc.**  
 CIVIL ENGINEERING • LAND SURVEYING  
 14349 FIRESTONE BOULEVARD  
 LA MIRADA, CALIFORNIA 90638  
 PH. (714) 521-4811 FAX (714) 521-4173

REINHARD STENZEL  
 R.C.E. 56155 EXPIRE 12-31-20

DESIGN BY: J.P.  
 DRAWN BY: J.P.  
 CHECKED BY: R.S.  
 SCALE: R.S.  
 DATE:      DATE:  
 JOB NUMBER:      DATE:

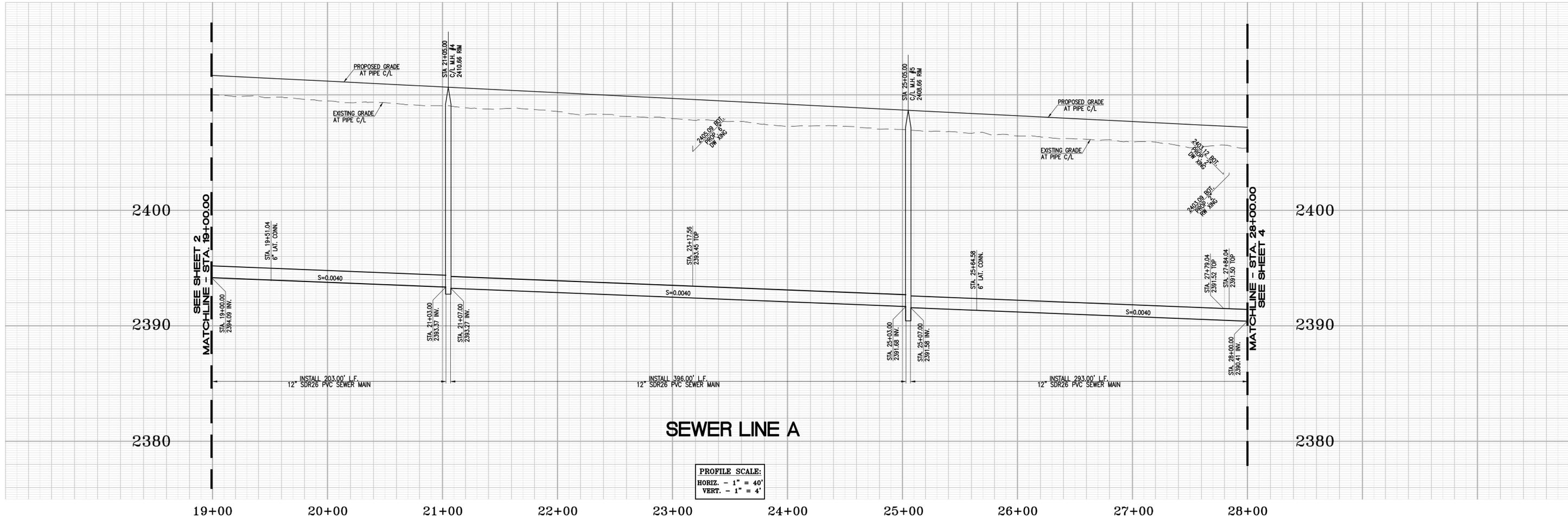


Reviewed By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Staff Engineer  
 Recommended for Approval By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Administrative Engineer  
 Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
 City Engineer/Director of Public Works

CITY OF BEAUMONT, PUBLIC WORKS DEPARTMENT  
 ENGINEERING DIVISION  
 550E 6th St  
 Beaumont, CA 92223  
 TEL: (951) 769-8520 FAX: (951) 769-8528

CITY OF BEAUMONT, CALIFORNIA  
**PUBLIC SEWER IMPROVEMENTS**  
 STA. 10+00.00 TO STA. 19+00.00  
 FOR  
**4TH STREET**  
**WEST OF POTRERO BLVD.**  
 PLAN & PROFILE

Sheet 2 of 7 SHEETS  
 FILE NO: PW2020-0430



### SEWER LINE A

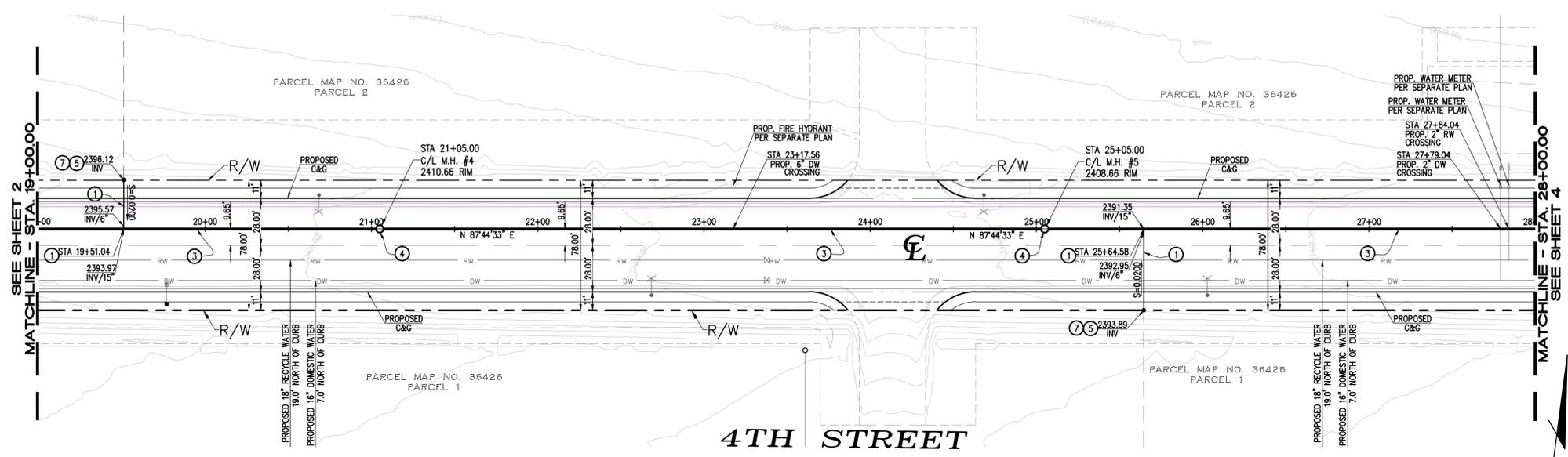
PROFILE SCALE:  
 HORIZ. - 1" = 40'  
 VERT. - 1" = 4'

SEE SHEET 2  
MATCHLINE - STA. 19+00.00

MATCHLINE - STA. 28+00.00  
SEE SHEET 4

SEE SHEET 2  
MATCHLINE - STA. 19+00.00

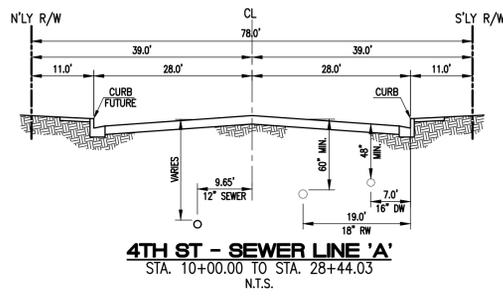
MATCHLINE - STA. 28+00.00  
SEE SHEET 4



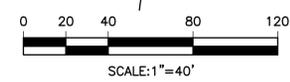
### 4TH STREET

#### SEWER CONSTRUCTION NOTES:

1. INSTALL 6" SDR26 PVC SEWER LATERAL
2. INSTALL 15" SDR26 PVC SEWER MAIN
3. INSTALL 12" SDR26 PVC SEWER MAIN
4. INSTALL 48" SEWER MANHOLE PER E.M.W.D. SB-53
5. INSTALL PLUG AT END OF PIPE
6. REMOVE EXISTING PLUG AND JOIN EXISTING 15" SEWER MAIN
7. INSTALL CLEAN OUT PER E.M.W.D. SB-52



4TH ST - SEWER LINE 'A'  
STA. 10+00.00 TO STA. 28+44.03  
N.T.S.



Last Update: 6/1/20  
0:\3000-3099\3080\SEWER\3080SEW-03.dwg



**BENCHMARK:**  
 NATIONAL GEODETIC SURVEY BENCHMARK NO. "D 1311"  
 1.4 MILES WEST OF BEAUMONT ON INTERSTATE 10 TO SAN TIMOTEO CANYON ROAD NEAR  
 FRONTAGE ROAD ON SOUTHWEST SIDE OF INTERSTATE 10, 0.1 MILES SOUTHWEST ALONG FRONTAGE  
 ROAD, SOUTH AND ACROSS THE ROAD FROM A GUY POLE 25.9 FEET EAST OF THE CENTERLINE  
 OF FRONTAGE ROAD, 1.8 FEET WEST OF POWERPOLE AND 1.5 FEET EAST OF A WITNESS POST,  
 INSIDE A 4 INCH PVC PIPE WITH SCREW PLUG 1 INCH ABOVE GROUND (ELEVATION = 2468.07).  
 ALSO SHOWN ON "HIGHWAY 60 / POTRERO BLVD. INTERCHANGE STATIC GPS PROJECT CONTROL  
 DIAGRAM" AND IDENTIFIED THEREON AS 3508 BM DX3474 WHEREIN THE PUBLISHED ELEVATION =  
 2468.07 IS CORRECTED WITH A MEASURED ELEVATION = 2468.061", USED HEREON.  
 ELEVATION = 2468.061" (AHD 2005) (STAMPED 0 1311 1878)

**BASIS OF BEARINGS:**  
 THE BEARINGS SHOWN HEREON ARE BASED ON THE CALIFORNIA STATE PLANE COORDINATE SYSTEM  
 ZONE 6, NORTH AMERICAN DATUM 1983, AS DETERMINED LOCALLY BY THE LINE BETWEEN CSRC CO  
 CORNER STATIONS "DMP" AND "MDC", BOTH PUBLISHED ON CSRC DATA SHEETS, BEING N  
 86°04'01.17163" E (2007.9 EPOCH).

BY	MARK	DESCRIPTION	APPR.	DATE

COMPANY NAME  
**TEI** Thienes Engineering, Inc.  
 CIVIL ENGINEERING • LAND SURVEYING  
 14348 FIRESTONE BOULEVARD  
 LA MIRADA, CALIFORNIA 90638  
 PH.(714)521-4811 FAX(714)521-4173

REINHARD STENZEL  
 R.C.E. 56155 EXPIRE 12-31-20

DESIGN BY: J.P.  
 DRAWN BY: J.P.  
 CHECKED BY: R.S.  
 SCALE: R.S.  
 DATE: \_\_\_\_\_  
 JOB NUMBER: \_\_\_\_\_



Reviewed By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Staff Engineer  
 Recommended for Approval By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Administrative Engineer  
 Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
 City Engineer/Director of Public Works

CITY OF BEAUMONT, PUBLIC WORKS DEPARTMENT  
 ENGINEERING DIVISION

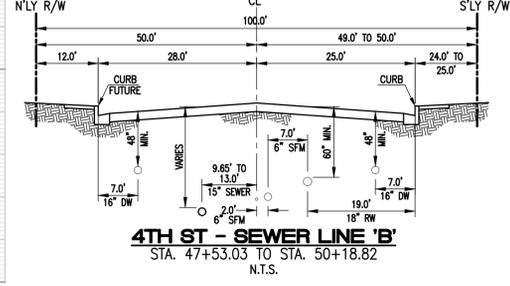
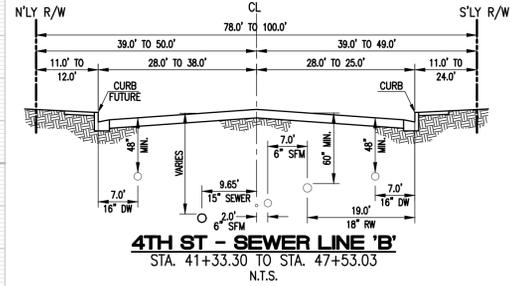
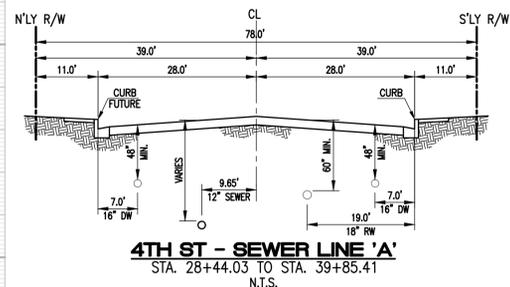
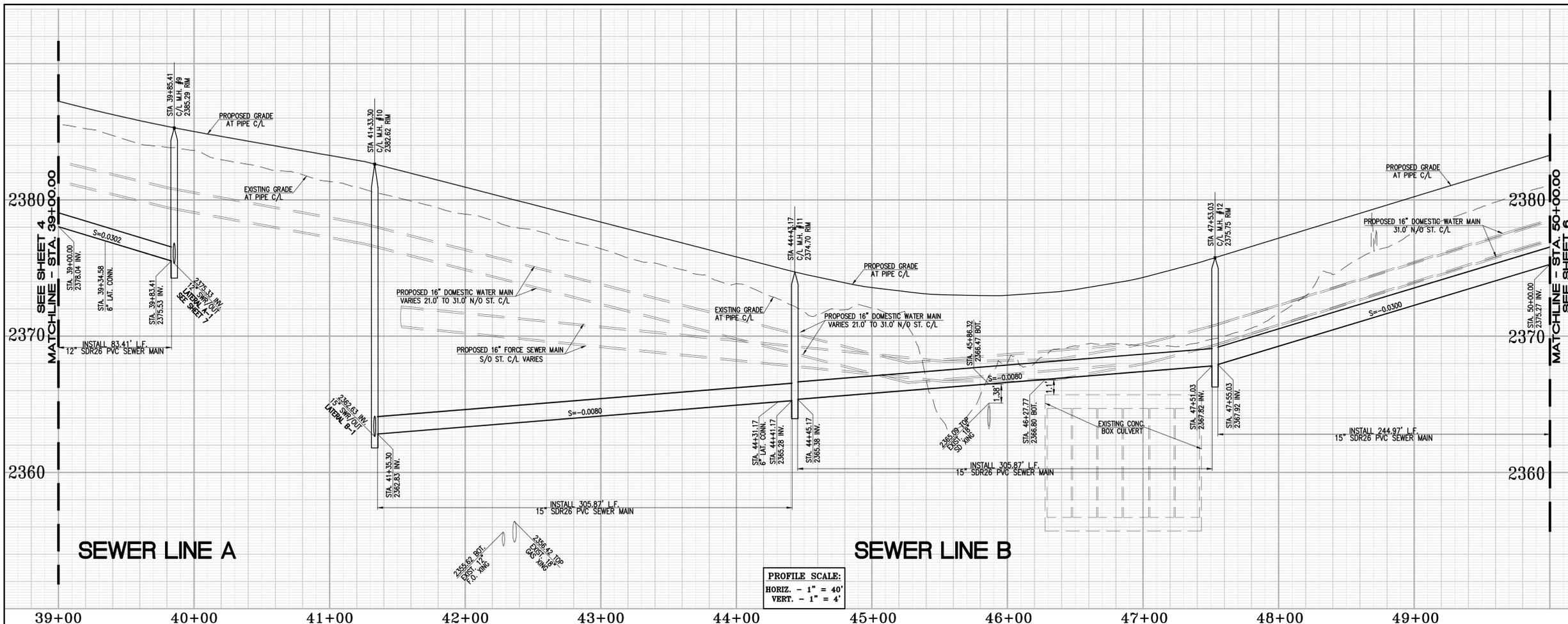
5500 6th St  
 Beaumont, CA 92223  
 TEL: (951) 766-8520 FAX: (951) 766-8528

CITY OF BEAUMONT, CALIFORNIA  
**PUBLIC SEWER IMPROVEMENTS**  
 STA. 19+00.00 TO STA. 28+00.00  
 FOR  
**4TH STREET**  
**WEST OF POTRERO BLVD.**  
 PLAN & PROFILE

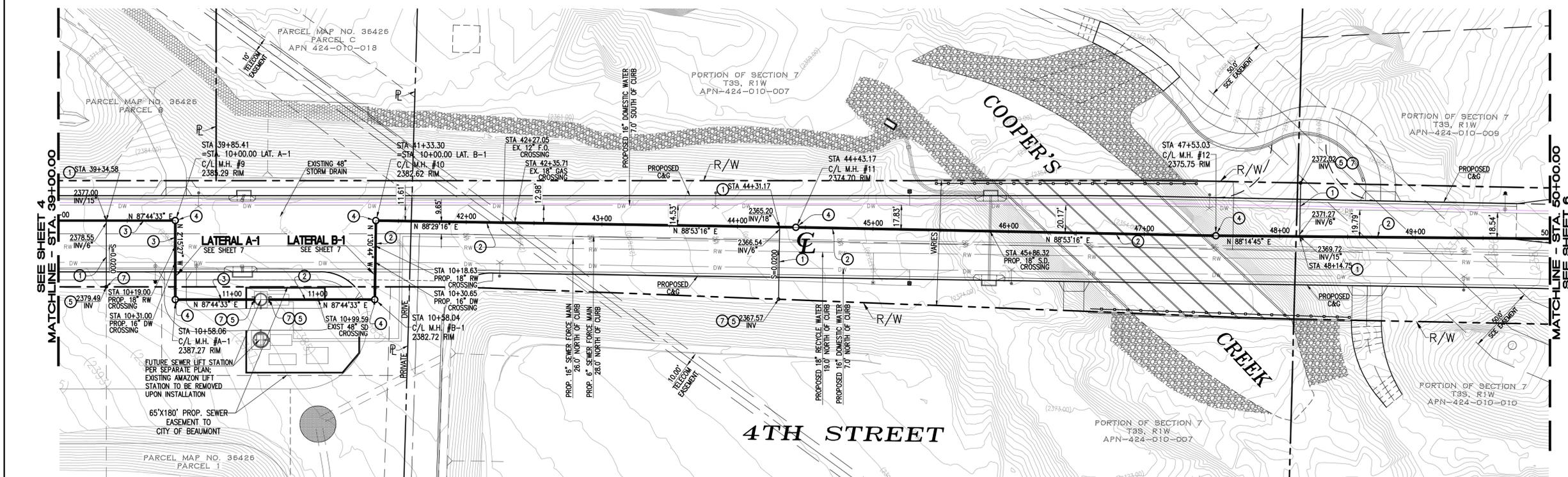
SCALE: 1" = 40'

Sheet 3  
 OF 7 SHEETS  
 FILE NO.: PW2020-0430



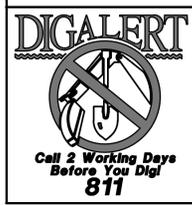
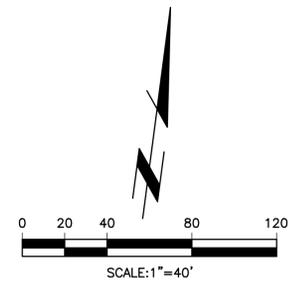


PROFILE SCALE:  
 HORIZ. - 1" = 40'  
 VERT. - 1" = 4'



**SEWER CONSTRUCTION NOTES:**

1. INSTALL 6" SDR26 PVC SEWER LATERAL
2. INSTALL 15" SDR26 PVC SEWER MAIN
3. INSTALL 12" SDR26 PVC SEWER MAIN
4. INSTALL 48" SEWER MANHOLE PER E.M.W.D. SB-53
5. INSTALL PLUG AT END OF PIPE
6. REMOVE EXISTING PLUG AND JOIN EXISTING 15" SEWER MAIN
7. INSTALL CLEAN OUT PER E.M.W.D. SB-52



**BENCHMARK:**  
 NATIONAL GEODETIC SURVEY BENCHMARK NO. "D 1311"  
 1.4 MILES WEST OF BEAUMONT ON INTERSTATE 10, 0.1 MILES SOUTHWEST ALONG FRONTAGE ROAD, SOUTH AND ACROSS THE ROAD FROM A GUY POLE 25.9 FEET SOUTH OF THE CENTERLINE OF FRONTAGE ROAD, 1.8 FEET WEST OF POWERPOLE AND 1.5 FEET EAST OF A WITNESS POST, INSIDE A 4 INCH PVC PIPE WITH SCREW PLUG 1 INCH ABOVE GROUND (ELEVATION = 2486.07). ALSO SHOWN ON "HIGHWAY 60 / POTRERO BLVD. INTERCHANGE STATION GPS PROJECT CONTROL DIAGRAM" AND IDENTIFIED THEREON AS 3508 BM DX3474 WHEREIN THE PUBLISHED ELEVATION = 2486.07 IS CORRECTED WITH A MEASURED ELEVATION = 2486.061", USED HEREON.  
 ELEVATION = 2486.061' (ADJ. 200), (STAMPED 0 1311 1878)

**BASIS OF BEARINGS:**  
 THE BEARINGS SHOWN HEREON ARE BASED ON THE CALIFORNIA STATE PLANE COORDINATE SYSTEM, ZONE 6, NORTH AMERICAN DATUM 1983, AS DETERMINED LOCALLY BY THE LINE BETWEEN CSRC COORDINATE STATIONS "DNPP" AND "MDC", BOTH PUBLISHED ON CSRC DATA SHEETS, BEING N 86°04'11.17" E (2007.9 EPOCH).

BY	MARK	DESCRIPTION	APPR.	DATE
ENGINEER		REVISIONS	CITY	

COMPANY NAME  
**TEI** Thienes Engineering, Inc.  
 CIVIL ENGINEERING • LAND SURVEYING  
 14348 FIRESTONE BOULEVARD  
 LA MIRADA, CALIFORNIA 90638  
 PH. (714) 521-4811 FAX (714) 521-4173

REINHARD STENZEL  
 R.C.E. 56155 EXPIRE 12-31-20

DESIGN BY: J.P.  
 DRAWN BY: J.P.  
 CHECKED BY: R.S.  
 SCALE:  
 DATE:  
 JOB NUMBER:



Reviewed By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Staff Engineer

Recommended for Approval By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Administrative Engineer

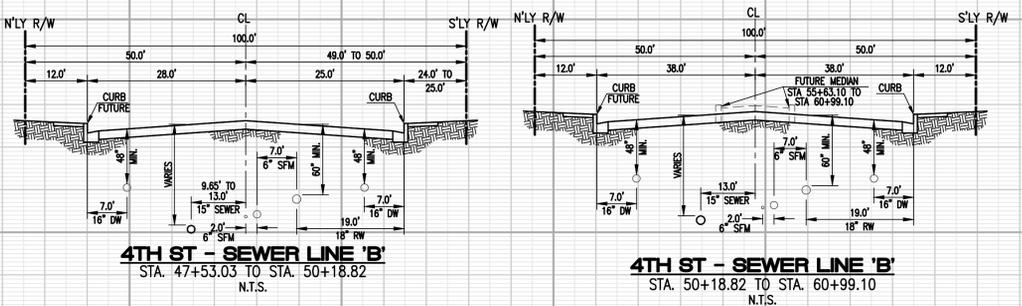
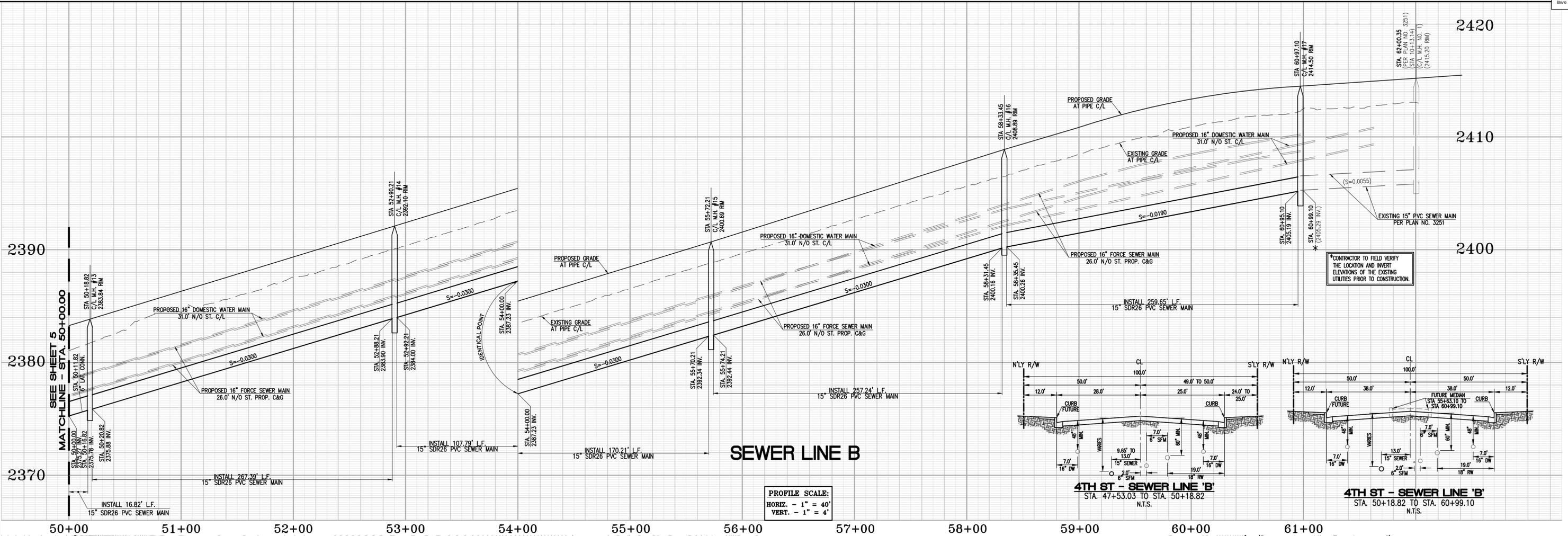
Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
 City Engineer/Director of Public Works

CITY OF BEAUMONT, PUBLIC WORKS DEPARTMENT  
 ENGINEERING DIVISION

5500 6th St.  
 Beaumont, CA 92223  
 TEL: (951) 766-8520 FAX: (951) 766-8528

CITY OF BEAUMONT, CALIFORNIA  
**PUBLIC SEWER IMPROVEMENTS**  
 STA. 39+00.00 TO STA. 50+00.00  
 FOR  
**4TH STREET**  
**WEST OF POTRERO BLVD.**  
 PLAN & PROFILE

Sheet 5 of 7  
 FILE NO.: PW2020-0430



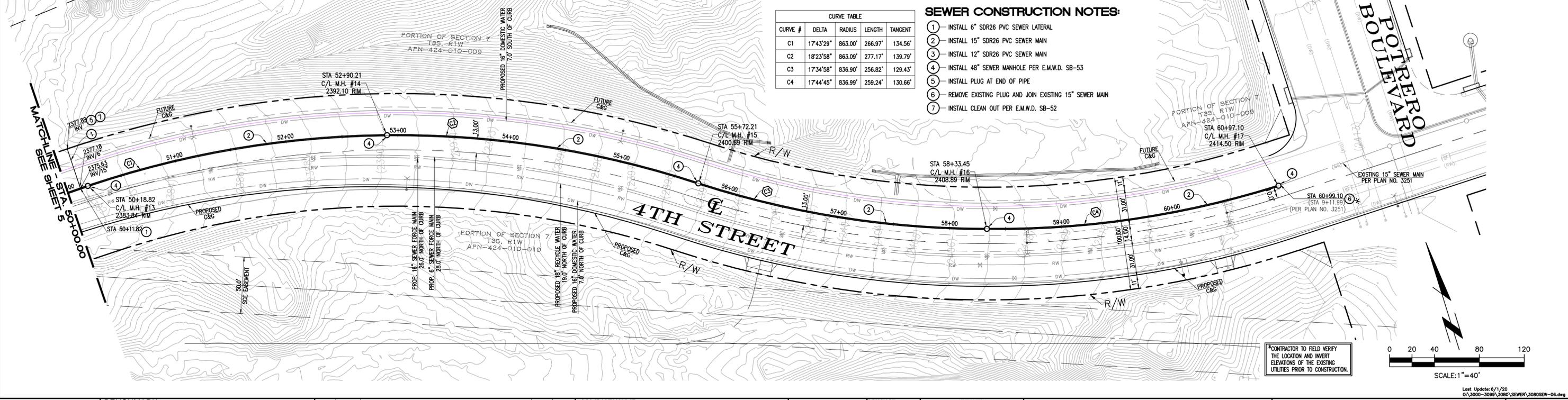
### SEWER LINE B

PROFILE SCALE:  
 HORIZ. - 1" = 40'  
 VERT. - 1" = 4'

CURVE #	DELTA	RADIUS	LENGTH	TANGENT
C1	17°43'29"	863.00'	266.97'	134.56'
C2	18°23'58"	863.09'	277.17'	139.79'
C3	17°34'58"	836.90'	256.82'	129.43'
C4	17°44'45"	836.99'	259.24'	130.66'

### SEWER CONSTRUCTION NOTES:

- INSTALL 6" SDR26 PVC SEWER LATERAL
- INSTALL 15" SDR26 PVC SEWER MAIN
- INSTALL 12" SDR26 PVC SEWER MAIN
- INSTALL 48" SEWER MANHOLE PER E.M.W.D. SB-53
- INSTALL PLUG AT END OF PIPE
- REMOVE EXISTING PLUG AND JOIN EXISTING 15" SEWER MAIN
- INSTALL CLEAN OUT PER E.M.W.D. SB-52



**DIGALERT**  
 Call 2 Working Days Before You Dig! 811

**BENCHMARK:**  
 NATIONAL GEODETIC SURVEY BENCHMARK NO. 1311"  
 1.4 MILES WEST OF BEAUMONT ON INTERSTATE 10 TO SAN TIMOTEO CANYON ROAD NEAR FRONTAGE ROAD ON SOUTHWEST SIDE OF INTERSTATE 10, 0.1 MILES SOUTHWEST ALONG FRONTAGE ROAD, SOUTH AND ACROSS THE ROAD FROM A GUY POLE 25.9 FEET SOUTH OF THE CENTERLINE OF FRONTAGE ROAD, 1.8 FEET WEST OF POWERPOLE AND 1.5 FEET EAST OF A WITNESS POST, INSIDE A 4 INCH PVC PIPE WITH SCREW PLUG 1 INCH ABOVE GROUND (ELEVATION = 2468.07'). ALSO SHOWN ON "HIGHWAY 60 / POTRERO BLVD. INTERCHANGE STATIC GPS PROJECT CONTROL DIAGRAM" AND IDENTIFIED THEREON AS 3508 BM DX3474 WHEREIN THE PUBLISHED ELEVATION = 2468.07 IS CORRECTED WITH A MEASURED ELEVATION = 2468.061', USED HEREON. ELEVATION = 2468.061' (ADJ. 2002), (STAMPED 0 1311 1878)

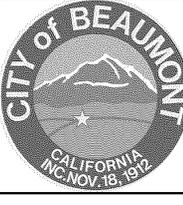
**BASIS OF BEARINGS:**  
 THE BEARINGS SHOWN HEREON ARE BASED ON THE CALIFORNIA STATE PLANE COORDINATE SYSTEM, ZONE 6, NORTH AMERICAN DATUM 1983, AS DETERMINED LOCALLY BY THE LINE BETWEEN CSRC CO CORN STATIONS "DNPP" AND "MDC", BOTH PUBLISHED ON CSRC DATA SHEETS, BEING N 86°04'01.1716" E (2007.9 EPOCH).

BY	MARK	DESCRIPTION	APPR.	DATE

COMPANY NAME  
**Thienes Engineering, Inc.**  
 CIVIL ENGINEERING • LAND SURVEYING  
 14349 FIRESTONE BOULEVARD  
 LA MIRADA, CALIFORNIA 90638  
 PH. (714) 521-4811 FAX (714) 521-4173

REINHARD STENZEL  
 R.C.E. 56155 EXPIRE 12-31-20

DESIGN BY: J.P.  
 DRAWN BY: J.P.  
 CHECKED BY: R.S.  
 SCALE: R.S.  
 DATE:                        
 JOB NUMBER:            



Reviewed By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Staff Engineer

Recommended for Approval By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Administrative Engineer

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
 City Engineer/Director of Public Works

CITY OF BEAUMONT, PUBLIC WORKS DEPARTMENT  
 ENGINEERING DIVISION

550E 6th St  
 Beaumont, CA 92223  
 TEL: (951) 768-8520 FAX: (951) 768-8528

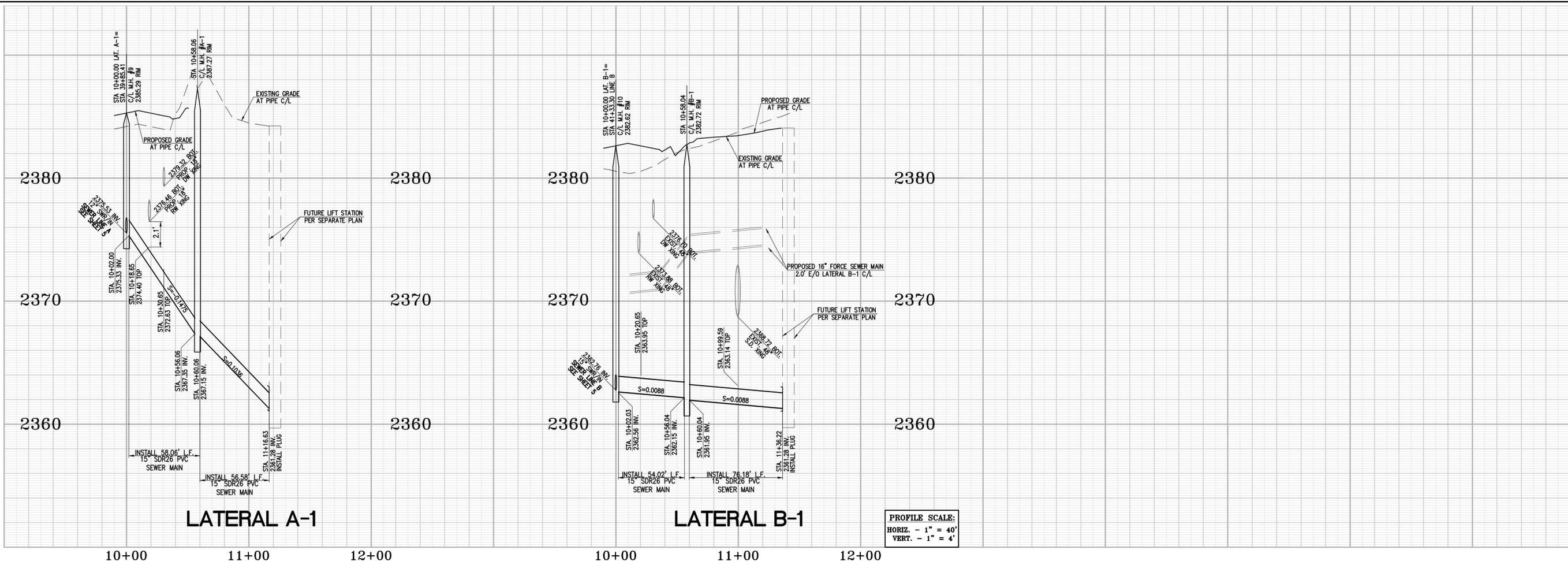
CITY OF BEAUMONT, CALIFORNIA  
**PUBLIC SEWER IMPROVEMENTS**  
 STA. 50+00.00 TO STA. 60+97.10  
 FOR  
**4TH STREET**  
**WEST OF POTRERO BLVD.**  
 PLAN & PROFILE

SCALE: 1" = 40'

0 20 40 80 120

Last Update: 6/1/20  
 0:\3000-3089\3080\SEWER\3080SEW-06.dwg

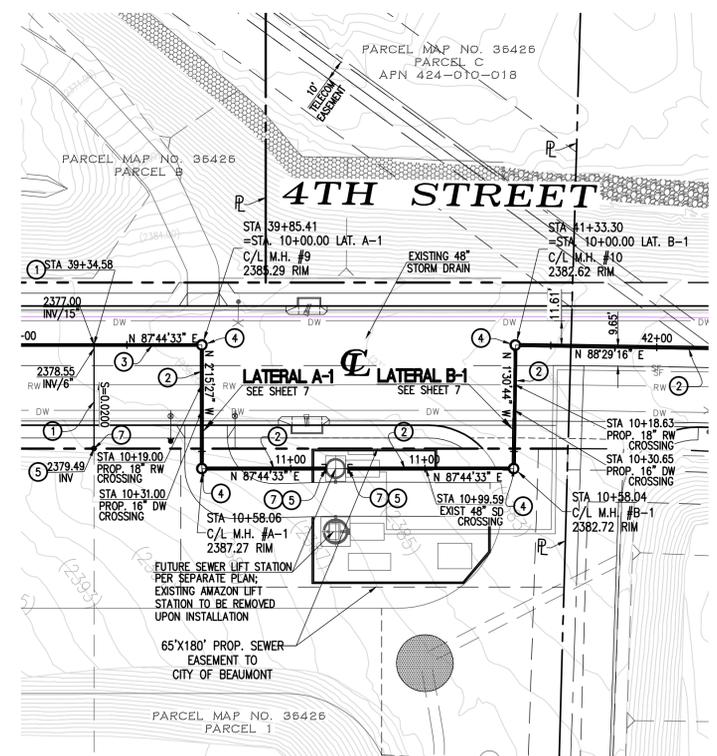
SHEET  
**6**  
 OF 7 SHEETS  
 FILE NO:  
 PW2020-0430



LATERAL A-1

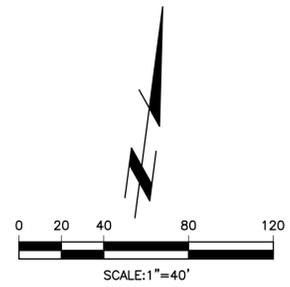
LATERAL B-1

PROFILE SCALE:  
 HORIZ. - 1" = 40'  
 VERT. - 1" = 4'



SEWER CONSTRUCTION NOTES:

1. INSTALL 6" SDR26 PVC SEWER LATERAL
2. INSTALL 15" SDR26 PVC SEWER MAIN
3. INSTALL 12" SDR26 PVC SEWER MAIN
4. INSTALL 48" SEWER MANHOLE PER E.M.W.D. SB-53
5. INSTALL PLUG AT END OF PIPE
6. REMOVE EXISTING PLUG AND JOIN EXISTING 15" SEWER MAIN
7. INSTALL CLEAN OUT PER E.M.W.D. SB-52



Last Update: 6/1/20  
 O:\3000-3099\3090\SEWER\3080SEW-07.dwg



**BENCHMARK:**  
 NATIONAL GEODETIC SURVEY BENCHMARK NO. "D 1311"  
 1.4 MILES WEST OF BEAUMONT ON INTERSTATE 10 TO SAN TIMOTEO CANYON ROAD NEAR FRONTAGE ROAD ON SOUTHWEST SIDE OF INTERSTATE 10, 0.1 MILES SOUTHWEST ALONG FRONTAGE ROAD, SOUTH AND ACROSS THE ROAD FROM A GUY POLE 25.9 FEET SOUTH OF THE CENTERLINE OF FRONTAGE ROAD, 1.8 FEET WEST OF POWERPOLE AND 1.5 FEET EAST OF A WITNESS POST, INSIDE A 4 INCH PVC PIPE WITH SCREW PLUG 1 INCH ABOVE GROUND (ELEVATION = 2468.07). ALSO SHOWN ON "HIGHWAY 60 / POTRERO BLVD. INTERCHANGE STATIC GPS PROJECT CONTROL DIAGRAM" AND IDENTIFIED THEREON AS 3508 BM DX3474 WHEREIN THE PUBLISHED ELEVATION = 2468.07 IS CORRECTED WITH A MEASURED ELEVATION = 2468.061', USED HEREON. ELEVATION = 2468.061' (AHD 2005) (STAMPED Q 1311 1879)

**BASIS OF BEARINGS:**  
 THE BEARINGS SHOWN HEREON ARE BASED ON THE CALIFORNIA STATE PLANE COORDINATE SYSTEM, ZONE 6, NORTH AMERICAN DATUM 1983, AS DETERMINED LOCALLY BY THE LINE BETWEEN CSRC CO CORN STATIONS "DNPP" AND "WDC", BOTH PUBLISHED ON CSRC DATA SHEETS, BEING N 86°04'01.17163" E (2007.9 EPOCH).

BY	MARK	DESCRIPTION	APPR.	DATE
ENGINEER		REVISIONS	CITY	

COMPANY NAME  
**TEI** Thienes Engineering, Inc.  
 CIVIL ENGINEERING • LAND SURVEYING  
 14349 FIRESTONE BOULEVARD  
 LA MIRADA, CALIFORNIA 90638  
 PH. (714) 521-4811 FAX (714) 521-4173

REINHARD STENZEL  
 R.C.E. 56155 EXPIRE 12-31-20

DESIGN BY: J.P.  
 DRAWN BY: J.P.  
 CHECKED BY: R.S.  
 SCALE: \_\_\_\_\_  
 DATE: \_\_\_\_\_  
 JOB NUMBER: \_\_\_\_\_

SEAL: REINHARD STENZEL  
 R.C.E. NO. 56155  
 Exp. 12-31-20  
 CIVIL ENGINEER  
 STATE OF CALIFORNIA



Reviewed By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Staff Engineer

Recommended for Approval By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Administrative Engineer

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
 City Engineer/Director of Public Works

CITY OF BEAUMONT, PUBLIC WORKS DEPARTMENT  
 ENGINEERING DIVISION

550E 6th St  
 Beaumont, CA 92223  
 TEL: (951) 766-8520 FAX: (951) 766-8528

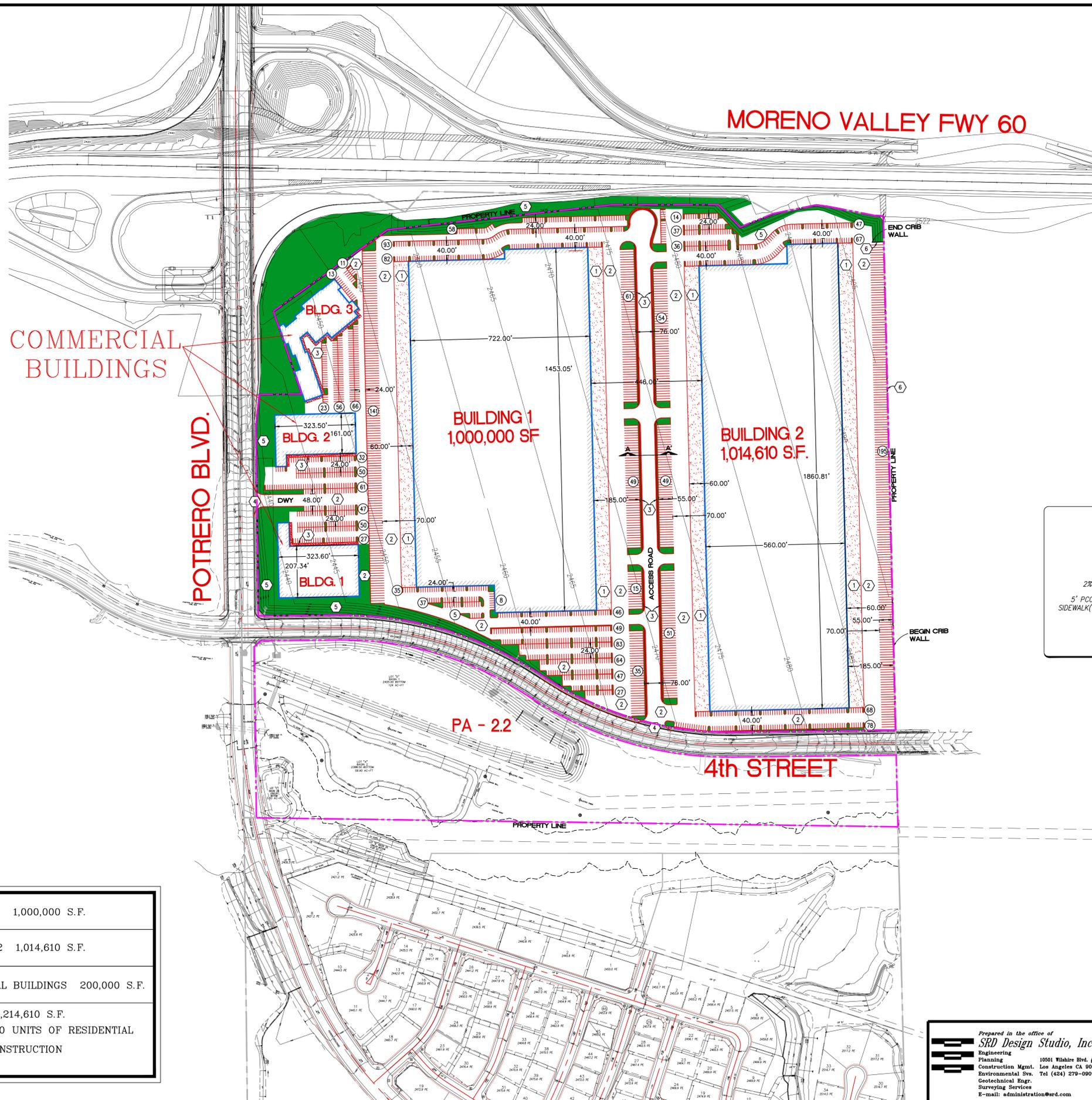
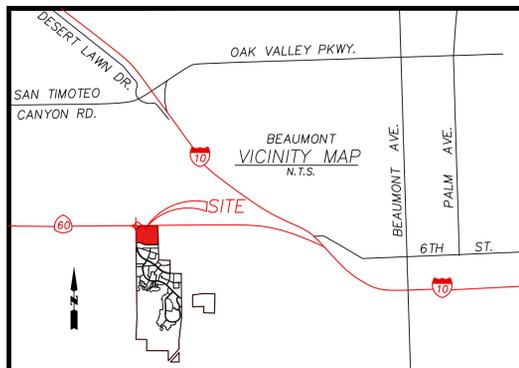
CITY OF BEAUMONT, CALIFORNIA  
**PUBLIC SEWER IMPROVEMENTS**  
 STA. 39+00.00 TO STA. 50+00.00  
 FOR  
**4TH STREET**  
**WEST OF POTRERO BLVD.**  
 PLAN & PROFILE

S H E E T  
**7**  
 OF 7 SHEETS  
 FILE NO:  
 PW2020-0430



## **Appendix F**

**Legacy Highlands Site Plan  
Preserve Phasing Map  
Jack Rabbit Trail Site Plan**

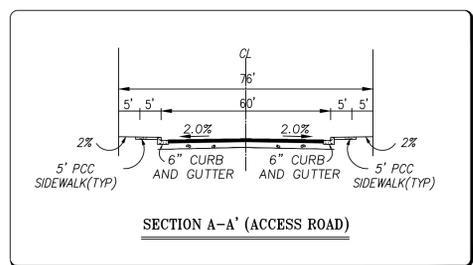


**SITE PLAN - KEY NOTES:**

- 1 CONCRETE TRUCK APRON
- 2 ASPHALT CONCRETE (AC) PAVING, SEE SOIL REPORT FOR SECTION REQUIREMENTS. SEE REFERENCE DRAWING FOR LOCATION.
- 3 CONCRETE WALKWAY
- 4 DRIVEWAY APRONS TO BE CONSTRUCTED CITY STD.
- 5 LANDSCAPED AREAS
- 6 CRIB WALL

**SITE LEGEND**

- LANDSCAPED AREA
- CONCRETE PAVING
- AC. PAVING
- STANDARD PARKING STALL (9' X 20')
- SLOPE
- PARKING STALL COUNT
- TRACT BOUNDARY
- R/W



**PROJECT ADDRESS**  
 PRIMARILY A PORTION OF THE NORTH 1/2 OF SECTION 7, TOWNSHIP 3 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, BEAUMONT, CALIFORNIA  
**OWNER / DEVELOPER**  
 PORTERO COMMERCIAL, LLC  
 4191 BROCKTON AVENUE RIVERSIDE, CA 92501  
 PHONE, (951) 369-9898

**ASSESSOR'S PARCEL NO.:**  
 421-060-003

**DEVELOPER:**  
 PORTERO COMMERCIAL, LLC  
 4191 BROCKTON AVENUE RIVERSIDE, CA 92501  
 PHONE, (951) 369-9898

**SEWERAGE:**  
 CITY OF BEAUMONT  
 550 E. 6TH STREET BEAUMONT, CA 92223  
 PHONE, (909) 769-8520

**APPLICANT'S REPRESENTATIVE:**  
 SRD DESIGN STUDIO, INC.  
 10501 WILSHIRE BLVD. - STE# 1211 LOS ANGELES, CA 90211  
 CONTACT, DAVID GOLKAR  
 PHONE, (424) 279-0909

**UTILITY PROVIDERS/ AGENCIES:**  
**ELECTRIC SERVICES**  
 SOUTHERN CALIFORNIA EDISON:  
 287 TENNESSEE STREET REDLANDS, CALIFORNIA 92373  
 ATTN, BOB SIEGAL  
 PHONE, (949) 307-6770

**DOMESTIC WATER:**  
 BEAUMONT-CHERRY VALLY WATER  
 560 MAGNOLIA AVENUE BEAUMONT, CALIFORNIA 92223  
 ATTN, JOEL ROBLES  
 PHONE, (951) 845-9581

**NATURAL GAS SERVICE:**  
 THE GAS COMPANY  
 1981 W. LUGONIA REDLANDS, CA 92374-9720  
 ATTN, ALAN KESELOFF  
 PHONE, (909) 335-7725

**TELEPHONE SERVICE:**  
 PACIFIC BELL  
 1265 VAN BUREN ST. RM. 1 00 ANAHEIM, CA 92807  
 ATTN, NORMA GULLOT  
 PHONE, (714) 666-5692

**PROJECT ZONING:**  
 SPECIFIC PLAN  
 COMMERCIAL / INDUSTRIAL

**SITE PLAN - GENERAL NOTES**

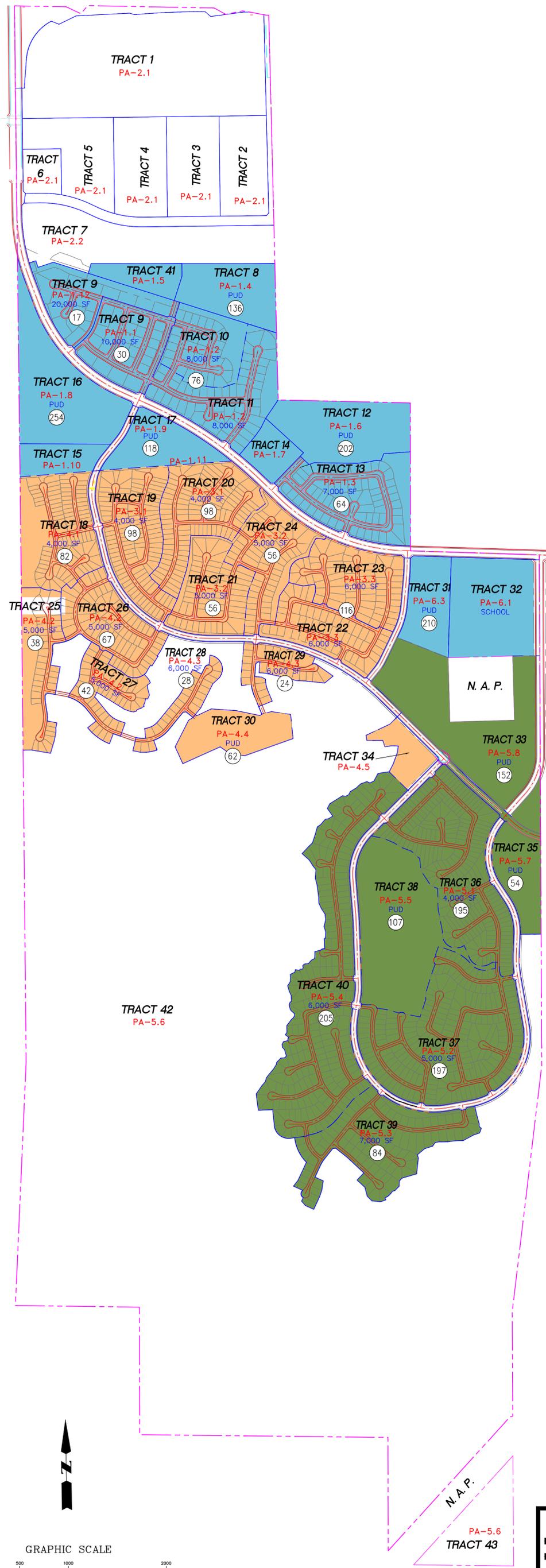
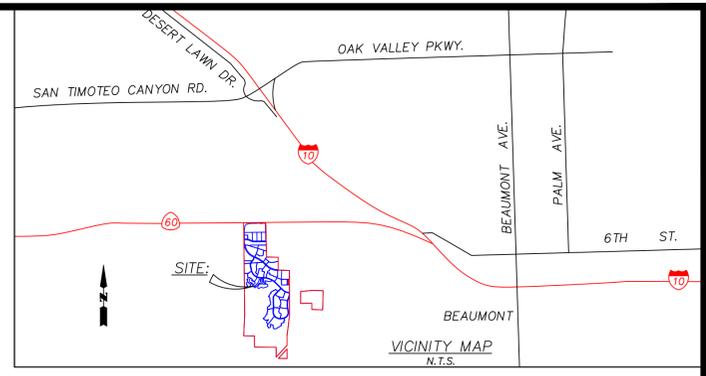
1. THE SOILS REPORT PREPARED IS TO BE A PART OF THESE CONTRACT DOCUMENTS.
2. IF SOILS ARE EXPANSIVE IN NATURE, USE STEEL REINFORCING FOR ALL SITE CONCRETE.
3. ALL DIMENSIONS ARE TO THE FACE OF CONCRETE WALL, FACE OF CONCRETE CURB OR GRID LINE U.N.O.
4. SEE "C" PLANS FOR ALL CONCRETE CURBS, GUTTERS AND SWALE S. DETAILS ON SHEET ARE MINIMUM STANDARDS.
5. THE ENTIRE PROJECT SHALL BE PERMANENTLY MAINTAINED WITH AN AUTOMATIC IRRIGATION SYSTEM. PRIOR TO INSTALLATION & AT LEAST 60 DAYS BEFORE BLDG. COMPLETION.
6. SEE "C" DRAWINGS FOR POINT OF CONNECTIONS TO OFF-SITE UTILITIES. CONTRACTOR SHALL VERIFY ACTUAL UTILITY LOCATIONS.
7. PROVIDE POSITIVE DRAINAGE AWAY FROM BLDG. SEE "C" DRAWINGS.
8. CONTRACTOR TO REFER TO "C" DRAWINGS FOR ALL HORIZONTAL CONTROL DIMENSIONS. SITE PLANS ARE FOR GUIDANCE AND STARTING LAYOUT POINTS.
9. SEE "C" DRAWINGS FOR FINISH GRADE ELEVATIONS.
10. CONCRETE SIDEWALKS TO BE A MINIMUM OF 4" THICK W/ TOOLED JOINTS AT 6' O.C. EXPANSION CONSTRUCTION JOINTS SHALL BE A MAXIMUM 12' EA. WAY. EXPANSION JOINTS TO HAVE COMPRESSIVE EXPANSION JOINT FILLER MATERIAL OF 1/4" FINISH TO BE A MEDIUM BROOM FINISH U.N.O.
11. A SEPARATE PERMIT SHALL BE OBTAINED FOR ALL FENCES, SCREEN WALLS, TRASH ENCLOSURES, LIGHT POLE BASES & SIGNAGE PER CITY STANDARDS.
12. PAINT CURBS AND PROVIDE SIGNS TO INFORM OF FIRE LANES AS REQUIRED BY FIRE DEPARTMENT.
13. CONSTRUCTION DOCUMENTS PERTAINING TO THE LANDSCAPE AND IRRIGATION OF THE ENTIRE PROJECT SITE SHALL BE SUBMITTED TO THE BUILDING DEPARTMENT AND APPROVED BY PUBLIC FACILITIES DEVELOPMENT PRIOR TO ISSUANCE OF BUILDING PERMITS.
14. PRIOR TO FINAL CITY INSPECTION, A LANDSCAPE ARCHITECT SHALL SUBMIT A CERTIFICATE OF COMPLETION TO PUBLIC FACILITIES DEVELOPMENT.
15. IT SHOULD BE A RESPONSIBILITY OF THE APPLICANT / REPRESENTATIVE TO FORWARD GUIDELINES FOR LANDSCAPE AND IRRIGATION CONSTRUCTION DOCUMENTS (GREEN HANDOUT) TO THE LANDSCAPE ARCHITECT FOR INFORMATION ON THE REQUIREMENTS AND SUBMITTAL FOR PLAN CHECK.
16. ALL LANDSCAPE AND IRRIGATION DESIGNS SHALL MEET CURRENT CITY STANDARDS AS LISTED IN GUIDELINES OR AS OBTAINED FROM PUBLIC FACILITIES DEVELOPMENT.
17. NOT USED
18. LANDSCAPED AREAS SHALL BE DELINEATED WITH A MINIMUM SIX INCHES (6") HIGH CURB.
19. EMPLOYEE BREAK AREA WILL BE PROVIDED WITHIN OFFICE T.I.
20. THE ENTIRE PROJECT SHALL BE PERMANENTLY MAINTAINED WITH AN AUTOMATIC IRRIGATION SYSTEM.
21. APPROVED CONCEPTUAL LANDSCAPE PLAN PRIOR TO GRADING PERMIT.

BUILDING 1	1,000,000 S.F.
BUILDING 2	1,014,610 S.F.
COMMERCIAL BUILDINGS	200,000 S.F.
TOTAL	2,214,610 S.F.
TOTAL 1,200 UNITS OF RESIDENTIAL	BEGINS CONSTRUCTION JUNE 2020

Prepared in the office of  
**SRD Design Studio, Inc.**  
 Engineering  
 Planning  
 Construction Mgmt. Los Angeles CA 90211  
 Environmental Svs. Tel (424) 279-0909  
 Geotechnical Engr.  
 Surveying Services  
 E-mail: administration@srd.com

CITY OF BEAUMONT  
**SITE PLAN**  
**LEGACY HIGHLANDS**

Drawing No.  
 Job No.  
 2074.1165  
 Sheet No. 1 of 1



Development Plan Statistical Summary Table										
Planning Area/Neighborhood	Parcel No.	Land Use Designation	Zoning	House S. Foot Range	Average S. Footage	Gross Acres (1)	Minimum Lot Size	Specific Plan review Process	Expected # of Units	Maximum Density
<b>Planning Area 1</b>										
Neighborhood 1.1	Parcel 9	Low Density Residential	R-SF	2,800-3,200	3,000	13.20	SFD-10,000 sf.	30	2.3 du/ac	
Neighborhood 1.2	Parcel 10 & 11	Low Density Residential	R-SF	2,250-2,800	2,550	31.20	SFD-8,000 sf.	76	2.4 du/ac	
Neighborhood 1.3	Parcel 13	Low Density Residential	R-SF	2,050-2,400	2,250	30.50	SFD-7,000 sf.	64	2.1 du/ac	
Neighborhood 1.4	Parcel 8	Medium Density Residential	PUD	900-1,250	1,100	12.50	PUD	136	15.0 du/ac	
Neighborhood 1.5	Parcel 41	Open Space	OS	-	-	5.90	-	-	-	
Neighborhood 1.6	Parcel 12	Medium Density Residential	PUD	1,000-1,250	1,150	16.10	PUD	254	15.0 du/ac	
Neighborhood 1.7	Parcel 14	Open Space	OS	-	-	5.00	-	-	-	
Neighborhood 1.8	Parcel 16	Medium Density Residential	PUD	1,000-1,300	1,200	19.00	PUD	202	15.0 du/ac	
Neighborhood 1.9	Parcel 17	High Density Residential	PUD	850-1,200	1,050	8.90	PUD	118	15.0 du/ac	
Neighborhood 1.10	Parcel 15	Open Space	OS	-	-	8.00	-	-	-	
Neighborhood 1.11	Parcel 9	Open Space	OS	-	-	3.50	-	-	-	
Neighborhood 1.12	Parcel 9	Low Density Residential	R-SF	2,800-3,200	3,000	12.00	SFD-20,000 sf.	17	0.8 du/ac	
<b>TOTAL PLANNING AREA 1:</b>						163.80		897	5.5	
<b>Planning Area 2</b>										
Neighborhood 2.1	Parcel 1-6	Commercial	C-G	-	-	100.00	-	-	-	
Neighborhood 2.2	Parcel 7	Open Space	OS	-	-	34.70	-	-	-	
<b>TOTAL PLANNING AREA 2:</b>						134.70		-	-	
<b>Planning Area 3</b>										
Neighborhood 3.1	Parcel 32	School	-	-	-	20.00	-	-	-	
Neighborhood 3.2	Parcel 44	Open Space	OS	-	-	111.20	-	-	-	
Neighborhood 3.3	Parcel 31	Medium Density Residential	PUD	1,000-1,300	1,200	14.80	PUD	210	15.0 du/ac	
<b>TOTAL PLANNING AREA 3:</b>						146.00		210	1.4	
<b>Sub-total - Conventional Planned Community:</b>										
						444.50		210	1,107.00	
<b>Planning Area 4</b>										
Neighborhood 4.1	Parcel 19 & 20	Low Residential	R-SF	1,850-2,200	2,050	39.00	SFD-4,000 sf.	196	5.0 du/ac	
Neighborhood 4.2	Parcel 21 & 24	Low Residential	R-SF	1,300-2,000	1,650	28.30	SFD-5,000 sf.	112	4.1 du/ac	
Neighborhood 4.3	Parcel 22 & 23	Low Residential	R-SF	1,850-2,200	2,050	32.70	SFD-6,000 sf.	116	3.6 du/ac	
<b>TOTAL PLANNING AREA 4:</b>						100.00		424	4.3	
<b>Planning Area 5</b>										
Neighborhood 5.1	Parcel 18	Low Density Residential	R-SF	900-1,250	1,100	29.90	SFD-4,000 sf.	82	2.7 du/ac	
Neighborhood 5.2	Parcel 25, 26 & 27	Low Density Residential	R-SF	1,650-2,200	1,950	37.50	SFD-5,000 sf.	147	4.0 du/ac	
Neighborhood 5.3	Parcel 28 & 29	Low Density Residential	R-SF	1,850-2,200	2,050	22.00	SFD-6,000 sf.	52	2.4 du/ac	
Neighborhood 5.4	Parcel 30	Low Density Residential	PUD	1,100-2,000	1,550	9.70	PUD	62	9.0 du/ac	
Neighborhood 5.5	Parcel 34	Open Space	OS	-	-	14.40	-	-	-	
<b>TOTAL PLANNING AREA 5:</b>						103.50		343	3.4	
<b>Planning Area 6</b>										
Neighborhood 6.1	Parcel 36	Low Density Residential	R-SF	1,850-2,200	2,050	31.80	SFD-4,000 sf.	195	6.2 du/ac	
Neighborhood 6.2	Parcel 37	Low Density Residential	R-SF	1,300-2,000	1,650	33.80	SFD-5,000 sf.	197	5.9 du/ac	
Neighborhood 6.3	Parcel 38	Low Density Residential	R-SF	3,600-4,200	3,900	51.70	SFD-7,000 sf.	84	1.7 du/ac	
Neighborhood 6.4	Parcel 40	Low Density Residential	R-SF	1,850-2,200	2,050	73.70	SFD-6,000 sf.	205	2.8 du/ac	
Neighborhood 6.5	Parcel 38	Low Density Residential	PUD	1,850-2,200	2,050	29.00	PUD	107	9.0 du/ac	
Neighborhood 6.6	Parcel 42 & 43	Open Space	OS	-	-	638.90	-	-	-	
Neighborhood 6.7	Parcel 42	Low Density Residential	PUD	900-1,300	1,100	6.90	PUD	54	9.0 du/ac	
Neighborhood 6.8	Parcel 33	Low Density Residential	PUD	900-1,300	1,100	28.50	PUD	152	9.0 du/ac	
<b>TOTAL PLANNING AREA 6:</b>						894.30		894.0	1.2	
<b>Sub-total - ACTIVE ADULT COMMUNITY</b>										
						1097.8		1761.0	1.6	
<b>SUBTOTAL AREAS 1-6:</b>										
						1542.3		2,868		
<b>Public Road/Spine Circulation</b>										
						66.5		-	-	
<b>PROJECT TOTAL:</b>										
						1598.8		2,868	1.79	

(1) Gross Acreage includes streets within each Neighborhood.  
 (2) A maximum of 20% of the Maximum Allowable Dwelling Units may be transferred between Neighborhoods and Planning Areas provided that the total Maximum Allowable Dwelling Units shall not exceed 2,800.  
 (3) Maximum density as measured over the entire Neighborhood. Individual projects may have a density greater than 6.0 du/ac, provided that the Maximum Allowable Dwelling Units for any Neighborhood are not exceeded.  
 (4) Maximum project density shall not exceed 20.0 du/ac.  
 (5) Minimum lot size applies.  
 (6) Maximum allowable density = 20.0 du/ac.

Phase I Series A Bonds Total Number of Units=1,107  
 Phase II Series B Bonds Total Number of Units=767  
 Phase III Series C Bonds Total Number of Units=994

- LEGEND**
- TRACT 21 TRACT NO.
  - PA-3.2 PLANNING AREA
  - 55 TOTAL LOTS
  - [Blue Box] PHASE I SERIES A BONDS TOTAL NO. OF UNITS=1,107
  - [Orange Box] PHASE II SERIES B BONDS TOTAL NO. OF UNITS=767
  - [Green Box] PHASE III SERIES C BONDS TOTAL NO. OF UNITS=994

Prepared in the office of  
**SRD Design Studio, Inc.**  
 Engineering  
 Planning  
 Construction Mgmt.  
 Environmental Svcs.  
 Surveying Services  
 E-mail: administration@srdd.com

10501 Wilshire Blvd. # 1211  
 Los Angeles CA 90211  
 Tel (424) 279-0909

DATE:  
 DAVID J. GULKAR RCE# 54162 EXP. 12/31/2019

**PRESERVE**  
 IN THE CITY OF BEAUMONT, COUNTY OF RIVERSIDE, CALIFORNIA.

**PHASING MAP**

Project Name: CA 01982415 (SRD) - Phase I/II/III Phasing Map.dwg  
 User: jgulkar  
 Date: 12/31/2019 3:54pm by: jgulkar





## Staff Report

**TO:** City Council  
**FROM:** Todd Parton, City Manager  
**DATE:** July 21, 2020  
**SUBJECT:** Proposed Refunding of Outstanding Bonds Related to Improvement Areas 8C and 17B of Community Facilities District No. 93-1

---

### Background and Analysis:

In 1993, the City of Beaumont formed Community Facilities District No. 93-1 (“CFD” or “District”) and established 13 original improvement areas. Over the years, the City has established additional improvement areas in the District, including 8C and 17B, for which bonds (“Outstanding Bonds”) were subsequently issued to finance public improvements.

On March 3, 2020, staff and its financing team presented City Council (“Council”) with an opportunity to refinance outstanding bonds associated with the following five improvement areas of CFD 93-1: 7B, 7C, 8C, 17B and 20. At that time, Council approved moving forward with the refinancing opportunity, establishing a net present value (“NPV”) savings threshold of 7% (dollar amount of NPV savings as measured against the par amount of the Outstanding Bonds). At Council’s direction, staff and its financing team began preparing legal documents with the goal to return before Council in the following month to seek final approval for the issuance of refunding bonds.

The outbreak of COVID-19 and its impact on the global economy led to significant market volatility (causing a spike in municipal interest rates) in mid-March and April. The refinancing was put on-hold until such time that the municipal market stabilized. In the weeks that followed, the Federal Reserve and US government undertook unprecedented measures to alleviate volatility and as a result, the municipal market has calmed and interest rates have nearly returned to pre-COVID-19 outbreak levels.

Given the return to more ‘normal’ market conditions, there remains an opportunity to refinance the bonds associated with Improvement Areas 8C and 17B to generate savings for property owners. The bond issues associated with the three other improvement areas (7B, 7C and 20) did not meet Council’s NPV threshold of 7%.

- **Improvement Area (“IA”) 8C:** In March 2012, the Beaumont Financing Authority (“BFA”) issued the 2012 Local Agency Revenue Bonds, Series A (“2012A Bonds”) in the par amount of \$5,605,000 to finance improvements in IA-8C, which is located in the Sundance master planned community. Currently, there is \$5,605,000 of par outstanding. The 2012A Bonds were structured with a final term of 2042 and a final interest rate of 5.875%. The optional call date of the 2012A Bonds is September 1, 2022.
- **IA-17B:** In December 2011, the BFA issued the 2011 Local Agency Revenue Bonds, Series A (“2011A Bonds”) in the par amount of \$12,145,000 to finance improvements in IA-17B, which is located in the Tournament Hills master planned community. Currently, there is \$11,930,000 of par outstanding. The 2011A Bonds were structured with a final term of 2042 and a final interest rate of 6.375%. The optional call date of the 2011A Bonds is September 1, 2021.

A more detailed overview of the Outstanding Bonds and the underlying improvement areas is provided below.

**Outstanding Bonds: Improvement Areas 8C and 17B**

<u>Issue</u>	<u>Area</u>	<u>Parcels</u>	<u>Date</u>	<u>Par Value</u> <u>Outstanding</u>	<u>Final</u> <u>Term</u>	<u>Final</u> <u>Rate</u>	<u>Optional Call</u>	<u>Ratings</u>
2011A Bonds	IA-17B	388	Dec 2011	\$11,930,000	2042	6.375%	Sept 1, 2021	Non-
2012A Bonds	IA-8C	<u>686</u>	Mar 2012	<u>5,605,000</u>	2042	5.875%	Sept 1, 2022	Rated
<b>TOTALS</b>		<b>1,074</b>		<b>\$17,535,000</b>				

As mentioned in the March 3, 2020, staff report the Tax Cuts and Jobs Act of 2017 (the “Act”) eliminated the tax exemption for interest on advance refunding bonds (refunding bonds issued more than 90 days before the optional call date). As such, the proposed bonds contemplate refinancing the Outstanding Bonds on a taxable basis. Refinancing the Outstanding Bonds today on a taxable basis does not preclude the City from refinancing on a tax-exempt basis in the future. As a side note, given the favorable taxable interest rate environment, many issuers have pursued taxable advance refundings since the Act passed in 2017.

Council (acting as the legislative body of CFD 93-1), the BFA (as issuer of the Outstanding Bonds), and the Beaumont Public Improvement Authority (as issuer of the refunding bonds), are being asked to approve the issuance of refunding bonds and all related documents, as further described herein. If the refinancing is approved City staff will work with the financing team on finalizing all legal documents and the preliminary official statement with the goal of pricing the refunding bonds sometime over the next two weeks.

Given the opportunity to strengthen the underlying credit of the refunding bonds and achieve economies of scale, the refunding contemplates an issuance through the Beaumont Public Improvement Authority (“PIA”). This structure is similar to the one utilized by the City in August 2019, for the Local Agency Refunding Bonds, Series 2019A, which ended up saving individual homeowners nearly \$2.0 million in interest costs over a 13-year period.

The proposed Beaumont PIA Local Agency Revenue Refunding Bonds, Series 2020A (Federally Taxable) (“2020 Refunding Bonds”) would be in a par amount of approximately \$17.5 million with a final maturity in 2042. However, each underlying obligation would maintain the same final maturity for each of the improvement areas under consideration. In other words, there will be no extension of the original terms. The final interest rate structure will be determined if, and when, the 2020 Refunding Bonds are priced and sold, assuming interest rates result in the City meeting its savings threshold.

Over the last month, in addition to monitoring savings, City staff and its financing team have evaluated the ability to remove the escalating debt service structure in both improvement areas, thereby ‘leveling out’ payments by homeowners over time, the results of which are illustrated below. Staff requests that Council provide direction on removing the escalating debt structure.

While the Outstanding Bonds are not currently rated, the 2020 Refunding Bonds are expected to qualify for an investment grade rating and bond insurance, which would lead to a lower cost of borrowing (and potentially more savings to property owners). Furthermore, the 2020 Refunding Bonds may also qualify for a reserve fund surety policy. With a reserve fund surety policy, the 2020 Refunding Bonds would not need to cash fund a debt service reserve (estimated to be \$2.0 million) as part of the issuance. This would enable the City to downsize the 2020 Refunding Bonds, lower annual payments and increase savings to property owners.

Based on taxable interest rates as of June 23, 2020, total savings over the life of the 2020 Refunding Bonds are estimated to be \$7.4 million, assuming the City were to maintain the current escalating debt structure. This translates to annual savings per parcel ranging of \$135 in IA-8C and \$630 in IA-17B. Net present value (NPV) savings are estimated to be \$2.7 million. As measured against the par value of the Outstanding Bonds, NPV savings reflect 15.4%, well above the City’s required threshold. Government Finance Officers Association (GFOA) Best Practices recommends NPV savings of at least 3-5% to warrant refinancing.

While overall savings are higher under the option 'Removing Escalating Structure', there are dissavings to property owners over the first 6 years in IA-8C, as illustrated below.

Please note that Council has the option to remove the escalating structure in one improvement area (e.g., IA-17B) and maintain such structure in the other improvement area (e.g., IA-8C).

Estimated savings are net of all financing costs (including the cost of procuring bond insurance and a reserve fund surety policy). The table below highlights detailed savings based on current interest rates. Good Faith Estimates, as required by Government Code Section 5852.1, are provided as Attachment L to this staff report. For purposes of the Good Faith Estimates, the more conservative of the two scenarios ('Maintaining Escalating Structure') is provided.

	<b>Maintaining Escalating Structure</b>			<b>Removing Escalating Structure</b>		
	<b>IA-17B</b>	<b>IA-8C</b>	<b>TOTALS</b>	<b>IA-17B</b>	<b>IA-8C</b>	<b>TOTALS</b>
Parcels	388	686	1,074	388	686	1,074
NPV Savings (\$)	\$2,213,029	\$488,702	\$2,701,731	\$2,365,195	\$605,288	\$2,970,483
NPV Savings (%)	18.55%	8.72%	15.41%	19.83%	10.80%	16.94%
Annual Savings (2021-Mat)	\$244,538	\$92,707	\$337,244	\$281,828	\$134,050	\$415,877
Annual Savings Per Parcel	<b>\$630.25</b>	<b>\$135.14</b>	<b>\$314.01</b>	<b>\$726.36</b>	<b>\$195.41</b>	<b>\$387.22</b>
Aggregate Savings	\$5,379,830	\$2,039,543	\$7,419,374	\$6,200,206	\$2,949,097	\$9,149,303
<b>Detail of Annual Savings to Property Owners</b>						
2021	\$251,197	\$94,753	<b>\$345,950</b>	\$85,044	<b>-\$165,989</b>	<b>-\$80,945</b>
2022	247,382	91,180	<b>338,562</b>	97,265	<b>-142,416</b>	<b>-45,151</b>
2023	249,297	90,429	<b>339,726</b>	112,225	<b>-103,556</b>	<b>8,669</b>
2024	250,751	94,490	<b>345,241</b>	136,847	<b>-75,079</b>	<b>61,768</b>
2025	246,265	93,213	<b>339,478</b>	155,449	<b>-41,883</b>	<b>113,566</b>
2026	251,313	91,864	<b>343,177</b>	168,410	<b>-9,038</b>	<b>159,372</b>
2027	250,533	90,271	<b>340,803</b>	190,665	28,164	<b>218,829</b>
2028	252,495	93,547	<b>346,041</b>	210,357	79,580	<b>289,937</b>
2029	248,440	91,358	<b>339,798</b>	228,725	114,386	<b>343,111</b>
2030	253,337	94,040	<b>347,378</b>	255,540	153,101	<b>408,641</b>
2031	246,799	91,127	<b>337,925</b>	270,374	190,187	<b>460,561</b>
2032	250,149	93,390	<b>343,539</b>	289,561	226,111	<b>515,672</b>
2033	250,510	95,373	<b>345,883</b>	310,257	270,581	<b>580,838</b>
2034	253,705	91,585	<b>345,290</b>	338,117	262,773	<b>600,891</b>
2035	249,566	92,672	<b>342,238</b>	357,806	269,840	<b>627,646</b>
2036	248,110	93,338	<b>341,448</b>	374,340	271,151	<b>645,491</b>
2037	248,506	94,690	<b>343,196</b>	396,520	272,076	<b>668,596</b>
2038	251,450	90,655	<b>342,105</b>	425,243	272,413	<b>697,656</b>
2039	251,623	91,342	<b>342,965</b>	449,989	272,070	<b>722,059</b>
2040	208,907	90,883	<b>299,790</b>	450,640	265,380	<b>716,020</b>
2041	210,381	93,987	<b>304,368</b>	448,471	272,253	<b>720,724</b>
2042	<u>209,118</u>	<u>95,359</u>	<u>304,477</u>	<u>448,364</u>	<u>266,992</u>	<u>715,356</u>
<b>Totals</b>	<b>\$5,379,830</b>	<b>\$2,039,543</b>	<b>\$7,419,374</b>	<b>\$6,200,206</b>	<b>\$2,949,097</b>	<b>\$9,149,303</b>

All Numbers are Preliminary and are Subject to Change.

The attached resolutions for the PIA and BFA authorize and approve the issuance of the 2020 Refunding Bonds, subject to the compliance of certain criteria, including that: (i) the aggregate principal amount of the 2020 Refunding Bonds does not exceed \$20.0 million (\$20,000,000); (ii) the principal amount of the underlying improvement areas do not exceed \$13.0 million (\$13,000,000) for IA-17B and \$7.0 million (\$7,000,000) for IA-8C; (iii) the NPV % savings does not fall below 7.0%; and (iii) the Underwriter's Discount does not exceed 1.21% of the aggregate principal amount of the 2020 Refunding Bonds.

### **Documents Subject to Approval**

Approval of the Resolutions authorize the execution of the following documents:

- **Preliminary Official Statement:** The document pursuant to which the 2020 Refunding Bonds will be offered for purchase by investors. This document must contain all facts material to the 2020 Refunding Bonds and the City (with certain permitted exceptions to be completed in the final Official Statement) and must not omit any such material facts;
- **Bond Purchase Agreement:** This document contains the obligation of the underwriter to accept and pay for the 2020 Refunding Bonds, provided that all of the covenants and representations of the PIA and the City are met and certain other conditions excusing performance by the underwriter do not exist;
- **Escrow Agreements:** These documents contain terms by which the Trustee will hold 2020 Refunding Bond proceeds on the behalf of the owners of the 2011A and 2012A Bonds to pay and discharge the Outstanding Bonds on the redemption date;
- **Indenture of Trust (PIA):** This document contains the terms of the 2020 Refunding Bonds, including payment and redemption provisions, definition and pledge of Revenues to pay the 2020 Refunding Bonds, Rights and Duties of the Trustee, remedies upon a default in the payment of the 2020 Refunding Bonds, and final discharge of the 2020 Refunding Bonds and other related matters;
- **Indenture of Trust (IA-17B) and Supplemental Indenture of Trust (IA-8C):** These documents contain the terms of the refunding bonds in connection with the underlying improvement areas, including payment and redemption provisions, definition and pledge of revenues to pay the underlying obligations, Rights and Duties of the Trustee, remedies upon a default in the payment of the underlying obligations, and final discharge of the underlying obligations and other related matters; and
- **Continuing Disclosure Agreement:** Executed for the benefit of bondholders, the Continuing Disclosure Agreement obligates the PIA to file an annual report that includes, among other things, the most recent audited financial statements of the City and financial data of the underlying improvement areas. The PIA is also

required to report certain events that are significant to bondholders, if, and when they occur.

These documents listed above have been reviewed by staff and its financing team.

**Fiscal Impact:**

If, and when, the 2020 Refunding Bonds price, the property owners are estimated to save between \$135 (IA-8C) to \$630 (IA-17B) per parcel annually through 2042 (reflective of the 'Maintaining Escalating Structure' scenario), as previously illustrated, based on current market conditions. The savings quoted above are net of all financing costs (including the cost of purchasing bond insurance and a reserve fund surety policy).

**Recommended Action:**

Waive the Full Reading and Adopt by Title Only, "A Resolution of the City Council of the City of Beaumont Acting as Legislative Body of Community Facilities District No. 93-1, Authorizing the Issuance of Special Tax Refunding Bonds and Taking Other Actions in Connection Therewith" and Recess the City Council Meeting,

Convene a Meeting of the Board of Directors of the Beaumont Financing Authority and Waive the Full Reading and Adopt by Title Only, "A Resolution of the Board of Directors of the Beaumont Financing Authority Approving the Execution of Escrow Agreements in Connection with the Refunding of Certain Local Agency Revenue Bonds of the Authority and Special Tax Bonds of the City of Beaumont Community Facilities District No. 93-1, and Taking Certain Other Actions in Connection Therewith", and Adjourn the Board Meeting,

Convene a Meeting of the Board of Directors of the Beaumont Public Improvement Authority and Waive the Full Reading and Adopt by Title Only, "A Resolution of the Board of Directors of the Beaumont Public Improvement Authority, Riverside County, California, Authorizing the Issuance of its Local Agency Refunding Bonds, in One or More Series, in an Aggregate Principal Amount of Not-to-Exceed Twenty Million Dollars (\$20,000,000) and Approving Certain Documents and Taking Other Actions in Connection Therewith" and Adjourn the Board Meeting and Reconvene the City Council Meeting, and

Provide Direction to Staff and Financing Team on 'Debt Service Structure' as Discussed Herein.

**Attachments:**

- A. City Resolution No. 2020-\_\_
- B. BFA Resolution No. 2020-\_\_
- C. PIA Resolution No. 2020-\_\_
- D. Indenture of Trust (PIA)
- E. Indenture of Trust (17B)
- F. Supplemental Indenture of Trust (IA-8C)
- G. Escrow Agreement (17B)
- H. Escrow Agreement (8C)
- I. Preliminary Official Statement
- J. Bond Purchase Agreement
- K. Continuing Disclosure Agreement
- L. Good Faith Estimates

**RESOLUTION NO. \_\_\_\_\_****RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BEAUMONT, ACTING AS THE LEGISLATIVE BODY OF THE CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1, AUTHORIZING THE ISSUANCE OF SPECIAL TAX REFUNDING BONDS AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH**

**WHEREAS**, the City Council of the City of Beaumont (the “City”), located in Riverside County, California (hereinafter sometimes referred to as the “legislative body of the District”), has heretofore undertaken proceedings to form the City of Beaumont Community Facilities District No. 93-1 (the “District”) pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”); and

**WHEREAS**, the District has previously issued the following bonds (collectively, the “Prior Bonds”) to finance or refinance certain public improvements for the benefit of Improvement Area Nos. 8C and 17B of the District:

- 1) City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2012 Series A (Improvement Area No. 8C) (the “Prior Improvement Area No. 8C Bonds”); and
- 2) City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2011 Series A and 2011 Series B (Improvement Area No. 17B) (the “Prior Improvement Area No. 17B Bonds”).

**WHEREAS**, the legislative body of the District now desires to refund the Prior Bonds through the issuance of bonds as follows:

- 1) City of Beaumont Community Facilities District No. 93-1 2020 Special Tax Refunding Bonds (Improvement Area No. 8C) (the “Improvement Area No. 8C 2020 Bonds”) in an aggregate principal amount not to exceed \$7,000,000 for the purpose of refunding the Prior Improvement Area No. 8C Bonds; and
- 2) City of Beaumont Community Facilities District No. 93-1 2020 Special Tax Refunding Bonds (Improvement Area No. 17B) (the “Improvement Area No. 17B 2020 Bonds” and together with the Improvement Area No. 8C 2020 Bonds, the “2020 Bonds”) in an aggregate principal amount not to exceed \$13,000,000 for the purpose of refunding the Prior Improvement Area No. 17B Bonds.

**WHEREAS**, in order to effect the issuance of the Improvement Area No. 8C 2020 Bonds, the legislative body of the District desires to enter into a Thirty-Seventh Supplemental Indenture of Trust (the “Thirty-Seventh Supplemental Indenture”), in substantially the form presented herewith, which is supplemental to the Indenture dated as of January 15, 1994, as amended to the date hereof, by and between the District and Wilmington Trust, National Association (the “1994 Indenture and together with the Thirty-Seventh Supplemental Indenture, the “Improvement Area No. 8C Indenture”), as trustee thereunder;

**WHEREAS**, the Improvement Area No. 8C 2020 Bonds will be payable from special taxes levied within Improvement Area No. 8C of the District on a parity with the District's outstanding Special Tax Refunding Bonds, 2017 Series A (Improvement Area No. 8C) and Special Tax Bonds, 2018 Series A (Improvement Area No. 8C);

**WHEREAS**, in order to effect the issuance of the Improvement Area No. 17B 2020 Bonds, the legislative body of the District desires to enter into a Bond Indenture (the "Improvement Area No. 17B Indenture"), by and between the District and Wilmington Trust, National Association, as trustee thereunder, in substantially the form presented herewith; and

**WHEREAS**, in order to effect the refunding and redemption of the Prior Bonds, the legislative body of the District desires to enter into one or more Escrow Agreements (the "Escrow Agreements"), by and among the District, the Beaumont Financing Authority and Wilmington Trust, National Association, as Escrow Agent (the "Escrow Agent"), in substantially the forms presented herewith; and

**WHEREAS**, the legislative body of the District has determined in accordance with Section 53360.4 of the Code that a negotiated sale of the 2020 Bonds to the Beaumont Public Improvement Authority (the "Authority") in accordance with the terms of the Bond Purchase Agreement to be entered into by and among the Authority, the District and Stifel Nicolaus & Company, Incorporated (the "Bond Purchase Agreement") approved as to form by this legislative body herein will result in a lower overall cost to the District than a public sale; and

**WHEREAS**, the legislative body of the District has determined that it is prudent in the management of its fiscal affairs to issue the 2020 Bonds and to sell such 2020 Bonds to the Authority; and

**WHEREAS**, the Authority will issue its bonds (the "Authority Bonds") to provide funds for its purchase of the 2020 Bonds; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY, ACTING AS THE LEGISLATIVE BODY OF THE DISTRICT, DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:**

SECTION 1. Each of the above recitals is true and correct.

SECTION 2. The legislative body of the District is authorized pursuant to the Act to issue the 2020 Bonds for the benefit of the District for purposes set forth herein and to take the necessary steps to refund and redeem the Prior Bonds.

SECTION 3. The issuance of each series of the 2020 Bonds in the aggregate principal amount not to exceed the applicable amounts set forth in the whereas recitals above is hereby authorized with the exact principal amount of each series to be determined by the official signing the Bond Purchase Agreement in accordance with Section 6 below. The legislative body of the District hereby determines that it is prudent in the management of its fiscal affairs to issue the 2020 Bonds. The 2020 Bonds shall mature on the dates and pay interest at the rates set forth in the Bond Purchase Agreement to be executed on behalf of the District in accordance with Section 6 hereof.

The Improvement Area No. 8C 2020 Bonds shall be governed by the terms and conditions of the form Improvement Area No. 8C Indenture. The Improvement Area No. 17B 2020 Bonds shall be governed by the terms and conditions of the form Improvement Area No. 17B Indenture.

Each of the Thirty-Seventh Supplemental Indenture and the Improvement Area No. 17B Indenture shall be executed by one or more of the Mayor and the City Clerk of the legislative body of the District, the City Manager, the Assistant City Manager, the Finance Director, and their written designees (collectively, the “Authorized Officers”) substantially in the forms presented at this meeting, with such additions thereto and changes therein as the officer or officers executing the same deem necessary, including to cure any ambiguity or defect therein, to insert the offering price(s), interest rate(s), selling compensation, principal amount per maturity, redemption dates and prices and such other related terms and provisions as limited by Section 6 hereof, to conform any provisions therein to the Indenture for the Authority Bonds. Approval of such changes shall be conclusively evidenced by the execution and delivery of each of the Thirty-Seventh Supplemental Indenture and the Improvement Area No. 17B Indenture by one or more Authorized Officers. Capitalized terms used in this Resolution which are not defined herein have the meanings ascribed to them in the Improvement Area No. 8C Indenture or the Improvement Area No. 17B Indenture, as applicable.

In satisfaction of the requirements contained in Section 53363.2 of the Act, the legislative body of the District hereby determines that: (1) it is anticipated that the purchase of the 2020 Bonds will occur on or about July 30, 2020 (2) each series of 2020 Bonds shall be dated, be in the denominations, have the maturity dates (which do not exceed the latest maturity date of the related series of Prior Bonds being refunded), and be payable at the place and be in the form specified in the Thirty-Seventh Supplemental Indenture and the Improvement Area No. 17B Indenture, as applicable, (3) each series of the 2020 Bonds will bear interest at the minimum rate of 0.10% per annum, and (4) the designated cost of issuing each series of the 2020 Bonds being used to refund the related series of Prior Bonds, as defined by Section 53363.8 of the Act, shall include all of the costs specified in Section 53363.8(a), (b)(2) and (c) of the Act.

In satisfaction of the requirements contained in Section 53364.2 of the Act, the legislative body of the District hereby determines that any savings achieved through the issuance of the Improvement Area No. 8C 2020 Bonds shall be used to reduce special taxes of Improvement Area 8C and any savings achieved through the issuance of the Improvement Area No. 17B 2020 Bonds shall be used to reduce special taxes of Improvement Area 17B 2020 Bonds, and such reductions shall be made in accordance with the Act.

**SECTION 4.** The 2020 Bonds shall be executed on behalf of the District by the manual or facsimile signature of the Mayor of the legislative body of the District, and the seal of the City of Beaumont, or a facsimile thereof, shall be impressed or imprinted thereon and attested with the manual or facsimile signature of the City Clerk of the legislative body of the District. Wilmington Trust, National Association is hereby appointed to act as Trustee for the 2020 Bonds.

**SECTION 5.** The covenants set forth in the Improvement Area No. 8C Indenture and the Improvement Area No. 17B Indenture in accordance with Section 3 above are hereby approved, shall be deemed to be covenants of the City Council in its capacity as the legislative body of the District and shall be complied with by the District and its officers.

**SECTION 6.** The forms of the Bond Purchase Agreement and the Preliminary Official Statement presented herewith are hereby approved; and any one of the Authorized Officers is hereby authorized and directed, for and in the name of the District, to execute the Bond Purchase Agreement substantially in the form approved, with such additions thereto and changes therein as may be approved or required by an Authorized Officer, including changes relating to dates and numbers as are necessary to conform the Bond Purchase Agreement to the dates, amounts and interest rates applicable to the 2020 Bonds as of the sale date. Approval of such additions and changes shall be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement; provided, however, that the Bond Purchase

Agreement shall be signed only if, (i) the principal and total net interest cost to maturity on the Improvement Area No. 8C 2020 Bonds is less than the principal and total net interest cost to maturity of the Prior Improvement Area No. 8C Bonds being refunded; (ii) the principal and total net interest cost to maturity on the Improvement Area No. 17B 2020 Bonds is less than the principal and total net interest cost to maturity of the Prior Improvement Area No. 17B Bonds being refunded; and (iii) the net present value of the debt service savings resulting from the issuance of the 2020 Bonds is equal to or greater than seven percent (7%) of the principal amount of the Prior Bonds. Stifel Nicolaus & Company, Incorporated is hereby authorized to distribute the Official Statement (in both preliminary and final forms) to prospective purchasers, and an Authorized Officer is hereby authorized to certify to Stifel Nicolaus & Company, Incorporated prior to the distribution of the Official Statement in preliminary form that such Official Statement is deemed final by the District within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, as amended.

SECTION 7. The forms of the Escrow Agreements presented at this meeting are hereby approved and any one of the Authorized Officers is hereby authorized and directed, for and in the name of the District, to execute and the City Clerk, or his or her written designee, is authorized to attest to the Escrow Agreements, with such additions thereto and changes therein as may be approved or required by an Authorized Officer, including changes to conform to the final pricing of the escrow investments and to clarify any ambiguities; provided that the form of Escrow Agreements may be modified to conform to federal tax law requirements or to achieve further savings, with the advice and assistance of Bond Counsel, such approval to be conclusively evidenced by the execution of the Escrow Agreements by an Authorized Officer. Wilmington Trust, National Association is hereby appointed to act as Escrow Agent under the Escrow Agreements. The Authorized Officers are hereby authorized to execute as many Escrow Agreements as are necessary to effect the refunding of the Prior Bonds.

SECTION 8. In accordance with the requirements of Section 53345.8 of the Act, the legislative body of the District hereby determines that the Fiscal Year 2019-20 assessed value of the real property in each of Improvement Area No. 8C and Improvement Area No. 17B subject to the special tax to pay debt service on the applicable series of 2020 Bonds is at least three times the maximum principal amount of such series of 2020 Bonds and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act or a special assessment levied on property within Improvement Area No. 8C and Improvement Area No. 17B, as applicable.

SECTION 9. Each of the Authorized Officers are authorized, but not required, to cooperate with the Authority so that the Authority may obtain a rating of the Authority Bonds from a nationally recognized rating service and to obtain a municipal bond insurance policy guaranteeing payment of principal and interest with respect to some or all of the Authority Bonds and/or a debt service reserve policy with respect to the Authority Bonds. The Authorized Officers are hereby further authorized to revise any of the documents referenced herein, or any related documents, to incorporate any provisions required in order to obtain such a municipal bond insurance policy and/or a debt service reserve policy.

SECTION 10. The Authorized Officers are each authorized to provide for all services necessary to effect the issuance of the 2020 Bonds. Such services shall include, but not be limited to, obtaining legal services, trustee services and any other services deemed appropriate as set forth in a certificate of an Authorized Officer. The Authorized Officers are authorized to pay for the cost of such services, together with other costs of issuance from 2020 Bond proceeds, including premium costs for a municipal bond insurance policy and for a debt service reserve policy.

SECTION 11. All actions heretofore taken by officers and agents of the District and the City with respect to the sale and issuance of the 2020 Bonds and the Authority Bonds are hereby approved, confirmed and ratified, and the Mayor and City Clerk of the legislative body of the District, the City

Manager, the Assistant City Manager, the Finance Director, and the other officers and staff of the City and the District responsible for the fiscal affairs of the District are hereby authorized and directed to take any actions and execute and deliver any and all documents as are necessary to accomplish the issuance, sale and delivery of the 2020 Bonds and the Authority Bonds in accordance with the provisions of this Resolution and the fulfillment of the purposes of the 2020 Bonds as described in the Improvement Area No. 8C Indenture and the Improvement Area No. 17B Indenture. In the event that the Mayor of the legislative body of the District is unavailable to sign any document authorized for execution herein, any other member of the legislative body of the District or the City Manager, the Assistant City Manager or the Finance Director or their written designee, may sign such document. Any document authorized herein to be signed by the City Clerk of the legislative body of the District may be signed by a duly appointed deputy or assistant City clerk.

SECTION 12. This Resolution shall take effect immediately upon its adoption.

ADOPTED, SIGNED AND APPROVED this 7th day of July, 2020.

\_\_\_\_\_  
Rey Santos, Mayor of the City of Beaumont, acting in its capacity as the legislative body of the City of Beaumont Community Facilities District No. 93-1

(SEAL)

ATTEST:

\_\_\_\_\_  
Nicole Wheelwright, Assistant City Clerk of the City of Beaumont, acting in its capacity as the legislative body of the City of Beaumont Community Facilities District No. 93-1

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF RIVERSIDE )

I, Nicole Wheelwright, Assistant City Clerk of the City of Beaumont, do hereby certify that the foregoing resolution was duly adopted by the City Council of said City, acting in its capacity as the legislative body of the City of Beaumont Community Facilities District No. 93-1, at a regular meeting of said Board held on the 7<sup>th</sup> day of July, 2020, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Nicole Wheelwright, Assistant City Clerk  
City of Beaumont

(SEAL)

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF RIVERSIDE )

I, Nicole Wheelwright, Assistant City Clerk of the City of Beaumont, do hereby certify that the above and foregoing is a full, true and correct copy of RESOLUTION NO. \_\_\_\_, of said City Council, acting in its capacity as the legislative body of the City of Beaumont Community Facilities District No. 93-1, and that the same has not been amended or repealed.

DATED: \_\_\_\_\_, 2020

\_\_\_\_\_  
Nicole Wheelwright, Assistant City Clerk  
City of Beaumont

(SEAL)

**RESOLUTION NO. \_\_\_\_\_****RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT FINANCING AUTHORITY APPROVING THE EXECUTION OF ESCROW AGREEMENTS IN CONNECTION WITH THE REFUNDING OF CERTAIN LOCAL AGENCY REVENUE BONDS OF THE AUTHORITY AND SPECIAL TAX BONDS OF THE CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1, AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH**

WHEREAS, the Beaumont Financing Authority (the “Authority”) has previously issued its Beaumont Financing Authority 2011 Local Agency Revenue Bonds, Series A (Improvement Area No. 17B) and its Beaumont Financing Authority 2012 Local Agency Revenue Bonds, Series A (Improvement Area No. 8C) (collectively, the “Prior Bonds”); and

WHEREAS, the Prior Bonds were issued under the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 of the Act (commencing with Section 6584), for the purpose of acquiring certain bonds (the “Local Obligations”) issued by the City of Beaumont Community Facilities District No. 93-1 (the “District”) for the benefit of certain of its improvement areas; and

WHEREAS, certain of the Local Obligations are being refunded by bonds issued by the District (such Local Obligations being refunded referred to herein as the “Refunded Local Obligations”); and

WHEREAS, the refunding of the Refunded Local Obligations will result in the refunding of the outstanding the Prior Bonds (such Prior Bonds being refunded referred to herein as the “Refunded Prior Bonds”); and

WHEREAS, the Board of Directors of the Authority (the “Board”) now desires to approve the forms of escrow agreements (the “Escrow Agreements”) to be used in connection with the refunding of each series of Refunded Local Obligations and the related refunding of the Refunded Prior Bonds;

NOW, THEREFORE, the Board of Directors of the Beaumont Financing Authority DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. Each of the above recitals is true and correct and is adopted by the Board.

Section 2. The forms of the Escrow Agreements presented at this meeting are hereby approved and each of the Chair, the Vice Chair, the Executive Director, the Treasurer and the Secretary of the Authority, or their respective designees, acting alone, is authorized to execute the Escrow Agreements for each series of Refunded Local Obligations and the related refunding of the Refunded Prior Bonds in the forms hereby approved, with such additions thereto and changes therein as the officers executing the same deem necessary. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Escrow Agreements by one or more of such officers.

Section 3. Each of the Chair, Secretary, Treasurer and Executive Director of the Authority and the other officers and staff of the Authority responsible for the fiscal affairs of the

Authority are hereby authorized and directed to take any and all actions and execute and deliver any and all documents as are necessary to accomplish the defeasance and redemption of the Refunded Local Obligations and the Refunded Prior Bonds in accordance with the provisions of this Resolution, including but not limited to any amendment to the Indenture of Trust, dated as of January 15, 1994, by and between the Authority and Wilmington Trust, National Association, as successor trustee. In the event that the Chair of the Authority is unavailable to sign any document authorized for execution herein, any other member of the Board or the Executive Director, or his written designee, may sign such document. Any document authorized herein to be signed by the Secretary of the Board of the Authority may be signed by a duly appointed deputy or assistant secretary. By way of this Resolution, the Board of Directors hereby further approves the use of funds held in connection with the Refunded Prior Bonds for the purpose of redeeming and defeasing the Refunded Local Obligations and the related Refunded Prior Bonds.

APPROVED and ADOPTED this 7<sup>th</sup> day of July, 2020.

---

Chair of the Board of Directors

ATTEST:

---

Assistant Secretary of the Board of Directors

STATE OF CALIFORNIA            )  
  ) ss.  
COUNTY OF RIVERSIDE        )

I, Nicole Wheelwright, Assistant Secretary of the Board of Directors of the Beaumont Financing Authority, hereby certify that the above and foregoing Resolution was duly and regularly adopted by said Board at a regular meeting thereof held on the 7<sup>th</sup> of July, 2020 and passed by the following vote of said Board:

AYES:

NOES:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand this 7<sup>th</sup> of July, 2020.

\_\_\_\_\_  
Assistant Secretary of the Board of Directors

**RESOLUTION NO. \_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT PUBLIC IMPROVEMENT AUTHORITY, RIVERSIDE COUNTY, CALIFORNIA, AUTHORIZING THE ISSUANCE OF ITS LOCAL AGENCY REFUNDING BONDS IN ONE OR MORE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED TWENTY MILLION DOLLARS (\$20,000,000) AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH**

**WHEREAS**, the Beaumont Public Improvement Authority (the “Authority”) is a joint exercise of powers authority duly organized and existing under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”), and is authorized pursuant to Article 4 of the Act (the “Bond Law”) to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations to provide financing and refinancing for capital improvements of member entities of the Authority and other local agencies;

**WHEREAS**, the City of Beaumont Community Facilities District No. 93-1 (“CFD No. 93-1”) previously issued its City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2012 Series A (Improvement Area No. 8C) (the “Prior Improvement Area No. 8C Bonds”) to finance certain public improvements in connection with the issuance by the Beaumont Financing Authority of its 2012 Local Agency Revenue Bonds, Series A (Improvement Area No. 8C) (the “2012 BFA Bonds”);

**WHEREAS**, CFD No. 93-1 previously issued its City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2011 Series A and 2011 Series B (Improvement Area No. 17B) (the “Prior Improvement Area No. 17B Bonds” and together with the Prior Improvement Area No. 8C Bonds, the “Prior Bonds”) to finance and refinance certain public improvements in connection with the issuance by the Beaumont Financing Authority of its 2011 Local Agency Revenue Bonds, Series A (Improvement Area No. 17B) (the “2011 BFA Bonds” and together with the 2012 BFA Bonds, the “Prior BFA Bonds”);

**WHEREAS**, as a result of favorable conditions in the municipal bond market, the Authority and CFD No. 93-1 desire to defease and refund the outstanding Prior Bonds to effectuate a simultaneous defeasance and refunding of the Prior BFA Bonds; and

**WHEREAS**, the Authority, for the purpose of acquiring special tax refunding bonds of CFD No. 93-1 (collectively, the “Local Obligations”) relating to each of Improvement Area Nos. 8C and 17B located therein (the “Improvement Areas”), the proceeds of which will be utilized to defease and refund on an advance basis the Prior Bonds, has determined to issue its Local Agency Refunding Bonds (the “Authority Bonds”) pursuant to and secured by an Indenture (as defined below) providing for the issuance of the Authority Bonds, all in the manner provided therein; and

Resolution No. \_\_\_\_

**WHEREAS**, the Authority Bonds will be secured by debt service payments paid with respect to the Local Obligations, the payment on each of which will be secured special tax liens on taxable property within the applicable Improvement Area; and

**WHEREAS**, for this refinancing there has been filed with the Secretary of the Board of Directors of the Authority the forms of the following documents to be executed by the Authority with respect to the issuance of the Authority Bonds, which documents the Board desires to approve for execution as described herein:

(1) The Indenture of Trust, (the “Indenture”), by and between the Authority and Wilmington Trust, National Association, as Trustee (“Wilmington Trust”);

(2) The Preliminary Official Statement for the Authority Bonds (the “Preliminary Official Statement”);

(3) The Bond Purchase Agreement, to be dated the date of sale, by and between Stifel, Nicolaus & Company, Incorporated, as Underwriter (the “Underwriter”), the Authority and CFD No. 93-1 (the “Bond Purchase Agreement”); and

(4) The Continuing Disclosure Agreement by and between the Authority and Webb Municipal Finance, LLC, as dissemination agent (the documents described in (1) through (4) above are collectively referred to herein as the “Authority Documents”);

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE BEAUMONT PUBLIC IMPROVEMENT AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

Section 1. Each of the above recitals is true and correct and is adopted by the Board of Directors.

Section 2. The Authority Bonds shall be issued in an aggregate principal amount not to exceed \$20,000,000 with the exact principal amount to be determined by the official signing the Bond Purchase Agreement in accordance with Section 4 below. The Authority Bonds shall mature on the dates and pay interest at the rates set forth in the Bond Purchase Agreement to be executed on behalf of the Authority in accordance with Section 4 below. The Authority Bonds shall be issued under the terms of the Indenture, the form of which is on file with the Secretary of the Board of Directors. The form of the Indenture presented at this meeting is hereby approved and each of the Chair of the Board of Directors, the Executive Director and the Treasurer, or their respective written designees (collectively, the “Authorized Officers”), is hereby authorized to execute the Indenture, in the form hereby approved, with such additions thereto and changes therein as the officer or officers executing the same deem necessary to accomplish the issuance of the Authority Bonds as contemplated by this Resolution. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Indenture by one or more of such Authorized Officers.

Section 3. The Authority Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Board of Directors, and attested with the manual or facsimile signature of the Secretary of the Board of Directors.

**Resolution No. \_\_\_\_**

Section 4. The form of the Bond Purchase Agreement presented at this meeting is hereby approved; and each of the Authorized Officers is hereby authorized to execute the Bond Purchase Agreement in the form so approved, with such additions thereto and changes therein as are necessary to conform the Bond Purchase Agreement to the dates, amounts and interest rates applicable to the Authority Bonds as of the sale date or to cure any defect or ambiguity therein. Approval of such additions and changes shall be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement by one or more of such Authorized Officers; provided, however, that the Bond Purchase Agreement shall be signed only if the Underwriter’s discount (exclusive of original issue discount) does not exceed 1.21% of the principal amount of the Authority Bonds. Each of the Executive Director, the Treasurer and their written designees is authorized to determine the day on which the Authority Bonds are to be priced in order to attempt to produce the lowest borrowing cost for the Authority and may reject any terms presented by the Underwriter to the Authority if determined not to be in the best interest of the Authority.

In the event the Executive Director or his or her written designee determines that the purchase of one or more of the Local Obligations will not result in sufficient net present value savings to CFD No. 93-1 or will not otherwise achieve the purposes of the Authority set forth in this Resolution, then such Local Obligations will not be purchased by the Authority, and the Authority Documents may be amended to reflect that such Local Obligations will not be purchased by the Authority.

Section 5. The form of the Continuing Disclosure Agreement presented at this meeting is hereby approved; and each of the Authorized Officers is authorized to execute and deliver the Continuing Disclosure Agreement in the form hereby approved, with such additions thereto and changes therein as the officers executing the same deem necessary to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission, as amended, and to cure any ambiguity or defect therein. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Continuing Disclosure Agreement by one or more of such officers.

Section 6. The form of the Preliminary Official Statement presented at this meeting is hereby approved; and the Underwriter is hereby authorized to distribute the Preliminary Official Statement to prospective purchasers of the Authority Bonds in the form hereby approved, together with such additions thereto and changes therein as are determined necessary by the Treasurer of the Authority, or his or her written designee, to make such Preliminary Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission, as amended, including, but not limited to, such additions and changes as are necessary to make the information therein accurate and not misleading. Each of the Authorized Officers is hereby authorized to execute a final Official Statement in the form of the Preliminary Official Statement, together with such changes as are determined necessary by the Treasurer of the Authority, or his or her written designee, to make such Official Statement complete and accurate as of its date. The Underwriter is further authorized to distribute the final Official Statement for the Authority Bonds and any supplement thereto to the purchasers thereof upon its execution on behalf of the Authority as described above.

Section 7. The Authorized Officers are hereby appointed as the authorized officers of the Authority for all purposes required to effect the issuance of the Authority Bonds and are hereby authorized, empowered, and directed, jointly and severally, to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the foregoing actions.

**Resolution No. \_\_\_\_**

Section 8. Stradling Yocca Carlson & Rauth, a Professional Corporation (“SYCR”) shall act as bond counsel and disclosure counsel with respect to the issuance of the Authority Bonds and the Local Obligations to be issued simultaneously with the issuance of the Authority Bonds. Each of the Authorized Officers is authorized to execute and deliver a Bond Counsel Agreement with SYCR.

Section 9. Urban Futures, Incorporated (“UFI”) shall act as municipal advisor to the Authority and CFD No. 93-1 in connection with the issuance of the Authority Bonds and the Local Obligations.

Section 10. Webb Municipal Finance, LLC shall act as special tax consultant in connection with the issuance of the Authority Bonds and the Local Obligations.

Section 11. Wilmington Trust shall act as Trustee and Fiscal Agent in connection with the issuance of the Authority Bonds and the Local Obligations, respectively.

Section 12. Wilmington Trust shall act as Escrow Agent in connection with the refunding of the Prior Bonds and Prior BFA Bonds.

Section 13. Each of the Authorized Officers is authorized, but not required, to obtain a rating of the Authority Bonds from a nationally recognized rating service and to obtain a municipal bond insurance policy and/or a reserve surety guaranteeing payment of principal and interest with respect to some or all of the Authority Bonds, and to pay the premium or fee therefor from the proceeds of the sale of the Authority Bonds, if such Authorized Officer, in consultation with UFI, determines that obtaining such rating, municipal bond insurance policy or reserve surety will result in a lower total interest cost with respect to the Authority Bonds. The Authorized Officers are hereby further authorized to revise any of the documents referenced herein, or any related documents, to incorporate any provisions required in order to obtain such a municipal bond insurance policy and/or a reserve surety. Each of the Authorized Officers, acting alone, is further authorized to execute commitments and reimbursement agreements relating to such municipal bond insurance policy and reserve surety.

Section 14. The Board of Directors acknowledges that the good faith estimates required by Section 5852.1 of the California Government Code are disclosed in the staff report for this Resolution and are available to the public at the meeting at which this Resolution is approved.

Section 15. All actions heretofore taken by the officers and agents of the Authority or the City of Beaumont (the “City”), acting for and on behalf of the Authority, with respect to the sale and issuance of the Authority Bonds are hereby approved, confirmed and ratified. The Authorized Officers are hereby authorized and directed, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance and sale of the Authority Bonds and otherwise to effectuate the purposes of this Resolution.

Section 16. This Resolution shall take effect immediately upon its adoption.

ADOPTED, SIGNED AND APPROVED this 7<sup>th</sup> day of July, 2020.

**Resolution No. \_\_\_\_**

*Item 10.*

Rey Santos, Chair,  
Beaumont Public Improvement Authority

ATTEST:

---

Nicole Wheelwright, Assistant Secretary,  
Beaumont Public Improvement Authority

Resolution No. \_\_\_\_

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF RIVERSIDE )

I, Nicole Wheelwright, Assistant Secretary of the Board of Directors of Beaumont Public Improvement Authority, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said Authority at a regular meeting of said Board held on the 7<sup>th</sup> day of July, 2020, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Nicole Wheelwright, Assistant Secretary  
Beaumont Public Improvement Authority

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF RIVERSIDE )

I, Nicole Wheelwright, Assistant Secretary of the Board of Directors of Beaumont Public Improvement Authority, do hereby certify that the above and foregoing is a full, true and correct copy of RESOLUTION NO. \_\_\_\_\_, of said Board, and that the same has not been amended or repealed.

DATED: \_\_\_\_\_, 2020

\_\_\_\_\_  
Nicole Wheelwright, Assistant Secretary  
Beaumont Public Improvement Authority

---

---

**INDENTURE OF TRUST**

**by and between**

**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY**

**and**

**WILMINGTON TRUST, NATIONAL ASSOCIATION,  
as Trustee**

**Dated as of July 1, 2020**

**\$ \_\_\_\_\_**  
**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY**  
**LOCAL AGENCY REFUNDING BONDS**  
**SERIES 2020A**  
**(FEDERALLY TAXABLE)**

---

---

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS; AUTHORIZATION AND PURPOSE OF BONDS; EQUAL SECURITY

Section 1.1 Definitions..... 2  
 Section 1.2 Rules of Construction..... 13  
 Section 1.3 Authorization and Purpose of Bonds ..... 14  
 Section 1.4 Equal Security ..... 14

ARTICLE II

ISSUANCE OF BONDS

Section 2.1 Terms of Bonds..... 14  
 Section 2.2 Redemption of Bonds..... 15  
 Section 2.3 Form of Bonds ..... 17  
 Section 2.4 Execution of Bonds..... 17  
 Section 2.5 Transfer of Bonds..... 18  
 Section 2.6 Exchange of Bonds ..... 18  
 Section 2.7 Temporary Bonds..... 18  
 Section 2.8 Bond Register..... 18  
 Section 2.9 Bonds Mutilated, Lost, Destroyed or Stolen..... 19  
 Section 2.10 Book-Entry System ..... 19

ARTICLE III

DEPOSIT AND APPLICATION OF PROCEEDS

Section 3.1 Issuance of Bonds ..... 21  
 Section 3.2 Application of Proceeds of Sale of Bonds and Funds Received from the  
 City and Community Facilities District ..... 21  
 Section 3.3 Revenue Fund ..... 21  
 Section 3.4 Costs of Issuance Fund ..... 21  
 Section 3.5 Purchase Fund ..... 21  
 Section 3.6 Reserve Fund ..... 22  
 Section 3.7 Surplus Fund ..... 22  
 Section 3.8 Administrative Expense Fund..... 22  
 Section 3.9 Additional Funds and Accounts ..... 22  
 Section 3.10 Validity of Bonds ..... 22

ARTICLE IV

REVENUES; FLOW OF FUNDS

Section 4.1 Pledge of Revenues; Assignment of Rights ..... 22  
 Section 4.2 Receipt, Deposit and Application of Revenues; Revenue Fund ..... 23  
 Section 4.3 Reserve Fund ..... 24  
 Section 4.4 Surplus Fund ..... 27

**TABLE OF CONTENTS**  
**(continued)**

	<b>Page</b>
Section 4.5	Investments ..... 27
Section 4.6	Valuation and Disposition of Investments ..... 28

**ARTICLE V**

**COVENANTS OF THE AUTHORITY**

Section 5.1	Punctual Payment..... 29
Section 5.2	Extension of Payment of Bonds..... 29
Section 5.3	Against Encumbrances..... 29
Section 5.4	Power to Issue Bonds and Make Pledge and Assignment ..... 29
Section 5.5	Accounting Records and Financial Statements..... 29
Section 5.6	Conditions to Issuance of Additional Obligations ..... 30
Section 5.7	Local Obligations..... 30
Section 5.8	Sale of Local Obligations..... 31
Section 5.9	Continuing Disclosure Agreement..... 32
Section 5.10	Further Assurances..... 32
Section 5.11	Pledged Revenues ..... 32

**ARTICLE VI**

**THE TRUSTEE**

Section 6.1	Appointment of Trustee ..... 32
Section 6.2	Acceptance of Trusts..... 33
Section 6.3	Fees, Charges and Expenses of Trustee ..... 36
Section 6.4	Notice to Bond Owners of Default ..... 36
Section 6.5	Intervention by Trustee ..... 36
Section 6.6	Removal of Trustee..... 37
Section 6.7	Resignation by Trustee..... 37
Section 6.8	Appointment of Successor Trustee ..... 37
Section 6.9	Merger or Consolidation ..... 37
Section 6.10	Concerning any Successor Trustee ..... 37
Section 6.11	Appointment of Co-Trustee ..... 38
Section 6.12	Indemnification; Limited Liability of Trustee ..... 38

**ARTICLE VII**

**MODIFICATION AND AMENDMENT OF THE INDENTURE**

Section 7.1	Amendment Hereof..... 39
Section 7.2	Effect of Supplemental Indenture ..... 40
Section 7.3	Endorsement or Replacement of Bonds After Amendment..... 40
Section 7.4	Amendment by Mutual Consent ..... 40

**TABLE OF CONTENTS**  
**(continued)**

**Page**

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF BOND OWNERS

Section 8.1	Events of Default .....	40
Section 8.2	Remedies; Rights of Bond Owners .....	41
Section 8.3	Application of Revenues and Other Funds After Event of Default .....	42
Section 8.4	Power of Trustee to Control Proceedings .....	42
Section 8.5	Appointment of Receivers .....	43
Section 8.6	Non Waiver .....	43
Section 8.7	Rights and Remedies of Bond Owners .....	43
Section 8.8	Termination of Proceedings .....	44

ARTICLE IX

MISCELLANEOUS

Section 9.1	Limited Liability of Authority .....	44
Section 9.2	Benefits of Indenture Limited to Parties .....	44
Section 9.3	Discharge of Indenture .....	44
Section 9.4	Successor is Deemed Included in All References to Predecessor .....	46
Section 9.5	Content of Certificates .....	46
Section 9.6	Execution of Documents by Bond Owners .....	46
Section 9.7	Disqualified Bonds .....	47
Section 9.8	Waiver of Personal Liability .....	47
Section 9.9	Partial Invalidity .....	47
Section 9.10	Destruction of Cancelled Bonds .....	47
Section 9.11	Funds and Accounts .....	47
Section 9.12	Notices .....	48
Section 9.13	Unclaimed Moneys .....	48
Section 9.14	Payment Due on Other than a Business Day .....	49
Section 9.15	Governing Law .....	49

ARTICLE X

MUNICIPAL BOND INSURANCE POLICY AND RESERVE POLICY

Section 10.1	Consent of the Insurer .....	49
Section 10.2	the Insurer as Owner .....	49
Section 10.3	Special Provisions for Insurer Default .....	49
Section 10.4	the Insurer as Third Party Beneficiary .....	50
Section 10.5	Additional Payments .....	50
Section 10.6	Exercise of Rights by the Insurer .....	50
Section 10.7	Payment Procedure under the Policy .....	51

Signatures	.....	S-1
------------	-------	-----

Exhibit A	Form of Bonds .....	A-1
-----------	---------------------	-----

## INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this “Indenture”), dated as of July 1, 2020, by and between the BEAUMONT PUBLIC IMPROVEMENT AUTHORITY, a joint powers authority organized and existing under the laws of the State of California (the “Authority”) and WILMINGTON TRUST, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America (the “Trustee”);

### WITNESSETH:

WHEREAS, the Beaumont Public Improvement Authority (the “Authority”) is a joint exercise of powers authority duly organized and existing under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”), and is authorized pursuant to Article 4 of the Act to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations to provide financing and refinancing for capital improvements of member entities of the Authority and other local agencies; and

WHEREAS, the City of Beaumont Community Facilities District No. 93-1 (“CFD No. 93-1”) has previously issued bonds (collectively, the “Prior Bonds”) to finance the acquisition of certain public improvements; and

WHEREAS, the Authority has determined to issue its Local Agency Refunding Bonds, Series 2020A (Federally Taxable) (the “Bonds”) in the aggregate principal amount of \$\_\_\_\_\_ for the primary purpose of acquiring special tax refunding bonds of CFD No. 93-1, the proceeds of which will be utilized to defease and refund the Prior Bonds pursuant to and secured by this Indenture in the manner provided herein; 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 to secure the payment of the principal thereof and interest thereon, the Authority has authorized the execution and delivery of this Indenture; and

WHEREAS, the Authority hereby certifies that all acts and proceedings required by law necessary to make the Bonds, when executed by the Authority, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Authority, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of the Indenture have been in all respects duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest and premium (if any) on all Bonds at any time issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable considerations, the receipt and

sufficiency of which is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the respective Owners from time to time of the Bonds, as follows:

## ARTICLE I

### DEFINITIONS; AUTHORIZATION AND PURPOSE OF BONDS; EQUAL SECURITY

**Section 1.1 Definitions.** Unless the context otherwise requires, the terms defined in this Section shall for all purposes of this Indenture and of any Supplemental Indenture and of the Bonds and of any certificate, opinion, request or other documents herein mentioned have the meanings herein specified.

“Act” means Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State, as it may hereafter be amended from time to time.

“Additional Bonds” means additional bonds issued pursuant to Section 5.6 and secured on a parity with the Bonds.

“Administrative Expense Fund” means the fund by that name established and maintained pursuant to this Indenture.

“Alternative Penalty Account” means the account by that name established pursuant to Section 5.8 hereof.

“Annual Debt Service” means, for each Bond Year, the sum of (a) the interest payable on the Outstanding Bonds in such Bond Year, and (b) the principal amount of the Outstanding Bonds scheduled to be paid in such Bond Year.

“Authority” means the Beaumont Public Improvement Authority, a joint exercise of powers agency established pursuant to the laws of the State, whose members as of the date hereof are the City and the Beaumont Parking Authority, until a successor organization shall have become such, and thereafter “Authority” shall mean such successor organization.

“Authority Administrative Expenses” means the fees and expenses of the Trustee, including legal fees and expenses (including fees and expenses of outside counsel and the allocated costs of internal attorneys) and the out of pocket expenses incurred by the Trustee, the City and the Authority in carrying out their duties hereunder including payment of amounts payable to the United States pursuant to Sections 5.7 and 5.8 hereof.

“Authorized Officer” means the Chair, Vice-Chair, Executive Director or Treasurer of the Authority or any other Person authorized by the Authority to perform an act or sign a document on behalf of the Authority for purposes of this Indenture.

“Authority” means the Beaumont Public Improvement Authority, a joint exercise of powers agency established pursuant to the laws of the State, whose members as of the date hereof are the City and the Beaumont Parking Authority.

“Beneficial Owners” means the actual purchasers of the Bonds whose ownership interests are recorded on the books of the DTC Participants.

“Bond Counsel” means any attorney at law or firm of attorneys selected by the Authority, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

“Bond Law” means the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 of the Act (commencing with Section 6584), as it may hereafter be amended from time to time.

“Bond Register” means the registration books for the Bonds maintained by the Trustee in accordance with Section 2.8 hereof.

“Bonds” means the Authority’s Local Agency Refunding Bonds, Series 2020A authorized by and at any time Outstanding pursuant to the Bond Law and this Indenture.

“Bond Year” means each twelve month period extending from September 2 in one calendar year to September 1 of the succeeding calendar year, except in the case of the initial Bond Year which shall be the period from the Closing Date of the Bonds to September 1, 2020, both dates inclusive.

“Business Day” means a day which is not a Saturday or Sunday or a day of the year on which the New York Stock Exchange or banks in New York, New York or Los Angeles, California, or where the Trust Office is located, are not required or authorized to remain closed.

“Certificate of the Authority” means a certificate in writing signed by the Executive Director or Treasurer of the Authority, or by any other officer of the Authority duly authorized in writing by the Board of Directors of the Authority for that purpose.

“CFD Act” means the Mello-Roos Community Facilities Act of 1982, constituting Chapter 2.5 (commencing with Section 53311), Article 1 of Division 2 of Title 5 of the Government Code of that State of California, as amended from time to time.

“City” means the City of Beaumont, a general law city duly organized and existing under and by virtue of the laws of the State of California.

“Closing Date” means the date on which the Bonds were executed and delivered to the Original Purchaser thereof.

“Code” means the Internal Revenue Code of 1986, as amended, and the United States Treasury Regulations proposed or in effect with respect thereto.

“Community Facilities District” or “Community Facilities District No. 93-1” or “CFD No. 93-1” means the City of Beaumont Community Facilities District No. 93-1, a community facilities district formed pursuant to the CFD Act.

“Costs of Issuance” means the costs and expenses incurred in connection with the issuance and sale of the Bonds, the Local Obligations, and the acquisition of the Local Obligations by the Authority, including the acceptance and initial annual fees and expenses (including legal fees and expenses) of the Trustee, legal fees and expenses, costs of printing the Bonds and the preliminary and final Official Statements, fees of financial consultants, the Underwriter’s discount, the premiums

with respect to the Insurance Policy and the Reserve Policy, and other fees and expenses set forth in a Request of the Authority.

“Costs of Issuance Fund” means the fund by that name established in Section 3.4.

“Dated Date” means the date on which the Bonds are issued and authenticated by the Trustee.

“Defeasance Securities” means non-callable, non-prepayable obligations of the type set forth in clause 1 of the definition of Permitted Investments.

“District Trustee” means the Trustees under the Local Obligation Bond Indentures.

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

“DTC Participants” means securities brokers and dealers, banks, trust companies, clearing corporations and other organizations maintaining accounts with DTC.

“Event of Default” means any of the events described in Section 8.1 hereof.

“Fiscal Year” means any twelve month period extending from July 1 in one calendar year to June 30 of the succeeding calendar year, both dates inclusive, or any other twelve month period selected and designated by the Authority as its official fiscal year period.

“Improvement Area No. 8C” means Improvement Area No. 8C of CFD No. 93-1.

“Improvement Area No. 17B” means Improvement Area No. 17B of CFD No. 93-1.

“Improvement Areas” means Improvement Area No. 8C and Improvement Area No. 17B.

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

“Independent Accountant” means any accountant or firm of such accountants appointed and paid by the Authority, and who, or each of whom –

- (a) is in fact independent and not under domination of the Authority or the City;
- (b) does not have any substantial interest, direct or indirect, in the Authority or the City; and
- (c) is not an officer or employee of the Authority, or the City, but who may be regularly retained to make annual or other audits of the books of or reports to the Authority or the City.

“Independent Financial Consultant” means any financial consultant or firm of such consultants appointed and paid by the Authority, and who, or each of whom –

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

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

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

“Information Services” means such services providing information with respect to called bonds in accordance with then current guidelines of the Securities and Exchange Commission, such as the Authority may select in its sole discretion currently the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, maintained on the Internet at <http://emma.msrb.org/>.

“Insurance Policy” or “Policy” means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Bonds when due.

“Insurer” means \_\_\_\_\_, or any successor thereto.

“Interest Account” means the account by that name established and held by the Trustee pursuant to Sections 3.3 and 4.2(a) hereof.

“Interest Payment Date” means March 1 and September 1 in each year, beginning March 1, 2021, and continuing thereafter so long as any Bonds remain Outstanding.

“Late Payment Rate” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank, N.A., at its principal office in The City of New York, New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank, N.A.) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. In the event JPMorgan Chase Bank, N.A., ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such other bank, banking association or trust company as the Insurer, in its sole and absolute discretion, shall designate. Interest at the Late Payment Rate on any amount owing to the Insurer shall be computed on the basis of the actual number of days elapsed in a year of 360 days.

“Local Obligations” means collectively, the following:

(a) City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 8C) 2020 Special Tax Refunding Bonds; and

(b) City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 17B) 2020 Special Tax Refunding Bonds.

“Local Obligations Delinquency Revenues” means Revenues received by the Trustee from the District Trustee for a Series of the Local Obligations representing the payment of delinquent debt service on such Local Obligations.

“Local Obligation Indentures” means the bond indentures executed in connection with the issuance of the Local Obligations.

“Maximum Annual Debt Service” means, as of the date of any calculation, the largest Annual Debt Service during the current or any future Bond Year.

“Moody’s” means Moody’s Investor’s Service, Inc., its successors and assigns.

“Original Purchaser” means Stifel, Nicolaus & Company, Incorporated, and, with respect to the Bonds of any other Series, the entity or entities that purchase such Bonds from the Authority on the date of issuance thereof.

“Outstanding” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.7 hereof) all Bonds theretofore executed and issued by the Authority and authenticated and delivered by the Trustee under this Indenture except –

(a) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation pursuant to Section 2.9 hereof;

(b) Bonds paid or deemed to have been paid within the meaning of Section 9.3 hereof or Bonds called for redemption for which funds have been provided as described in Section 2.2(g) hereof; and

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

“Owner” or “Bond Owner”, when used with respect to any Bond, means the person in whose name the ownership of such Bond shall be registered on the Bond Register.

“Permitted Investments” means any of the following which at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein:

(1) (A) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America (“United States Treasury Obligations”); (B) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America; (C) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America; or (D) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

(2) Federal Housing Administration debentures.

(3) The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

- Federal Home Loan Mortgage Corporation (FHLMC)

Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)

Senior Debt obligations

- Farm Credit Banks (formerly: Federal Land Banks, Federal

Intermediate Credit Banks and Banks for Cooperatives)

Consolidated system-wide bonds and notes

- Federal Home Loan Banks (FHL Banks)

Consolidated debt obligations

- Federal National Mortgage Association (FNMA)

Senior debt obligations

Mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)

- Student Loan Marketing Association (SLMA)

Senior debt obligations (excluded are 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)

- Financing Corporation (FICO)

Debt obligations

- Resolution Funding Corporation (REFCORP)

Debt obligations

(4) Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank (including the Trustee and any affiliate) the short-term obligations of which are rated "A-1" or better by Standard & Poor's.

(5) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks (including the Trustee and any affiliate) which have capital and surplus of at least \$5 million.

(6) Commercial paper rated at the time of purchase (having original maturities of not more than 270 days) “A-1+” by Standard & Poor’s and “Prime-1” by Moody’s.

(7) Money market funds rated “AAm” or “AAm-G” by Standard & Poor’s, or better (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).

(8) “State Obligations,” which means:

(A) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated “A3” by Moody’s and “A” by Standard & Poor’s, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(B) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (A) above and rated “A-1+” by Standard & Poor’s and “Prime-1” by Moody’s.

(C) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (A) above and rated “AA” or better by Standard & Poor’s and “Aa” or better by Moody’s.

(9) Pre-refunded municipal obligations rated “AAA” by S & P and “Aaa” by Moody’s meeting the following requirements:

(A) the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(B) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(C) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations (“Verification”);

(D) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

(E) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(F) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(10) Repurchase agreements:

(A) With (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "A" by Standard & Poor's and Moody's; or (2) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "A" by Standard & Poor's and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated "A" or better by Standard & Poor's and Moody's, provided that:

(a) The market value of the collateral is maintained at levels equal to 104% of the amount of cash transferred by the Trustee to the provider of the repurchase agreement plus accrued interest with the collateral being valued weekly and marked-to-market at one current market price plus accrued interest;

(b) The Trustee or a third party acting solely as agent therefor or for the District (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

(c) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(d) The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or Standard & Poor's is withdrawn or suspended or falls below "A-" by Standard & Poor's or "A3" by Moody's, as appropriate, the provider must, at the direction of the District or the Trustee, within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the District or Trustee.

(B) Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (a) above, so long as such collateral levels are 103% or better and the provider is rated at least “A” by Standard & Poor’s and Moody’s, respectively.

(11) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least “AA” by Standard & Poor’s and “Aa” by Moody’s; provided that, by the terms of the investment agreement:

(A) interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service on the Bonds;

(B) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days’ prior notice; the District and the Trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(C) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof, or, in the case of a bank, that the obligation of the bank to make payments under the agreement ranks *pari passu* with the obligations of the bank to its other depositors and its other unsecured and unsubordinated creditors;

(D) the District and the Trustee receives the opinion of domestic counsel (which opinion shall be addressed to the District and the Trustee) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the District;

(E) the investment agreement shall provide that if during its term.

(1) the provider’s rating by either Standard & Poor’s or Moody’s falls below “AA-” or “Aa3”, respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider’s books) to the District, the Trustee or a third party acting solely as agent therefor (the “Holder of the Collateral”) collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to Standard & Poor’s and Moody’s to maintain an “A” rating in an “A” rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment; and

(2) the provider's rating by either Standard & Poor's or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the District or the District Trustee, within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the District or Trustee; and

(F) The investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession); and

(G) the investment agreement must provide that if during its term

(1) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the District or the Trustee, be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the District or Trustee, as appropriate, and

(2) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the District or Trustee, as appropriate.

(12) The State of California Local Agency Investment Fund; provided that the Trustee may restrict investments in such Fund to the extent necessary to keep monies available for the purposes of this Indenture.

"Principal Account" means the account by that name established and held by the Trustee pursuant to Sections 3.3 and 4.2(a) hereof.

"Proportionate Share" means, as of the date of calculation for any issue of the Local Obligations, the ratio derived by dividing the outstanding principal amount of such Local Obligations by the principal amount of the Outstanding Bonds.

"Purchase Fund" means the fund by that name established and held by the Trustee pursuant to Section 3.5 hereof.

"Record Date" means, with respect to any Interest Payment Date, the fifteenth calendar day of the month preceding the month in which such Interest Payment Date occurs, whether or not such day is a Business Day.

"Redemption Fund" means the fund by that name established with respect to any Local Obligation.

"Request of the Authority" means a written request executed by an Authorized Officer.

“Request of the City” means a written request executed by the Mayor of the City Council of the City, its City Manager, its Assistant City Manager, its Finance Director or any other officer of the City duly authorized by the City Council of the City to sign documents on its behalf with respect to the matters referred to therein.

“Representation Letter” means the representation letter dated as of the Closing Date among the Authority, the Trustee and DTC.

“Reserve Credit Facility” means (i) the Reserve Policy, or (ii) a policy of insurance, a surety bond, a letter of credit or other comparable credit facility, permitting draws thereunder in accordance with Section 4.3 hereof to the final date of maturity of the Bonds or Parity Bonds, so long as (a) the provider of any such policy of insurance, surety bond, letter of credit or other comparable credit facility is rated in at the time of delivery to the Trustee not less than the rating on the Bonds from Standard & Poor’s or another rating agency requested by the Authority to rate the Bonds, and (b) so long as the Policy remains in effect, the Insurer has consented to the delivery of such Reserve Credit Facility.

“Reserve Fund” means the fund by that name established and held by the Trustee pursuant to Section 3.6 hereof.

“Reserve Policy” means the municipal bond debt service reserve insurance policy relating to the Bonds issued by the Insurer.

“Reserve Requirement” means an amount equal to the lowest of (i) 10% of the initial principal amount of the Bonds, (ii) Maximum Annual Debt Service on the Outstanding Bonds, or (iii) 125% of average Annual Debt Service on the Outstanding Bonds; provided, however, that the Reserve Requirement shall never be greater than the initial Reserve Requirement, and, as of any date of calculation, shall not be greater than the Reserve Requirement calculated for the previous Bond Year. As applied to individual accounts of the Reserve Fund, the Reserve Requirement shall initially be allocated as set forth in Section 4.3(a) hereof.

“Responsible Officer” means, when used with respect to the Trustee, the president, any vice president, any assistant vice president, the secretary, any assistant secretary, the treasurer, any assistant treasurer, any senior associate, any associate or any other officer of the Trustee within the Trust Office (or any successor corporate trust office) customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the Trust Office because of such person’s knowledge of and familiarity with the particular subject and having direct responsibility for the administration of this Indenture.

“Revenue Fund” means the fund by that name established and held by the Trustee pursuant to Sections 3.3 and 4.2 hereof.

“Revenues” means: (a) all amounts received from the Local Obligations; (b) any proceeds of the Bonds originally deposited with the Trustee and all moneys deposited and held from time to time by the Trustee in the funds and accounts established hereunder with respect to the Bonds (other than the Surplus Fund); and (c) investment income with respect to any moneys held by the Trustee in the funds and accounts established hereunder with respect to the Bonds (other than investment income on moneys held in the Surplus Fund).

“Securities Depositories” means The Depository Trust Company, 55 Water Street, 50th Floor, New York, NY 10041-0099 Attn. Call Notification Department, Fax (212) 855-7232; and, in accordance with then current guidelines of the securities and Exchange Commission, such other addresses and/or such other securities depositories as the Authority may designate in a Certificate of the Authority delivered to the Trustee.

“Security Documents” means this Indenture, the Local Obligation Indentures and/or any additional or supplemental document executed in connection with the Bonds.

“Series of Local Obligations” means each of the Local Obligations issued pursuant to the Local Obligation Indentures.

“Six Month Period” shall mean the period of time beginning on the Closing Date and ending six months thereafter, and each six month period thereafter until the latest maturity date of the Bonds.

“Special Taxes” means the taxes authorized to be levied by CFD No. 93-1 on parcels within each Improvement Area, which have been pledged to repay the applicable Local Obligations pursuant to the CFD Act.

“Standard & Poor’s” means S&P Global Ratings, a Standard & Poor’s Financial Services, LLC business, its successors and assigns.

“State” means the State of California.

“Supplemental Indenture” means any indenture, agreement or other instrument hereafter duly executed by the Authority in accordance with the provisions of Article VII of this Indenture.

“Surplus Fund” means the fund by that name established pursuant to Section 3.8 hereof.

“Tax Certificate” means any certificate by that name to be executed by the Authority in connection with the issuance of Additional Bonds to establish certain facts and expectations and which contains certain covenants relevant to compliance with the Code.

“Trust Office” means the office of the Trustee at which at any particular time its corporate trust business with respect to this Indenture shall be administered, which office at the date hereof is located in Los Angeles, California, or such other place as designated by the Trustee except that with respect to presentation of Bonds for payment or for registration of transfer and exchange, such term shall mean the office or agency of the Trustee at which, at any particular time, its corporate trust agency business shall be conducted.

“Trustee” means Wilmington Trust, National Association, a national banking association duly organized and existing under the laws of the United States of America, with a corporate trust office in Costa Mesa, California, and its successors and assigns, and any other corporation or association which may at any time be substituted in its place as provided in Article VI hereof.

“Yield” has the meaning given to such term in the Code.

**Section 1.2 Rules of Construction.** All references in this Indenture to “Articles,” “Sections,” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this

Indenture; and the words “herein,” “hereof,” “hereunder,” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

**Section 1.3 Authorization and Purpose of Bonds.** The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Bonds and has found, as a result of such review, and hereby finds and determines, that all things, conditions and acts required by law to exist, happen and/or be performed precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Authority is now authorized under the Bond Law and each and every other requirement of law, to issue the Bonds in the manner and form provided in this Indenture. Accordingly, the Authority hereby authorizes the issuance of the Bonds pursuant to the Bond Law and this Indenture for the primary purpose of providing funds to acquire the Local Obligations.

**Section 1.4 Equal Security.** In consideration of the acceptance of the Bonds by the Owners thereof, this Indenture shall be deemed to be and shall constitute a contract between the Authority and the Owners from time to time of the Bonds; and the covenants and agreements herein set forth to be performed on behalf of the Authority shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds and for the equal and proportionate benefit, security and protection of all Owners of the Bonds as their respective interests appear without preference, priority or distinction as to security or otherwise of any of the Bonds over other Bonds or any of the Bonds over any other Bonds by reason of the number or date thereof or the time of sale, execution or delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

## ARTICLE II

### ISSUANCE OF BONDS

**Section 2.1 Terms of Bonds.** The Bonds authorized to be issued by the Authority under and subject to the Bond Law and the terms of this Indenture shall be dated as of their Closing Date and be designated the “Beaumont Public Improvement Authority Local Agency Refunding Bonds, Series 2020A (Federally Taxable),” which shall be issued in the original aggregate principal amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_).

The Bonds shall be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof, so long as no Bond shall have more than one maturity date. The Bonds shall mature on September 1 in each of the years and in the amounts, and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rates, as follows:

***Maturity Date  
(September 1)***

***Principal Amount***

***Interest Rate Per Annum***

Interest on the Bonds shall be payable on each Interest Payment Date to the person whose name appears on the Bond Register as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee mailed on such Interest Payment Date by first class mail, postage prepaid, to the Owner at the address of such Owner as it appears on the Bond Register or by wire transfer to an account in the United States of America made on such Interest Payment Date upon written instructions of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds provided to the Trustee in writing at least five (5) Business Days before the Record Date for such Interest Payment Date. Principal of and premium (if any) on any Bond shall be paid upon presentation and surrender thereof, at maturity or the prior redemption thereof, at the Trust Office of the Trustee. The principal of and interest and premium (if any) on the Bonds shall be payable in lawful money of the United States of America.

Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) it is authenticated on or before the first Record Date, in which event it shall bear interest from the Dated 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, or from the Dated Date if no interest has been paid or made available for payment.

## **Section 2.2 Redemption of Bonds.**

(a) Optional Redemption. The Bonds maturing on or before September 1, 20\_\_ are not subject to optional call and redemption prior to maturity. The Bonds maturing on and after September 1, 20\_\_ may be redeemed at the option of the Authority, from any source of available funds, prior to maturity on any date on or after September 1, 20\_\_ as a whole, or in part from maturities of the Local Obligations simultaneously redeemed, if any redemption of Local Obligations is being made in conjunction with such optional redemption, and otherwise from such maturities as are selected by the Authority, by lot within a maturity, at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

Prior to consenting to the optional redemption of any Local Obligation which it has purchased and is held under this Indenture, the Authority shall deliver to the Trustee a certificate of an Independent Accountant verifying that, following such optional redemption of the Local Obligations and redemption of Bonds, the principal and interest generated from the remaining Local Obligations is adequate to make the timely payment of principal and interest due on the Bonds remaining Outstanding following such optional redemption. The Authority shall be required to give the Trustee written notice of its intention to redeem Bonds under this Section (a) at least forty-five (45) days prior to the date fixed for redemption (or such lesser number of days as shall be acceptable to the Trustee and which would allow the Trustee to comply with the requirements of Section 2.2(d), in the sole determination of the Trustee, such notice intended for the convenience of the Trustee).

(b) Special Redemption. The Bonds are subject to special redemption on any Interest Payment Date from proceeds of early redemption of Local Obligations from prepayments of Special Taxes within an Improvement Area, in whole or in part, from maturities corresponding proportionately to the maturities of the Local Obligations simultaneously redeemed, at the principal amount thereof, plus a premium expressed below as a percentage of the principal amount so redeemed, plus accrued interest to the date of redemption thereof:

***Redemption Dates***

***Premium***

(c) Notice of Redemption. The Trustee on behalf, and at the expense, of the Authority shall send notice of any redemption to the respective Owners of any Bonds designated for redemption at their respective addresses appearing on the Bond Register, and to the Securities Depositories and to the Information Services, at least thirty (30) but not more than sixty (60) days prior to the date fixed for redemption. Neither failure to receive any such notice so sent nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice shall state the date of the notice, the redemption date, the redemption place and the redemption price and shall designate the CUSIP numbers, Bond numbers and the maturity or maturities (in the event of redemption of all of the Bonds of such maturity or maturities in whole) of the Bonds to be redeemed, and shall require that such Bonds be then surrendered at the Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date. Such redemption notices may state that no representation is made as to the accuracy or correctness of the CUSIP numbers printed therein or on the Bonds.

In the case of an optional or special redemption of Bonds, such notice may state that such redemption is subject to receipt by the Trustee, on or before the date fixed for redemption, of moneys sufficient to pay the redemption price of the Bonds to be redeemed.

Unless funds for the optional or special redemption of any Bonds are irrevocably deposited with the Trustee prior to rendering notice of redemption to the Bondowners, such notice shall state that such redemption is subject to the deposit of funds by the Authority. Any notice of optional or special redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for

redemption, and such cancellation shall not constitute an Event of Default under this Indenture. The Authority and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall send notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

Upon the payment by the Trustee from the applicable account in the Revenue Fund of the redemption price of the Bond being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(d) Selection of Bonds of a Maturity for Redemption. Unless otherwise provided hereunder, whenever provision is made in this Indenture or in the applicable Supplemental Indenture for the redemption of less than all of the Bonds of a maturity, the Trustee shall select the Bonds to be redeemed from all Bonds of such maturity not previously called for redemption, by lot in any manner which the Trustee in its sole discretion shall deem appropriate and fair. For purposes of such selection, all Bonds shall be deemed to be comprised of separate \$5,000 authorized denominations, and such separate authorized denominations shall be treated as separate Bonds which may be separately redeemed.

(e) Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of the same maturity date, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

(f) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption shall have been duly provided, such Bonds so called shall cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price, and no interest shall accrue thereon from and after the redemption date specified in such notice. All Bonds redeemed pursuant to this Section 2.2 shall be cancelled and destroyed.

**Section 2.3 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 2.4 Execution of Bonds.** All the Bonds shall, from time to time, be executed on behalf of the Authority by, or bear the manual or facsimile signature of, one of the members of the Board of Directors of the Authority and be attested by the manual or facsimile signature of the Secretary or by any deputy thereof. If any of the directors or officers who shall have signed or sealed any of the Bonds or whose facsimile signature shall be upon the Bonds shall cease to be such officer of the Authority before the Bond so signed and sealed shall have been actually authenticated by the Trustee or delivered, such Bonds nevertheless may be authenticated, issued and delivered with the same force and effect as though the person or persons who signed or sealed such Bonds or whose facsimile signature shall be upon the Bonds had not ceased to be such officer of the Authority; and any such Bond may be signed and sealed on behalf of the Authority by those persons who, at the actual date of the execution of such Bonds, shall be the proper officers of the Authority, although at the date of such Bond any such person shall not have been such officer of the Authority.

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

**Section 2.5 Transfer of Bonds.** Subject to Section 2.10, any Bond may in accordance with its terms, be transferred, upon the Bond Register, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed. Whenever any Bond shall be surrendered for transfer, the Authority shall execute and the Trustee shall thereupon authenticate and deliver to the transferee a new Bond or Bonds of like tenor, maturity and aggregate principal amount. No Bonds selected for redemption shall be subject to transfer pursuant to this Section nor shall any Bond be subject to transfer during the fifteen days prior to the selection of Bonds for redemption.

The cost of printing any Bonds and any services rendered or any expenses incurred by the Trustee in connection with any transfer or exchange shall be paid by the Authority. However, the Owners of the Bonds shall be required to pay any tax or other governmental charge required to be paid for any exchange or registration of transfer and the Owners of the Bonds shall be required to pay the reasonable fees and expenses of the Trustee and Authority in connection with the replacement of any mutilated, lost or stolen Bonds.

**Section 2.6 Exchange of Bonds.** Subject to Section 2.10, Bonds may be exchanged at the Trust Office of the Trustee for Bonds of the same tenor and maturity and of other authorized denominations. No Bonds selected for redemption shall be subject to exchange pursuant to this Section, nor shall any Bond be subject to exchange during the fifteen days prior to the selection of Bonds for redemption. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer or exchange shall be paid by the Authority.

**Section 2.7 Temporary Bonds.** The Bonds may be issued initially 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 Authority 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 Authority and be registered and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the Authority issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds may be surrendered for cancellation, in exchange therefor at the Trust Office of the Trustee, and the Trustee shall authenticate and 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 under this Indenture as definitive Bonds authenticated and delivered hereunder.

**Section 2.8 Bond Register.** The Trustee will keep or cause to be kept at its Trust Office sufficient records for the registration and transfer of the Bonds, which shall be the Bond Register and shall at all times during regular business hours be open to inspection by the Authority upon reasonable notice; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said records, Bonds as hereinbefore provided.

The Authority and the Trustee may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever.

**Section 2.9 Bonds Mutilated, Lost, Destroyed or Stolen.** If any Bond shall become mutilated, the Authority, at the expense of the Owner of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and authorized denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled by it and destroyed in accordance with the retention policy of the Trustee then in effect. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, at the expense of the Bond Owner, the Authority shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee). The Trustee may require payment of a reasonable fee for each new Bond issued under this Section and of the expenses which may be incurred by the Authority and the Trustee. 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 contractual obligation on the part of the Authority whether or not the Bond alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

**Section 2.10 Book-Entry System.**

(a) All Bonds shall be initially issued in the form of a separate single certificated fully registered Bond for each maturity date of the Bonds. Upon initial issuance, the ownership of each Bond shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC. Except as provided in Section 2.10(d) hereof, all Outstanding Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds registered in the Bond Register in the name of Cede & Co., as nominee of DTC, the Authority and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Bond Register, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The Authority and the Trustee may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners, as shown in the Bond Register, as provided in Section 2.8 hereof, or their respective attorneys duly authorized in writing, and all such payments shall be valid and

effective to fully satisfy and discharge the Authority's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a certificated Bond evidencing the obligation of the Authority to make payments of principal, premium, if any, and interest pursuant to this Indenture. 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 herein with respect to record dates, the word "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

(c) The delivery of the Representation Letter and the Trustee shall not in any way limit the provisions of Section 2.10(b) hereof or in any other way impose upon the Authority or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Owners, as shown on the Bond Register. The Trustee shall take all action necessary for all representations in the Representation Letter with respect to the Trustee to be complied with at all times.

(d) (i) DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law.

(ii) The Authority, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Bonds if the Authority determines that:

(A) DTC is unable to discharge its responsibilities with respect to the Bonds, or

(B) a continuation of the requirement that all Outstanding Bonds be registered in the Bond Register in the name of Cede & Co., or any other nominee of DTC, is not in the best interest of the beneficial owners of such Bonds.

(iii) Upon the termination of the services of DTC with respect to the Bonds pursuant to subsection 2.10(d)(ii)(B) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Bonds pursuant to subsection 2.10(d)(i) or subsection 2.10(d)(ii)(A) hereof after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Authority, is willing and able to undertake such functions upon reasonable and customary terms, the Authority is obligated to deliver Bond certificates, as described in this Indenture and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co. as nominee of DTC, but may be registered in whatever name or names DTC shall designate to the Trustee in writing, in accordance with the provisions of this Indenture.

(e) Notwithstanding any other provisions of this Indenture to the contrary, as long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal or, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

**ARTICLE III**

**DEPOSIT AND APPLICATION OF PROCEEDS**

**Section 3.1 Issuance of Bonds.** Upon the execution and delivery of this Indenture, the Authority shall execute and deliver the Bonds in the principal amounts set forth in Section 2.1 hereof to the Trustee for authentication and delivery to the Original Purchaser thereof upon the Request of the Authority.

**Section 3.2 Application of Proceeds of Sale of Bonds and Funds Received from the City and Community Facilities District.**

(a) Upon the receipt by the Trustee of payment for the Bonds in the amount of \$\_\_\_\_\_ (which is comprised of the par amount of the Bonds, less Underwriter’s discount of \$\_\_\_\_\_ and less moneys wired to the Insurer in the amount of \$\_\_\_\_\_), such proceeds of the Bonds shall be deposited in the Purchase Fund for the acquisition of the Local Obligations in accordance with Section 3.5 hereof.

(b) \$\_\_\_\_\_ of proceeds of the Local Obligations received by the Trustee from the District Trustees for deposit in the Costs of Issuance Fund, shall be deposited in the Costs of Issuance Fund for the payment of Costs of Issuance in accordance with Section 3.4 hereof.

**Section 3.3 Revenue Fund.** The Trustee shall establish and maintain a separate fund to be known as the “Revenue Fund” and the following separate accounts therein: Interest Account and Principal Account. Except as otherwise provided herein, the Trustee shall deposit all Revenues received after the Closing Date to the Revenue Fund and shall apply amounts in the Revenue Fund as described in Section 4.2 below.

**Section 3.4 Costs of Issuance Fund.** The Trustee shall establish and maintain a fund known as the “Costs of Issuance Fund” into which shall be deposited the amounts set forth in Section 3.2(b) above. The moneys in the Costs of Issuance Fund shall be used to pay Costs of Issuance from time to time upon receipt by the Trustee of a Request of the Authority. Each such Request of the Authority 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 which is one hundred twenty (120) days following the Closing Date, or upon the earlier receipt by the Trustee of a Request of the Authority stating that all Costs of Issuance have been paid, the Trustee shall transfer all remaining amounts in the Costs of Issuance Fund to the Revenue Fund. Upon such transfer, the Costs of Issuance Fund shall be closed and the Trustee shall no longer be obligated to make payments for Costs of Issuance. The Authority may at any time file a Request of the Authority requesting that the Trustee retain a specified amount in the Costs of Issuance Fund and transfer to the Revenue Fund all remaining amounts, and upon receipt of such request by the Trustee, the Trustee shall comply with such request.

**Section 3.5 Purchase Fund.** The Trustee shall establish and maintain a separate fund to be known as the “Purchase Fund” into which shall be deposited a portion of the proceeds of sale of the Bonds pursuant to Section 3.2(a) hereof. The Trustee shall use the proceeds of the Bonds to purchase Local Obligations on the Closing Date; provided, however, that such Local Obligations may be purchased only if the Trustee has received a certificate of the Original Purchaser of the Bonds or an Independent Financial Consultant stating that the Revenues to be available to the Trustee,

assuming timely payment of the Local Obligations, will be sufficient to permit the timely payment of the principal of and interest on all Outstanding Bonds.

**Section 3.6 Reserve Fund.** The Trustee shall establish and maintain a separate fund to be known as the “Reserve Fund” and within such fund, accounts to be known as the “Improvement Area No. 8C Reserve Account” and the “Improvement Area No. 17B Reserve Account,” respectively, which shall be administered as provided in Section 4.3(a) hereof.

**Section 3.7 Surplus Fund.** The Trustee shall establish and maintain a separate fund, when needed, to be known as the “Surplus Fund” which shall be administered as described in Section 4.4 hereof.

**Section 3.8 Administrative Expense Fund.** The Trustee shall establish and maintain a separate fund to be held by the Trustee and known as the “Administrative Expense Fund” into which shall be deposited the amounts specified in Section 4.2(d). The moneys in the Administrative Expense Fund shall be used to pay Authority Administrative Expenses or shall be transferred to the Surplus Fund, in either case, upon receipt of a Requisition of the Authority.

**Section 3.9 Additional Funds and Accounts.** The Trustee may establish such additional funds and accounts as it may determine from time to time are advisable to effectuate the purposes of the Indenture.

**Section 3.10 Validity of Bonds.** The validity of the authorization and issuance of the Bonds shall not be affected in any way by any proceedings taken by the Authority or the City with respect to the application of the proceeds of the Bonds, and the recital contained in the Bonds that the same are issued pursuant to the Bond Law shall be conclusive evidence of their validity and of the regularity of their issuance.

## ARTICLE IV

### REVENUES; FLOW OF FUNDS

**Section 4.1 Pledge of Revenues; Assignment of Rights.** Subject to the provisions of Sections 6.3 and 9.3 hereof, the Bonds shall be secured by a first lien on and pledge (which shall be effected in the manner and to the extent hereinafter provided) of all of the Revenues. The Bonds shall be equally secured by a pledge, charge and lien upon the Revenues without priority for any Bond over any other Bond; and the payment of the interest on and principal of the Bonds and any premiums upon the redemption of any Bonds shall be and are secured by an exclusive pledge, charge and lien upon the Revenues. So long as any of the Bonds are Outstanding, the Revenues shall not be used for any purpose except as is expressly permitted by this Indenture.

The Authority hereby transfers in trust, grants a security interest in and assigns to the Trustee, for the benefit of the Owners from time to time of the Bonds, respectively, all of the Revenues and all of the right, title and interest of the Authority in the Local Obligations, subject to the terms of this Indenture. The Trustee shall be entitled to and shall collect and receive all of the Revenues and any Revenues collected or received by the Authority shall be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and shall forthwith be paid by the Authority to the Trustee. The Trustee also shall be entitled to and, subject to the provisions of this Indenture and its rights and protections hereunder, the Trustee shall take all steps, actions and

proceedings reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority and all of the obligations of the City and the Community Facilities District under the Local Obligations.

Upon the deposit with the Trustee of moneys sufficient to pay all principal of, premium, if any, and interest on the Bonds, and upon satisfaction of all claims against the Authority hereunder, including all fees, charges and expenses of the Trustee and the Authority which are properly payable hereunder, or upon the making of adequate provisions for the payment of such amounts as permitted hereby, all moneys remaining in all funds and accounts pertaining to such Bonds (except moneys necessary to pay principal of, premium, if any, and interest on the Bonds, which moneys shall be held by the Trustee pursuant to Section 9.3), shall no longer be considered Revenues and are not pledged to repay the Bonds. Such amounts shall be transferred to the trustee for each Series of Local Obligations then outstanding proportionately based on their respective Proportionate Share. In the event that the Local Obligations have been paid or defeased, then any such amounts shall be paid by the Trustee to the Authority to be used by the Authority for any lawful purpose.

**Section 4.2 Receipt, Deposit and Application of Revenues; Revenue Fund.** Subject to Section 4.2(a)(iv) below, all Revenues described in clause (a) of the definition thereof in Section 1.1 shall be promptly deposited by the Trustee upon receipt thereof in the Revenue Fund.

(a) On each Interest Payment Date, the Trustee shall transfer from the Revenue Fund, and deposit into the following respective accounts for the Bonds, the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(i) Interest Account. On each Interest Payment Date, the Trustee shall deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to equal the amount of interest becoming due and payable on such Interest Payment Date on all Outstanding Bonds on such date. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity). In the event that the amounts on deposit in the Interest Account on any Interest Payment Date, after any transfers from the Reserve Fund pursuant to Section 4.3(a) hereof, are insufficient for any reason to pay the aggregate amount of interest then coming due and payable on the Outstanding Bonds, the Trustee shall apply such amounts to the payment of interest on each of the Outstanding Bonds on a pro rata basis.

(ii) Principal Account. On each September 1 on which principal (or sinking fund payments) of the Bonds shall be payable, the Trustee shall deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of, and premium (if any) on, the Bonds coming due and payable on such date, or required to be redeemed on such date pursuant to Section 2.2 hereof; provided, however, that no amount shall be deposited to effect a redemption pursuant to Section 2.2(a) hereof unless the Trustee has first received a certificate of an Independent Accountant certifying that such deposit to effect an optional redemption of the Bonds will not impair the ability of the Authority to make timely payment of the principal of and interest on the Bonds, assuming for such purposes that the Community Facilities District continues to make timely payments on all Local Obligations not then

in default. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of (i) paying the principal of the Bonds at the maturity thereof, (ii) paying the sinking fund payments with respect to the Bonds, or (iii) paying the principal of and premium (if any) on any Bonds upon the redemption thereof pursuant to Section 2.2 hereof.

(iii) Reserve Fund. On each Interest Payment Date on which the balance in the Reserve Fund is less than the Reserve Requirement, or amounts are due to the Insurer under a Reserve Credit Facility, after making deposits required under (i) and (ii) above, the Trustee shall transfer from the Revenue Fund (A) first, an amount sufficient to reimburse an insurer for amounts owed under a Reserve Credit Facility by depositing the amount necessary to reimburse such insurer for amounts owed under the applicable Reserve Credit Facility; and (B) second, an amount sufficient to increase the balance in the Reserve Fund to the Reserve Requirement, by depositing the amount necessary to make the various accounts therein combined total the Reserve Requirement from the applicable Improvement Area.

(iv) Local Obligations Delinquency Revenues. The Trustee shall disburse or transfer all Revenues representing Local Obligations Delinquency Revenues in the following order of priority:

First, to make payments required pursuant to Section 8.3 upon the occurrence of an Event of Default as described in Section 8.1(a) and 8.1(b),

Second, to the Reserve Fund to replenish the amount on deposit therein to the Reserve Requirement as set forth in Section 4.3, or to reimburse the Insurer for amounts owed under the Reserve Policy, and

Third, to make the deposits specified in Section 4.2(a)(i) and (ii)above.

(b) If on any Interest Payment Date or date for redemption the amount on deposit in the Revenue Fund is inadequate to make the transfers described in subsection (a) above as a result of a payment default on an issue of Local Obligations, the Trustee shall immediately notify the issuer of such Local Obligations of the amount needed to make the required deposits under subsection (a) above. In the event that following such notice the Trustee receives additional payments from the issuer of such Local Obligation to cure such shortfall, the Trustee shall deposit such amounts to the Revenue Fund for application in accordance with subsection (a) above.

(c) On September 1 of each year, after making the deposits required under subsections (a) and (b) above, the Trustee shall transfer all amounts remaining on deposit in the Revenue Fund to the Administrative Expense Fund unless the Trustee has received a Request of the Authority directing it to transfer all or a portion of the said amounts to the Surplus Fund, in which case the Trustee shall make the transfer to the Surplus Fund so specified.

**Section 4.3 Reserve Fund.**

(a) There shall be maintained in the Reserve Fund an amount equal to the Reserve Requirement. The Trustee shall deposit the Reserve Policy into the Reserve Fund with a stated amount of \$\_\_\_\_\_, of which \$\_\_\_\_\_ shall be initially credited in the Improvement Area No. 8C Reserve Account, and \$\_\_\_\_\_ shall be initially credited in the Improvement Area No. 17B Reserve Account. In the event that the amount of the Reserve

Requirement for the Bonds is changed as determined by the Authority, the Trustee shall, upon receipt of a Request of the Authority, adjust the Reserve Requirement accordingly.

(b) All amounts deposited in the Reserve Fund shall be used solely for the purposes set forth in this Section 4.3. Subject to the limitations set forth in the following paragraph, amounts in the Reserve Fund may be applied to pay the principal of and interest on the Bonds when the moneys in the Interest Account and the Principal Account of the Revenue Fund are insufficient therefor. In addition, amounts in the Reserve Fund may be applied (i) in connection with an optional redemption of Bonds pursuant to Section 2.2 or a defeasance pursuant to Section 9.3, (ii) when the balance therein equals the principal and interest due on the Bonds to and including maturity, (iii) credited to a Community Facilities District as a result of a reduction in the Reserve Requirement resulting from the redemption of the Local Obligations of such Community Facilities District and the Bonds so redeemed in connection therewith, or (iv) when the amount in an account of the Reserve Fund is transferred to the Interest Account and the Principal Account as a credit against the payments due on the Local Obligations secured by such account on the transfer dates specified in subsection (d) below.

(c) Except as otherwise provided herein, all amounts in the Reserve Fund and the Reserve Accounts therein shall be used and withdrawn by the Trustee solely for the purpose of making transfers as described in this Section 4.3. If the amounts in the Interest Account or the Principal Account are insufficient to pay the principal of or interest on the Bonds when due or mandatory sinking fund payments on the Bonds when due, the Trustee shall withdraw from the applicable Reserve Account or Reserve Accounts an amount equal to the deficiency resulting from the delinquency in the payment of scheduled debt service on the applicable Series of Local Obligations and transfer such amount to the Interest Account, the Principal Account or both, as applicable. If there are insufficient funds on deposit in a Reserve Account to cover a deficiency resulting from the delinquency in the payment of scheduled debt service on the applicable Series of Local Obligations, the Trustee shall withdraw from each of the other Reserve Accounts an amount based upon the Proportionate Share applicable to each such Reserve Account of such remaining deficiency and transfer such amounts to the Interest Account, the Principal Account or both, as applicable. The Trustee shall notify the Authority immediately following any withdrawal made pursuant to this Section 4.3.

Upon the transfer by the Trustee to the Reserve Fund of Local Obligations Delinquency Revenues, such Revenues shall be allocated to the Reserve Accounts as follows:

First, to the Reserve Account for any Series of Local Obligations, other than the Reserve Account to which such Local Obligations Delinquency Revenues relate, that amount necessary to increase the amount on deposit in such account to the Reserve Requirement on a Proportionate Share basis if the deficiency in the amount on deposit in such account resulted from draws on such account due to delinquencies in the payment of scheduled debt service on that Series of Local Obligations from which the Local Obligations Delinquency Revenues were received. In the event that such Local Obligations Delinquency Revenues are insufficient to increase the amount on deposit in each of the applicable Reserve Accounts to the Reserve Requirement, a Proportionate Share of such Local Obligations Delinquency Revenues shall be deposited in each such Reserve Account.

Second, after increasing the amount on deposit in each applicable Reserve Account to the Reserve Requirement pursuant to the first step above, to the Reserve Account for the Series of Local Obligations from which the Local Obligations Delinquency Revenues were received that amount

necessary to replenish the amount on deposit in such Reserve Account to the applicable Reserve Requirement.

Third, after making all deposits pursuant to the first and second steps, the remaining Local Obligations Delinquency Revenues, if any, shall be transferred to the Revenue Fund.

(d) When amounts in an account of the Reserve Fund are sufficient to repay the remaining principal and interest due on the related Local Obligations that will be applied to the Bonds, such amounts will be transferred to the Interest Account and the Principal Account as a credit against the payments due on such Local Obligations, with the amount transferred from an account being deposited first to the Interest Account as a credit on the interest due on such Local Obligations on such date and the balance being deposited to the Principal Account as a credit on the principal due on such Local Obligations on such date.

The Reserve Requirement with respect to the Bonds shall be satisfied by the delivery of the Reserve Policy to the Trustee and the deposit of moneys set forth in Section 3.2. The Trustee shall deposit the Reserve Policy and such amounts to the Reserve Fund. Under the terms and conditions of the Reserve Policy, the Trustee shall deliver to the Insurer a demand for payment under the Reserve Policy in the required form at least five Business Days before the date on which funds are required for the purposes set forth herein. The Trustee shall comply with all of the terms and provisions herein and of the Reserve Policy for the purpose of assuring that funds are available thereunder when required for the purposes of the Reserve Fund, within the limits of the coverage amount provided by the Reserve Policy. All amounts drawn by the Trustee under the Reserve Policy will be deposited into the Reserve Fund and applied for the purposes thereof. The Authority and the Community Facilities District shall reimburse the Insurer for all draws under Reserve Policy in accordance with the terms hereof.

(e) From amounts deposited to the Reserve Fund, the Authority 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.

Payment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, the "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

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 and sinking fund payments due. As and to the extent that payments are made to the Insurer on account of principal and sinking fund payments due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

All cash and investments in the Reserve Fund, if any, shall be transferred to the Revenue Fund for payment of principal (and sinking fund payments) of and interest on the Bonds and Additional Bonds before any drawing may be made on the Reserve Policy. Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws 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 Fund. Payment of Policy Costs and reimbursement of amounts with respect to other Reserve Credit Facilities shall be

made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Fund. For the avoidance of doubt, “available coverage” means the coverage then available for disbursement pursuant to the terms of the applicable Reserve Credit Facility 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.

If the Authority 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 Additional Bonds; or (ii) remedies which would adversely affect Owners of the Bonds. This Indenture shall not be discharged until all Policy Costs owing to the Insurer shall have been paid in full. The Authority’s obligation to pay such amounts shall expressly survive payment in full of the Bonds. 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 three (3) Business Days prior to each date upon which interest or principal (or sinking fund payment) is due on the Bonds or Additional Bonds. The Reserve Policy shall expire on the earlier of the date the Bonds are no longer Outstanding or the final maturity of the Bonds.

**Section 4.4 Surplus Fund.** Any amounts transferred to the Surplus Fund pursuant to subsection 4.2 hereof shall no longer be considered Revenues and are not pledged to repay the Bonds. So long as Local Obligations are outstanding, on September 1 of each year, the remaining balance, if any, in the Surplus Fund shall in a Request of the City (i) be transferred by the Trustee to the City Treasurer for credit to the special tax fund of the Community Facilities District, and each Community Facilities District shall be credited a percentage of the total amount available on each September 1 that is equal to the percentage which its outstanding Local Obligation represents of all outstanding Local Obligations held by the Trustee as of the date of disbursement or (ii) as set forth in a Request of the City be applied to the redemption of Local Obligations pursuant to the terms of the Local Obligations Indenture with each Community Facilities District to be credited a percentage of the total amount available on each September 1 that is equal to the percentage which its outstanding Local Obligations represents of all outstanding Local Obligations held by the Trustee as of the date of disbursement. In the event that the Local Obligations have been prepaid or defeased in whole or in part, then such credit shall be applied to the Community Facilities District based on a Certificate of an Independent Financial Consultant prepared at the direction of the Authorized Representative of the City. In the event the Community Facilities District is no longer obligated to levy Special Taxes to repay Local Obligations, then any amounts in the Surplus Fund may be used by the Authority for any lawful purpose, including, but not limited to, the payment of expenses of the Authority, the City or the Community Facilities District relating to the Bonds, the Local Obligations, the Community Facilities District, or any other purpose as specified in a Request of the Authority delivered to the Trustee.

On September 1 of the year preceding the year of the final maturity of the Bonds, the remaining balance in the Surplus Fund shall be credited by the Trustee to the District Trustee on a proportionate basis, to each special tax fund established with respect to Local Obligations. Such amounts shall be applied to reduce debt service payments on Local Obligations

**Section 4.5 Investments.** All moneys in any of the funds or accounts established with the Trustee pursuant to this Indenture shall be invested by the Trustee solely in Permitted Investments, as directed pursuant to the Request of the Authority filed with the Trustee at least two (2) Business Days in advance of the making of such investments. The Trustee shall be entitled to

conclusively rely on any such Request of the Authority as to the suitability and legality of the directed investments and shall be fully protected in relying thereon. In the absence of any such Request of the Authority the Trustee shall hold such moneys uninvested. Permitted Investments purchased as an investment of moneys in any fund or account established pursuant to this Indenture shall be deemed to be part of such fund or account.

All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder shall be deposited in the fund or account from which such investment was made; provided, however, that all interest or gain derived from the investment of amounts in the accounts of the Reserve Fund shall, to the extent the balance in any account thereof exceeds, on August 15 of each year, the Proportionate Share of the Reserve Requirement applicable to such Local Obligation, be withdrawn by the Trustee on such August 15, commencing August 15, 2020, and deposited to the special tax fund of the corresponding Community Facilities District to be applied to the payment of debt service on the applicable Local Obligations on the next Interest Payment Date.

For purposes of acquiring any investments hereunder, the Trustee may commingle moneys held by it in any of the funds and accounts held by it hereunder. The Trustee and its affiliates may act as advisor, sponsor, principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee and its affiliates may make any and all investments permitted herein through its own investment department. The Trustee shall incur no liability for losses arising from any investments made pursuant to this Section 4.5. Ratings of Permitted Investments shall be determined at the time of purchase of such Permitted Investments and without regard to ratings subcategory.

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

**Section 4.6 Valuation and Disposition of Investments.** For the purpose of determining the amount in any fund or account, the value of Permitted Investments credited to such fund or account shall be valued at the original cost thereof (excluding any brokerage commissions and excluding any accrued interest) provided that the investment of any funds held in the Reserve Fund, shall be valued by the Trustee every August 15th at fair market value and marked to market at least quarterly by the Authority. In determining market value of Permitted Investments, the Trustee may use and rely conclusively and without liability upon any generally recognized pricing information service (including brokers and dealers in securities) available to it.

## ARTICLE V

### COVENANTS OF THE AUTHORITY

**Section 5.1 Punctual Payment.** The Authority shall punctually pay or cause to be paid the principal and interest and premium (if any) to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof, but only out of Revenues, and other assets pledged for such payment as provided in this Indenture.

**Section 5.2 Extension of Payment of Bonds.** The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall have been so extended. Nothing in this Section shall be deemed to limit the right of the Authority to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

**Section 5.3 Against Encumbrances.** The Authority shall not create, or permit the creation of, any pledge, lien, charge or other encumbrance upon the Revenues, and other assets pledged or assigned under this Indenture while any of the Bonds are Outstanding, except the pledge and assignment created by this Indenture. Subject to this limitation, the Authority expressly reserves the right to enter into one or more other indentures for any of its corporate purposes, including other programs under the Bond Law, and reserves the right to issue other obligations for such purposes.

**Section 5.4 Power to Issue Bonds and Make Pledge and Assignment.** The Authority is duly authorized pursuant to law to issue the Bonds and to enter into this Indenture and to pledge and assign the Revenues, the Local Obligations and other assets purported to be pledged and assigned, respectively, under this Indenture. The Bonds and the provisions of this Indenture are and will be the legal, valid and binding limited, special obligations of the Authority in accordance with their terms, and the Authority and the Trustee shall at all times, subject to the provisions of Article VI hereof and to the extent permitted by law, defend, preserve and protect said pledge and assignment of the Revenues, the Local Obligations and other assets and all the rights of the Bond Owners under this Indenture against all claims and demands of all persons whomsoever.

**Section 5.5 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 transactions made by it relating to the proceeds of Bonds, the Revenues, the Local Obligations and all funds and accounts established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Authority and the City upon reasonable prior notice during regular business hours and under reasonable circumstances, in each case as agreed to by the Trustee.

Not later than 45 days following each Interest Payment Date, the Trustee shall prepare and file with the Authority a report setting forth: (i) amounts withdrawn from and deposited into each fund and account maintained by the Trustee under this Indenture; (ii) the balance on deposit in each

fund and account as of the date for which such report is prepared; and (iii) a brief description of all obligations held as investments in each fund and account. Copies of such reports may be mailed to any Owner upon the Owner's written request to the Trustee at the expense of such Owner at a cost not to exceed the Trustee's actual costs of duplication and mailing.

**Section 5.6 Conditions to Issuance of Additional Obligations.** Except as set forth in this Section 5.6, the Authority covenants that no additional bonds, notes or other indebtedness shall be issued or incurred which are payable out of Revenues in whole or in part.

The Authority may issue Additional Bonds in such principal amount as shall be determined by the Authority, pursuant to a Supplemental Indenture adopted or entered into by the Authority. Such Additional Bonds may be issued subject to the following conditions precedent:

(a) The Authority shall be in compliance with all covenants set forth in this Indenture and all Supplemental Indentures;

(b) The proceeds of such Additional Bonds shall be applied to accomplish a refunding of all or a portion of the Bonds or any Additional Bonds Outstanding. The issuance of Additional Bonds to refund a portion of the Bonds or any Additional Bonds Outstanding shall require the prior written consent of the Insurer.

(c) The Supplemental Indenture providing for the issuance of such Additional Bonds shall provide that interest thereon shall be payable on September 1 and March 1, and principal thereof shall be payable on September 1 in any year in which principal is payable.

(d) Prior to the delivery of any Additional Bonds, a written certificate must be provided to the Authority and the Trustee by an Independent Financial Consultant which certifies that the Annual Debt Service in each Bond Year on the Additional Bonds does not exceed the Annual Debt Service in each Bond Year on the Bonds defeased or redeemed with the proceeds of such Additional Bonds.

(e) The Supplemental Indenture providing for the issuance of such Additional Bonds may provide for the establishment of separate funds and accounts.

(f) No Event of Default shall have occurred and be continuing with respect to the Bonds or any of the Local Obligations.

(g) The Authority shall deliver to the Trustee a written Certificate of the Authority certifying that the conditions precedent to the issuance of such Additional Bonds set forth in subsections (a), (b), (c), (d) and (f) of this Section 5.6 above have been satisfied and that, upon the issuance of such Additional Bonds an amount equal to the Reserve Requirement, as adjusted (if necessary) to reflect the issuance of such Additional Bonds will be on deposit in the Reserve Fund.

**Section 5.7 Local Obligations.** Subject to the provisions of this Indenture (including Article VI), the Authority and the Trustee, shall use reasonable efforts to collect all amounts due from the Community Facilities District pursuant to the Local Obligations and shall enforce, and take all steps, actions and proceedings which the Authority and Trustee determine to be reasonably necessary for the enforcement of all of the rights of the Authority thereunder and for the enforcement of all of the obligations and covenants of the City and CFD No. 93-1 thereunder. The Authority shall

instruct CFD No. 93-1 to authenticate and deliver to the Trustee the Local Obligations registered in the name of the Trustee.

The Authority, the Trustee and CFD No. 93-1 may at any time consent to, amend or modify any of the Local Obligations Indentures of CFD No. 93-1 pursuant to the terms thereof, (a) with the prior consent of the Insurer, or (b) without the consent of, but with prior written notice to, the Insurer if such amendment or modification is for any one or more of the following purposes:

(a) to add to the covenants and agreements of CFD No. 93-1 contained in such Local Obligations Indentures, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power therein reserved to or conferred upon CFD No. 93-1; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in such Local Obligations Indentures, or in any other respect whatsoever as CFD No. 93-1 may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not materially adversely affect the interests of the Owners of the Bonds in the opinion of Bond Counsel filed with the Trustee; or

(c) to amend any provision thereof to the extent necessary to comply with the Code, but only if and to the extent such amendment will not, in and of itself, adversely affect the exclusion from gross income of the interest on any of Additional Bonds for federal income tax purposes under the Code, in the opinion of Bond Counsel filed with the Trustee.

Prior to executing any such amendment or modification to a Local Obligations Indenture, the Trustee shall be entitled to receive and rely upon an opinion of Bond Counsel to the effect that such amendment or modification is authorized or permitted hereunder and complies with the terms hereunder.

Except as otherwise set forth in this Section 5.9, and Section 5.10 and Article VIII hereof, to the extent that the Trustee is the holder of a Local Obligation under a Local Obligations Indenture in its capacity as Trustee hereunder, the Trustee shall not be required to take any action under the Local Obligations Indentures as a Local Obligation holder, including, without limitation, exercising voting or consent rights, without receiving the written direction of the Insurer.

**Section 5.8 Sale of Local Obligations.** Notwithstanding anything in this Indenture to the contrary, though subject to the prior consent of the Insurer, the Authority may cause the Trustee to sell, from time to time, all or a portion of a Series of Local Obligations, provided that the Authority shall deliver to the Trustee:

(a) a certificate of an Independent Accountant certifying that, following the sale of such Local Obligations and the Revenues to be paid to the Authority (assuming the timely payment of amounts due thereon with respect to any Local Obligations not then in default), together with interest and principal due on any Defeasance Securities pledged to the repayment of the Bonds and the Revenues then on deposit in the funds and accounts established hereunder (valuing any Permitted Investments held hereunder at the then fair market value thereof), will be sufficient to pay the principal of and interest on the Bonds when due; and

(b) an opinion of Bond Counsel that such sale of Local Obligations is authorized under the provisions of this Indenture and will not adversely affect the exclusion of interest on the Bonds from gross income for purposes of federal income taxation.

Upon compliance with the foregoing conditions by the Authority, the Trustee shall sell such Local Obligations in accordance with the Request of the Authority and disburse the proceeds of the sale of such Local Obligations to the Authority or upon the receipt of a Request of the Authority shall deposit such proceeds in the Revenue Fund, in each case such proceeds to be used to discharge all of the Authority's obligations on the portion of the Bonds represented by such Local Obligations in the event of a defeasance as set forth in Section 9.3 hereof.

**Section 5.9 Continuing Disclosure Agreement.** The Authority hereby covenants and agrees that it will comply with and carry out all of its obligations under the Continuing Disclosure Agreement to be executed and delivered by the Authority and Webb Municipal Finance, LLC, as dissemination agent, in connection with the issuance of the Bonds. Notwithstanding any other provision of this Indenture, failure of the Authority to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, any Owner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority to comply with its obligations under this Section 5.11. For purposes of this Section, "Beneficial Owner" means any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories and other intermediaries).

**Section 5.10 Further Assurances.** The Authority will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in this Indenture.

**Section 5.11 Pledged Revenues.** The Authority represents it has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the Revenues that ranks on a parity with or prior to the pledge granted under this Indenture. The Authority shall not hereafter make any pledge or assignment of, lien on, or security interest in the Revenues payable senior to or on a parity with the pledge of Revenues established under this Indenture.

## ARTICLE VI

### THE TRUSTEE

**Section 6.1 Appointment of Trustee.** Wilmington Trust, National Association, with a corporate trust office presently located in Costa Mesa, California, a national banking association organized and existing under and by virtue of the laws of the United States of America, is hereby appointed Trustee by the Authority for the purpose of receiving all moneys required to be deposited with the Trustee hereunder and to allocate, use and apply the same as provided in this Indenture. The Authority agrees that it will maintain a Trustee which is a trust company, association or bank of good standing located in or incorporated under the laws of the State, duly authorized to exercise trust powers, with a combined capital and surplus of at least Seventy-Five Million Dollars (\$75,000,000), subject to supervision or examination by federal or state authority, or otherwise approved by the Insurer in writing, so long as any Bonds are Outstanding. If such bank, 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 Section 6.1, the combined capital and surplus shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee is hereby authorized to pay the principal of and interest and redemption premium (if any) on the Bonds when duly presented for payment at maturity, or on redemption prior to maturity, to make regularly scheduled interest payments, and to cancel any Bond upon payment thereof.

**Section 6.2 Acceptance of Trusts.** The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default hereunder has occurred (which has not been cured or waived), the Trustee may exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill and diligence in their exercise, as a reasonable person would exercise or use under the circumstances in the conduct of his own affairs.

(b) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, but shall not be responsible for the acts of any agents, attorneys or receivers appointed by it with due care. The Trustee may consult with and act upon the advice of counsel (which may be counsel to the Authority) concerning all matters of trust and its duty hereunder and shall be wholly protected in reliance upon the advice or opinion of such counsel in respect of any action taken or omitted by it in good faith and in accordance herewith.

(c) The Trustee shall not be responsible for any recital herein, or in the Tax Certificate or the Bonds, or for any of the supplements thereto or instruments of further assurance, or for the validity, effectiveness or the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby and the Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, conditions or agreements on the part of the Authority hereunder or under the Tax Certificate. The Trustee shall have no responsibility, opinion, or liability with respect to any information, statement, or recital in any offering memorandum, official statement, or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(d) Except as provided in Section 3.2 hereof, the Trustee shall not be accountable for the use of any proceeds of sale of the Bonds delivered hereunder. The Trustee may become the Owner of Bonds secured hereby with the same rights which it would have if not the Trustee; may acquire and dispose of other bonds or evidences of indebtedness of the Authority with the same rights it would have if it were not the Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of Bonds, whether or not such committee shall represent the Owners of the majority in aggregate principal amount of the Bonds then Outstanding.

(e) The Trustee shall be protected and shall incur no liability in acting, or refraining from acting in good faith and without negligence, in reliance upon any notice, request,

consent, certificate, order, affidavit, letter, telegram, facsimile or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken or omitted to be taken by the Trustee in good faith and without negligence pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof. The Trustee shall not be bound to recognize any person as an Owner of any Bond or to take any action at such person's request unless the ownership of such Bond by such person shall be reflected on the Bond Register.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a Certificate of the Authority as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default hereunder of which the Trustee has been given notice or is deemed to have notice, as provided in Section 6.2(h) hereof, shall also be at liberty to accept a Certificate of the Authority to the effect that any particular dealing, transaction or action is necessary or expedient, and shall be fully protected in relying thereon, but may at its discretion secure such further evidence deemed by it to be necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and notwithstanding any other provision of this Indenture, the Trustee shall not be answerable for other than its negligence or willful misconduct. The immunities and exceptions from liability of the Trustee shall extend to its officers, directors, employees and agents.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder except where a Responsible Officer has actual knowledge of such Event of Default and except for the failure by the Authority to make any of the payments to the Trustee required to be made by the Authority pursuant hereto, including payments on the Local Obligations, or failure by the Authority to file with the Trustee any document required by this Indenture to be so filed on a date certain subsequent to the issuance of the Bonds, unless a Responsible Officer shall be specifically notified in writing of such default by the Authority or by the Owners of at least twenty five percent (25%) in aggregate principal amount of the Outstanding Bonds and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered to a Responsible Officer at the Trust Office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default hereunder except as aforesaid. Delivery of a notice to the officer and address for the Trustee set forth in Section 9.12 hereof, as updated by the Trustee from time to time, shall be deemed notice to a Responsible Officer.

(i) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, accountants and representatives, shall have the right fully to inspect all books, papers and records of the Authority pertaining to the Bonds, and to make copies of any of such books, papers and records such as may be desired but which is not privileged by statute or by law.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the performance of its duties hereunder.

(k) Notwithstanding anything elsewhere in this Indenture with respect to the execution of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, the Trustee shall have the right, but shall not be required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, as may be deemed desirable by the Trustee in its sole discretion for the purpose of establishing the right of the Authority to the execution of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(l) Before taking any action referred to in Sections 6.5, Article VIII, or this Article, the Trustee may require that an indemnity bond satisfactory to it be furnished 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 willful misconduct in connection with any such action.

(m) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds.

(n) Whether or not expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of, or affording protection to, the Trustee shall be subject to the provisions of this Article VI.

(o) The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay (“unavoidable delay”) in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of supplies or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

(p) The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Indenture and delivered using Electronic Means (“Electronic Means” means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the Authority shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Authority, whenever a person is to be added or deleted from the listing. If the Authority elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. The Authority understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee

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

Notwithstanding the effective date of this Indenture or anything to the contrary in this Indenture, the Trustee shall have no liability or responsibility for any act or event relating to this Indenture which occurs prior to the date the Trustee formally executes this Indenture and commences acting as Trustee hereunder.

(q) The Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

**Section 6.3 Fees, Charges and Expenses of Trustee.** The Trustee shall be entitled to payment and reimbursement by the Authority for reasonable fees for its services rendered hereunder and all advances (including any interest on advances), counsel fees and expenses (including fees and expenses of outside counsel and the allocated costs of internal attorneys) and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. Upon the occurrence of an Event of Default hereunder, but only upon an Event of Default, the Trustee shall have a first lien with right of payment prior to payment of any Bond upon the amounts held in Funds and accounts hereunder for the foregoing fees, charges and expenses incurred by it respectively. The Trustee's right to payment of its fees and expenses shall survive the discharge and payment or defeasance of the Bonds and termination of this Indenture, and the resignation or removal of the Trustee. When the Trustee incurs expenses or renders services after the occurrence of an Event of Default, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

**Section 6.4 Notice to Bond Owners of Default.** If an Event of Default hereunder occurs with respect to any Bonds of which the Trustee has been given, or is deemed to have notice, as provided in Section 6.2(h) hereof, then the Trustee shall promptly give written notice thereof by first class mail to the Owner of each such Bond unless such Event of Default shall have been cured before the giving of such notice.

**Section 6.5 Intervention by Trustee.** In any judicial proceeding to which the Authority is a party which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of any of the Bonds, the Trustee may intervene on behalf of such Bond Owners,

and subject to Section 6.2(1) hereof, shall do so if requested in writing by the Owners of at least twenty five percent (25%) in aggregate principal amount of such Bonds then Outstanding.

**Section 6.6 Removal of Trustee.** With the consent of the Insurer, the Owners of a majority in aggregate principal amount of the Outstanding Bonds may and the Authority may, so long as no Event of Default then exists, upon 30 days' prior written notice to the Trustee and the Insurer, remove the Trustee initially appointed, and any successor thereto, by an instrument or concurrent instruments in writing delivered to the Trustee and the Insurer. Upon any such removal, the Authority shall appoint a successor or successors thereto; provided that any such successor shall be a bank, association or trust company meeting the requirements set forth in Section 6.1 hereof.

**Section 6.7 Resignation by Trustee.** The Trustee and any successor Trustee may at any time give prior written notice of its intention to resign as Trustee hereunder, such notice to be given to the Authority, the Community Facilities District, the Insurer and the City by registered or certified mail. Upon receiving such notice of resignation, the Authority shall promptly appoint a successor Trustee to which the Insurer consents. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee. Upon such acceptance, the Authority shall cause notice thereof to be sent to the Insurer and the Bond Owners at their respective addresses set forth on the Bond Register.

**Section 6.8 Appointment of Successor Trustee.** In the event of the removal or resignation of the Trustee pursuant to Sections 6.6 or 6.7, respectively, the Authority shall promptly appoint a successor Trustee. In the event the Authority shall for any reason whatsoever fail to appoint a successor Trustee within thirty (30) days following the delivery to the Trustee of the instrument described in Section 6.6 or within thirty (30) days following the receipt of notice by the Authority, the Community Facilities District, the Insurer and the City pursuant to Section 6.7, the Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee meeting the requirements of Section 6.1 hereof. Any such successor Trustee appointed by such court shall become the successor Trustee hereunder notwithstanding any action by the Authority purporting to appoint a successor Trustee following the expiration of such thirty day period.

**Section 6.9 Merger or Consolidation.** Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided that such company shall meet the requirements set forth in Section 6.1 hereof, shall be the successor to the Trustee and vested with all of the title to the trust estate and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding. The Trustee may assign its rights, duties and obligations hereunder in whole or in part, to an affiliate or subsidiary thereof, provided such Corporation, affiliate or subsidiary shall meet the requirements set forth in Section 6.1 hereof.

**Section 6.10 Concerning any Successor Trustee.** Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Authority an instrument in writing accepting such appointment hereunder and to the predecessor Trustee an instrument indemnifying the predecessor Trustee for any costs or claims arising during the time the successor Trustee serves as Trustee hereunder and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the Request of

the Authority, or of the Trustee's successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as the Trustee hereunder to its successor. Should any instrument in writing from the Authority be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor Trustee, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority.

**Section 6.11 Appointment of Co-Trustee.** 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 a 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 appoint an additional individual or institution as a separate co-trustee. The following provisions of this Section 6.11 are adopted to these ends.

In the event that the Trustee or the Authority appoints 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 but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of the Trustee or separate or co-Trustee.

Should any instrument in writing from the Authority be required by the separate trustee or co-trustee so appointed by the Trustee or the Authority 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 Authority. 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.

**Section 6.12 Indemnification; Limited Liability of Trustee.** The Authority further covenants and agrees to indemnify and save the Trustee and its officers, officials, directors, agents and employees, harmless from and against any loss, cost, claim, suit, judgment, damages, expense, including legal fees and expenses, and liabilities which it may incur arising out of or in the exercise and performance of its powers and duties hereunder and any transactions or documents in connection herewith, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or intentional misconduct of the Trustee, its officers, directors, agents or employees. No provision in this Indenture shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability hereunder unless indemnity reasonably satisfactory to it against such liability or risk is provided to it. The Trustee shall not be liable for any action taken or omitted to be taken by it in accordance with the direction of a majority (or any lesser amount that may direct the Trustee in accordance with the

provisions of the Indenture) of the Owners of the principal amount of Bonds Outstanding or the Insurer relating to the time, method and place of conducting any proceeding or remedy available to the Trustee under this Indenture. The rights of the Trustee and the obligations of the Authority under this Section 6.12 shall survive termination of this Indenture, discharge of the Bonds and resignation or removal of the Trustee.

## ARTICLE VII

### MODIFICATION AND AMENDMENT OF THE INDENTURE

**Section 7.1 Amendment Hereof.** This Indenture and the rights and obligations of the Authority and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture which shall become binding when the written consent of the Insurer and the Owners 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 Authority to pay the principal, interest or redemption premiums 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 Insurer and 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 written consent of the Trustee, modify any of the rights or obligations of the Trustee.

This Indenture and the rights and obligations of the Authority, the Insurer and of the Owners of the Bonds may also be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption, without consent of the Insurer and any Bond Owners (except as otherwise provided in this Section 7.1), to the extent permitted by law but only for any one or more of the following purposes:

(a) to add to the covenants and agreements of the Authority contained in this Indenture, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers herein reserved to or conferred upon the Authority so long as such addition, limitation or surrender of such rights or powers shall not materially adversely affect the Owners of the Bonds, as evidenced by the approval of Bond Counsel delivered pursuant to this Section 7.1; 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 Authority may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not materially adversely affect the interests of the Owners of the Bonds, as evidenced by the approval of Bond Counsel delivered pursuant to this Section 7.1; or

(c) to amend any provision hereof relating to the Code as may be necessary or appropriate to assure compliance with the Code and the exclusion from gross income of interest on the Additional Bonds, including, but not limited to, amending the procedures set forth in Section 5.8 hereof with respect to the calculation of Rebatable Arbitrage; or

(d) to amend or clarify any provision hereof to provide for the issuance of any Additional Bonds (which may be issued for refunding purposes only) on a parity with the Bonds for

all purposes of this Indenture, including, but not limited to, for the purpose of exercising all rights and remedies hereunder; or

- (e) to amend the provisions of Section 4.4 hereof.

The Trustee shall be furnished, at the expense of the Authority, an opinion of Bond Counsel that any such Supplemental Indenture entered into by the Authority and the Trustee is authorized or permitted hereunder and complies with the provisions of this Article VII and the Trustee may conclusively rely upon such opinion and shall be fully protected in relying thereon.

**Section 7.2 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 of Outstanding Bonds, 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 this Indenture for any and all purposes.

**Section 7.3 Endorsement or Replacement of Bonds After Amendment.** After the effective date of any action taken as hereinabove provided, the Authority may determine that any affected Bonds shall bear a notation, by endorsement in form approved by the Authority, as to such action, and in that case upon demand of the Owner of any Bond Outstanding at such effective date and presentation of its Bond for that purpose at the Trust Office of the Trustee, a suitable notation as to such action shall be made on such Bond. If the Authority shall so determine, new Bonds so modified as, in the opinion of the Authority, shall be necessary to conform to such Bond Owners' action shall be prepared and executed, and in that case upon demand of the Owner of any Bond Outstanding at such effective date such new Bonds shall be exchanged at the Trust Office of the Trustee, without cost to each Bond Owner, for Bonds then Outstanding, upon surrender of such Outstanding Bonds.

**Section 7.4 Amendment by Mutual Consent.** The provisions of this Article VII shall not prevent any Bond Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond.

## ARTICLE VIII

### EVENTS OF DEFAULT AND REMEDIES OF BOND OWNERS

**Section 8.1 Events of Default.** The following events shall be Events of Default hereunder.

(a) Default in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise.

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

(c) Default by the Authority in the observance of any of the other covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, if such default shall have continued for a period of thirty (30) days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the Authority by the Trustee, or to the Authority and the Trustee by the Owners of not less than twenty five percent (25%) in aggregate principal amount of the Bonds at the time Outstanding, provided that such default (other than a default arising from nonpayment of the Trustee's fees and expenses, which must be cured within such 30 day period) shall not constitute an Event of Default hereunder if the Authority shall commence to cure such default within said thirty (30) day period and thereafter diligently and in good faith shall cure such default within one hundred eighty (180) days after the delivery of such written default notice; or

(d) The filing by the Authority, the City or CFD No. 93-1 of a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, filed with or without the consent of the Authority, the City or CFD No. 93-1, as applicable, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Authority or of the whole or any substantial part of its property.

**Section 8.2 Remedies; Rights of Bond Owners.** Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Outstanding Bonds, and to enforce any rights of the Trustee under or with respect to this Indenture. Subject to Section 8.3, in the event of an Event of Default arising out of a nonpayment of Trustee's fees and expenses, the Trustee may sue the Authority to seek recovery of its fees and expenses, provided, however, that such recovery may be made only from the funds of the Authority and not from Revenues.

If an Event of Default shall have occurred and be continuing and if requested to do so by the Owners of at least twenty-five percent (25%) in aggregate principal amount of Outstanding Bonds, and, in each case, if indemnified as provided in Section 6.2(1), the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article VIII and, as applicable, under the Local Obligations, as shall be deemed most expedient in the interests of the Bond Owners.

No remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Bond Owners) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bond Owners hereunder or now or hereafter existing at law or in equity.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein; such right or power may be exercised from time to time as often as may be deemed expedient.

In no event shall the principal of the Bonds be accelerated.

Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Owner any plan of reorganization, arrangement, adjustment, or

composition affecting the Bonds or the rights of any Owner thereof, or to authorize the Trustee to vote in respect of the claim of any Owner in any such proceeding without the approval of the Owners so affected.

**Section 8.3 Application of Revenues and Other Funds After Event of Default.** All amounts received by the Trustee with respect to the Bonds pursuant to any right given or action taken by the Trustee under the provisions of this Indenture relating to the Bonds and any other amounts held by the Trustee hereunder shall be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the amount of the payment if only partially paid, or upon the surrender thereof if fully paid –

First, to the payment of the costs and expenses of the Trustee in declaring such Event of Default and in carrying out the provisions of this Article VIII, including reasonable compensation to its agents, attorneys and counsel (including outside counsel and the allocated costs of internal attorneys), and to the payment of all other outstanding fees and expenses of the Trustee; and

Second, to the payment of the whole amount of interest on and principal of the Bonds then due and unpaid, with interest on overdue installments of principal and interest to the extent permitted by law at the net effective rate of interest then borne by the Outstanding Bonds; provided, however, that in the event such amounts shall be insufficient to pay in full the full amount of such interest and principal, then such amounts shall be applied in the following order of priority;

- (a) first to the payment of all installments of interest on the Bonds then due and unpaid,
- (b) second, to the payment of all installments of principal of the Bonds then due and unpaid, and
- (c) third, to the payment of interest on overdue installments of principal and interest on Bonds.

Third, to the payment of any amounts due and owing to the Insurer.

**Section 8.4 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 aggregate principal amount of the Bonds then Outstanding, it may, 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 aggregate principal amount of the Outstanding Bonds issued hereunder opposing such discontinuance, withdrawal, compromise, settlement or other such litigation and provided further that the Trustee shall have the right to decline to comply with such written request unless indemnification satisfactory to it has been provided. Any suit, action or proceeding which any Owner of Bonds 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 of Bonds similarly situated and the Trustee is hereby appointed (and the successive respective Owners of the Bonds issued hereunder, by taking and

holding the same, shall be conclusively deemed so to have appointed it) the true and lawful attorney in fact of the respective Owners of the Bonds for the purposes 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 of the Bonds as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney in fact.

**Section 8.5 Appointment of Receivers.** Upon the occurrence of an Event of Default hereunder, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bond Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Revenues and other amounts pledged hereunder, pending such proceedings, with such powers as the court making such appointment shall confer.

**Section 8.6 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 Authority, which is absolute and unconditional, to pay the interest on and principal of the Bonds to the respective Owners of the Bonds at the respective dates of maturity, as herein provided, out of the Revenues and other moneys herein pledged for such payment.

A waiver of any default or breach of duty or contract by the Trustee or any Bond Owners shall not affect any subsequent default or breach of duty or contract, or impair any rights or remedies on any such subsequent default or breach. No delay or omission of the Trustee or any Owner of any of the Bonds 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 Trustee or Bond Owners by the Bond Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee or the Bond Owners, as the case may be.

**Section 8.7 Rights and Remedies of Bond Owners.** 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 sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds of any remedy hereunder; it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision 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 interest and premium (if any) on such Bond as herein provided or to institute suit for the enforcement of any such payment, 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 8.8 Termination of Proceedings.** In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case, the Authority, the Trustee and the Bond Owners shall be restored to their former positions and rights hereunder, respectively, with regard to the property subject to this Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

## ARTICLE IX

### MISCELLANEOUS

**Section 9.1 Limited Liability of Authority.** Notwithstanding anything in this Indenture contained, the Authority shall not be required to advance any moneys derived from any source of income other than the Revenues or for the payment of the principal of or interest on the Bonds, or any premiums upon the redemption thereof, or for the performance of any covenants herein contained (except to the extent any such covenants are expressly payable hereunder from the Revenues). The Authority may, however, advance funds for any such purpose, provided that such funds are derived from a source legally available for such purpose and may be used by the Authority for such purpose without incurring indebtedness.

The Bonds shall be revenue bonds, payable exclusively from the Revenues and other funds as in this Indenture provided. The general fund of the Authority is not liable, and the credit of the Authority is not pledged, for the payment of the interest and premium (if any) on or principal of the Bonds. The Owners of the Bonds shall never have the right to compel the forfeiture of any property of the Authority. The principal of and interest on the Bonds and any premiums upon the redemption of any thereof, shall not be a legal or equitable pledge, charge, lien or encumbrance upon any property of the Authority or upon any of its income, receipts or revenues except the Revenues and other funds pledged to the payment thereof as in this Indenture provided.

**Section 9.2 Benefits of Indenture Limited to Parties.** Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Authority, the Trustee, the Insurer and the Owners of the Bonds, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Trustee, the Insurer and the Owners of Bonds.

**Section 9.3 Discharge of Indenture.** The Authority may pay and discharge any or all of the Outstanding Bonds in any one or more of the following ways:

- (a) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on such Bonds, as and when the same become due and payable;

(b) 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 with the Trustee pursuant to this Indenture and available for such purpose, is fully sufficient to pay such Bonds, including all principal, interest and redemption premiums; or

(c) by irrevocably depositing with the Trustee or any other fiduciary, in trust, Defeasance Securities in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established with the Trustee pursuant to this Indenture and available for such purpose, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

Any Outstanding Bond or Bonds shall be deemed to have been paid and discharged under (c) above if (i) in the case of Bonds to be redeemed prior to the maturity thereof, notice of such redemption shall have been provided pursuant to Section 2.2(c) hereof or provision satisfactory to the Trustee shall have been made for the provisions of such notice, (ii) a verification report of an Independent Accountant shall be delivered to the Trustee, and (iii) an opinion of Bond Counsel shall be delivered to the Trustee to the effect that the requirements of this Indenture have been satisfied with respect to such discharge of Bonds. Upon a discharge of one or more Bonds as described above, and notwithstanding that any of such Bonds shall not have been surrendered for payment, the pledge of the Revenues, and other funds provided for in this Indenture with respect to such Bonds, as applicable, and all other pecuniary obligations of the Authority under this Indenture with respect to such Bonds, shall cease and terminate, except only the obligation of the Authority to comply with the covenants contained in Sections 5.7 and 6.12 hereof, to pay or cause to be paid to the Owners of such Bonds not so surrendered and paid all sums due thereon from amounts set aside for such purpose, to pay all expenses and costs of the Trustee and to comply with the covenants contained in Section 5.7 hereof. Any funds thereafter held by the Trustee, which are not required for said purposes, shall be paid over to the Authority or upon a Request of the Authority to the City or the Community Facilities District, as applicable.

Notwithstanding anything herein to the contrary, to accomplish the defeasance of Bonds, at least three Business Days prior to any defeasance, the Authority shall deliver to the Insurer draft copies of an escrow agreement, and opinion of bond counsel regarding the validity and enforceability of the escrow agreement and the defeasance of such Bonds, and a verification report prepared by a nationally recognized independent financial analyst or firm of certified public accountants regarding the sufficiency of the escrow fund. Such opinion and verification report shall be addressed to the Insurer and shall be in form and substance satisfactory to the Insurer. In addition, the escrow agreement shall provide that: a) any substitution of securities shall require the delivery of a verification report, an opinion of bond counsel that such substitution will not adversely affect the exclusion (if interest on the Bonds is excludable) from gross income of the holders of the Bonds of the interest on the Bonds for federal income tax purposes and the prior written consent of the Insurer; b) the Authority will not exercise any prior optional redemption of Bonds secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding bonds, and (ii) as a condition to any such redemption there shall be provided to the Insurer a verification report as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following any such redemption; and c) the Authority shall not amend the escrow agreement or enter

into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of the Insurer.

Defeasance shall be accomplished only with an irrevocable deposit in escrow of Defeasance Securities. Further substitutions of securities in the escrow are not permitted. The deposit in the escrow must be sufficient, without reinvestment, to pay all principal and interest as scheduled on the Bonds to and including the date of redemption.

**Section 9.4 Successor is Deemed Included in All References to Predecessor.** Whenever in this Indenture or any Supplemental Indenture either the Authority is named or referred to, such reference shall be deemed to include the successor to the powers, duties and functions, with respect to the management, administration and control of the affairs of the Authority, that are presently vested in the Authority, and all the covenants, agreements and provisions contained in this Indenture by or on behalf of the Authority shall bind and inure to the benefit of its successors whether so expressed or not.

**Section 9.5 Content of Certificates.** Every certificate by or on behalf of the Authority with respect to compliance with a condition or covenant provided for in this Indenture shall include (a) a statement that the person or persons making or giving such certificate have read such covenant or condition and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant or condition has been complied with; and (d) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such certificate made or given by an officer of the Authority may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his certificate may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous. Any such certificate or opinion or representation made or given by counsel may be based, insofar as it relates to factual matters, on information with respect to which is in the possession of the Authority, or upon the certificate or opinion of or representations by an officer or officers of the Authority, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his certificate, opinion or representation may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

**Section 9.6 Execution of Documents by Bond Owners.** Any request, consent or other instrument required by this Indenture to be signed and executed by Bond Owners may be in any number of concurrent writings of substantially similar tenor and may be signed or executed by such Bond Owners in person or by agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and of the Authority if made in the manner provided in this Section 9.6.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to

take acknowledgements of deeds, certifying that the person signing such request, consent or other instrument or writing acknowledged to him the execution thereof.

The ownership of Bonds shall be conclusively proved by the Bond Register. Any request, consent or vote of the Owner of any Bond shall bind every future Owner of the same Bond and the Owner of any Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Authority in pursuance of such request, consent or vote. In lieu of obtaining any demand, request, direction, consent or waiver in writing, the Trustee may call and hold a meeting of the Bond Owners upon such notice and in accordance with such rules and obligation as the Trustee considers fair and reasonable for the purpose of obtaining any such action.

**Section 9.7 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 Authority, the City or the Community Facilities District (but excluding Bonds held in any employees' or 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 a Responsible Officer of the Trustee actually knows to be so owned or held shall be disregarded unless all Bonds are so owned, in which case such Bonds shall be considered Outstanding for the purposes of such determination. Upon request, the Authority shall specify to the Trustee those Bonds disqualified pursuant to this Section 9.7 and the Trustee may conclusively rely upon such certificate.

**Section 9.8 Waiver of Personal Liability.** No officer, agent or employee of the Authority shall be individually or personally liable for the payment of the interest on or principal of the Bonds; but nothing herein contained shall relieve any such officer, agent or employee from the performance of any official duty provided by law.

**Section 9.9 Partial Invalidity.** If any one or more of the covenants or agreements, or portions thereof, provided in this Indenture on the part of the Authority (or of the Trustee) to be performed should be contrary to law, then such covenant or covenants, such agreement or agreements, or such portions thereof, shall be null and void and shall be deemed separable from the remaining covenants and agreements or portions thereof and shall in no way affect the validity of this Indenture or of the Bonds; but the Bond Owners shall retain all rights and benefits accorded to them under the Bond Law or any other applicable provisions of law. The Authority hereby declares that it would have entered into this Indenture and each and every other section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Indenture or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

**Section 9.10 Destruction of Cancelled Bonds.** Whenever in this Indenture provision is made for the surrender to the Authority or the Trustee of any Bonds which have been paid or cancelled pursuant to the provisions of this Indenture, the Trustee shall destroy such Bonds in accordance with the retention policy of the Trustee then in effect.

**Section 9.11 Funds and Accounts.** Any fund or account required by this Indenture to be established and maintained by the Authority or the Trustee may be established and maintained in the accounting records of the Authority or the Trustee, as the case may be, either as a fund or an account,

and may, for the purpose of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account. All such records with respect to all such funds and accounts held by the Authority shall at all times be maintained in accordance with generally accepted accounting principles and all such records with respect to all such funds and accounts held by the Trustee shall be at all times maintained in accordance with corporate trust industry practices; in each case with due regard for the protection of the security of the Bonds and the rights of every Owner thereof.

**Section 9.12 Notices.** Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, return receipt requested, postage prepaid, or sent by facsimile or other electronic transmission, addressed as follows:

If to the Authority:                    Beaumont Public Improvement Authority  
    c/o City of Beaumont  
    550 East 6th Street  
    Beaumont, CA 92223  
    Attention: Executive Director

If to CFD No. 93-1:                    CFD No. 93-1  
    c/o City of Beaumont  
    550 East 6th Street  
    Beaumont, CA 92223  
    Attention: City Manager

If to the Trustee:                        Wilmington Trust, National Association  
    650 Town Center Drive, Suite 800  
    Costa Mesa, CA 92626  
    Attention: Corporate Trust Department

The Authority, the City and the Trustee may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

The Authority will provide the Insurer with all notices and other information required to be furnished to the Insurer hereunder and under the Continuing Disclosure Agreement and the Security Documents. Such notice shall be provided to the Insurer as follows:

In each case in which notice or other communication refers to an event of default or a claim on the Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at \_\_\_\_\_ or at Telecopier: (\_\_\_\_) \_\_\_\_\_ and shall be marked to indicate “\_\_\_\_\_.”

**Section 9.13 Unclaimed Moneys.** Anything in this Indenture to the contrary notwithstanding, any moneys held by the Trustee in trust for the payment and discharge of any of the Bonds which remain unclaimed for two (2) years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee at such date, or for two (2) years after the date of deposit of such moneys if deposited with the Trustee after said date when such Bonds become due and payable, shall be repaid (without liability for interest) by the Trustee to the Authority, as its absolute property and free from

trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the Authority for the payment of such Bonds; provided, however, that before being required to make such payment to the Authority, the Trustee shall, at the expense of Authority, cause to be mailed to the Owners of all such Bonds, at their respective addresses appearing on the Bond Register, a notice that said moneys remain unclaimed and that, after a date in said notice, which date shall not be less than thirty (30) days after the date of mailing such notice, the balance of such moneys then unclaimed will be returned to the Authority.

**Section 9.14 Payment 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 the Indenture, is not a Business Day, such payment, with no interest accruing for the period 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 in this Indenture.

**Section 9.15 Governing Law.** This Indenture shall be governed by the laws of the State of California.

## ARTICLE X

### MUNICIPAL BOND INSURANCE POLICY AND RESERVE POLICY

**Section 10.1 Consent of the Insurer.** Any reorganization or liquidation plan with respect to the Authority must be acceptable to the Insurer. In the event of any reorganization or liquidation of the Authority, the Insurer shall have the right to vote on behalf of all holders of the Bonds absent a continuing failure by the Insurer to make a payment under the Policy.

No contract shall be entered into or any action taken by which the rights of the Insurer or security for or source of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer.

Anything in the Security Documents to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, the Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Bonds or the Trustee for the benefit of the holders of the Bonds under this Indenture. No default or event of default may be waived without the Insurer's written consent.

**Section 10.2 the Insurer as Owner.** Upon the occurrence and continuance of a default or an event of default, the Insurer shall be deemed to be the sole owner of the Bonds for all purposes under the Security Documents, including, without limitations, for purposes of exercising remedies and approving amendments.

**Section 10.3 Special Provisions for Insurer Default.** If an Insurer Default shall occur and be continuing, then, notwithstanding anything herein to the contrary, (1) if at any time prior to or following an Insurer Default, the Insurer has made payment under the Policy, to the extent of such payment the Insurer shall be treated like any other holder of the Bonds for all purposes, including giving of consents, and (2) if the Insurer has not made any payment under the Policy, the Insurer shall have no further consent rights until the particular Insurer Default is no longer continuing or the Insurer makes a payment under the Policy, in which event, the foregoing clause (1) shall control. For purposes of this paragraph, "Insurer Default" means: (A) the Insurer has failed to make any payment

under the Policy when due and owing in accordance with its terms; or (B) the Insurer shall (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality shall order the suspension of payments on the Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of the Insurer (including without limitation under the New York Insurance Law).

**Section 10.4 the Insurer as Third Party Beneficiary.** Notwithstanding anything herein to the contrary, the Insurer is recognized as and shall be deemed to be a third party beneficiary of this Indenture and may enforce the provisions of this Indenture as if it were a party hereto.

**Section 10.5 Additional Payments.** The Authority agrees unconditionally that it will pay or reimburse the Insurer on demand any and all reasonable charges, fees, costs, losses, liabilities and expenses that the Insurer may pay or incur, including, but not limited to, fees and expenses of the Insurer's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Indenture ("Administrative Costs"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of the Insurer spent in connection with the actions described in the preceding sentence. The Authority agrees that failure to pay any Administrative Costs on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to the Insurer until the date the Insurer is paid in full.

Notwithstanding anything herein to the contrary, the Authority agrees to pay to the Insurer (i) a sum equal to the total of all amounts paid by the Insurer under the Policy ("the Insurer Policy Payment"); and (ii) interest on such the Insurer Policy Payments from the date paid by the Insurer until payment thereof in full by the Authority, payable to the Insurer at the Late Payment Rate per annum (collectively, "the Insurer Reimbursement Amounts") compounded semi-annually. The Authority hereby covenants and agrees that the the Insurer Reimbursement Amounts are payable from amounts in the Revenue Fund and secured by a lien on and pledge of the Revenues pledged to the Bonds on a parity with debt service due on the Bonds.

**Section 10.6 Exercise of Rights by the Insurer.** The rights granted to the Insurer under the Security Documents to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the 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 holders of the Bonds and such action does not evidence any position of the Insurer, affirmative or negative, as to whether the consent of the holders of the Bonds or any other person is required in addition to the consent of the Insurer.

the Insurer shall be entitled to pay principal or interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Authority (as such terms are

defined in the Policy) and any amounts due on the Bonds as a result of acceleration of the maturity thereof in accordance with this Indenture, whether or not the Insurer has received a claim upon the Policy.

**Section 10.7 Payment Procedure under the Policy.** In the event that principal and/or interest due on the Bonds shall be paid by the Insurer pursuant to the Policy, the Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Authority, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the Authority to the registered owners shall continue to exist and shall run to the benefit of the Insurer, and the Insurer shall be subrogated to the rights of such registered owners including, without limitation, any rights that such owners may have in respect of securities law violations arising from the offer and sale of the Bonds.

In the event that on the second (2nd) Business Day prior to any payment date on the Bonds, the Trustee has not received sufficient moneys to pay all principal of and interest on the Bonds due on such payment date, the Trustee shall immediately notify the Insurer or its designee on the same business day by telephone or electronic mail, of the amount of the deficiency. If any deficiency is made up in whole or in part prior to or on the payment date, the Trustee shall so notify the Insurer or its designee.

In addition, if the Trustee has notice that any holder of the Bonds has been required to disgorge payments of principal of or interest on the Bonds pursuant to a final, non-appealable order by a court of competent jurisdiction that such payment constitutes an avoidable preference to such holder within the meaning of any applicable bankruptcy law, then the Trustee shall notify the Insurer or its designee of such fact by telephone or electronic mail, or by overnight or other delivery service as to which a delivery receipt is signed by a person authorized to accept delivery on behalf of the Insurer.

The Trustee shall irrevocably be designated, appointed, directed and authorized to act as attorney-in-fact for holders of the Bonds as follows:

(a) If there is a deficiency in amounts required to pay interest and/or principal on the Bonds, the Trustee shall (i) execute and deliver to the Insurer, in form satisfactory to the Insurer, an instrument appointing the Insurer as agent and attorney-in-fact for such holders of the Bonds in any legal proceeding related to the payment and assignment to the Insurer of the claims for interest on the Bonds, (ii) receive as designee of the respective holders in accordance with the tenor of the Policy payment from the Insurer with respect to the claims for interest so assigned, and (iii) disburse the same to such respective holders; and

(b) If there is a deficiency in amounts required to pay principal of the Bonds, the Trustee shall (i) execute and deliver to the Insurer, in form satisfactory to the Insurer, an instrument appointing the Insurer as agent and attorney-in-fact for such holder of the Bonds in any legal proceeding related to the payment of such principal and an assignment to the Insurer of the Bonds surrendered to the Insurer, (ii) receive as designee of the respective holders in accordance with the tenor of the Policy payment therefore from the Insurer, and (iii) disburse the same to such holders.

The Trustee shall designate any portion of payment of principal on 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 Bonds registered to the then current holder,

whether DTC or its nominee or otherwise, and shall issue a replacement Bond to the Insurer, registered in the name directed by the Insurer, 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 Bond shall have no effect on the amount of principal or interest payable by the Authority on any Bond or the subrogation or assignment rights of the Insurer. In the event that a replacement Bond is issued in the name of the Insurer, the Insurer shall determine whether such bond shall be issued as book-entry.

Payments with respect to claims for interest on and principal of Bonds disbursed by the Trustee from proceeds of the Policy shall not be considered to discharge the obligation of the Authority with respect to such Bonds, and the Insurer shall become the owner of such unpaid Bonds and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of the preceding paragraphs or otherwise.

Irrespective of whether any such assignment is executed and delivered, the Authority and the Trustee agree for the benefit of the Insurer that: (a) they recognize that to the extent the Insurer makes payments directly or indirectly (e.g., by paying through the Trustee), on account of principal of or interest on the Bonds, the Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Authority, with interest thereon, as provided and solely from the sources stated in this Indenture and the Bonds; and (b) they will accordingly pay to the Insurer the amount of such principal and interest, with interest thereon as provided in the transaction documents and the Bonds, but only from the sources and in the manner provided therein for the payment of principal of and interest on the Bonds to holders, and will otherwise treat the Insurer as the owner of such rights to the amount of such principal and interest.

IN WITNESS WHEREOF, the Authority has caused this Indenture to be executed by the Executive Director of the Authority, attested by its Secretary, and the Trustee has caused this Indenture to be executed by one of its authorized officers, all as of the day and year first above written.

BEAUMONT PUBLIC IMPROVEMENT  
AUTHORITY

By: \_\_\_\_\_  
Executive Director

ATTEST:

\_\_\_\_\_  
Secretary

WILMINGTON TRUST, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A  
FORM OF BOND**

R-\_\_ \$\_\_\_\_\_

**UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE AUTHORITY OR THE TRUSTEE FOR REGISTRATION OR TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO. HAS AN INTEREST HEREIN.**

**UNITED STATES OF AMERICA  
STATE OF CALIFORNIA  
COUNTY OF RIVERSIDE**

**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY  
LOCAL AGENCY REFUNDING BOND  
SERIES 2020A  
(FEDERALLY TAXABLE)**

*INTEREST RATE:* \_\_\_\_\_%      *MATURITY DATE:* September 1, 20\_\_      *DATED DATE:* \_\_\_\_\_, 2020      *CUSIP NUMBER:*

REGISTERED OWNER:      CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_  
AND NO/100 DOLLARS

The BEAUMONT PUBLIC IMPROVEMENT AUTHORITY, a joint powers authority organized and existing under the laws of the State of California (the "Authority"), for value received, hereby promises to pay (but only out of the Revenues and other funds hereinafter referred to) to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date identified above (subject to any right of prior redemption hereinafter mentioned), the Principal Amount identified above in lawful money of the United States of America; and to pay interest thereon at the Interest Rate identified above in like money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond (unless this Bond is authenticated on or before an Interest Payment Date and after the fifteenth calendar day of the month preceding the month in which such Interest Payment Date occurs, in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to February 15,

2021, in which event it shall bear interest from the Dated Date identified 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 hereon has previously been paid or made available for payment), payable semiannually on March 1 and September 1 in each year, commencing March 1, 2021 (each, an "Interest Payment Date") until the Maturity Date stated above or date of redemption of this Bond. The Principal Amount hereof is payable upon presentation and surrender hereof at the Trust Office (as defined in the Indenture) of Wilmington Trust, National Association (the "Trustee"). Interest hereon is payable by check of the Trustee mailed by first class mail, postage prepaid, on each Interest Payment Date to the Registered Owner hereof at the address of the Registered Owner as it appears on the registration books of the Trustee as of the fifteenth calendar day of the month preceding the month in which such Interest Payment Date occurs; provided, however, that payment of interest may be made by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee in writing at least five (5) Business Days before the Record Date for such Interest Payment Date.

This Bond is one of a duly authorized Series of bonds of the Authority designated the "Beaumont Public Improvement Authority Local Agency Refunding Bonds" (the "Bonds"), limited in principal amount to \_\_\_\_\_ Dollars (\$\_\_\_\_\_), secured by an Indenture of Trust dated as of July 1, 2020 (the "Indenture"), by and between the Authority and the Trustee. Reference is hereby made to the Indenture and all indentures supplemental thereto for a description of the rights thereunder of the owners of the Bonds, of the nature and extent of the Revenues (as that term is defined in the Indenture), of the rights, duties and immunities of the Trustee and of the rights and obligations of the Authority thereunder; and all of the terms of the Indenture are hereby incorporated herein and constitute a contract between the Authority and the Registered Owner hereof, and to all of the provisions of which Indenture the Registered Owner hereof, by acceptance hereof, assents and agrees.

This Bond is a limited obligation of the Authority, payable solely from the Revenues and funds pledged under the Indenture. This Bond is not a debt of the City of Beaumont (the "City") or the State of California (the "State") or any of its political subdivisions (except the Authority and only to the extent set forth in the Indenture), and none of said City, the State or any of its political subdivisions is liable hereon. The Authority has no taxing power.

The Bonds are authorized to be issued pursuant to the provisions of the Marks-Roos Local Bond Pooling Act of 1985, as amended, constituting Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"). The Bonds are limited obligations of the Authority and, as and to the extent set forth in the Indenture, are payable solely from and secured by a first lien on and pledge of the Revenues and certain other funds held by the Trustee as provided in the Indenture. The Revenues and such other funds constitute a trust fund for the security and payment of the principal of and interest on the Bonds, except to the extent otherwise provided in the Indenture. The full faith and credit of the Authority is not pledged to the payment of the principal of or interest or redemption premiums (if any) on the Bonds. The Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the Authority or any of its income or receipts, except the Revenues and such other funds as provided in the Indenture.

The Bonds have been issued to provide funds to purchase certain obligations of the City of Beaumont Community Facilities District No. 93-1 (the "Community Facilities District") as identified

in the Indenture (collectively, the “Local Obligations”). The Community Facilities District or the City, as applicable, in turn, will take the proceeds that it receives from the sale of the Local Obligations to the Authority to refund certain outstanding indebtedness of the Community Facilities District, all as more particularly described in the Indenture. The obligations of the Community Facilities District to make payments of principal and interest on the Local Obligations are limited obligations secured only as set forth therein.

The Bonds maturing on or before September 1, 20\_\_ are not subject to optional call and redemption prior to maturity. The Bonds maturing on and after September 1, 20\_\_ may be redeemed at the option of the Authority, from any source of available funds, prior to maturity on any date on or after September 1, 20\_\_ as a whole, or in part from maturities of the Local Obligations simultaneously redeemed, if any redemption of Local Obligations is being made in conjunction with such optional redemption, and otherwise from such maturities as are selected by the Authority, by lot within a maturity, at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

The Bonds are subject to special redemption on any Interest Payment Date from proceeds of early redemption of Local Obligations from the prepayment of Special Taxes within an Improvement Area (as such terms are defined in the Indenture), in whole or in part, from maturities corresponding proportionately to the maturities of the Local Obligations simultaneously redeemed at the principal amount thereof, plus a premium expressed below as a percentage of the principal amount so redeemed, plus accrued interest to the date of redemption thereof:

***Redemption Dates***

***Premium***

The Trustee on behalf, and at the expense of, the Authority shall mail by first class mail, postage prepaid, notice of any redemption (other than mandatory sinking fund redemption) to the respective owners of any Bonds designated for redemption, at their respective addresses appearing on the registration books maintained by the Trustee and to the Securities Depositories and to the Information Services (as such terms are defined in the Indenture), at least thirty (30) but not more than sixty (60) days prior to the redemption date; provided, however, that neither failure to receive any such notice so mailed nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon.

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.

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

This Bond is transferable by the Registered Owner hereof, in person or by its attorney duly authorized in writing, at the Trust Office of the Trustee, but only in the manner, subject to the

limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer a new fully registered Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Trustee shall not be required to register the transfer or exchange of any Bond (i) during the 15 days prior to selection of Bonds for redemption, or (ii) selected for redemption.

The Authority and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Authority and the Trustee shall not be affected by any notice to the contrary. The Indenture and the rights and obligations of the Authority and of the owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time in the manner, to the extent, and upon the terms provided in the Indenture; provided that 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 Authority to pay the principal, interest or redemption premiums 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, all as more fully set forth in the Indenture.

It is hereby certified by the Authority that all things, conditions and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of California and by the Act, and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or statutes of the State of California or by the Act.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, the BEAUMONT PUBLIC IMPROVEMENT AUTHORITY has caused this Bond to be executed in its name and on its behalf by the facsimile signature of its Chairman and attested by the facsimile signature of its Secretary, all as of the date set forth above.

BEAUMONT PUBLIC IMPROVEMENT  
AUTHORITY

By: \_\_\_\_\_  
Chair

Attest:

\_\_\_\_\_  
Secretary

[FORM OF CERTIFICATE OF AUTHENTICATION]

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

Date: \_\_\_\_\_, 2020

WILMINGTON TRUST, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

[FORM OF LEGAL OPINION]

The attached is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, 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 Board of Directors of  
Beaumont Public Improvement Authority

[FORM OF STATEMENT OF INSURANCE]

[FORM OF ASSIGNMENT]

For value received the undersigned do(es) hereby sell, assign and transfer unto \_\_\_\_\_ whose tax identification number is \_\_\_\_\_, the within mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s) \_\_\_\_\_ attorney to transfer the same on the books of the Trustee with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature guaranteed:

NOTE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

NOTE: The signatures(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

---

---

**BOND INDENTURE**

**Between**

**CITY OF BEAUMONT  
COMMUNITY FACILITIES DISTRICT NO. 93-1**

**and**

**WILMINGTON TRUST, NATIONAL ASSOCIATION,  
as Trustee**

**\$ \_\_\_\_\_  
CITY OF BEAUMONT  
COMMUNITY FACILITIES DISTRICT NO. 93-1  
(IMPROVEMENT AREA NO. 17B)  
2020 SPECIAL TAX REFUNDING BONDS**

**Dated as of July 1, 2020**

---

---

**TABLE OF CONTENTS**

**Page**

**ARTICLE I**

**DEFINITIONS**

Section 1.1 Definitions..... 2

**ARTICLE II**

**GENERAL AUTHORIZATION AND BOND TERMS**

Section 2.1 Amount, Issuance, Purpose and Nature of Bonds and Parity Bonds ..... 12  
Section 2.2 Type and Nature of Bonds and Parity Bonds..... 12  
Section 2.3 Equality of Bonds and Parity Bonds and Pledge of Net Special Taxes ..... 13  
Section 2.4 Description of Bonds; Interest Rates ..... 13  
Section 2.5 Place and Form of Payment ..... 14  
Section 2.6 Form of Bonds and Parity Bonds..... 15  
Section 2.7 Execution and Authentication..... 15  
Section 2.8 Bond Register..... 15  
Section 2.9 Registration of Exchange or Transfer ..... 16  
Section 2.10 Mutilated, Lost, Destroyed or Stolen Bonds or Parity Bonds..... 16  
Section 2.11 Validity of Bonds and Parity Bonds ..... 17

**ARTICLE III**

**CREATION OF FUNDS AND APPLICATION OF PROCEEDS**

Section 3.1 Creation of Funds; Application of Proceeds ..... 17  
Section 3.2 Deposits to and Disbursements from Special Tax Fund ..... 18  
Section 3.3 Administrative Expense Fund..... 19  
Section 3.4 Interest Account and Principal Account of the Special Tax Fund..... 19  
Section 3.5 Redemption Account of the Special Tax Fund ..... 19  
Section 3.6 Surplus Fund ..... 20  
Section 3.7 Investments ..... 20

**ARTICLE IV**

**REDEMPTION OF BONDS AND PARITY BONDS**

Section 4.1 Redemption of Bonds ..... 22  
Section 4.2 Selection of Bonds and Parity Bonds for Redemption ..... 23  
Section 4.3 Reserved..... 23  
Section 4.4 Partial Redemption of Bonds or Parity Bonds ..... 23  
Section 4.5 Availability of Redemption Money ..... 23

**TABLE OF CONTENTS**  
*(continued)*

**Page**

ARTICLE V

COVENANTS AND WARRANTY

Section 5.1 Warranty ..... 24  
 Section 5.2 Covenants..... 24

ARTICLE VI

AMENDMENTS TO INDENTURE

Section 6.1 Supplemental Indentures or Orders Not Requiring Bondowner Consent ..... 27  
 Section 6.2 Supplemental Indentures or Orders Requiring Bondowner Consent ..... 28  
 Section 6.3 Notation of Bonds or Parity Bonds; Delivery of Amended Bonds or Parity  
 Bonds ..... 29  
 Section 6.4 Execution of Supplemental Indentures ..... 30

ARTICLE VII

TRUSTEE

Section 7.1 Trustee..... 30  
 Section 7.2 Removal of Trustee ..... 31  
 Section 7.3 Resignation of Trustee ..... 31  
 Section 7.4 Liability of Trustee ..... 31  
 Section 7.5 Merger or Consolidation ..... 34

ARTICLE VIII

EVENTS OF DEFAULT; REMEDIES

Section 8.1 Events of Default ..... 34  
 Section 8.2 Remedies of Owners ..... 34  
 Section 8.3 Application of Revenues and Other Funds After Default ..... 35  
 Section 8.4 Power of Trustee to Control Proceedings ..... 36  
 Section 8.5 Appointment of Receivers ..... 36  
 Section 8.6 Non-Waiver..... 36  
 Section 8.7 Limitations on Rights and Remedies of Owners ..... 37  
 Section 8.8 Termination of Proceedings ..... 37

ARTICLE IX

DEFEASANCE AND PARITY BONDS

Section 9.1 Defeasance ..... 37  
 Section 9.2 Conditions for the Issuance of Parity Bonds and Other Additional  
 Indebtedness..... 39

**TABLE OF CONTENTS**  
*(continued)*

**Page**

ARTICLE X

MISCELLANEOUS

Section 10.1	Cancellation of Bonds and Parity Bonds .....	41
Section 10.2	Execution of Documents and Proof of Ownership .....	41
Section 10.3	Unclaimed Moneys .....	42
Section 10.4	Provisions Constitute Contract.....	42
Section 10.5	Provisions Relating to the Insurer .....	42
Section 10.6	Further Assurances.....	44
Section 10.7	Severability .....	44
Section 10.8	Notices .....	44
Section 10.9	Governing Laws.....	44
Signatures	.....	S-1
EXHIBIT A	FORM OF 2020 SPECIAL TAX REFUNDING BOND .....	A-1

## BOND INDENTURE

THIS BOND INDENTURE dated as of July 1, 2020 (the “Indenture”), is made and entered into by the City of Beaumont Community Facilities District No. 93-1 and Wilmington Trust, National Association, as trustee, and governs the terms of the City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 17B) 2020 Special Tax Refunding Bonds and any Parity Bonds issued in accordance herewith from time to time.

### R E C I T A L S :

WHEREAS, the City Council of the City of Beaumont, located in Riverside County, California (hereinafter sometimes referred to as the “legislative body of the District”), has heretofore undertaken proceedings to form the City of Beaumont Community Facilities District No. 93-1 (the “District”) and Improvement Area No. 17B therein (the “Improvement Area”) pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5, of the Government Code of the State of California (the “Act”); and

WHEREAS, the District has previously issued its Prior Bonds (as defined herein) to finance certain public improvements; and

WHEREAS, on July 7, 2020, the legislative body of the District adopted a resolution (the “Resolution”) authorizing the issuance and sale of special tax bonds for the District pursuant to this Indenture designated as the “City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 17B) 2020 Special Tax Refunding Bonds” (the “Bonds”); and

WHEREAS, it is in the public interest and for the benefit of the District, the persons responsible for the payment of special taxes and the owners of the Bonds that the District enter into this Indenture to provide for the issuance of the Bonds, the disbursement of proceeds of the Bonds, the disposition of the special taxes securing the bonds, and the administration and payment of the Bonds; and

WHEREAS, all things necessary to cause the Bonds, when authenticated by the Trustee and issued as provided in the Act, the Resolution and this Indenture, to be legal, valid and binding and limited obligations in accordance with their terms, and all things necessary to cause the creation, authorization, execution and delivery of this Indenture and the creation, authorization, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, in order to establish the terms and conditions upon and subject to which the Bonds are to be issued, and in consideration of the premises and of the mutual covenants contained herein and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the District does hereby covenant and agree, for the benefit of the Owners of the Bonds as follows:

**ARTICLE I**  
**DEFINITIONS**

**Section 1.1 Definitions.** Unless the context otherwise requires, the following terms shall have the following meanings:

“Account” means any account created pursuant to this Indenture.

“Act” means the Mello-Roos Community Facilities Act of 1982, as amended, Sections 53311 *et seq.* of the California Government Code.

“Administrative Expenses” means the administrative costs with respect to the calculation and collection of the Special Taxes, including all attorneys’ fees and other costs related thereto, the fees and expenses of the Trustee, any fees and related costs for credit enhancement for Bonds or which are not otherwise paid as Costs of Issuance, any costs related to the District’s compliance with state and federal laws requiring continuing disclosure of information concerning the Bonds, the District, and any other costs otherwise incurred by the City on behalf of the District in order to carry out the purposes of the District as set forth in the Resolution of Formation and any obligation of the District hereunder. Administrative Expenses shall also include the administrative costs with respect to the collection of Delinquency Proceeds.

“Administrative Expense Fund” means the fund by that name created and established pursuant to Section 3.1 hereof.

“Annual Debt Service” means the principal amount of any Outstanding Bonds or Parity Bonds payable in a Bond Year either at maturity or pursuant to a sinking fund payment and any interest payable on any Outstanding Bonds or Parity Bonds in such Bond Year, if the Bonds and any Parity Bonds are retired as scheduled.

“Authority” means the Beaumont Public Improvement Authority.

“Authority Bonds” means any bonds outstanding under the Authority Indenture, which are secured by payments made on the Bonds.

“Authority Indenture” means that certain Indenture of Trust, dated as of July 1, 2020, by and between the Authority and the Authority Trustee, pursuant to which the Authority Bonds are issued.

“Authority Trustee” means Wilmington Trust, National Association, or any successor thereto appointed pursuant to the Authority Indenture.

“Authorized Investments” means any of the following which at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein:

- (1) (A) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America (“United States Treasury Obligations”); (B) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America; (C) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of

the United States of America; or (D) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

(2) Federal Housing Administration debentures.

(3) The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

- Federal Home Loan Mortgage Corporation (FHLMC)

Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)

Senior Debt obligations

- Farm Credit Banks (formerly: Federal Land Banks, Federal

Intermediate Credit Banks and Banks for Cooperatives)

Consolidated system-wide bonds and notes

- Federal Home Loan Banks (FHL Banks)

Consolidated debt obligations

- Federal National Mortgage Association (FNMA)

Senior debt obligations

Mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)

- Student Loan Marketing Association (SLMA)

Senior debt obligations (excluded are 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)

- Financing Corporation (FICO)

Debt obligations

- Resolution Funding Corporation (REFCORP)

Debt obligations

(4) Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank (including the Trustee and any affiliate) the short-term obligations of which are rated "A-1" or better by Standard & Poor's.

(5) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks (including the Trustee and any affiliate) which have capital and surplus of at least \$5 million.

(6) Commercial paper rated at the time of purchase (having original maturities of not more than 270 days) "A-1+" by Standard & Poor's and "Prime-1" by Moody's.

(7) Money market funds rated "AAM" or "AAM-G" by Standard & Poor's, or better (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).

(8) "State Obligations," which means:

(A) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated "A3" by Moody's and "A" by Standard & Poor's, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(B) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (A) above and rated "A-1+" by Standard & Poor's and "Prime-1" by Moody's.

(C) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (A) above and rated "AA" or better by Standard & Poor's and "Aa" or better by Moody's.

(9) Pre-refunded municipal obligations rated "AAA" by S & P and "Aaa" by Moody's meeting the following requirements:

(A) the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(B) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(C) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations (“Verification”);

(D) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

(E) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(F) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(10) Repurchase agreements:

(A) With (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least “A” by Standard & Poor’s and Moody’s; or (2) any broker-dealer with “retail customers” or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least “A” by Standard & Poor’s and Moody’s, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated “A” or better by Standard & Poor’s and Moody’s, provided that:

(a) The market value of the collateral is maintained at levels equal to 104% of the amount of cash transferred by the Trustee to the provider of the repurchase agreement plus accrued interest with the collateral being valued weekly and marked-to-market at one current market price plus accrued interest;

(b) The Trustee or a third party acting solely as agent therefor or for the District (the “Holder of the Collateral”) has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor’s books);

(c) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(d) The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or Standard & Poor's is withdrawn or suspended or falls below "A-" by Standard & Poor's or "A3" by Moody's, as appropriate, the provider must, at the direction of the District or the Trustee, within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the District or Trustee.

(B) Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (a) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by Standard & Poor's and Moody's, respectively.

(11) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by Standard & Poor's and "Aa" by Moody's; provided that, by the terms of the investment agreement:

(A) interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service on the Bonds;

(B) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the District and the Trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(C) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof, or, in the case of a bank, that the obligation of the bank to make payments under the agreement ranks pari passu with the obligations of the bank to its other depositors and its other unsecured and unsubordinated creditors;

(D) the District and the Trustee receives the opinion of domestic counsel (which opinion shall be addressed to the District and the Trustee) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the District;

(E) the investment agreement shall provide that if during its term.

(1) the provider's rating by either Standard & Poor's or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the District, the Trustee or a third party

acting solely as agent therefor (the “Holder of the Collateral”) collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to Standard & Poor’s and Moody’s to maintain an “A” rating in an “A” rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment; and

(2) the provider’s rating by either Standard & Poor’s or Moody’s is withdrawn or suspended or falls below “A-” or “A3”, respectively, the provider must, at the direction of the District or the Trustee, within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the District or Trustee; and

(F) The investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession); and

(G) the investment agreement must provide that if during its term

(1) the provider shall default in its payment obligations, the provider’s obligations under the investment agreement shall, at the direction of the District or the Trustee, be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the District or Trustee, as appropriate, and

(2) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. (“event of insolvency”), the provider’s obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the District or Trustee, as appropriate.

(12) The State of California Local Agency Investment Fund; provided that the Trustee may restrict investments in such Fund to the extent necessary to keep monies available for the purposes of this Indenture.

“Authorized Representative of the City” means the City Manager of the City, Assistant City Manager of the City, or his or her designee, the Finance Director of the City, or his or her designee, or any other person or persons designated by the City Council of the City and authorized to act on behalf of the City by a written certificate signed on behalf of the City by the Mayor of the City and containing the specimen signature of each such person.

“Bond Counsel” means an attorney at law or a firm of attorneys selected by the District of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on bonds issued by states and their political subdivisions duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia.

“Bond Register” means the books which the Trustee shall keep or cause to be kept on which the registration and transfer of the Bonds and any Parity Bonds shall be recorded.

“Bondowner” or “Owner” means the person or persons in whose name or names any Bond or Parity Bond is registered.

“Bonds” means the \$\_\_\_\_\_ City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 17B) 2020 Special Tax Refunding Bonds.

“Bond Year” means the twelve month period commencing on September 1 of each year and ending on September 1 of the following year, except that the first Bond Year for the Bonds or an issue of Parity Bonds shall begin on the Delivery Date and end on the first September 1 which is not more than 12 months after the Delivery Date.

“Business Day” means a day which is not a Saturday or Sunday or a day of the year on which banks in New York, New York, Los Angeles, California, or the city where the corporate trust office of the Trustee is located, are not required or authorized to remain closed.

“Certificate of an Authorized Representative” means a written certificate or warrant request executed by an Authorized Representative of the City.

“City” means the City of Beaumont.

“City Council” means the City Council of the City acting as the legislative body of the District.

“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.

“Costs of Issuance” shall have the meaning set forth in the Authority Indenture.

“Defeasance Securities” means non-callable, non-prepayable obligations of the type set forth in clause (1) of the definition of Authorized Investments.

“Delinquency Proceeds” means the net amounts collected from the redemption of delinquent Special Taxes including the penalties and interest thereon and from the sale of property sold as a result of the foreclosure of the lien of the Special Tax resulting from the delinquency in the payment of Special Taxes due and payable on such property.

“Delivery Date” means, with respect to the Bonds and each issue of Parity Bonds, the date on which the bonds of such issue were issued and delivered to the initial purchasers thereof.

“District” means City of Beaumont Community Facilities District No. 93-1 established pursuant to the Act and the Resolution of Formation.

“Escrow Agent” means Wilmington Trust, National Association, acting as escrow agent pursuant to the Escrow Agreement.

“Escrow Agreement” means that Escrow Agreement, dated as of July 1, 2020, by and among the District, the Beaumont Financing Authority and the Escrow Agent relating to the defeasance and refunding of the Prior Bonds.

“Fiscal Year” means the period beginning on July 1 of each year and ending on the next following June 30.

“Gross Special Taxes” means the amount of all Special Taxes received by the District, together with Delinquency Proceeds.

“Improvement Area” mean Improvement Area No. 17B of the District.

“Independent Financial Consultant” means a financial consultant or firm of such consultants generally recognized to be well qualified in the financial consulting field, appointed and paid by the District, who, or each of whom:

- (1) is in fact independent and not under the domination of the District or City;
- (2) does not have any substantial interest, direct or indirect, in the District or City; and
- (3) is not connected with the District or City as a member, officer or employee of the District or City, but who may be regularly retained to make annual or other reports to the District or City.

“Indenture” means this Bond Indenture, together with any Supplemental Indenture approved pursuant to Article 6 hereof.

“Insurance Policy” means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Authority Bonds when due.

“Insurer” means \_\_\_\_\_, or any successor thereto.

“Interest Payment Date” means each March 1 and September 1, commencing March 1, 2021, and the final maturity date of the Bonds; provided, however, that, if any such day is not a Business Day, interest up to the Interest Payment Date, and in the case of the final Interest Payment Date to and including such date, will be paid on the Business Day next succeeding such date.

“Maximum Annual Debt Service” means the maximum sum obtained for any Bond Year prior to the final maturity of the Bonds and any Parity Bonds by adding the following for each Bond Year:

- (1) the principal amount of all Outstanding Bonds and Parity Bonds payable in such Bond Year either at maturity or pursuant to a sinking fund payment; and
- (2) the interest payable on the aggregate principal amount of all Bonds and Parity Bonds Outstanding in such Bond Year if the Bonds and Parity Bonds are retired as scheduled.

“Moody’s” means Moody’s Investors Service, its successors and assigns.

“Net Special Taxes” means Gross Special Taxes minus amounts set aside to pay Priority Administrative Expenses.

“Ordinance” means the ordinance adopted by the legislative body of the District providing for the levying of the Special Tax in the Improvement Area.

“Outstanding” or “Outstanding Bonds and Parity Bonds” means all Bonds and Parity Bonds theretofore issued by the District, except:

(1) Bonds and Parity Bonds theretofore cancelled or surrendered for cancellation in accordance with Section 10.1 hereof;

(2) Bonds and Parity Bonds for payment or redemption of which moneys shall have been theretofore deposited in trust (whether upon or prior to the maturity or the redemption date of such Bonds or Parity Bonds), provided that, if such Bonds or Parity Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in this Indenture or any applicable Supplemental Indenture for Parity Bonds; and

(3) Bonds and Parity Bonds which have been surrendered to the Trustee for transfer or exchange pursuant to Section 2.9 hereof or for which a replacement has been issued pursuant to Section 2.10 hereof.

“Parity Bonds” mean bonds or other securities issued by the District and secured by a lien on the Net Special Taxes which is on parity with the lien thereon securing the Bonds.

“Person” means natural persons, firms, corporations, partnerships, associations, trusts, public bodies and other entities.

“Prepayments” means any amounts paid by the District to the Trustee and designated by the District as a prepayment of Special Taxes for one or more parcels in the Improvement Area made in accordance with the Rate and Method of Apportionment.

“Principal Office of the Trustee” means the corporate trust and agency office of the Trustee located in Costa Mesa, California, provided that for purposes of redemption, payment, exchange, transfer or surrender of Bonds shall mean the corporate trust agency or operations office of the Trustee or such other office or offices as the Trustee may designate from time to time, or the office of any successor Trustee where it principally conducts its corporate trust and agency business.

“Prior Bonds” means the District’s Special Tax Bonds, 2011 Series A and Series B (Improvement Area No. 17B) currently outstanding in the aggregate principal amount of \$11,930,000.

“Prior Trustee” means Wilmington Trust, National Association, as trustee under the Prior Indenture.

“Prior Indenture” means that Indenture of Trust dated as of January 15, 1994, as amended and supplemented to date, by and between the District and the Prior Trustee.

“Priority Administrative Expenses” means the amount of \$30,000 payable from Gross Special Taxes annually (other than Delinquency Proceeds); provided that the District may, in its sole

discretion, fund additional Administrative Expenses, without limitation, from Special Taxes not otherwise required to be transferred to the Trustee and from other moneys held in the Administrative Expense Fund.

“Project” means those public facilities described in the Resolution of Formation which were acquired or constructed within and outside of the Improvement Area with the proceeds of the Prior Bonds, including all engineering, planning and design services and other incidental expenses related to such facilities and other facilities, if any, authorized by the qualified electors within the Improvement Area from time to time.

“Proportionate Share” means, with respect to the calculation set forth in Section 3.2(b)(4), as of the date of calculation, a fraction equal to (A) the principal amount of the Bonds Outstanding divided by (B) the sum of the principal amount of all of the Local Obligations (as defined in the Authority Indenture) Outstanding.

“Rate and Method of Apportionment” means that certain Rate and Method of Apportionment of Special Tax pursuant to which the Special Taxes are levied within the Improvement Area, as amended in accordance with the Act and this Indenture.

“Record Date” means the fifteenth day of the month preceding an Interest Payment Date, regardless of whether such day is a Business Day.

“Regulations” means the regulations adopted or proposed by the Department of Treasury from time to time with respect to obligations issued pursuant to Section 103 of the Code.

“Reserve Account” means the District’s Account of the Reserve Fund established under the Authority Indenture.

“Reserve Fund” means the fund by that name established by the Authority Indenture.

“Reserve Policy” means the municipal bond debt service reserve insurance policy relating to the Authority Bonds issued by the Insurer.

“Reserve Requirement” shall have the meaning given such term in the Authority Indenture.

“Resolution of Formation” means the resolution adopted by the City Council pursuant to which the City formed the Improvement Area.

“Special Tax Fund” means the fund by that name created and established pursuant to Section 3.1 hereof.

“Special Taxes” means the taxes authorized to be levied by the District on property within the Improvement Area in accordance with the Ordinance, the Resolution of Formation, the Act and the voter approval obtained at the applicable election in the Improvement Area.

“Standard & Poor’s” means S&P Global Ratings, a Standard & Poor’s Financial Services, LLC business, its successors and assigns.

“Supplemental Indenture” means any supplemental indenture amending or supplementing this Indenture.

“Surplus Fund” means the fund by that name created and established pursuant to Section 3.1 hereof.

“Term Bonds” means the Bonds maturing on September 1, 20\_\_ and September 1, 20\_\_.

“Trustee” means Wilmington Trust, National Association, a national banking association duly organized and existing under the laws of the United States of America, at its principal corporate trust office in Costa Mesa, California, and its successors or assigns, or any other bank, association or trust company which may at any time be substituted in its place as provided in Sections 7.2 or 7.3 and any successor thereto.

## ARTICLE II

### GENERAL AUTHORIZATION AND BOND TERMS

**Section 2.1 Amount, Issuance, Purpose and Nature of Bonds and Parity Bonds.**

Under and pursuant to the Act, the Bonds in the aggregate principal amount of \$\_\_\_\_\_ shall be issued for the purpose of (a) refunding and defeasing the Prior Bonds, and (b) funding the District’s share of the Costs of Issuance.

**Section 2.2 Type and Nature of Bonds and Parity Bonds.**

Neither the faith and credit nor the taxing power of the City, the State of California or any political subdivision thereof other than the District is pledged to the payment of the Bonds or any Parity Bonds. Except for the Net Special Taxes, no other taxes are pledged to the payment of the Bonds and Parity Bonds. The Bonds and any Parity Bonds are not general or special obligations of the City nor general obligations of the District, but are limited obligations of the District payable solely from certain amounts deposited by the District in the Special Tax Fund, as more fully described herein. The District’s limited obligation to pay the principal of, premium, if any, and interest on the Bonds and any Parity Bonds from amounts in the Special Tax Fund is absolute and unconditional, free of deductions and without any abatement, offset, recoupment, diminution or set-off whatsoever. No Owner of the Bonds or any Parity Bonds may compel the exercise of the taxing power by the District (except as pertains to the Special Taxes) or the City or the forfeiture of any of their property. The principal of and interest on the Bonds and any Parity Bonds and premiums upon the redemption thereof, if any, are not a debt of the City, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory limitation or restriction. The Bonds and any Parity Bonds are not a legal or equitable pledge, charge, lien, or encumbrance upon any of the District’s property, or upon any of its income, receipts or revenues, except the Net Special Taxes and other amounts in the Special Tax Fund which are, under the terms of this Indenture and the Act, set aside for the payment of the Bonds and interest thereon and neither the members of the legislative body of the District or the City Council nor any persons executing the Bonds are liable personally on the Bonds by reason of their issuance.

Notwithstanding anything to the contrary contained in this Indenture, the District shall not be required to advance any money derived from any source of income other than the Net Special Taxes for the payment of the interest on or the principal of or premium on the Bonds or any Parity Bonds, or for the performance of any covenants contained herein. The District may, however, advance funds for any such purpose, provided that such funds are derived from a source legally available for such purpose.

**Section 2.3 Equality of Bonds and Parity Bonds and Pledge of Net Special Taxes.**

Subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, in order to secure the payment of the principal of and interest on the Bonds and any Parity Bonds in accordance with their terms, the provisions of this Indenture and the Act, the District hereby pledges to the Owners, and grants thereto a lien on and a security interest in, all of the Net Special Taxes and any other amounts held in the Special Tax Fund. Said pledge shall constitute a first lien on and security interest in such assets, which shall immediately attach to such assets and be effective, binding and enforceable against the District, its successors, purchasers of any of such assets, creditors and all others asserting rights therein, to the extent set forth in, and in accordance with, this Indenture, irrespective of whether those parties have notice of the pledge of, lien on and security interest in such assets and without the need for any physical delivery, recordation, filing or further act. Pursuant to the Act and this Indenture, the Bonds and any Parity Bonds shall be equally payable from the Net Special Taxes and other amounts in the Special Tax Fund, without priority for number, date of the Bonds or Parity Bonds, date of sale, date of execution, or date of delivery, and the payment of the interest on and principal of the Bonds and any Parity Bonds and any premiums upon the redemption thereof, shall be exclusively paid from the Net Special Taxes and other amounts in the Special Tax Fund, which are hereby set aside for the payment of the Bonds and any Parity Bonds. Amounts in the Special Tax Fund shall constitute a trust fund held for the benefit of the Owners to be applied to the payment of the interest on and principal of the Bonds and any Parity Bonds and so long as any of the Bonds and any Parity Bonds or interest thereon remain Outstanding shall not be used for any other purpose, except as permitted by this Indenture or any Supplemental Indenture. Notwithstanding any provision contained in this Indenture to the contrary, Net Special Taxes deposited in the Rebate Fund and the Surplus Fund shall no longer be considered to be pledged to the Bonds or any Parity Bonds, and none of the Rebate Fund, the Surplus Fund or the Administrative Expense Fund shall be construed as a trust fund held for the benefit of the Owners.

Nothing in this Indenture or any Supplemental Indenture shall preclude; (a) subject to the limitations herein, the redemption prior to maturity of any Bonds or Parity Bonds subject to call and redemption and payment of said Bonds or Parity Bonds from proceeds of refunding bonds issued under the Act as the same now exists or as hereafter amended, or under any other law of the State of California; or (b) the issuance, subject to the limitations contained herein, of Parity Bonds which shall be payable from Net Special Taxes.

**Section 2.4 Description of Bonds; Interest Rates.** The Bonds and any Parity Bonds shall be issued in fully registered form in denominations of \$5,000 or any integral multiple thereof. The Bonds and any Parity Bonds of each issue shall be numbered as desired by the underwriter.

The Bonds shall be designated “CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1 (IMPROVEMENT AREA NO. 17B) 2020 SPECIAL TAX REFUNDING BONDS.” The Bonds shall be dated as of their Delivery Date and shall mature and be payable on September 1 in the years and in the aggregate principal amounts and shall be subject to and shall bear interest at the rates set forth in the table below payable on March 1, 2021 and each Interest Payment Date thereafter:

*Maturity Date*  
*(September 1)*

*Principal Amount*

*Interest Rate*

Interest shall be payable on each Bond and Parity Bond from the date established in accordance with Section 2.5 below on each Interest Payment Date thereafter until the principal sum of that Bond or Parity Bond has been paid; provided, however, that if at the maturity date of any Bond funds are available for the payment or redemption thereof in full, in accordance with the terms of this Indenture, such Bonds and Parity Bonds shall then cease to bear interest. Interest due on the Bonds and Parity Bonds shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

**Section 2.5 Place and Form of Payment.** The Bonds and Parity Bonds shall be payable both as to principal and interest, and as to any premiums upon the redemption thereof, in lawful money of the United States of America. The principal of the Bonds and Parity Bonds and any premiums due upon the redemption thereof shall be payable upon presentation and surrender thereof at the Principal Office of the Trustee, or at the designated office of any successor Trustee. Interest on any Bond shall be payable from the Interest Payment Date next preceding the date of authentication of that Bond, unless (i) such date of authentication is an Interest Payment Date in which event interest shall be payable from such date of authentication, (ii) the date of authentication is after a Record Date but prior to the immediately succeeding Interest Payment Date, in which event interest shall be payable from the Interest Payment Date immediately succeeding the date of authentication, or (iii) the date of authentication is prior to the close of business on the first Record Date occurring after the issuance of such Bond or Parity Bond, in which event interest shall be payable from the dated date of such Bond or Parity Bond; provided, however, that if at the time of authentication of such Bond or Parity Bond, interest is in default, interest on that Bond or Parity Bond shall be payable from the last Interest Payment Date to which the interest has been paid or made available for payment or, if no interest has been paid or made available for payment on that Bond or Parity Bond, interest on that Bond or Parity Bond shall be payable from its dated date. Interest on any Bond or Parity Bond shall be paid to the person whose name shall appear in the Bond Register as the Owner of such Bond or Parity Bond as of the close of business on the Record Date. Such interest shall be paid by check of the Trustee mailed on the applicable Interest Payment Date by first class mail, postage prepaid, to such Bondowner at his or her address as it appears on the Bond Register. In addition, upon a request in writing received by the Trustee on or before the applicable Record Date from an Owner of \$1,000,000 or more in principal amount of the Bonds, payment shall be made on

the Interest Payment Date by wire transfer in immediately available funds to an account designated by such Owner.

**Section 2.6 Form of Bonds and Parity Bonds.** The definitive Bonds shall be typewritten. The Bonds and the certificate of authentication shall be substantially in the form attached hereto as Exhibit A, which forms are hereby approved and adopted as the forms of such Bonds and any Parity Bonds and of the certificate of authentication.

Notwithstanding any provision in this Indenture to the contrary, the District may, in its sole discretion, elect to issue the Bonds and any Parity Bonds in book entry form.

Until definitive Bonds or Parity Bonds shall be prepared, the District may cause to be executed and delivered in lieu of such definitive Bonds or Parity Bonds temporary bonds in typed, printed, lithographed or engraved form and in fully registered form, subject to the same provisions, limitations and conditions as are applicable in the case of definitive Bonds or Parity Bonds, except that they may be in any denominations authorized by the District. Until exchanged for definitive Bonds or Parity Bonds, any temporary bond shall be entitled and subject to the same benefits and provisions of this Indenture as definitive Bonds and Parity Bonds. If the District issues temporary Bonds, it shall execute and furnish definitive Bonds or Parity Bonds, as applicable, without unnecessary delay and thereupon any temporary Bond or Parity Bond may be surrendered to the Trustee at its office, without expense to the Owner, in exchange for a definitive Bond or Parity Bond of the same issue, maturity, interest rate and principal amount in any authorized denomination. All temporary Bonds and Parity Bonds so surrendered shall be cancelled by the Trustee and shall not be reissued.

**Section 2.7 Execution and Authentication.** The Bonds and Parity Bonds shall be signed on behalf of the District by the manual or facsimile signature of the Mayor and by the manual or facsimile signature of the City Clerk, or any duly appointed deputy clerk, in their capacity as officers of the District, and the seal of the District (or a facsimile thereof) shall be impressed, imprinted, engraved or otherwise reproduced thereon, and attested by the signature of the City Clerk. In case any one or more of the officers who shall have signed or sealed any of the Bonds or Parity Bonds shall cease to be such officer before the Bonds or Parity Bonds so signed and sealed have been authenticated and delivered by the Trustee (including new Bonds or Parity Bonds delivered pursuant to the provisions hereof with reference to the transfer and exchange of Bonds or Parity Bonds or to lost, stolen, destroyed or mutilated Bonds), such Bonds or Parity Bonds shall nevertheless be valid and may be authenticated and delivered as herein provided, and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office.

Only the Bonds or Parity Bonds as shall bear thereon such certificate of authentication in the form set forth in Exhibit A attached hereto shall be entitled to any right or benefit under this Indenture, and no Bond or Parity Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee.

**Section 2.8 Bond Register.** The Trustee will keep or cause to be kept, at its office, sufficient books for the registration and transfer of the Bonds and any Parity Bonds which shall upon reasonable prior notice be open to inspection by the District during all regular business hours, and, subject to the limitations set forth in Section 2.9 below, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, with reasonable notice, register

or transfer or cause to be transferred on said Bond Register, Bonds and any Parity Bonds as herein provided.

The District and the Trustee may treat the Owner of any Bond or Parity Bond whose name appears on the Bond Register as the absolute Owner of that Bond or Parity Bond for any and all purposes, and the District and the Trustee shall not be affected by any notice to the contrary. The District and the Trustee may rely on the address of the Bondowner as it appears in the Bond Register for any and all purposes. It shall be the duty of the Bondowner to give written notice to the Trustee of any change in the Bondowner's address so that the Bond Register may be revised accordingly.

**Section 2.9 Registration of Exchange or Transfer.** Subject to the limitations set forth in the following paragraph, the registration of any Bond or Parity Bond may, in accordance with its terms, be transferred upon the Bond Register by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Bond or Parity Bond for cancellation at the office of the Trustee, accompanied by delivery of written instrument of transfer in a form acceptable to the Trustee and duly executed by the Bondowner or his or her duly authorized attorney.

Bonds or Parity Bonds may be exchanged at the office of the Trustee for a like aggregate principal amount of Bonds or Parity Bonds for other authorized denominations of the same maturity and issue. The Trustee shall not collect from the Owner any charge for any new Bond or Parity Bond issued upon any exchange or transfer, but shall require the Bondowner requesting such exchange or transfer to pay any tax or other governmental charge required to be paid with respect to such exchange or transfer. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer or exchange shall be paid by the District. Whenever any Bonds or Parity Bonds shall be surrendered for registration of transfer or exchange, the District shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds or a new Parity Bond or Parity Bonds, as applicable, of the same issue and maturity, for a like aggregate principal amount; provided that the Trustee shall not be required to register transfers or make exchanges of (i) Bonds or Parity Bonds for a period of 15 days next preceding any selection of the Bonds or Parity Bonds to be redeemed, or (ii) any Bonds or Parity Bonds chosen for redemption.

Notwithstanding the foregoing, neither the Authority nor the Trustee shall sell, transfer or encumber or permit the sale, transfer or encumbrance of any of the Bonds unless the Insurer shall have provided its prior consent.

**Section 2.10 Mutilated, Lost, Destroyed or Stolen Bonds or Parity Bonds.** If any Bond or Parity Bond shall become mutilated, the District shall execute, and the Trustee shall authenticate and deliver, a new Bond or Parity Bond of like tenor, date, issue and maturity in exchange and substitution for the Bond or Parity Bond so mutilated, but only upon surrender to the Trustee of the Bond or Parity Bond so mutilated. Every mutilated Bond or Parity Bond so surrendered to the Trustee shall be cancelled by the Trustee pursuant to Section 10.1 hereof. If any Bond or Parity Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence is satisfactory to the Trustee and, if any indemnity satisfactory to the Trustee shall be given, the District shall execute and the Trustee shall authenticate and deliver, a new Bond or Parity Bond, as applicable, of like tenor, maturity and issue, numbered and dated as the Trustee shall determine in lieu of and in substitution for the Bond or Parity Bond so lost, destroyed or stolen. Any Bond or Parity Bond issued in lieu of any Bond or Parity Bond alleged to be mutilated, lost, destroyed or stolen, shall be equally and proportionately entitled to the benefits hereof with all

other Bonds or Parity Bonds issued hereunder. The Trustee shall not treat both the original Bond or Parity Bond and any replacement Bond or Parity Bond as being Outstanding for the purpose of determining the principal amount of Bonds or Parity Bonds which may be executed, authenticated and delivered hereunder or for the purpose of determining any percentage of Bonds or Parity Bonds Outstanding hereunder, but both the original and replacement Bond or Parity Bond shall be treated as one and the same. Notwithstanding any other provision of this Section, in lieu of delivering a new Bond or Parity Bond which has been mutilated, lost, destroyed or stolen, and which has matured, the Trustee may make payment with respect to such Bonds or Parity Bonds.

**Section 2.11 Validity of Bonds and Parity Bonds.** The validity of the authorization and issuance of the Bonds and any Parity Bonds shall not be affected in any way by any defect in any proceedings taken by the District for the refunding of the Prior Bonds, and the recital contained in the Bonds or any Parity Bonds that the same are issued pursuant to the Act and other applicable laws of the State shall be conclusive evidence of their validity and of the regularity of their issuance.

**ARTICLE III**

**CREATION OF FUNDS AND APPLICATION OF PROCEEDS**

**Section 3.1 Creation of Funds; Application of Proceeds.**

(a) There is hereby created and established and shall be maintained by the Trustee the following funds and accounts:

(i) The Community Facilities District No. 93-1 Special Tax Fund (the “Special Tax Fund”) (in which there shall be established and created an Interest Account, a Principal Account and a Redemption Account);

(ii) The Community Facilities District No. 93-1 Administrative Expense Fund (the “Administrative Expense Fund”); and

(iii) The Community Facilities District No. 93-1 Surplus Fund (the “Surplus Fund”).

The amounts on deposit in the foregoing funds and accounts shall be held by the Trustee on behalf of the District and shall be invested and disbursed in accordance with the provisions of this Article 3. The investment earnings thereon shall be disbursed in accordance with the provisions of Section 3.7 hereof.

(b) Proceeds from the sale of the Bonds in the amount of \$\_\_\_\_\_ (constituting the par amount of the Bonds, less Underwriter’s Discount of \$\_\_\_\_\_) shall be received by the Trustee, together with moneys held by the Prior Trustee under the Prior Indenture in the amount of \$\_\_\_\_\_ and deposited or transferred in the case of moneys held by the Prior Trustee on the Delivery Date as follows:

(i) \$\_\_\_\_\_ of the proceeds of the sale of the Bonds shall be transferred to the Escrow Agent for deposit in the escrow fund created under the Escrow Agreement, and the moneys in said fund shall be used only for the payment of the principal of, and interest and premium on, the outstanding Prior Bonds in accordance with the terms of the Escrow Agreement,

(ii) \$\_\_\_\_\_ of the proceeds of the sale of the Bonds representing the District's share of the Costs of Issuance shall be immediately transferred to the Authority Trustee for deposit in the Cost of Issuance Fund (as such term is defined in the Authority Indenture).

The Trustee may, in its discretion, establish a temporary fund or account in its books and records to facilitate such transfers.

### **Section 3.2 Deposits to and Disbursements from Special Tax Fund.**

(a) The Trustee shall deposit Gross Special Taxes representing Delinquency Proceeds as follows:

(i) the amount representing past due interest on the Bonds shall be deposited to the Interest Account of the Special Tax Fund; and

(ii) the amount representing past due principal of the Bonds shall be deposited to the Principal Account of the Special Tax Fund.

(b) Except for the portion of any Prepayment to be deposited to the Redemption Account, the District shall, as soon as practicable but in no event later than five (5) Business Days after the District has received a written request from the Trustee, transfer the Special Taxes received by the District to the Trustee for deposit in the Special Tax Fund to be held by the Trustee in trust for the Owners. The Trustee shall transfer the Special Taxes on deposit in the Special Tax Fund on the dates and in the amounts set forth in the following Sections, in the following order of priority, to:

(i) the Administrative Fund an amount up to the Priority Administrative Expenses for such Fiscal Year in accordance with Section 3.3 herein;

(ii) the Interest Account of the Special Tax Fund the amount necessary to cause the balance on deposit therein to be equal to the interest on the Bonds and any Parity Bonds payable on the next succeeding Interest Payment Date;

(iii) the Principal Account of the Special Tax Fund the amount necessary to cause the balance on deposit therein to be equal to the principal amount of the Bonds and any Parity Bonds and/or the sinking fund payment payable on the next succeeding September 1;

(iv) transfer to the Authority Trustee for deposit in the Reserve Account the amount necessary to cause the balance on deposit therein to equal the District's Proportionate Share of the Reserve Requirement or to reimburse the Insurer pursuant to the Authority Indenture for amounts owed to the Insurer for draws under the Reserve Policy related to the Bonds;

(v) the Redemption Account of the Special Tax Fund; and

(vi) the Surplus Fund.

At least ten (10) Business Days prior to each Interest Payment Date, the Trustee shall notify the District in writing the amount of Special Taxes required to pay the principal of and interest on the Bonds and any Parity Bonds on the next succeeding Interest Payment Date and the amount necessary to cause the balance on deposit in the Reserve Account to equal the District's Proportionate Share of the Reserve Requirement. The Trustee shall notify the Authority Trustee and the Insurer at least five

(5) Business Days prior to each Interest Payment Date if there is not on deposit with the Trustee, after making all of the transfers required hereunder, moneys sufficient to pay the principal of and interest on the Bonds and any Parity Bonds.

**Section 3.3 Administrative Expense Fund.** The Trustee shall transfer from the Special Tax Fund and deposit in the Administrative Expense Fund from time to time amounts necessary to make timely payment of Administrative Expenses as set forth in a Certificate of an Authorized Representative. Moneys in the Administrative Expense Fund may be invested in any Authorized Investments as directed in writing by an Authorized Representative of the District and shall be disbursed as directed in a Certificate of an Authorized Representative.

**Section 3.4 Interest Account and Principal Account of the Special Tax Fund.** The principal of and interest due on the Bonds and any Parity Bonds until maturity, other than principal due upon redemption, shall be paid by the Trustee from the Principal Account and the Interest Account of the Special Tax Fund, respectively. For the purpose of assuring that the payment of principal of and interest on the Bonds and any Parity Bonds will be made when due, after making the transfer required by Section 3.3, at least five Business Days prior to each March 1 and September 1, the Trustee shall make the following transfers from the Special Tax Fund first to the Interest Account and then to the Principal Account; provided, however, that to the extent that deposits have been made in the Interest Account or the Principal Account from the proceeds of the sale of an issue of the Bonds, any Parity Bonds, or otherwise, the transfer from the Special Tax Fund need not be made. At least three (3) Business Days prior to an Interest Payment Date, the Trustee shall notify the Authority and the Trustee if there are insufficient funds to provide for the payment of principal and interest due on the Bonds and any Parity Bonds on such Interest Payment Date.

**Section 3.5 Redemption Account of the Special Tax Fund.**

(a) After making the transfers and deposits required by Sections 3.3 and 3.4 above, and in accordance with the District's election to call Bonds for optional redemption as set forth in Section 4.1(a) hereof, or to call Parity Bonds for optional redemption as set forth in any Supplemental Indenture for Parity Bonds, the Trustee shall transfer from the Special Tax Fund and deposit in the Redemption Account moneys available for the purpose and sufficient to pay the principal and the premiums, if any, payable on the Bonds or Parity Bonds called for optional redemption; provided, however, that amounts in the Special Tax Fund may be applied to optionally redeem Bonds and Parity Bonds only if immediately following such redemption the amount in the Reserve Account will equal the District's Proportionate Share of the Reserve Requirement, as determined by the District.

(b) Prepayments deposited to the Redemption Account shall be applied on the redemption date established pursuant to Section 4.1(b) hereof for the use of such Prepayments to the payment of the principal of, premium, and interest on the Bonds and Parity Bonds to be redeemed with such Prepayments.

(c) Moneys set aside in the Redemption Account shall be used solely for the purpose of redeeming Bonds and Parity Bonds and shall be applied on or after the redemption date to the payment of principal of and premium, if any, on the Bonds or Parity Bonds to be redeemed upon presentation and surrender of such Bonds or Parity Bonds and in the case of an optional redemption or an extraordinary redemption from Prepayments to pay the interest thereon; provided, however, that in lieu or partially in lieu of such call and redemption, moneys deposited in the Redemption

Account, other than Prepayments, may be used to purchase Outstanding Bonds or Parity Bonds in the manner hereinafter provided. Purchases of Outstanding Bonds or Parity Bonds may be made by the District at public or private sale as and when and at such prices as the District may in its discretion determine but only at prices (including brokerage or other expenses) not more than par plus accrued interest, plus, in the case of moneys set aside for an optional redemption, the premium applicable at the next following call date according to the premium schedule established pursuant to Section 4.1(a) hereof, or in the case of Parity Bonds the premium established in any Supplemental Indenture. Any accrued interest payable upon the purchase of Bonds or Parity Bonds may be paid from the amount reserved in the Interest Account of the Special Tax Fund for the payment of interest on the next following Interest Payment Date.

**Section 3.6 Surplus Fund.** After making the transfers required by Sections 3.3, 3.4 and 3.5 hereof, as soon as practicable after each September 1, and in any event prior to each October 1, the Trustee shall transfer all remaining amounts in the Special Tax Fund to the Surplus Fund, unless on or prior to such date, it has received a Certificate of an Authorized Representative directing that certain amounts be retained in the Special Tax Fund because the District has included such amounts as being available in the Special Tax Fund in calculating the amount of the levy of Special Taxes for such Fiscal Year pursuant to Section 5.2(b) hereof. Moneys deposited in the Surplus Fund will be transferred by the Trustee at the direction of an Authorized Representative of the City (i) to the Interest Account, the Principal Account or the Redemption Account of the Special Tax Fund to pay the principal of, including sinking fund payments, premium, if any, and interest on the Bonds and any Parity Bonds when due in the event that moneys in the Special Tax Fund and the Reserve Account are insufficient therefor, (ii) to the Reserve Account in order to replenish the Reserve Account to the District's Proportionate Share of the Reserve Requirement, (iii) to the Administrative Expense Fund to pay Administrative Expenses to the extent that the amounts on deposit in the Administrative Expense Fund are insufficient to pay Administrative Expenses, (iv) for any other lawful purpose of the District.

The amounts in the Surplus Fund are not pledged to the repayment of the Bonds or the Parity Bonds and may be used by the District for any lawful purpose. In the event that the District reasonably expects to use any portion of the moneys in the Surplus Fund to pay debt service on any Outstanding Bonds or Parity Bonds, the District will notify the Trustee in a Certificate of an Authorized Representative and the Trustee will segregate such amount into a separate subaccount and the moneys on deposit in such subaccount of the Surplus Fund shall be invested at the written direction of the District in Authorized Investments the interest on which is excludable from gross income under Section 103 of the Code (other than bonds the interest on which is a tax preference item for purposes of computing the alternative minimum tax of individuals and corporations under the Code) or in Authorized Investments at a yield not in excess of the yield on the issue of Bonds or Parity Bonds to which such amounts are to be applied, unless, in the opinion of Bond Counsel, investment at a higher yield will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or any Parity Bonds which were issued on a tax-exempt basis for federal income tax purposes.

**Section 3.7 Investments.** Moneys held in any of the Accounts under this Indenture shall be invested by the Trustee or the District, as applicable, in accordance with the limitations set forth below only in Authorized Investments which shall be deemed at all times to be a part of such Accounts. Any loss resulting from such Authorized Investments shall be credited or charged to the Account from which such investment was made, and any investment earnings on amounts deposited in the Special Tax Fund, and each Account therein, and of the Surplus Fund shall be deposited in

those respective Funds and Accounts. Moneys in the Accounts held under this Indenture may be invested by the District or the Trustee as directed in writing by the District, as applicable, from time to time, in Authorized Investments subject to the following restrictions:

(a) Moneys in the Interest Account, the Principal Account, and the Redemption Account of the Special Tax Fund shall be invested only in Authorized Investments which will by their terms mature, or are available for withdrawal without penalty, on such dates so as to ensure the payment of principal of, premium, if any, and interest on the Bonds as the same become due.

(b) In the absence of written investment directions from the District, the Trustee shall hold moneys hereunder uninvested.

The District or the Trustee, as applicable, shall sell, or present for redemption, any Authorized Investment whenever it may be necessary to do so in order to provide moneys to meet any payment or transfer to such Accounts or from such Accounts to which such Authorized Investments is credited. For the purpose of determining at any given time the balance in any such Accounts, any such investments constituting a part of such Accounts shall be valued at the lower of the cost or the market value thereof, exclusive of accrued interest, semiannually. In making any valuations hereunder, the District or the Trustee, as applicable, may utilize such generally recognized pricing information services (including brokers and dealers in securities) as may be available to it, including, without limitation, those available through its regular accounting system, and conclusively rely thereon. Notwithstanding anything herein to the contrary, the District or the Trustee, as applicable, shall not be responsible for any loss from investments, sales or transfers undertaken in accordance with the provisions of this Indenture.

The Trustee or the District, as applicable, may act as principal or agent in the making or disposing of any investment. The Trustee or the District, as applicable, may sell, or present for redemption, any Authorized Investment so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Authorized Investment is credited, and, the Trustee or the District, as applicable, shall not be liable or responsible for any loss resulting from such investment. For investment purposes, the Trustee or the District, as applicable, may commingle the funds and accounts established hereunder, but shall account for each separately.

The District acknowledges that, to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions as they occur, at no additional cost, the District specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the District periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder. The Trustee and its affiliates may act as sponsor, advisor, depository, principal or agent in the holding, acquisition or disposition of any investment.

## ARTICLE IV

### REDEMPTION OF BONDS AND PARITY BONDS

#### Section 4.1 Redemption of Bonds.

(a) Optional Redemption. The Bonds maturing on or after September 1, 20\_\_ may be redeemed, at the option of the District from any source of funds on any date on or after September 1, 20\_\_, in whole, or in part from such maturities as are selected by the District and by lot within a maturity, at a redemption price of the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

In the event the District elects to redeem Bonds as provided above, the District shall give written notice to the Trustee of its election to so redeem, the redemption date and the principal amount of the Bonds to be redeemed. The notice to the Trustee shall be given at least 60 but no more than 90 days prior to the redemption date, or by such later date as is acceptable to the Trustee, in its sole discretion. The Bonds may be redeemed pursuant to this Section 4.1(a) only with the prior consent of the Authority as set forth in the Authority Indenture.

Notwithstanding the foregoing, without the prior consent of the Insurer, the Bonds are not subject to optional redemption prior to maturity unless all of the then outstanding Local Obligations (as defined in the Authority Indenture) are redeemed at the same time.

(b) Extraordinary Redemption. The Bonds are subject to extraordinary redemption from Prepayments as a whole, or in part on a pro rata basis among maturities, on any Interest Payment Date, and shall be redeemed by the Trustee, from Prepayments deposited to the Redemption Account pursuant to Section 3.2 at the following redemption prices, expressed as a percentage of the principal amount to be redeemed, together with accrued interest to the redemption date:

*Redemption Dates*

*Premium*

For so long as the Bonds are held in trust by the Trustee, in connection with the calculation of such redemption price, the District shall receive a credit from the Authority from the reduction in the Reserve Requirement resulting from the redemption of the Bonds and the Authority Bonds so redeemed in connection therewith.

(a) Mandatory Sinking Fund Redemption. The Term Bonds maturing on September 1, 20\_\_ shall be called before maturity and redeemed, from the sinking fund payments that have been deposited into the Principal Account, on September 1, 20\_\_ and on each September 1 thereafter prior to maturity, in accordance with the schedule of sinking fund payments set forth below. The Term Bonds so called for redemption shall be selected by the Trustee by lot and shall be redeemed at a redemption price for each redeemed Term Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

BONDS MATURING SEPTEMBER 1, 20\_\_

*Redemption Dates  
(September 1)*

*Principal Amount*

\$

(maturity)

(c) The redemption provisions for Parity Bonds shall be set forth in a Supplemental Indenture.

**Section 4.2 Selection of Bonds and Parity Bonds for Redemption.** If less than all of the Bonds or Parity Bonds Outstanding are to be redeemed, the portion of any Bond or Parity Bond of a denomination of more than \$5,000 to be redeemed shall be in the principal amount of \$5,000 or an integral multiple thereof. In selecting portions of such Bonds or Parity Bonds for redemption, the Trustee shall treat such Bonds or Parity Bonds, as applicable, as representing that number of Bonds or Parity Bonds of \$5,000 denominations which is obtained by dividing the principal amount of such Bonds or Parity Bonds to be redeemed in part by \$5,000, and such selection of Bonds for redemption shall be by lot. The procedure for the selection of Parity Bonds for redemption may be modified as set forth in the Supplemental Indenture for such Parity Bonds; otherwise, such selection shall be by lot. The Trustee shall promptly notify the District, in writing, of the Bonds or Parity Bonds, or portions thereof, selected for redemption.

**Section 4.3 Reserved.**

**Section 4.4 Partial Redemption of Bonds or Parity Bonds.** Upon surrender of any Bond or Parity Bond to be redeemed in part only, the District shall execute and the Trustee shall authenticate and deliver to the Bondowner, at the expense of the District, a new Bond or Bonds or a new Parity Bond or Parity Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered, with the same interest rate and the same maturity or, in the case of surrender of a Parity Bond, a new Parity Bond or Parity Bonds subject to the foregoing limitations.

**Section 4.5 Availability of Redemption Money.** The amount necessary for the redemption having been made available for that purpose and being available therefor on the date fixed for such redemption:

(a) The Bonds and Parity Bonds, or portions thereof, designated for redemption shall, on the date fixed for redemption, become due and payable at the redemption price thereof as provided in this Indenture or in any Supplemental Indenture with respect to any Parity Bonds, anything in this Indenture or in the Bonds or the Parity Bonds to the contrary notwithstanding;

(b) Upon presentation and surrender thereof at the Principal Office of the Trustee, the redemption price of such Bonds and Parity Bonds shall be paid to the Owners thereof;

(c) As of the redemption date the Bonds or the Parity Bonds, or portions thereof so designated for redemption shall be deemed to be no longer Outstanding and such Bonds or Parity Bonds, or portions thereof, shall cease to bear further interest; and

(d) As of the date fixed for redemption no Owner of any of the Bonds, Parity Bonds or portions thereof so designated for redemption shall be entitled to any of the benefits of this Indenture or any Supplemental Indenture, or to any other rights, except with respect to payment of the redemption price and interest accrued to the redemption date from the amounts so made available.

## ARTICLE V

### COVENANTS AND WARRANTY

**Section 5.1 Warranty.** The District shall preserve and protect the security pledged hereunder to the Bonds and any Parity Bonds against all claims and demands of all persons.

**Section 5.2 Covenants.** So long as any of the Bonds or Parity Bonds issued hereunder are Outstanding and unpaid, the District makes the following covenants with the Bondowners under the provisions of the Act and this Indenture (to be performed by the District or its proper officers, agents or employees), which covenants are necessary and desirable to secure the Bonds and Parity Bonds and tend to make them more marketable; provided, however, that said covenants do not require the District to expend any funds or moneys other than the Special Taxes and other amounts deposited to the Special Tax Fund:

(a) Punctual Payment; Against Encumbrances. The District covenants that it will receive all Special Taxes in trust for the Owners and will instruct the Treasurer of the District to deposit all Special Taxes with the Trustee immediately upon their apportionment to the District, and the District shall have no beneficial right or interest in the amounts so deposited except as provided by this Indenture. All such Special Taxes shall be disbursed, allocated and applied solely to the uses and purposes set forth herein, and shall be accounted for separately and apart from all other money, funds, accounts or other resources of the District.

The District covenants that it will duly and punctually pay or cause to be paid the principal of and interest on every Bond and Parity Bond issued hereunder, together with the premium, if any, thereon on the date, at the place and in the manner set forth in the Bonds and the Parity Bonds and in accordance with this Indenture to the extent that Net Special Taxes and other amounts pledged hereunder are available therefor, and that the payments into the Funds and Accounts created hereunder will be made, all in strict conformity with the terms of the Bonds, any Parity Bonds, and this Indenture, and that it will faithfully observe and perform all of the conditions, covenants and requirements of this Indenture and all Supplemental Indentures and of the Bonds and any Parity Bonds issued hereunder.

The District will not mortgage or otherwise encumber, pledge or place any charge upon any of the Net Special Taxes except as provided in this Indenture, and will not issue any obligation or security having a lien or charge upon the Net Special Taxes superior to or on a parity with the Bonds, other than Parity Bonds. Nothing herein shall prevent the District from issuing or incurring indebtedness which is payable from a pledge of Net Special Taxes which is subordinate in all respects to the pledge of Net Special Taxes to repay the Bonds and the Parity Bonds.

(b) Levy of Special Tax. So long as any Bonds or Parity Bonds issued under this Indenture are Outstanding, the legislative body of the District covenants to levy the Special Tax (taking into consideration reasonably anticipated delinquencies) in an amount sufficient, together with other amounts on deposit in the Special Tax Fund and available for such purpose, to pay (1) the principal of and interest on the Bonds and any Parity Bonds when due, (2) the Priority Administrative Expenses, and (3) any amounts required to replenish the Reserve Account resulting from the delinquency in the payment of scheduled debt service on the Bonds or any Parity Bonds (collectively, the “Special Tax Requirement”). The District further covenants that it will take no actions that would discontinue or cause the discontinuance of the Special Tax levy or the District’s authority to levy the Special Tax for so long as the Bonds and any Parity Bonds are Outstanding.

(c) Commence Foreclosure Proceedings. The District covenants for the benefit of the Owners of the Bonds and any Parity Bonds that it (i) will commence judicial foreclosure proceedings against parcels with delinquent Special Taxes in excess of \$2,500 by the October 1 following the close of each Fiscal Year in which such Special Taxes were due; and (ii) will commence judicial foreclosure proceedings against all parcels with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than 95% of the total Special Tax levied and the amount on deposit in the Reserve Account is at less than the Reserve Requirement, and (iii) will diligently pursue such foreclosure proceedings until the delinquent Special Taxes are paid.

The District covenants that it will deposit the net proceeds of any foreclosure to the Special Tax Fund and will apply such proceeds remaining after the payment of Administrative Expenses to make current payments of principal and interest on the Bonds and any Parity Bonds, to bring the amount on deposit in the Reserve Account up to the Reserve Requirement and to pay any delinquent installments of principal or interest due on the Bonds and any Parity Bonds.

(d) Payment of Claims. The District will pay and discharge any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the Net Special Taxes or other funds in the Special Tax Fund, or which might impair the security of the Bonds or any Parity Bonds then Outstanding; provided that nothing herein contained shall require the District to make any such payments so long as the District in good faith shall contest the validity of any such claims.

(e) Books and Accounts. The District will keep proper books of records and accounts, separate from all other records and accounts of the District, in which complete and correct entries shall be made of all transactions relating to the Project, the levy of the Special Tax and the deposits to the Special Tax Fund. Such books of records and accounts shall at all times during business hours be subject to the inspection of the Trustee or of the Owners of not less than 10% of the principal amount of the Bonds or the Owners of not less than 10% of any issue of Parity Bonds then Outstanding or their representatives authorized in writing.

(f) Federal Tax Covenants. Notwithstanding any other provision of this Indenture, absent an opinion of Bond Counsel that the exclusion from gross income of interest on the Authority Bonds issued on a tax-exempt basis for federal income tax purposes will not be adversely affected for federal income tax purposes, the District 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:

(i) Private Activity. The District will take no action or refrain from taking any action or make any use of the proceeds of the Bonds or any Parity Bonds or of any other moneys or property which would cause the Authority Bonds issued on a tax-exempt basis for federal income tax purposes to be “private activity bonds” within the meaning of Section 141 of the Code;

(ii) Arbitrage. The District will make no use of the proceeds of the Bonds or any Parity 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 Authority Bonds issued on a tax-exempt basis for federal income tax purposes to be “arbitrage bonds” within the meaning of Section 148 of the Code;

(iii) Federal Guaranty. The District will make no use of the proceeds of the Bonds or any Parity Bonds or take or omit to take any action that would cause the Authority Bonds issued on a tax-exempt basis for federal income tax purposes to be “federally guaranteed” within the meaning of Section 149(b) of the Code;

(iv) Hedge Bonds. The District will make no use of the proceeds of the Bonds or any Parity Bonds or any other amounts or property, regardless of the source, or take any action or refrain from taking any action that would cause the Authority Bonds issued on a tax-exempt basis for federal income tax purposes to be considered “hedge bonds” within the meaning of Section 149(g) of the Code unless the District takes all necessary action to assure compliance with the requirements of Section 149(g) of the Code to maintain the exclusion from gross income for federal income tax purposes of interest on the Authority Bonds; and

(v) Other Tax Exempt Issues. The District will not use proceeds of other tax exempt securities to redeem any Bonds or Parity Bonds without first obtaining the written opinion of Bond Counsel that doing so will not impair the exclusion from gross income for federal income tax purposes of interest on the Authority Bonds issued on a tax-exempt basis.

(g) Reduction of Maximum Special Taxes. The District hereby finds and determines that, historically, delinquencies in the payment of special taxes authorized pursuant to the Act in community facilities districts in Southern California have from time to time been at levels requiring the levy of special taxes at the maximum authorized rates in order to make timely payment of principal of and interest on the outstanding indebtedness of such community facilities districts. For this reason, the District hereby determines that a reduction in the maximum Special Tax rates authorized to be levied on parcels in the Improvement Area below the levels provided in this Section 5.2(g) would interfere with the timely retirement of the Bonds and Parity Bonds. The District determines it to be necessary in order to preserve the security for the Bonds and Parity Bonds to covenant, and, to the maximum extent that the law permits it to do so, the District hereby does covenant, that it shall not initiate proceedings to reduce the maximum Special Tax rates for the District, unless, in connection therewith, (i) the District receives a certificate from one or more Independent Financial Consultants which, when taken together, certify that, on the basis of the parcels of land and improvements existing in the Improvement Area as of the July 1 preceding the reduction, the maximum amount of the Special Tax which may be levied on then existing taxable property in each Bond Year for any Bonds and Parity Bonds Outstanding will equal at least the sum of the Priority Administrative Expenses for such Bond Year plus 110% of the gross debt service in such Bond Year on all Bonds and Parity Bonds to remain Outstanding after the reduction is approved, (ii) the District finds that any reduction made under such conditions will not adversely

affect the interests of the Owners of the Bonds and Parity Bonds, and (iii) the District is not delinquent in the payment of the principal of or interest on the Bonds or any Parity Bonds.

(h) Covenants to Defend. The District covenants that, in the event that any initiative is adopted by the qualified electors in the Improvement Area which purports to reduce the minimum or the maximum Special Tax below the levels specified in Section 5.2(g) above or to limit the power of the District to levy the Special Taxes for the purposes set forth in Section 5.2(b) above, it will commence and pursue legal action in order to preserve its ability to comply with such covenants.

(i) Limitation on Right to Tender Bonds. The District hereby covenants that it will not adopt any policy pursuant to Section 53344.1 of the Act permitting the tender of Bonds or Parity Bonds in full payment or partial payment of any Special Taxes unless the District shall have first received a certificate from an Independent Financial Consultant that the acceptance of such a tender will not result in the District having insufficient Special Tax revenues to pay the principal of and interest on the Bonds and Parity Bonds when due.

(j) Further Assurances. The District shall make, execute and deliver any and all such further agreements, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture and for the better assuring and confirming unto the Owners of the Bonds and any Parity Bonds of the rights and benefits provided in this Indenture.

(k) Subordinate Debt. Any indebtedness of the District evidenced by any subordinated debt and any renewals or extensions thereof (herein called “Subordinated Indebtedness”), shall at all times be wholly subordinate and junior in right of payment to any and all indebtedness of the District under this Indenture (herein called “Superior Indebtedness”). Following an event of default under this Indenture, no Subordinated Indebtedness shall be paid prior to any Superior Indebtedness in any fiscal year of the District. If the holder of the Subordinated Indebtedness is a commercial bank, savings bank, savings and loan association or other financial institution which is authorized by law to accept and hold deposits of money or issue certificates of deposit, such holder must agree to waive any common law or statutory right of setoff with respect to any deposits of the District maintained with or held by such holder.

(l) Pledged Net Special Taxes. The District represents it has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the Net Special Taxes that ranks on a parity with or prior to the pledge granted under this Indenture. The District, except as may be provided otherwise in this Indenture, shall not hereafter make any pledge or assignment of, lien on, or security interest in the Net Special Taxes payable senior to or on a parity with the pledge of Net Special Taxes established under this Indenture.

## ARTICLE VI

### AMENDMENTS TO INDENTURE

#### **Section 6.1 Supplemental Indentures or Orders Not Requiring Bondowner Consent.**

The District may from time to time, and at any time, without notice to or consent of any of the Bondowners (except as otherwise provided in this Section 6.1), adopt Supplemental Indentures for any of the following purposes:

(a) to cure any ambiguity, to correct or supplement any provisions herein which may be inconsistent with any other provision herein, or to make any other provision with respect to matters or questions arising under this Indenture or in any Supplemental Indenture, provided that such action is not materially adverse to the interests of the Bondowners, as evidenced by the opinion of counsel delivered pursuant to Section 6.4 hereof;

(b) to add to the covenants and agreements of and the limitations and the restrictions upon the District contained in this Indenture, other covenants, agreements, limitations and restrictions to be observed by the District which are not contrary to or inconsistent with this Indenture as theretofore in effect or which further secure Bond or Parity Bond payments;

(c) to provide for the issuance of any Parity Bonds (which may be issued for refunding purposes only), and to provide the terms and conditions under which such Parity Bonds may be issued, subject to and in accordance with the provisions of this Indenture;

(d) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, or to comply with the Code or regulations issued thereunder, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute, and which shall not materially adversely affect the interests of the Owners of the Bonds or any Parity Bonds then Outstanding, as evidenced by the opinion of counsel delivered pursuant to Section 6.4 hereof; or

(e) to modify, alter or amend the rate and method of apportionment of the Special Taxes in any manner so long as such changes do not reduce the maximum Special Taxes that may be levied in each year on property within the Improvement Area to an amount which is less than the sum of the Priority Administrative Expenses for such Bond Year plus 110% of the gross debt service in such Bond Year on all Bonds and Parity Bonds to remain Outstanding as of the date of such amendment, as certified to the Trustee by an Authorized Representative of the City; or

(f) to modify, alter, amend or supplement this Indenture in any other respect which is not materially adverse to the Bondowners or adverse to the rights and interest of the Insurer, as evidenced by the opinion of counsel delivered pursuant to Section 6.4 hereof.

**Section 6.2 Supplemental Indentures or Orders Requiring Bondowner Consent.**

Exclusive of the Supplemental Indentures described in Section 6.1, the Owners of not less than a majority in aggregate principal amount of the Bonds and Parity Bonds Outstanding shall have the right to consent to and approve the adoption by the District of such Supplemental Indentures as shall be deemed necessary or desirable by the District, for the purpose of waiving, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture; provided, however, that nothing herein shall permit, or be construed as permitting, (a) an extension of the maturity date of the principal, or the payment date of interest on, any Bond or Parity Bond, (b) a reduction in the principal amount of, or redemption premium on, any Bond or Parity Bond or the rate of interest thereon, (c) a preference or priority of any Bond or Parity Bond over any other Bond or Parity Bond, or (d) a reduction in the aggregate principal amount of the Bonds and Parity Bonds the Owners of which are required to consent to such Supplemental Indenture, without the consent of the Owners of all Bonds and Parity Bonds then Outstanding.

If at any time the District shall desire to adopt a Supplemental Indenture, which pursuant to the terms of this Section shall require the consent of the Bondowners, the District shall so notify the Trustee and shall deliver to the Trustee a copy of the proposed Supplemental Indenture. The Trustee shall, at the expense of the District, cause notice of the proposed Supplemental Indenture to be mailed, by first class mail, postage prepaid, to all Bondowners at their addresses as they appear in the Bond Register. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that a copy thereof is on file at the office of the Trustee for inspection by all Bondowners. The failure of any Bondowners to receive such notice shall not affect the validity of such Supplemental Indenture when consented to and approved by the Owners of not less than a majority in aggregate principal amount of the Bonds and Parity Bonds Outstanding as required by this Section. Whenever at any time within one year after the date of the first mailing of such notice, the Trustee shall receive an instrument or instruments purporting to be executed by the Owners of not less than a majority in aggregate principal amount of the Bonds and Parity Bonds Outstanding, which instrument or instruments shall refer to the proposed Supplemental Indenture described in such notice, and shall specifically consent to and approve the adoption thereof by the District substantially in the form of the copy referred to in such notice as on file with the Trustee, such proposed Supplemental Indenture, when duly adopted by the District, shall thereafter become a part of the proceedings for the issuance of the Bonds and any Parity Bonds. In determining whether the Owners of a majority of the aggregate principal amount of the Bonds and Parity Bonds have consented to the adoption of any Supplemental Indenture, Bonds or Parity Bonds which are owned by the District or by any person directly or indirectly controlling or controlled by or under the direct or indirect common control with the District, shall be disregarded and shall be treated as though they were not Outstanding for the purpose of any such determination; except that in determining whether the Trustee shall be protected in relying upon any such approval or consent of an Owner, only Bonds which the Trustee actually knows to be owned by the District, or by any person directly or indirectly controlling or controlled by or under the direct or indirect common control with the District, shall be disregarded unless all Bonds are so owned, in which case such Bonds shall be considered Outstanding for the purpose of such determination.

Upon the adoption of any Supplemental Indenture and the receipt of consent to any such Supplemental Indenture from the Owners of not less than a majority in aggregate principal amount of the Outstanding Bonds and Parity Bonds in instances where such consent is required pursuant to the provisions of this section, this Indenture shall be, and shall be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the District and all Owners of Outstanding Bonds and Parity Bonds shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

The Trustee may in its discretion, but shall not be obligated to, enter into any such Supplemental Indenture authorized by Sections 6.1 and 6.2 which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

**Section 6.3 Notation of Bonds or Parity Bonds; Delivery of Amended Bonds or Parity Bonds.** After the effective date of any action taken as hereinabove provided, the District may determine that the Bonds or any Parity Bonds may bear a notation, by endorsement in form approved by the District, as to such action, and in that case upon demand of the Owner of any Outstanding Bond or Parity Bond at such effective date and presentation of his Bond or Parity Bond for the purpose at the office of the Trustee or at such additional offices as the Trustee may select and designate for that purpose, a suitable notation as to such action shall be made on such Bonds or Parity Bonds. If the District shall so determine, new Bonds or Parity Bonds so modified as, in the opinion

of the District, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the Owner of any Outstanding Bond or Parity Bond at such effective date such new Bonds or Parity Bonds shall be exchanged at the office of the Trustee or at such additional offices as the Trustee may select and designate for that purpose, without cost to each Owner of Outstanding Bonds or Parity Bonds, upon surrender of such Outstanding Bonds or Parity Bonds.

**Section 6.4 Execution of Supplemental Indentures.** In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and shall be fully protected in relying upon, an opinion of Bond Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture and complies with the terms hereof. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

## ARTICLE VII

### TRUSTEE

**Section 7.1 Trustee.** Wilmington Trust, National Association shall be the Trustee for the Bonds and any Parity Bonds unless and until another Trustee is appointed by the District hereunder. The District may, at any time, appoint a successor Trustee satisfying the requirements of Section 7.2 below for the purpose of receiving all money which the District is required to deposit with the Trustee hereunder and to allocate, use and apply the same as provided in this Indenture; provided, however, that the Trustee shall be at all times the same entity as the Authority Trustee.

The Trustee is hereby authorized to and shall mail by first class mail, postage prepaid, or wire transfer in accordance with Section 2.5 above, interest payments to the Bondowners, to select Bonds and Parity Bonds for redemption, and to maintain the Bond Register. The Trustee is hereby authorized to pay the principal of and premium, if any, on the Bonds and Parity Bonds when the same are duly presented to it for payment at maturity or on call and redemption, to provide for the registration of transfer and exchange of Bonds and Parity Bonds presented to it for such purposes, to provide for the cancellation of Bonds and Parity Bonds all as provided in this Indenture, and to provide for the authentication of Bonds and Parity Bonds, and shall perform all other duties assigned to or imposed on it as provided in this Indenture. The Trustee shall keep accurate records of all funds administered by it and all Bonds and Parity Bonds paid, discharged and cancelled by it.

The Trustee is hereby authorized to redeem the Bonds and Parity Bonds when duly presented for payment at maturity, or on redemption prior to maturity. The Trustee shall cancel all Bonds and Parity Bonds upon payment thereof in accordance with the provisions of Section 10.1 hereof.

The District shall from time to time, subject to any agreement between the District and the Trustee then in force, pay to the Trustee compensation for its services, reimburse the Trustee for all its advances and expenditures, including, but not limited to, advances to and fees and expenses of independent accountants or counsel employed by it in the exercise and performance of its powers and duties hereunder, and indemnify and save the Trustee, its officers, directors, employees and agents, harmless from and against costs, claims, expenses, suits, judgments, damages and liabilities, including, without limitation, fees and expenses of its attorneys, not arising from its own negligence or willful misconduct which it may incur in the exercise and performance of its powers and duties hereunder. The foregoing obligation of the District to indemnify the Trustee shall survive the

removal or resignation of the Trustee or the discharge of the Bonds. When the Trustee incurs expenses or renders services after the occurrence of an event of default, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law. Upon an event of default, and only upon an event of default, the Trustee shall have a first lien with right of payment prior to payment on account of principal of and premium, if any, and interest on any Bond, upon the trust estate for the foregoing fees, charges and expenses incurred by it.

**Section 7.2 Removal of Trustee.** The District may, upon thirty (30) days' prior written notice at its sole discretion remove the Trustee initially appointed, and any successor thereto, by delivering to the Trustee a written notice of its decision to remove the Trustee and may appoint a successor or successors thereto; provided that any such successor shall be a bank, association or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least \$75,000,000, and subject to supervision or examination by federal or state authority. Any removal shall become effective only upon acceptance of appointment by the successor Trustee. If any bank, association or trust company appointed as a successor 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 purposes of this section the combined capital and surplus of such bank, 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. Any removal of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee and notice being sent by the successor Trustee to the Bondowners of the successor Trustee's identity and address.

**Section 7.3 Resignation of Trustee.** The Trustee may at any time resign by giving written notice to the District and by giving to the Owners notice of such resignation, which notice shall be mailed to the Owners at their addresses appearing in the registration books in the office of the Trustee. Upon receiving such notice of resignation, the District shall promptly appoint a successor Trustee satisfying the criteria in Section 7.2 above by an instrument in writing. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation as aforesaid, the retiring Trustee or any Owner (on behalf of itself 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.

**Section 7.4 Liability of Trustee.** The recitals of fact and all promises, covenants and agreements contained herein and in the Bonds and any Parity Bonds shall be taken as statements, promises, covenants and agreements of the District, and the Trustee assumes no responsibility for the correctness of the same and makes no representations as to the validity or sufficiency of this Indenture, the Bonds or any Parity Bonds, and shall incur no responsibility in respect thereof, other than in connection with its duties or obligations specifically set forth herein, in the Bonds and any Parity Bonds, or in the certificate of authentication assigned to or imposed upon the Trustee. The Trustee shall be under no responsibility or duty with respect to the issuance of the Bonds or any Parity Bonds for value. 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 shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, Bond, Parity Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may be counsel to the District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered hereunder in good faith and in accordance therewith.

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

Whenever in the administration of its duties under 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, in the absence of bad faith on the part of the Trustee, be deemed to be conclusively proved and established by a written certificate of the District, and such certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The Trustee shall have no duty or obligation whatsoever to enforce the collection of Special Taxes or other funds to be deposited with it hereunder, or as to the correctness of any amounts received, but its liability shall be limited to the proper accounting for such funds as it shall actually receive. No provision in this Bond Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of its rights or powers.

The Trustee shall not be deemed to have knowledge of any default or event of default until an officer at the Trustee's corporate trust office responsible for the administration of its duties hereunder shall have actual knowledge thereof or the Trustee shall have received written notice thereof at its corporate trust office.

The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists or acts of a government.

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

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

The Trustee, prior to the occurrence of an Event of Default and after the curing or waiver of all Events of Default which may have occurred, undertakes to perform such duties and only such

duties as are specifically set forth in the Indenture. In case an Event of Default has occurred (which has not been cured or waived) the Trustee shall exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill as a prudent person would use or exercise in the circumstances in the conduct of such prudent person's own affairs.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Indenture and delivered using Electronic Means ("Electronic Means" means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the District shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the District, whenever a person is to be added or deleted from the listing. If the District elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The District understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The District shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the District and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the District. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The District agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the District; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents or receivers and shall not be answerable for the conduct of the same if appointed with due care hereunder. The Trustee shall not be accountable for the use or application by the District of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Trustee in accordance with the provisions of this Indenture or for the use and application of money received by any paying agent. The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful default.

The Trustee may become the owner of Bonds secured hereby with the same rights it would have if not Trustee. The Trustee shall have no responsibility with respect to compliance by the District with Section 148 of the Code or any covenant in this Indenture regarding yields on investments.

Notwithstanding the effective date of this Indenture or anything to the contrary in this Indenture, the Trustee shall have no liability or responsibility for any act or event relating to this Indenture which occurs prior to the date the Trustee formally executes this Indenture and commences acting as Trustee hereunder.

**Section 7.5 Merger or Consolidation.** Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, shall be the successor to the Trustee without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

## ARTICLE VIII

### EVENTS OF DEFAULT; REMEDIES

**Section 8.1 Events of Default.** Any one or more of the following events shall constitute an “event of default”:

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

(b) Default in the due and punctual payment of the interest on any Bond or Parity Bond when and as the same shall become due and payable; or

(c) Except as described in (a) or (b), default shall be made by the District in the observance of any of the agreements, conditions or covenants on its part contained in this Indenture, the Bonds or any Parity Bonds, and such default shall have continued for a period of 30 days after the District shall have been given notice in writing of such default by the Trustee or the Owners of 25% in aggregate principal amount of the Outstanding Bonds and Parity Bonds.

The Trustee agrees to give notice to the Owners immediately upon the occurrence of an event of default under (a) or (b) above and within 30 days of the Trustee’s actual knowledge of an event of default under (c) above.

**Section 8.2 Remedies of Owners.** Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Outstanding Bonds and Parity Bonds, and to enforce any rights of the Trustee under or with respect to this Indenture, including:

(a) By mandamus or other suit or proceeding at law or in equity to enforce his rights against the District and any of the members, officers and employees of the District, and to compel the District or any such members, officers or employees to perform and carry out their duties under the Act and their agreements with the Owners as provided in this Indenture;

(b) By suit in equity to enjoin any actions or things which are unlawful or violate the rights of the Owners; or

(c) By a suit in equity to require the District and its members, officers and employees to account as the trustee of an express trust.

If an Event of Default shall have occurred and be continuing and if requested so to do by the Owners of at least twenty-five percent (25%) in aggregate principal amount Outstanding Bonds and Parity Bonds and is indemnified to its satisfaction, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article VIII, as shall be deemed most expedient in the interests of the Owners of the Bonds and Parity Bonds.

No remedy herein conferred upon or reserved to the Trustee or 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 or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Act or any other law.

The Bonds and any Parity Bonds are not subject to acceleration prior to maturity.

Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Owner any plan of reorganization, arrangement, adjustment, or composition affecting the Bonds or the rights of any Owner thereof, or to authorize the Trustee to vote in respect of the claim of any Owner in any such proceeding without the approval of the Owners so affected.

**Section 8.3 Application of Revenues and Other Funds After Default.** All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of this Indenture relating to the Bonds and Parity Bonds, or already held by the Trustee hereunder, shall be applied by the Trustee in the following order:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in carrying out the provisions of this Article VIII, including reasonable compensation to its agents, attorneys and counsel, and to the payment of all other outstanding fees and expenses of the Trustee; and

Second, to the payment of the whole amount of interest on and principal of the Bonds and Parity Bonds then due and unpaid, with interest on overdue installments of principal and interest to the extent permitted by law at the net effective rate of interest then borne by the Outstanding Bonds and Parity Bonds; provided, however, that in the event such amounts shall be insufficient to pay in full the full amount of such interest and principal, then such amounts shall be applied in the following order of priority:

(a) first to the payment of all installments of interest on the Bonds and Parity Bonds then due and unpaid on a pro rata basis based on the total amount then due and owing,

(b) second, to the payment of all installments of principal, including sinking fund payments, of the Bonds and Parity Bonds then due and unpaid on a pro rata basis based on the total amount then due and owing, and

(c) third, to the payment of interest on overdue installments of principal and interest on the Bonds and Parity Bonds on a pro rata basis based on the total amount then due and owing.

**Section 8.4 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 twenty-five percent (25%) in aggregate principal amount of the Bonds and Parity Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds and Parity 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 aggregate principal amount of the Outstanding Bonds and Parity Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other such litigation. Any suit, action or proceeding which any Owner of Bonds or Parity Bonds 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 of Bonds and Parity Bonds similarly situated and the Trustee is hereby appointed (and the successive respective Owners of the Bonds and Parity Bonds issued hereunder, by taking and holding the same, shall be conclusively deemed so to have appointed it) the true and lawful attorney in fact of the respective Owners of the Bonds and Parity Bonds for the purposes 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 of the Bonds and Parity Bonds as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact.

**Section 8.5 Appointment of Receivers.** Upon the occurrence of an Event of Default hereunder, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners of the Bonds and Parity Bonds under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Net Special Taxes and other amounts pledged hereunder, pending such proceedings, with such powers as the court making such appointment shall confer.

**Section 8.6 Non-Waiver.** Nothing in this Article VIII or in any other provision of this Indenture, or in the Bonds or the Parity Bonds, shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the interest on and principal of the Bonds and Parity Bonds to the respective Owners of the Bonds and Parity Bonds at the respective dates of maturity, as herein provided, out of the Net Special Taxes and other moneys herein pledged for such payment.

A waiver of any default or breach of duty or contract by the Trustee or any Owners shall not affect any subsequent default or breach of duty or contract, or impair any rights or remedies on any such subsequent default or breach. No delay or omission of the Trustee or any Owner of any of the Bonds or Parity Bonds 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 Trustee or the Owners by the 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 Trustee or the Owners, as the case may be.

**Section 8.7 Limitations on Rights and Remedies of Owners.** No Owner of any Bond or Parity 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 and Parity 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 sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds and Parity Bonds of any remedy hereunder; it being understood and intended that no one or more Owners of Bonds and Parity Bonds 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 provision 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 and Parity Bonds.

The right of any Owner of any Bond and Parity Bond to receive payment of the principal of and interest and premium (if any) on such Bond and Parity Bond as herein provided or to institute suit for the enforcement of any such payment, 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 8.8 Termination of Proceedings.** In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case, the District, the Trustee and the Owners shall be restored to their former positions and rights hereunder, respectively, with regard to the property subject to this Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

## ARTICLE IX

### DEFEASANCE AND PARITY BONDS

**Section 9.1 Defeasance.** If the District shall pay or cause to be paid, or there shall otherwise be paid, to the Owner of an Outstanding Bond or Parity Bond the interest due thereon and the principal thereof, at the times and in the manner stipulated in this Indenture or any Supplemental Indenture, then the Owner of such Bond or Parity Bond shall cease to be entitled to the pledge of Net Special Taxes, and, other than as set forth below, all covenants, agreements and other obligations of the District to the Owner of such Bond or Parity Bond under this Indenture and any Supplemental Indenture relating to such Parity Bond shall thereupon cease, terminate and become void and be discharged and satisfied. In the event of a defeasance of all Outstanding Bonds and Parity Bonds pursuant to this Section, the Trustee shall execute and deliver to the District all such instruments as may be prepared on behalf of the District to evidence such discharge and satisfaction, and the Trustee

shall pay over or deliver to the District's general fund all money or securities held by it pursuant to this Indenture which are not required for the payment of the principal of, premium, if any, and interest due on such Bonds and Parity Bonds.

Any Outstanding Bond or Parity Bond shall be deemed to have been paid within the meaning expressed in the first paragraph of this Section if such Bond or Parity Bond is paid in any one or more of the following ways:

(a) by paying or causing to be paid the principal of, premium, if any, and interest on such Bond or Parity Bond, as and when the same become due and payable;

(b) by depositing with the Trustee, in trust, at or before maturity, money which, together with the amounts then on deposit in the Special Tax Fund and available for such purpose, is fully sufficient to pay the principal of, premium, if any, and interest on such Bond or Parity Bond, as and when the same shall become due and payable; or

(c) by depositing with the Trustee or another escrow bank appointed by the District, in trust, Defeasance Securities, in which the District may lawfully invest its money, in such amount as will be sufficient, together with the interest to accrue thereon and moneys then on deposit in the Special Tax Fund and available for such purpose, together with the interest to accrue thereon, to pay and discharge the principal of, premium, if any, and interest on such Bond or Parity Bond, as and when the same shall become due and payable;

then, at the election of the District, and notwithstanding that any Outstanding Bonds and Parity Bonds shall not have been surrendered for payment, all obligations of the District under this Indenture and any Supplemental Indenture with respect to such Bond or Parity Bond shall cease and terminate, except for the obligation of the District under Section 7.1 hereof and the obligation of the Trustee to pay or cause to be paid to the Owners of any such Bond or Parity Bond not so surrendered and paid, all sums due thereon. Notice of such election shall be filed with the Trustee not less than ten days prior to the proposed defeasance date, or such shorter period of time as may be acceptable to the Trustee. In connection with a defeasance under (b) or (c) above, there shall be provided to the District and the Trustee a verification report from an independent nationally recognized certified public accountant, stating its opinion as to the sufficiency of the moneys or securities deposited with the Trustee or the escrow bank to pay and discharge the principal of, premium, if any, and interest on all Outstanding Bonds and Parity Bonds to be defeased in accordance with this Section, as and when the same shall become due and payable, and an opinion of Bond Counsel (which may rely upon the opinion of the certified public accountant) to the effect that the Bonds or Parity Bonds being defeased have been legally defeased in accordance with this Indenture and any applicable Supplemental Indenture.

Upon a defeasance, the Trustee, upon request of the District, shall release the rights of the Owners of such Bonds and Parity Bonds which have been defeased under this Indenture and any Supplemental Indenture and execute and deliver to the District all such instruments as may be prepared on behalf of the District to evidence such release, discharge and satisfaction. In the case of a defeasance hereunder of all Outstanding Bonds and Parity Bonds, the Trustee shall pay over or deliver to the District any funds held by the Trustee at the time of a defeasance, which are not required for the purpose of paying and discharging the principal of or interest on the Bonds and Parity Bonds when due. The Trustee shall, at the written direction of the District, mail, first class,

postage prepaid, a notice to the Bondowners whose Bonds or Parity Bonds have been defeased, in the form directed by the District, stating that the defeasance has occurred.

**Section 9.2 Conditions for the Issuance of Parity Bonds and Other Additional Indebtedness.** The District may at any time after the issuance and delivery of the Bonds hereunder issue Parity Bonds payable from the Net Special Taxes and other amounts deposited in the Special Tax Fund and secured by a lien and charge upon such amounts equal to the lien and charge securing the Outstanding Bonds and any other Parity Bonds theretofore issued hereunder or under any Supplemental Indenture; provided, however, that Parity Bonds may only be issued for the purpose of refunding all or a portion of the Bonds or any Parity Bonds then Outstanding. The District shall not incur any additional bonded indebtedness payable from Net Special Taxes, including any additional bonded indebtedness subordinate to the Bonds, except for Parity Bonds which satisfy the requirements of this Indenture set forth in Section 9.2 hereof. Parity Bonds which may only be issued to effect a partial refunding will be issued subject to the following additional specific conditions, which are hereby made conditions precedent to the issuance of any such Parity Bonds:

(a) As certified by the District, the District shall be in compliance with all covenants set forth in this Indenture and any Supplemental Indenture then in effect and a certificate of the District to that effect shall have been filed with the Trustee; provided, however, that Parity Bonds may be issued notwithstanding that the District is not in compliance with all such covenants so long as immediately following the issuance of such Parity Bonds the District will be in compliance with all such covenants.

(b) The issuance of such Parity Bonds shall have been duly authorized pursuant to the Act and all applicable laws, and the issuance of such Parity Bonds shall have been provided for by a Supplemental Indenture duly adopted by the District which shall specify the following:

(i) The purpose for which such Parity Bonds are to be issued and the fund or funds into which the proceeds thereof are to be deposited, including a provision requiring the proceeds of such Parity Bonds to be applied solely for the purpose of refunding any Outstanding Bonds or Parity Bonds, including payment of all costs and the funding of all reserves incidental to or connected with such refunding;

(ii) The authorized principal amount of such Parity Bonds;

(iii) The date and the maturity date or dates of such Parity Bonds; provided that (i) each maturity date shall fall on a September 1, (ii) all such Parity Bonds of like maturity shall be identical in all respects, except as to number, and (iii) fixed serial maturities or sinking fund payments, or any combination thereof, shall be established to provide for the retirement of all such Parity Bonds on or before their respective maturity dates;

(iv) The description of the Parity Bonds, the place of payment thereof and the procedure for execution and authentication;

(v) The denominations and method of numbering of such Parity Bonds;

(vi) The amount and due date of each mandatory sinking fund payment, if any, for such Parity Bonds;

(vii) The amount, if any, to be deposited from the proceeds of such Parity Bonds in the Reserve Account to increase the amount therein to the Proportionate Share;

(viii) The form of such Parity Bonds; and

(ix) Such other provisions as are necessary or appropriate and not inconsistent with this Indenture.

(c) The District shall have delivered the following documents or money or securities, all of such documents dated or certified, as the case may be, as of the date of delivery of such Parity Bonds by the Trustee (unless the Trustee shall accept any of such documents bearing a prior date):

(i) A certified copy of the Supplemental Indenture authorizing the issuance of such Parity Bonds;

(ii) A written request of the District as to the delivery of such Parity Bonds;

(iii) An opinion of Bond Counsel to the District to the effect that (i) the District has the right and power under the Act to adopt the Supplemental Indenture relating to such Parity Bonds, and the Supplemental Indenture has been duly and lawfully adopted by the District, is in full force and effect and is valid and binding upon the District and enforceable in accordance with its terms (subject to the usual and customary exceptions); (ii) the Indenture creates the valid pledge which it purports to create of the Net Special Taxes and other amounts as provided in the Indenture, subject to the application thereof to the purposes and on the conditions permitted by the Indenture; and (iii) such Parity Bonds are valid and binding limited obligations of the District, enforceable in accordance with their terms (subject to the usual and customary exceptions) and the terms of the Indenture and all Supplemental Indentures thereto and are entitled to the benefits of the Indenture and all such Supplemental Indentures, and such Parity Bonds have been duly and validly authorized and issued in accordance with the Act (or other applicable laws) and the Indenture and all such Supplemental Indentures; and a further opinion of Bond Counsel to the effect that, assuming compliance by the District with certain tax covenants, the issuance of the Parity Bonds will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds and any Parity Bonds theretofore issued on a tax exempt basis, or the exemption from State of California personal income taxation of interest on any Outstanding Bonds and Parity Bonds theretofore issued.

(iv) A certificate of the District containing such statements as may be reasonably necessary to show compliance with the requirements of this Indenture, including that the District has complied with this Section 9.2;

(v) A certificate of an Independent Financial Consultant certifying that in each Bond Year the Annual Debt Service on the Bonds and Parity Bonds to remain Outstanding following the issuance of the Parity Bonds proposed to be issued is less than the Annual Debt Service on the Bonds and Parity Bonds Outstanding prior to the issuance of such Parity Bonds;

(vi) Such further documents, money and securities as are required by the provisions of this Indenture and the Supplemental Indenture providing for the issuance of such Parity Bonds; and

(d) No Event of Default shall have occurred and be continuing with respect to the Bonds or the Authority Bonds, and the Parity Bonds shall be acquired by the Authority, as certified by the District and the Authority.

## ARTICLE X

### MISCELLANEOUS

**Section 10.1 Cancellation of Bonds and Parity Bonds.** All Bonds and Parity Bonds surrendered to the Trustee for payment upon maturity or for redemption shall be upon payment therefor, and any Bond or Parity Bond purchased by the District as authorized herein and delivered to the Trustee for such purpose shall be, cancelled forthwith and shall not be reissued. The Trustee shall destroy such Bonds and Parity Bonds, as provided by law, and, upon request of the District, furnish to the District a certificate of such destruction.

**Section 10.2 Execution of Documents and Proof of Ownership.** Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by this Indenture to be signed or executed by Bondowners may be in any number of concurrent instruments of similar tenor may be signed or executed by such Owners in person or by their attorneys appointed by an instrument in writing for that purpose, or by the bank, trust company or other depository for such Bonds. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, and of the ownership of Bonds or Parity Bonds shall be sufficient for the purposes of this Indenture (except as otherwise herein provided), if made in the following manner:

(a) The fact and date of the execution by any Owner or his or her attorney of any such instrument and of any instrument appointing any such attorney, may be proved by a signature guarantee of any bank or trust company located within the United States of America. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such signature guarantee shall also constitute sufficient proof of his authority.

(b) As to any Bond or Parity Bond, the person in whose name the same shall be registered in the Bond Register shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Bond or Parity Bond, and the interest thereon, shall be made only to or upon the order of the registered Owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond or Parity Bond and the interest thereon to the extent of the sum or sums to be paid. Neither the District nor the Trustee shall be affected by any notice to the contrary.

Nothing contained in this Indenture shall be construed as limiting the Trustee or the District to such proof, it being intended that the Trustee or the District may accept any other evidence of the matters herein stated which the Trustee or the District may deem sufficient. Any request or consent of the Owner of any Bond or Parity Bond shall bind every future Owner of the same Bond or Parity Bond in respect of anything done or suffered to be done by the Trustee or the District in pursuance of such request or consent.

**Section 10.3 Unclaimed Moneys.** Anything in this Indenture to the contrary notwithstanding, any money held by the Trustee or the Trustee in trust for the payment and discharge of any of the Outstanding Bonds and Parity Bonds which remain unclaimed for two years after the date when such Outstanding Bonds or Parity Bonds have become due and payable, if such money was held by the Trustee or the Trustee at such date, or for two years after the date of deposit of such money if deposited with the Trustee or the Trustee after the date when such Outstanding Bonds or Parity Bonds become due and payable, shall be repaid (without liability for interest) by the Trustee or the Trustee to the District, as its absolute property and free from trust, and the Trustee or the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for the payment of such Outstanding Bonds or Parity Bonds; provided, however, that, before being required to make any such payment to the District, the Trustee at the written request of the District or the Trustee shall, at the expense of the District, cause to be mailed by first-class mail, postage prepaid, to the registered Owners of such Outstanding Bonds or Parity Bonds at their addresses as they appear on the registration books of the Trustee a notice that said money remains unclaimed and that, after a date named in said notice, which date shall not be less than 30 days after the date of the mailing of such notice, the balance of such money then unclaimed will be returned to the District.

**Section 10.4 Provisions Constitute Contract.** The provisions of this Indenture shall constitute a contract between the District and the Bondowners and the provisions hereof shall be construed in accordance with the laws of the State of California.

In case any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and, should said suit, action or proceeding be abandoned, or be determined adversely to the Bondowners or the Trustee, then the District, the Trustee and the Bondowners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

After the issuance and delivery of the Bonds this Indenture shall be irrevocable, but shall be subject to modifications to the extent and in the manner provided in this Indenture, but to no greater extent and in no other manner.

So long as the Insurance Policy shall be in effect, the Insurer shall be deemed a third party beneficiary of this Indenture.

**Section 10.5 Provisions Relating to the Insurer.**

(a) The District covenants and agrees to reimburse the Insurer for all Insurer Reimbursement Amounts (as defined in the Authority Indenture) in connection with or in any way relating to a District default or breach hereunder or, if such amounts are Administrative Costs (as defined in the Authority Indenture), then the District shall be obligated and agrees to pay the Insurer its pro rata share (based on the outstanding principal amount of the Local Obligations (as defined in the Authority Indenture)) of such amounts. The foregoing in no way limits the obligation or ability of the Authority to pay or reimburse the Insurer from Revenues (as defined in the Authority Indenture) as provided in the Authority Indenture.

All Insurer Reimbursement Amounts are payable from and secured by a lien on and pledge of the Net Special Taxes on parity with debt service due on the Bonds. In addition, all Policy Costs (as defined in the Authority Indenture) are payable from and secured by a lien on and pledge of the Net

Special Taxes subordinate only to the payment of debt service on the Bonds and Insurer Reimbursement Amounts.

(b) The notice address of the Insurer is: \_\_\_\_\_, Attention: Surveillance, Re: Policy No. \_\_\_\_\_. Telephone: (\_\_\_\_) \_\_\_\_\_, Telecopier (\_\_\_\_) \_\_\_\_\_, Email: \_\_\_\_\_. In each case in which notice or other communication refers to an event of default or a claim on the Insurance Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at \_\_\_\_\_ or at Telecopier: (\_\_\_\_) \_\_\_\_\_ and shall be marked to indicate “URGENT MATERIAL ENCLOSED.”

(c) The Insurer shall have the right to receive such additional information as it may reasonably request.

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

(e) So long as any Authority Bonds insured by the Insurer remain outstanding or any amounts are owed to the Insurer by the District, the District shall not enter into any interest rate exchange agreement, cap, collar, floor ceiling or other agreement or instrument secured by or payable from Net Special Taxes involving reciprocal payment obligations between the District and a counterparty based on interest rates applied to a notional amount of principal, without the prior written consent of the Insurer.

(f) The Insurer shall be provided with the following information by the District or the Trustee under this Indenture, as the case may be:

(i) Annual audited financial statements of the District, if any, within 180 days after the end of the District’s fiscal year (together with a certification of the District that it is not aware of any default or event of default under this Indenture), and the District’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 default actually known to the Trustee or the District within five Business Days after knowledge thereof;

(iii) Prior notice of the advance refunding or redemption of any of the Authority Bonds or the Bonds, including the principal amount, maturities and CUSIP numbers thereof;

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

(v) Notice of the commencement of any proceeding by or against the District commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”);

(vi) 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 Bonds;

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

(viii) All reports, notices and correspondence to be delivered to Owners under the terms of the Security Documents.

In addition, to the extent that the District has entered into a continuing disclosure agreement, covenant or undertaking with respect to the Authority Bonds, all information furnished pursuant to such agreements shall also be provided to the Insurer, simultaneously with the furnishing of such information.

(g) Notwithstanding anything else in this Indenture or the Authority Indenture to the contrary, the provisions herein and in the Authority Indenture requiring the consent, approval or direction of the Insurer shall be applicable only at such time as the Insurer shall be in compliance with its payment obligations under the Insurance Policy and the Reserve Policy.

**Section 10.6 Further Assurances.** The District will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds or any Parity Bonds the rights and benefits provided in this Indenture.

**Section 10.7 Severability.** If any covenant, agreement or provision, or any portion thereof, contained in this Indenture, or the application thereof to any person or circumstance, is held to be unconstitutional, invalid or unenforceable, the remainder of this Indenture and the application of any such covenant, agreement or provision, or portion thereof, to other persons or circumstances, shall be deemed severable and shall not be affected thereby, and this Indenture, the Bonds and any Parity Bonds issued pursuant hereto shall remain valid and the Bondowners shall retain all valid rights and benefits accorded to them under the laws of the State of California.

**Section 10.8 Notices.** Any notices required to be given to the District with respect to the Bonds or this Indenture shall be mailed, first class, postage prepaid, or personally delivered to the City Manager of the City of Beaumont, 550 East 6th Street, Beaumont, California 92223, and all notices to the Trustee in its capacity as Trustee shall be mailed, first class, postage prepaid, or personally delivered to the Trustee, Wilmington Trust, National Association, 650 Town Center Drive, Suite 800, Costa Mesa, California 92626; Attention: Corporate Trust Department.

**Section 10.9 Governing Laws.** This Indenture shall be governed by the laws of the State of California.

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]*

IN WITNESS WHEREOF, CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1 has caused this Bond Indenture to be signed by the City Manager of the City of Beaumont and attested to by the City Clerk of the City of Beaumont, and WILMINGTON TRUST, NATIONAL ASSOCIATION in token of its acceptance of the duties of the Trustee created hereunder, has caused this Bond Indenture to be signed in its corporate name by its officer identified below, all as of the day and year first above written.

CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1

By: \_\_\_\_\_  
City Manager of the City of Beaumont, acting in its capacity as the legislative body of City of Beaumont Community Facilities District No. 93-1

ATTEST:

\_\_\_\_\_  
City Clerk of the City of Beaumont, acting in its capacity as the legislative body of City of Beaumont Community Facilities District No. 93-1

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**FORM OF 2020 SPECIAL TAX REFUNDING BOND**

No. \_\_

[\$[PRINCIPAL AMOUNT]

**UNITED STATES OF AMERICA  
STATE OF CALIFORNIA  
COUNTY OF RIVERSIDE**

**CITY OF BEAUMONT  
COMMUNITY FACILITIES DISTRICT NO. 93-1  
(IMPROVEMENT AREA NO. 17B)  
2020 SPECIAL TAX REFUNDING BOND**

***INTEREST RATE:*** \_\_\_\_\_%      ***MATURITY DATE:*** September 1, 20\_\_      ***DATED DATE:*** July \_\_, 2020

**REGISTERED OWNER:** Wilmington Trust, National Association, as Trustee under that certain Indenture of Trust dated as of July 1, 2020 by and between the Beaumont Public Financing Authority and Wilmington Trust, National Association, as Trustee

**PRINCIPAL AMOUNT:** \_\_\_\_\_ AND  
NO/100 DOLLARS

CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1 (the “District”) situated in the County of Riverside, State of California, FOR VALUE RECEIVED, hereby promises to pay, solely from certain amounts held under the Indenture (as hereinafter defined), to the Registered Owner named above, or registered assigns, on the Maturity Date set forth above, unless redeemed prior thereto as hereinafter provided, the Principal Amount set forth above, and to pay interest on such Principal Amount from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication hereof, unless (i) the date of authentication is an Interest Payment Date in which event interest shall be payable from such date of authentication, (ii) the date of authentication is after a Record Date (as hereinafter defined) but prior to the immediately succeeding Interest Payment Date, in which event interest shall be payable from the Interest Payment Date immediately succeeding the date of authentication, or (iii) the date of authentication is prior to the close of business on the first Record Date in which event interest shall be payable from the Dated Date set forth above. Notwithstanding the foregoing, if at the time of authentication of this Bond interest is in default, interest on this Bond shall be payable from the last Interest Payment Date to which the interest has been paid or made available for payment or, if no interest has been paid or made available for payment, interest on this Bond shall be payable from the Dated Date set forth above. Interest will be paid semiannually on March 1 and September 1 and the final maturity date of the Bonds (each an “Interest Payment Date”), commencing March 1, 2021 at the Interest Rate set forth above, until the Principal Amount hereof is paid or made available for payment. The principal

of and premium, if any, on this Bond are payable to the Registered Owner hereof in lawful money of the United States of America upon presentation and surrender of this Bond at the Principal Office of the Trustee (as such term is defined in the Indenture), initially Wilmington Trust, National Association (the "Trustee"). Interest on this Bond shall be paid by check of the Trustee mailed, by first class mail, postage prepaid, or in certain circumstances described in the Indenture by wire transfer to an account within the United States of America, to the Registered Owner hereof as of the close of business on the fifteenth day of the month preceding the month in which the Interest Payment Date occurs (the "Record Date") at such Registered Owner's address as it appears on the registration books maintained by the Trustee.

This Bond is one of a duly authorized issue of "City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 17B) 2020 Special Tax Refunding Bonds" (the "Bonds") issued in the aggregate principal amount of \$\_\_\_\_\_ pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being Sections 53311, *et seq.*, of the California Government Code (the "Act") for the purpose of refinancing outstanding special tax bonds of the District, funding a reserve account and paying certain costs related to the issuance of the Bonds. The issuance of the Bonds and the terms and conditions thereof are provided for by a resolution adopted by the City Council of the City of Beaumont, acting in its capacity as the legislative body of the District (the "Legislative Body"), on July 7, 2020, and a Bond Indenture, dated as of July 1, 2020, by and between the District and the Trustee, executed in connection therewith (the "Indenture"), and this reference incorporates the Indenture herein, and by acceptance hereof the Registered Owner of this Bond assents to said terms and conditions. The Indenture is adopted under and this Bond is issued under, and both are to be construed in accordance with, the laws of the State of California.

Pursuant to the Act and the Indenture, the principal of, premium, if any, and interest on this Bond are payable solely from the portion (the "Net Special Taxes") of the annual special taxes authorized under the Act to be levied and collected within Improvement Area No. 17B of the District (the "Special Taxes") and certain other amounts pledged to the repayment of the Bonds as set forth in the Indenture. Any amounts for the payment hereof shall be limited to the Net Special Taxes pledged and collected, which include foreclosure proceeds received following a default in payment of the Special Taxes and other amounts deposited to the Special Tax Fund established under the Indenture, except to the extent that other provision for payment has been made by the Legislative Body, as may be permitted by law. The District has covenanted for the benefit of the owners of the Bonds that under certain circumstances described in the Indenture it will commence and diligently pursue to completion appropriate foreclosure proceedings in the event of delinquencies of Special Tax installments levied for payment of principal and interest on the Bonds.

The Bonds maturing on or after September 1, 20\_\_ may be redeemed, at the option of the District from any source of funds on any date on or after September 1, 20\_\_, in whole, or in part from such maturities as are selected by the District and by lot within a maturity, at a redemption price of the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

The Bonds are subject to extraordinary redemption as a whole, or in part on a pro rata basis among maturities, on any Interest Payment Date, and shall be redeemed by the Trustee, from Prepayments deposited to the Redemption Account at the following redemption prices, expressed as a percentage of the principal amount to be redeemed, together with accrued interest to the redemption date:

*Redemption Dates**Premium*

For so long as the Bonds are held in trust by the Trustee, in connection with the calculation of such redemption price, the District shall receive a credit from the Authority from the reduction in the Reserve Requirement resulting from the redemption of the Bonds and the Authority Bonds so redeemed in connection therewith.

All Bonds or portions thereof so called for redemption will cease to accrue interest on the specified redemption date; provided that funds for the redemption are on deposit with the Trustee on the redemption date. Thereafter, the registered owners of such Bonds shall have no rights except to receive payment of the redemption price upon the surrender of the Bonds.

This Bond shall be registered in the name of the Registered Owner hereof, as to both principal and interest, and the District and the Trustee may treat the Registered Owner hereof as the absolute owner for all purposes and shall not be affected by any notice to the contrary.

The Bonds are issuable only in fully registered form in the denomination of \$5,000 or any integral multiple thereof and may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same issue and maturity, all as more fully set forth in the Indenture. This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, upon surrender and cancellation of this Bond. Upon such transfer, a new registered Bond of authorized denomination or denominations for the same aggregate principal amount of the same issue and maturity will be issued to the transferee in exchange therefor.

The Trustee shall not be required to register transfers or make exchanges of (i) any Bonds for a period of 15 days next preceding any selection of the Bonds to be redeemed, or (ii) any Bonds chosen for redemption.

The rights and obligations of the District and of the registered owners of the Bonds may be amended at any time, and in certain cases without notice to or the consent of the registered owners, to the extent and upon the terms provided in the Indenture.

THE BONDS DO NOT CONSTITUTE OBLIGATIONS OF THE CITY OF BEAUMONT OR OF THE DISTRICT FOR WHICH THE CITY OF BEAUMONT OR THE DISTRICT IS OBLIGATED TO LEVY OR PLEDGE, OR HAS LEVIED OR PLEDGED, GENERAL OR SPECIAL TAXES, OTHER THAN THE SPECIAL TAXES REFERENCED HEREIN. THE BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE FROM THE PORTION OF THE SPECIAL TAXES AND OTHER AMOUNTS PLEDGED UNDER THE INDENTURE BUT ARE NOT A DEBT OF THE CITY OF BEAUMONT, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR RESTRICTION.

This Bond shall not become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been dated and signed by the Trustee.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the District, does not exceed any debt limit prescribed by the laws or Constitution of the State of California.

IN WITNESS WHEREOF, the City of Beaumont Community Facilities District No. 93-1 has caused this Bond to be dated as of July \_\_, 2020, signed on behalf of the District by the Mayor of the City of Beaumont by his facsimile signature and attested by the facsimile signature of the Clerk of the City Council.

\_\_\_\_\_  
Mayor of the City of Beaumont, acting in its capacity  
as the legislative body of the City of Beaumont  
Community Facilities District No. 93-1

ATTEST:

\_\_\_\_\_  
Clerk of the City Council of the City of  
Beaumont, acting in its capacity as the  
legislative body of the City of Beaumont  
Community Facilities District No. 93-1

[FORM OF TRUSTEE’S CERTIFICATE  
OF AUTHENTICATION AND REGISTRATION]

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

Dated: \_\_\_\_\_, 2020

WILMINGTON TRUST, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Officer

[FORM OF 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.

\_\_\_\_\_  
Clerk of the City Council of the City of Beaumont,  
acting in its capacity as the legislative body of the  
City of Beaumont Community Facilities District  
No. 93-1

[FORM OF ASSIGNMENT]

For value received the undersigned do(es) hereby sell, assign and transfer unto

\_\_\_\_\_  
whose tax identification number is \_\_\_\_\_,  
the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s)

\_\_\_\_\_  
attorney to transfer the same on the books of the Trustee with full power of substitution in the  
premises.

Dated: \_\_\_\_\_

Signature guaranteed:

\_\_\_\_\_  
NOTE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

\_\_\_\_\_  
NOTE: The signatures(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.

---

---

**THIRTY-SEVENTH SUPPLEMENTAL INDENTURE OF TRUST**

**between**

**CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1**

**and**

**WILMINGTON TRUST, NATIONAL ASSOCIATION,  
as Trustee**

**CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1  
SPECIAL TAX REFUNDING BONDS, 2020 SERIES A  
(IMPROVEMENT AREA NO. 8C)**

**Dated as of July 1, 2020**

---

---

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS

Section 1.1. Definitions ..... 2

ARTICLE II

GENERAL AUTHORIZATION AND BOND TERMS

Section 2.1. Amount, Issuance, Purpose and Nature of 2020 Bonds ..... 4
Section 2.2. Description of Bonds; Interest Rates ..... 5
Section 2.3. Form of 2020 Bonds; Execution and Authentication ..... 6
Section 2.4. Conditions to Issuance of 2020 Bonds ..... 6

ARTICLE III

APPLICATION OF PROCEEDS OF 2020 BONDS

Section 3.1. Application of Proceeds of Sale of 2020 Bonds ..... 6

ARTICLE IV

REDEMPTION OF 2020 BONDS

Section 4.1. Redemption of 2020 Bonds ..... 6

ARTICLE V

AMENDMENTS

Section 5.1. Amendment to Section 5.02(e) of the Indenture with Respect to the Bonds..... 8

ARTICLE VI

COVENANTS AND WARRANTY

Section 6.1. Warranty ..... 8
Section 6.2. Covenants ..... 8

ARTICLE VII

MISCELLANEOUS

Section 7.1. Provisions of Indenture in Effect ..... 10  
Section 7.2. Partial Invalidity ..... 10  
Section 7.3. Execution in Counterparts ..... 10  
Section 7.4. Governing Law ..... 10  
Section 7.5. Action on Next Business Day ..... 10  
Section 7.6. Provisions Relating to the Insurer ..... 10

Signatures ..... S-1

EXHIBIT A Form of 2020 Bond ..... A-1  
EXHIBIT B Form of Requisition for Disbursement of Project Costs ..... B-1

## THIRTY-SEVENTH SUPPLEMENTAL INDENTURE OF TRUST

THIS THIRTY-SEVENTH SUPPLEMENTAL INDENTURE OF TRUST dated as of July 1, 2020 (this “Thirty-Seventh Supplemental Indenture”), governs the terms of the City of Beaumont Community Facilities District No. 93-1 Special Tax Refunding Bonds, 2020 Series A (Improvement Area No. 8C), which are being issued as Parity Bonds in accordance with the Original Indenture (as defined below).

### R E C I T A L S :

WHEREAS, the City Council of the City of Beaumont, located in Riverside County, California (hereinafter sometimes referred to as the “legislative body of the District”), has heretofore undertaken proceedings and declared the necessity to issue bonds of City of Beaumont Community Facilities District No. 93-1 (the “District”) pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5, of the Government Code of the State of California (the “Act”); and

WHEREAS, the District and Wilmington Trust, National Association, as successor trustee (the “Trustee”), have previously entered into an indenture of trust dated as of January 15, 1994 (the “Original Indenture”), to provide for the issuance of bonds of the District pursuant to the terms of the Original Indenture; and

WHEREAS, the District financed and refinanced the costs of certain Projects through the issuance of its (i) Special Tax Bonds, 2012 Series A (Improvement Area No. 8C) (the “2012A Bonds”), pursuant to the Original Indenture, as supplemented by the Twenty-Fourth Supplemental Indenture of Trust, dated as of March 1, 2012 (the “Twenty-Fourth Supplemental Indenture”), (ii) Special Tax Refunding Bonds, 2017 Series A (Improvement Area No. 8C) (the “2017 Bonds”), pursuant to the Original Indenture, as supplemented by the Thirty-Third Supplemental Indenture of Trust, dated as of July 1, 2017 (the “Thirty-Third Supplemental Indenture”) and (iii) Special Tax Bonds, 2018 Series A (Improvement Area No. 8C) (the “2018 Bonds”), pursuant to the Original Indenture, as supplemented by the Thirty-Fifth Supplemental Indenture of Trust, dated as of July 1, 2018 (the “Thirty-Fifth Supplemental Indenture”); and

WHEREAS, Section 2.11 of the Original Indenture provides that the District may by Supplemental Indenture issue additional Series of Bonds in order to aid in financing any component of the Project; and

WHEREAS, the District has been duly authorized to issue a Series of Bonds pursuant to the Original Indenture, as supplemented by this Thirty-Seventh Supplemental Indenture (together with the Original Indenture, the Thirty-Third Supplemental Indenture and the Thirty-Fifth Supplemental Indenture, the “Indenture”) designated as the City of Beaumont Community Facilities District No. 93-1 Special Tax Refunding Bonds, 2020 Series A (Improvement Area No. 8C) (the “2020 Bonds”) in an aggregate principal amount of \$\_\_\_\_\_ for the purpose of refunding the Outstanding 2012A Bonds and paying costs of issuing the 2020 Bonds;

WHEREAS, the District has determined that the conditions contained in Sections 2.11 of the Original Indenture and the Act have been satisfied, and the 2020 Bonds are being issued as a Series of Bonds pursuant to the Original Indenture and, after the refunding of the Outstanding 2012A

Bonds, the Outstanding 2017 Bonds and the Outstanding 2018 Bonds shall be payable from Special Taxes levied within the Improvement Area on a parity with the 2020 Bonds;

WHEREAS, Section 9.01(b) of the Original Indenture provides for the amendment of the Original Indenture: (i) to add to the covenants and agreements of the District in the Indenture contained other covenants and agreements to be observed; and (ii) for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision of the Original Indenture, provided that such amendment does not materially adversely affect the owners of the Bonds of any Series and to facilitate the issuance of Parity Bonds by the District; and

NOW, THEREFORE, in order to establish the terms and conditions upon and subject to which the 2020 Bonds are to be issued, and in consideration of the promises and of the mutual covenants contained herein and of the purchase and acceptance of the 2020 Bonds by the Owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the District does hereby covenant and agree, for the benefit of the Owners of the 2012A Bonds, the 2017 Bonds and the 2020 Bonds issued under the Indenture, as follows:

## ARTICLE I

### DEFINITIONS

**Section 1.1. Definitions.** All capitalized terms not otherwise defined in this Supplemental Indenture shall have the meaning set forth in the Original Indenture, as supplemented by the Twenty-Fourth Supplemental Indenture and the Thirty-Third Supplemental Indenture. The following definitions set forth in Section 1.01 of the Indenture are revised, or added, as the case may be, to mean the following with respect to the 2020 Bonds:

#### Authority Bonds

The term “Authority Bonds” means any bonds outstanding under the Authority Indenture, which are secured in part by payments made on the 2020 Bonds.

#### Authority Indenture

The term “Authority Indenture” means that certain Indenture of Trust, dated as of July 1, 2020, by and between the Authority and the Authority Trustee, pursuant to which the Authority Bonds are issued.

#### Authority Trustee

The term “Authority Trustee” means Wilmington Trust, National Association, or any successor thereto appointed pursuant to the Authority Indenture.

#### Bonds; 2012A Bonds; 2017 Bonds, 2020 Bonds

The term “Bonds” means the 2017 Bonds, the 2018 Bonds, the 2020 Bonds and any additional Parity Bonds. The terms “2012A Bonds,” the “2017 Bonds” and the 2018 Bonds are defined in the third “Whereas” clause above. The term “2020 Bonds” is defined in the fifth “Whereas” clause above.

Escrow Agreement

The term “Escrow Agreement” means the Escrow Agreement dated as of July 1, 2020, by and between the District and Wilmington Trust, National Association, as escrow agent relating to the defeasance of the Outstanding 2012A Bonds.

Escrow Fund

The term “Escrow Fund” means the fund by that name established under the Escrow Agreement.

Improvement Area

The term “Improvement Area” means Improvement Area No. 8C of the District.

Indenture

The term “Indenture” is defined in the fifth “Whereas” clause above.

Insurance Policy

The term “Insurance Policy” means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Authority Bonds when due.

Insurer

The term “Insurer” means \_\_\_\_\_, or any successor thereto.

Interest Payment Date

The term “Interest Payment Date” means each March 1 and September 1, and with respect to the 2020 Bonds, commencing March 1, 2021.

Original Indenture

The term “Original Indenture” is defined in the second “Whereas” clause above.

Proportionate Share

The term “Proportionate Share” means, as of the date of calculation, a fraction equal to (A) the principal amount of the 2020 Bonds Outstanding divided by (B) the sum of the principal amount of all of the Local Obligations (as defined in the Authority Indenture) Outstanding.

Reserve Account

The term “Reserve Account” means, with respect to the 2020 Bonds, the District’s Account of the Reserve Fund established under the Authority Indenture.

Reserve Requirement

The term “Reserve Requirement” with respect to the Authority Bonds, shall have the meaning given such term in the Authority Indenture.

Reserve Fund

The term “Reserve Fund” means the fund by that name established by the Authority Indenture.

Reserve Policy

The term “Reserve Policy” means the municipal bond debt service reserve insurance policy relating to the Authority Bonds issued by the Insurer.

Security Documents

The term “Security Documents” means the Authority Indenture, the Local Obligation Indentures (as defined in the Authority Indenture) and/or any additional or supplemental document executed in connection with the Authority Bonds.

Twenty-Fourth Supplemental Indenture

The term “Twenty-Fourth Supplemental Indenture” is defined in the third “Whereas” clause above.

Thirty-Third Supplemental Indenture

The term “Thirty-Third Supplemental Indenture” is defined in the third “Whereas” clause above.

Thirty-Seventh Supplemental Indenture

The term “Thirty-Seventh Supplemental Indenture” means this Thirty-Seventh Supplemental Indenture, dated as of July 1, 2020, between the District and the Trustee, as originally executed.

Term Bonds

The term “Term Bonds” means the 2020 Bonds maturing on September 1, 20\_\_ and September 1, 20\_\_.

**ARTICLE II****GENERAL AUTHORIZATION AND BOND TERMS**

**Section 2.1. Amount, Issuance, Purpose and Nature of 2020 Bonds.** Under and pursuant to the Thirty-Fifth Supplemental Indenture, the 2020 Bonds in the aggregate principal amount of \$\_\_\_\_\_ shall be issued as Parity Bonds governed by the terms of the Original Indenture, as supplemented by the Thirty-Third Supplemental Indenture, the Third-Fifth

Supplemental Indenture and by this Thirty-Seventh Supplemental Indenture, for the purpose of refunding the Outstanding 2012A Bonds and paying the Costs of Issuance of the 2020 Bonds.

As provided in Section 2.12 of the Original Indenture, the 2020 Bonds shall be equally payable from the Net Taxes levied within the Improvement Area without priority for number, issue date, date of sale, date of execution, or date of delivery, and the payment of the interest on and principal and any premiums upon the redemption thereof shall be exclusively paid from such Net Taxes and moneys on deposit in the Special Tax Fund established for the Improvement Area, the applicable portion of moneys on deposit in the Accounts in the Bond Fund, the Redemption Fund which are hereby set aside for the payment of the 2020 Bonds.

**Section 2.2. Description of Bonds; Interest Rates.** The 2020 Bonds shall be issued in fully registered form in denominations of \$5,000 or any integral multiple thereof within a single maturity. The 2020 Bonds shall be numbered as determined by the Trustee.

The 2020 Bonds shall be designated “CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1 SPECIAL TAX REFUNDING BONDS, 2020 SERIES A (IMPROVEMENT AREA NO. 8C).” The 2020 Bonds shall be dated as of their Delivery Date and shall mature and be payable on September 1 in the years and in the aggregate principal amounts and shall be subject to and shall bear interest at the rates set forth in the table below payable on March 1, 2021 and each Interest Payment Date thereafter:

<i>Maturity Date (September 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>
--	-------------------------	----------------------

**Section 2.3. Form of 2020 Bonds; Execution and Authentication.**

(a) The 2020 Bonds and the certificate of authentication shall be substantially in the form attached hereto as Exhibit A, which forms are hereby approved and adopted as the forms of such 2020 Bonds and of the certificate of authentication.

Only the 2020 Bonds bearing thereon such certificate of authentication in the form set forth in Exhibit A attached hereto shall be entitled to any right or benefit under the Indenture, and no 2020 Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. The 2020 Bonds shall be registered in the Registration Books of the Trustee in the name of Wilmington Trust, National Association, as Authority Trustee, and shall not be delivered in book-entry form.

Neither the Authority nor the Trustee shall sell, transfer or encumber or permit the sale, transfer or encumbrance of any of the 2020 Bonds unless the Insurer shall have provided its prior consent.

**Section 2.4. Conditions to Issuance of 2020 Bonds.** The 2020 Bonds shall not be issued unless and until the conditions for the issuance of the 2020 Bonds as Parity Bonds pursuant to Section 2.11 of the Indenture shall have been satisfied.

**ARTICLE III**

**APPLICATION OF PROCEEDS OF 2020 BONDS**

**Section 3.1. Application of Proceeds of Sale of 2020 Bonds**

(a) Application of 2020 Bond Proceeds. The net proceeds of the sale of the 2020 Bonds shall be received by the Trustee on behalf of the District and deposited as follows:

(i) \$\_\_\_\_\_ shall be deposited to the Escrow Fund to refund the Outstanding 2012A Bonds;

(ii) \$\_\_\_\_\_ of the proceeds of the sale of the 2020 Bonds representing the District's share of Costs of Issuance shall be immediately transferred to the Authority Trustee for deposit in the Cost of Issuance Fund (as such term is defined in the Authority Indenture); and

The Trustee may, in its discretion, establish a temporary fund or account in its books and records to facilitate such transfers.

**ARTICLE IV**

**REDEMPTION OF 2020 BONDS**

**Section 4.1. Redemption of 2020 Bonds**

(a) Optional Redemption. The 2020 Bonds maturing on or after September 1, 20\_\_ may be redeemed, at the option of the District from any source of funds on any date on or after September 1, 20\_\_, in whole, or in part from such maturities as are selected by the District and by lot

within a maturity, at a redemption price of the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

In the event the District elects to redeem Bonds as provided above, the District shall give written notice to the Trustee of its election to so redeem, the redemption date and the principal amount of the Bonds to be redeemed. The notice to the Trustee shall be given at least 60 but no more than 90 days prior to the redemption date, or by such later date as is acceptable to the Trustee, in its sole discretion. The Bonds may be redeemed pursuant to this Section 4.1(a) only with the prior consent of the Authority as set forth in the Authority Indenture.

Notwithstanding the foregoing, without the prior consent of the Insurer, the 2020 Bonds are not subject to optional redemption prior to maturity unless all of the then outstanding Local Obligations (as defined in the Authority Indenture) are redeemed at the same time.

(b) Extraordinary Redemption. The 2020 Bonds are subject to redemption in whole or in part in the maturities selected by the District, and by lot within a maturity, on any Interest Payment Date from the proceeds of the prepayment of the Special Taxes deposited in the Redemption Fund pursuant to the Indenture and from amounts transferred from the District Residual Fund and the Reserve Account in connection with such redemption. Such mandatory redemption of the 2020 Bonds shall be at the following redemption prices (expressed as percentages of the principal amount of the 2020 Bonds to be redeemed), together with accrued interest thereon to the date of redemption:

*Redemption Dates*

*Redemption Prices*

For so long as the 2020 Bonds are held in trust by the Trustee, in connection with the calculation of such redemption price, the District shall receive a credit from the Authority from the reduction in the Reserve Requirement resulting from the redemption of the 2020 Bonds and the Authority Bonds so redeemed in connection therewith.

Prepayments will be allocated to the payment at maturity and redemption of Bonds as nearly as practicable on a proportionate basis based on the outstanding principal amount of the Bonds and such amounts shall be applied to redeem Bonds as nearly as practicable on a pro rata basis among maturities in increments of \$5,000.

(c) Mandatory Sinking Fund Redemption. The Term Bonds maturing on September 1, 20\_\_ shall be called before maturity and redeemed, from the Sinking Payments that have been deposited into the Sinking Account, on September 1, 20\_\_ and on each September 1 thereafter prior to maturity, in accordance with the schedule of Sinking Payments set forth below. The Term Bonds so called for redemption shall be selected by the Trustee by lot and shall be redeemed at a redemption price for each redeemed Term Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

2020 BONDS MATURING SEPTEMBER 1, 20\_\_

*Redemption Dates*  
*(September 1)*

*Principal Amount*

\$

(maturity)

**ARTICLE V**

**AMENDMENTS**

**Section 5.1. Amendment to Section 5.02(e) of the Indenture with Respect to the Bonds.** For purposes of clarifying the replenishment of reserve funds and accounts established with respect to the Bonds, solely with respect to the Bonds, Section 5.02 of the Original Indenture, as supplemented and amended by the Thirty-Third Supplemental Indenture and the Thirty-Fifth Supplemental Indenture, is amended and restated in its entirety to read as follows:

“(e) Without preference or priority and in the event of any insufficiency of such moneys ratably without any discrimination or preference, transfer to the Trustee for deposit in any Reserve Account established under the Indenture in connection with the Bonds and to any other trustee for deposit in any reserve fund or account established in connection with or allocated to the Bonds, the amount necessary to cause the balance on deposit therein to equal the applicable reserve requirement. The foregoing transfer shall include any transfer to the Authority Trustee for deposit in the Reserve Account established under the Authority Indenture for the 2020 Bonds, the amount necessary to cause the balance on deposit therein to equal the District’s Proportionate Share of the Reserve Requirement (as defined in the Authority Indenture) or to reimburse the Insurer pursuant to the Authority Indenture for amounts owed to the Insurer for draws under the Reserve Policy related to the 2020 Bonds.”

**ARTICLE VI**

**COVENANTS AND WARRANTY**

**Section 6.1. Warranty.** The District shall preserve and protect the security pledged hereunder to the 2020 Bonds against all claims and demands of all persons.

**Section 6.2. Covenants.** So long as any of the 2020 Bonds issued hereunder are Outstanding and unpaid, the District makes the following covenants with the 2020 Bondowners under the provisions of the Act and this Thirty-Seventh Supplemental Indenture (to be performed by the District or its proper officers, agents or employees), which covenants are necessary and desirable to secure the 2020 Bonds; provided, however, that said covenants do not require the District to expend any funds or moneys other than the Special Taxes and other amounts deposited to the Special Tax Fund:

(a) Commence Foreclosure Proceedings. The District hereby covenants with and for the benefit of the Owners of the 2020 Bonds and the landowners of the Improvement Area

securing the 2020 Bonds that it will review the public records of the County of Riverside, California, in connection with the collection of the Special Tax not later than July 1 of each year to determine the amount of Special Tax collected in the prior Fiscal Year; and with respect to individual delinquencies within the Improvement Area, if the District determines that any single property owner subject to the Special Tax within the Improvement Area is delinquent in the payment of Special Taxes in the aggregate of \$2,500 or more or that as to any single parcel the delinquent Special Taxes represent more than 5% of the aggregate Special Taxes within the Improvement Area, then the District will send or cause to be sent a notice of delinquency (and a demand for immediate payment thereat) to the property owner within 45 days of such determination, and (if the delinquency remains uncured) the District will cause judicial foreclosure proceedings to be filed in the superior court within ninety (90) days of such determination against all properties for which the Special Taxes remain delinquent.

(b) Reduction of Maximum Special Taxes. The District hereby finds and determines that, historically, delinquencies in the payment of special taxes authorized pursuant to the Act in community facilities districts in Southern California have from time to time been at levels requiring the levy of special taxes at the maximum authorized rates in order to make timely payment of principal of and interest on the outstanding indebtedness of such community facilities districts. For this reason, the District hereby determines that a reduction in the maximum Special Tax rates authorized to be levied on parcels in the Improvement Area below the levels provided in this Section 5.2(b) would interfere with the timely retirement of the 2020 Bonds. The District determines it to be necessary in order to preserve the security for the 2020 Bonds to covenant, and, to the maximum extent that the law permits it to do so, the District hereby does covenant, that it shall not initiate proceedings to reduce the maximum Special Tax rates for the District, unless, in connection therewith, (i) the District receives a certificate from one or more Independent Accounts which, when taken together, certify that, on the basis of the parcels of land and improvements existing in the Improvement Area as of the July 1 preceding the reduction, the maximum amount of the Special Tax which may be levied on then existing taxable property in each Bond Year for any 2020 Bonds Outstanding will equal at least the sum of the Administrative Expenses Cap for such Bond Year plus 110% of the gross debt service in such Bond Year on all Bonds to remain Outstanding after the reduction is approved, (ii) the District finds that any reduction made under such conditions will not adversely affect the interests of the Owners of the Bonds, and (iii) the District is not delinquent in the payment of the principal of or interest on the Bonds.

(c) Covenants to Defend. The District covenants that, in the event that any initiative is adopted by the qualified electors in the Improvement Area which purports to reduce the minimum or the maximum Special Tax below the levels specified in Section 5.2(g) above, it will commence and pursue legal action in order to preserve its ability to comply with such covenant.

(d) Against Encumbrances. The District will not mortgage or otherwise encumber, pledge or place any charge upon any of the Net Taxes except as provided in the Indenture, and will not issue any obligation or security having a lien or charge upon the Net Taxes superior to or on a parity with the 2020 Bonds, other than Parity Bonds. Nothing herein shall prevent the District from issuing or incurring indebtedness which is payable from a pledge of Net Taxes which is subordinate in all respects to the pledge of Net Taxes to repay the 2020 Bonds and the Parity Bonds.

## ARTICLE VII

### MISCELLANEOUS

**Section 7.1. Provisions of Indenture in Effect.** Except as expressly modified herein, all of the provisions of the Original Indenture shall remain in full force and effect.

**Section 7.2. Partial Invalidity.** If any section, paragraph, sentence, clause or phrase of this Thirty-Seventh Supplemental Indenture shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Thirty-Seventh Supplemental Indenture. The District hereby declares that it would have entered into this Thirty-Seventh Supplemental Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the 2020 Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Thirty-Seventh Supplemental Indenture may be held illegal, invalid or unenforceable.

**Section 7.3. Execution in Counterparts.** This Thirty-Seventh Supplemental 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 7.4. Governing Law.** This Thirty-Seventh Supplemental Indenture shall be construed and governed in accordance with the laws of the State of California applicable to contracts made and performed in such state.

**Section 7.5. Action on Next 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 7.6. Provisions Relating to the Insurer.**

(a) The District covenants and agrees to reimburse the Insurer for all Insurer Reimbursement Amounts (as defined in the Authority Indenture) in connection with or in any way relating to a District default or breach hereunder or, if such amounts are Administrative Costs (as defined in the Authority Indenture), then the District shall be obligated and agrees to pay the Insurer its pro rata share (based on the outstanding principal amount of the Local Obligations (as defined in the Authority Indenture)) of such amounts. The foregoing in no way limits the obligation or ability of the Authority to pay or reimburse the Insurer from Revenues (as defined in the Authority Indenture) as provided in the Authority Indenture.

All Insurer Reimbursement Amounts are payable from and secured by a lien on and pledge of the Net Taxes on parity with debt service due on the 2020 Bonds. In addition, all Policy Costs (as defined in the Authority Indenture) are payable from and secured by a lien on and pledge of the Net Taxes subordinate only to the payment of debt service on the 2020 Bonds and Insurer Reimbursement Amounts.

(b) The notice address of the Insurer is: \_\_\_\_\_, Attention: Surveillance,  
Re: Policy No. \_\_\_\_\_. Telephone: (\_\_\_\_) \_\_\_\_\_, Telecopier (\_\_\_\_) \_\_\_\_\_, Email: \_\_\_\_\_.

In each case in which notice or other communication refers to an event of default or a claim on the Insurance Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at \_\_\_\_\_ or at Telecopier: (\_\_\_\_) \_\_\_\_\_ and shall be marked to indicate “URGENT MATERIAL ENCLOSED.”

(c) The Insurer shall have the right to receive such additional information as it may reasonably request.

(d) The District will permit the Insurer to discuss the affairs, finances and accounts of the District or any information the Insurer may reasonably request regarding the security for the 2020 Bonds with appropriate officers of the District and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the District on any Business Day upon reasonable prior notice.

(e) So long as any Authority Bonds insured by the Insurer remain outstanding or any amounts are owed to the Insurer by the District, the District shall not enter into any interest rate exchange agreement, cap, collar, floor ceiling or other agreement or instrument secured by or payable from Special Taxes involving reciprocal payment obligations between the District and a counterparty based on interest rates applied to a notional amount of principal, without the prior written consent of the Insurer.

(f) The Insurer shall be provided with the following information by the District or the Trustee under this Indenture, as the case may be:

(i) Annual audited financial statements of the District, if any, within 180 days after the end of the District’s fiscal year (together with a certification of the District that it is not aware of any default or event of default under this Indenture), and the District’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 default actually known to the Trustee or the District within five Business Days after knowledge thereof;

(iii) Prior notice of the advance refunding or redemption of any of the Authority Bonds or the 2020 Bonds, including the principal amount, maturities and CUSIP numbers thereof;

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

(v) Notice of the commencement of any proceeding by or against the District commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”);

(vi) 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 2020 Bonds;

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

(viii) All reports, notices and correspondence to be delivered to Owners under the terms of the Security Documents.

(g) The Trustee shall notify the Authority Trustee and the Insurer at least five (5) Business Days prior to each Interest Payment Date if there is not on deposit with the Trustee, after making all of the transfers required hereunder, moneys sufficient to pay the principal of and interest on the 2020 Bonds.

(h) To the extent that the District has entered into a continuing disclosure agreement, covenant or undertaking with respect to the Authority Bonds, all information furnished pursuant to such agreements shall also be provided to the Insurer, simultaneously with the furnishing of such information.

(i) Notwithstanding anything in Section 9.01 of the Original Indenture to the contrary, the District shall not modify, alter, amend or supplement the Indenture in any respect which is materially adverse to the 2020 Bondowners or adverse to the rights and interest of the Insurer.

(j) Notwithstanding anything else in the Indenture or the Authority Indenture to the contrary, the provisions herein and in the Authority Indenture requiring the consent, approval or direction of the Insurer shall be applicable only at such time as the Insurer shall be in compliance with its payment obligations under the Insurance Policy and the Reserve Policy.

(k) So long as the Insurance Policy shall be in effect, the Insurer shall be deemed a third party beneficiary of the Indenture with respect to the 2020 Bonds.

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]*

IN WITNESS WHEREOF, the District and the Trustee have executed this Thirty-Seventh Supplemental Indenture, effective the date first written above.

CITY OF BEAUMONT COMMUNITY FACILITIES  
DISTRICT NO. 93-1

By: \_\_\_\_\_  
City Manager of the City of Beaumont, acting  
on behalf of City of Beaumont Community  
Facilities District No. 93-1

ATTEST:

\_\_\_\_\_  
City Clerk of the City of Beaumont, acting on  
behalf of City of Beaumont Community  
Facilities District No. 93-1

The terms of this Thirty-Seventh Supplemental Indenture relating to the Trustee are accepted by Wilmington Trust, National Association, as Trustee.

WILMINGTON TRUST, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**FORM OF SPECIAL TAX BOND, 2020 SERIES A**

R- \_\_\_\_\_

\$ \_\_\_\_\_

**UNITED STATES OF AMERICA  
STATE OF CALIFORNIA  
COUNTY OF RIVERSIDE**

**CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1  
SPECIAL TAX REFUNDING BONDS, 2020 SERIES A  
(IMPROVEMENT AREA NO. 8C)**

**INTEREST RATE:** \_\_\_\_\_%      **MATURITY DATE:** September 1, \_\_\_\_\_      **DATED DATE:** July \_\_, 2020      **CUSIP:** \_\_\_\_\_

**REGISTERED OWNER:** Wilmington Trust, National Association, as Trustee under that certain Indenture of Trust dated as of July 1, 2020 by and between the Beaumont Public Financing Authority and Wilmington Trust, National Association, as Trustee

**PRINCIPAL AMOUNT:** \_\_\_\_\_ AND NO/100 DOLLARS

The CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1, a community facilities district, duly organized and existing under the laws of the State of California (the "District"), for value received, hereby promises to pay to the Registered Owner specified above or registered assigns (the "Registered Owner"), on the Maturity Date specified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount specified above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth day of the month preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before February 15, 2021, in which event it shall bear interest from the Dated Date specified 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, at the Interest Rate per annum specified above. Interest is payable semiannually on March 1 and September 1 in each year, commencing March 1, 2021 (collectively, the "Interest Payment Dates"), 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 hereof at the corporate trust office (the "Trust Office") of the Trustee, initially Wilmington Trust, National Association (the "Trustee"). Interest hereon is payable by check of the Trustee mailed by first class mail on the Interest Payment Date to

the Registered Owner hereof at the Registered Owner's address as it appears on the registration books of the Trustee as of the close of business on the fifteenth day of the month preceding each Interest Payment Date (a "Record Date") (whether or not such day is a business day), or, upon written request filed with the Trustee prior to such Record Date by a Registered Owner of at least \$1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to an account in the continental United States of America designated by such Registered Owner in such written request.

This Bond is one of a duly authorized issue of "City of Beaumont Community Facilities District No. 93-1 Special Tax Refunding Bonds, 2020 Series A (Improvement Area No. 8C)" (the "Bonds") issued in the aggregate principal amount of \$\_\_\_\_\_ pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being Sections 53311, *et seq.*, of the California Government Code (the "Act") for the purpose of (i) refunding the District's Outstanding Special Tax Bonds, 2012 Series A (Improvement Area No. 8C) and (ii) paying certain costs related to the issuance of the Bonds. The issuance of the Bonds and the terms and conditions thereof are provided for by a resolution adopted by the City Council of City of Beaumont, acting in its capacity as the legislative body of the District (the "Legislative Body") on July 7, 2020 (the "Resolution of Issuance"), and an Indenture of Trust dated as of January 15, 1994 (the "Original Indenture"), as amended and supplemented including as amended and supplemented by the Thirty-Seventh Supplemental Indenture of Trust dated as of July 1, 2020 (the "Thirty-Seventh Supplemental Indenture" and together with the Original Indenture, the "Indenture") each by and between the District and the Trustee, executed in connection therewith, and this reference incorporates the Indenture herein, and by acceptance hereof the Registered Owner of this Bond assents to said terms and conditions. The Resolution of Issuance and the Indenture are adopted under and this Bond is issued under, and both are to be construed in accordance with, the laws of the State of California. Capitalized terms not defined herein shall have the meanings set forth in the Indenture.

Pursuant to the Act and the Indenture, the principal of, premium, if any, and interest on this Bond are payable on a parity with the District's Outstanding Special Tax Bonds, 2017 Series A (Improvement Area No. 8C) and Outstanding Special Tax Bonds, 2018 Series A (Improvement Area No. 8C), solely from certain Special Taxes authorized under the Act to be levied and collected within the Improvement Area and foreclosure proceeds received following a default in payment of the Special Taxes, and certain other amounts pledged to the repayment of the Bonds as set forth in the Indenture. Any amounts for the payment hereof shall be limited to such Special Taxes and foreclosure proceeds, less certain Administrative Expenses, and other amounts deposited to the Special Tax Fund established under the Indenture, except to the extent that other provision for payment has been made by the Legislative Body, as may be permitted by law. The District has covenanted for the benefit of the owners of the Bonds that under certain circumstances described in the Indenture it will commence and diligently pursue to completion foreclosure proceedings in the event of delinquencies of Special Tax installments levied for payment of principal and interest on the Bonds.

The Bonds maturing on or after September 1, 20\_\_ may be redeemed, at the option of the District from any source of funds on any date on or after September 1, 20\_\_, in whole, or in part from such maturities as are selected by the District and by lot within a maturity, at a redemption price of the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

The Term Bonds shall be called before maturity and redeemed, from Sinking Payments that have been deposited into the Sinking Account, on September 1, 20\_\_, and on each September 1 thereafter prior to maturity, and on September 1, 20\_\_, and on each September 1 thereafter prior to maturity in accordance with the schedules of Sinking Payments set forth in the Indenture at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

In lieu of such redemption of Term Bonds, the Trustee may apply amounts in the Sinking Account to the purchase of Bonds maturing on September 1, 20\_\_ or September 1, 20\_\_ at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the applicable moneys in the Interest Account) as may be directed by the District, except that the purchase price (exclusive of accrued interest) may not exceed the redemption price then applicable to such Bonds, as set forth in a Written Request of the District.

The Bonds are subject to redemption on any Interest Payment Date, in whole or in part in the maturities selected by the District, and by lot within a maturity, from the proceeds of the prepayment of Special Taxes deposited into the Redemption Fund, and from amounts transferred from the District Residual Fund and the Reserve Account in connection with such redemption. Such mandatory redemption of the Bonds shall be at the following redemption prices (expressed as percentages of the principal amount of the Bonds to be redeemed), together with accrued interest thereon to the date of redemption:

***Redemption Dates***

***Redemption Prices***

Except as otherwise provided in the Indenture, notice of redemption shall be mailed by the Trustee by first class mail not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective owners of any Bonds designated for redemption at their address appearing on the registration books of 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 or the cessation of accrual of interest thereon from and after the date fixed 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.

The rights and obligations of the District and the owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall extend the fixed maturity of any Bonds, or reduce the amount of principal or premium (if any) thereon, or extend the time of payment, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, without the consent of the owner of each Bond so affected.

If an Event of Default shall occur, the principal of all Bonds may not be accelerated and declared due and payable under the Indenture, and any declaration of an Event of Default and its consequences may be rescinded and annulled as further provided in the Indenture.

The Bonds are issuable only in fully registered form in the denomination of \$5,000 or any integral multiple thereof and may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same issue and maturity, all as more fully set forth in the Indenture. This Bond may be presented for transfer by the registered Owner hereof, in person or by his attorney duly authorized in writing, at the Trust Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer, a new 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 therefor. This Bond may be presented for exchange at the Trust Office of the Trustee for Bonds of the same tenor, aggregate principal amount, interest, rate and maturity, of other authorized denominations. Transfer or exchange of this Bond will not be permitted during the period established by the Trustee for selection of Bonds for redemption or if this Bond has been selected for redemption.

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

The District may issue bonds on a parity with the Bonds in accordance with the provisions of the Indenture and the Act. The Indenture contains provisions permitting the District to make provision for the payment of the interest on, and the principal and premium, if any, of any of the Bonds so that such Bonds shall no longer be deemed to be outstanding under the terms of the Indenture.

THE BONDS DO NOT CONSTITUTE OBLIGATIONS OF THE CITY OF BEAUMONT OR OF THE DISTRICT FOR WHICH THE CITY OF BEAUMONT OR THE DISTRICT IS OBLIGATED TO LEVY OR PLEDGE, OR HAS LEVIED OR PLEDGED, GENERAL OR SPECIAL TAXES, OTHER THAN THE SPECIAL TAXES REFERENCED HEREIN. THE BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE FROM THE PORTION OF THE SPECIAL TAXES AND OTHER AMOUNTS PLEDGED UNDER THE INDENTURE BUT ARE NOT A DEBT OF THE CITY OF BEAUMONT, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR RESTRICTION.

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 endorsed shall have been signed by the Trustee.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the District, does not exceed any debt limit prescribed by the laws or Constitution of the State of California.

IN WITNESS WHEREOF, the City of Beaumont Community Facilities District No. 93-1 has caused this Bond to be dated as of \_\_\_\_\_, 2020, to be signed on behalf of the District by the Mayor of the City by his facsimile signature and attested by the facsimile signature of the City Clerk of the City.

\_\_\_\_\_  
Mayor of the City of Beaumont, California,  
acting on behalf of City of Beaumont  
Community Facilities District No. 93-1

ATTEST:

\_\_\_\_\_  
City Clerk of the City of Beaumont, California,  
on behalf of City of Beaumont Community  
Facilities District No. 93-1

[FORM OF TRUSTEE’S CERTIFICATE  
OF AUTHENTICATION AND REGISTRATION]

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

Dated: \_\_\_\_\_, 2020

WILMINGTON TRUST, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

[FORM OF 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.

\_\_\_\_\_  
City Clerk of the City of Beaumont, California, acting  
on behalf of City of Beaumont Community Facilities  
District No. 93-1

[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-mentioned Bond and hereby irrevocably constitute(s) and appoint(s)

\_\_\_\_\_ attorney,  
to transfer the same on the Registration Books of the Trustee with full power of substitution in the  
premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_

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

\_\_\_\_\_

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.

**ESCROW AGREEMENT  
(2011 SERIES A)**

THIS ESCROW AGREEMENT (2011 Series A), dated as of July 1, 2020 (the “Agreement”), by and among the City of Beaumont Community Facilities District No. 93-1 (the “District”), the Beaumont Financing Authority (the “Authority”) and Wilmington Trust, National Association, as escrow agent (the “Escrow Agent”), is entered into in accordance with Resolution No. \_\_\_\_\_ of the City of Beaumont, acting as legislative body for the District, adopted on July 7, 2020, Resolution No. \_\_\_\_\_ of the Authority, adopted on July 7, 2020 and an Indenture of Trust dated as of January 15, 1994 (the “Original District Indenture”), by and between the District and Wilmington Trust, National Association, as successor trustee (the “Prior Trustee”), as amended and supplemented, including by the Twenty-Third Supplemental Indenture of Trust dated as of December 1, 2011 (the “District Supplemental Indenture” and, together with the Original District Indenture, the “District Indenture”), by and between the District and the Prior Trustee, as successor trustee, to refund all of the outstanding City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2011 Series A (Improvement Area No. 17B) and 2011 Series B (Improvement Area No. 17B) (together, the “Refunded District Bonds”) and effect the simultaneous refunding of the outstanding Beaumont Financing Authority 2012 Local Agency Revenue Bonds, Series A (Improvement Area No. 17B) (the “Refunded Authority Bonds”).

**WITNESSETH:**

WHEREAS, the District has previously issued the Refunded District Bonds pursuant to the District Indenture; and

WHEREAS, the Authority has previously issued the Refunded Authority Bonds pursuant to the Indenture of Trust dated as of January 15, 1994 (the “Original Authority Indenture”), as amended and supplemented, including by the Twenty-First Supplemental Indenture of Trust dated as of December 1, 2011 (the “Authority Supplemental Indenture” and, together with the Original Authority Indenture, the “Authority Indenture”), each by and between the Authority and the Prior Trustee, as successor trustee, a portion of the proceeds of which were used to purchase the Refunded District Bonds; and

WHEREAS, the District has determined to issue its City of Beaumont Community Facilities District No. 93-1 2020 Special Tax Refunding Bonds (Improvement Area No. 17B) (the “2020 Improvement Area No. 17B Bonds”) for the purpose in part of providing moneys which, together with certain moneys transferred from the Prior Trustee, will be used to refund all of the Refunded District Bonds and to redeem on September 1, 2021 (the “Redemption Date”) the Refunded District Bonds maturing on and after September 1, 2022 at a redemption price equal to 100% of the principal amount of the Refunded District Bonds to be redeemed, together with all interest accrued to such date (the “Redemption Price”), as required under the District Indenture; and

WHEREAS, the District intends to pay the amounts set forth in the preceding paragraph by irrevocably depositing with the Escrow Agent moneys and certain Federal Securities (as permitted by, in the manner prescribed by, and all in accordance with the District Indenture) which, together with interest thereon, will be fully sufficient to pay and discharge the Refunded District Bonds; and

WHEREAS, the District and the Authority intend for the deposit of such moneys to effect the simultaneous defeasance of the Refunded Authority Bonds;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the District, the Authority and the Escrow Agent agree as follows:

SECTION 1. Deposit of Moneys. The Escrow Agent hereby acknowledges receipt of (i) \$\_\_\_\_\_ from a portion of the net proceeds of the sale of the 2020 Improvement Area No. 17B Bonds, and (ii) \$\_\_\_\_\_ from the Prior Trustee from amounts on deposit in certain funds and accounts relating to the Refunded District Bonds established under the District Indenture, as more specifically identified in the pricing numbers relating to the 2020 Improvement Area No. 17B Bonds and included in the closing transcript therefor. The Escrow Agent shall hold all such amounts in irrevocable escrow separate and apart from other funds of the District and the Escrow Agent in a fund hereby created and established to be known as the 2011 Series A Escrow Fund (the “Escrow Fund”) and to be applied solely as provided in this Agreement.

SECTION 2. Investment of Moneys. The District hereby instructs the Escrow Agent to apply \$\_\_\_\_\_ of the moneys set forth above to purchase the Federal Securities listed in Exhibit A hereto and to hold \$\_\_\_\_\_ uninvested as cash. The Escrow Agent shall be entitled to rely upon the conclusion of \_\_\_\_\_ (the “Verification Agent”), that the Federal Securities listed on Exhibit A hereto mature and bear interest payable in such amounts and at such times as, together with cash on deposit in the Escrow Fund, will be sufficient to pay prior to September 1, 2021, the principal and interest due with respect to the Refunded District Bonds and to pay on September 1, 2021, the Redemption Price.

SECTION 3. Investment of Any Remaining Moneys. At the written direction of the District, the Escrow Agent shall reinvest any other amount of principal and interest, or any portion thereof, received from the Federal Securities prior to the date on which such payment is required for the purposes set forth herein, in noncallable Federal Securities maturing not later than the date on which such payment or portion thereof is required for the purposes set forth in Section 5, at the written direction of the District, as verified in a report prepared by an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions to the effect that the reinvestment described in said report will not adversely affect the sufficiency of the amounts of securities, investments and money in the Escrow Fund to pay the principal and interest due with respect to the Refunded District Bonds prior to September 1, 2021 and to pay on September 1, 2021 the Redemption Price, and provided that the District has obtained and delivered to the Escrow Agent an unqualified opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, that such reinvestment will not adversely affect the exclusion from gross income for federal income tax purposes of the interest portion of the Refunded District Bonds or interest on the Refunded Authority Bonds. Any interest income resulting from investment or reinvestment of moneys pursuant to this Section 3 which are not required for the purposes set forth in Section 5, as verified in the letter of the Verification Agent originally obtained by the District with respect to the refunding of the Refunded District Bonds or in any other report prepared by an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of tax-exempt obligations of political subdivisions, shall be paid to the District promptly upon the receipt of such interest income by the Escrow Agent. The determination of the District as to whether an accountant qualifies under this Escrow Agreement shall be conclusive.

SECTION 4. Substitution of Securities. Upon the written request of the District, and subject to the conditions and limitations herein set forth and applicable governmental rules and regulations, the Escrow Agent shall sell, redeem or otherwise dispose of the Federal Securities, provided that there are substituted therefor from the proceeds of the Federal Securities other Federal Securities, but only after the District has obtained and delivered to the Escrow Agent: (i) an

unqualified opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, to the effect that the substitution of securities is permitted under the legal documents in effect with respect to the Refunded District Bonds and that such reinvestment will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Refunded District Bonds or interest with respect to the Refunded Authority Bonds; and (ii) a report by a firm of independent certified public accountants to the effect that the reinvestment described in said report will not adversely affect the sufficiency of the amounts of securities, investments and money in the Escrow Fund to pay the principal and interest due with respect to the Refunded District Bonds prior to September 1, 2021 and to pay on September 1, 2021, the Redemption Price. The Escrow Agent shall not be liable or responsible for any loss resulting from any reinvestment made pursuant to this Agreement and in full compliance with the provisions hereof.

**SECTION 5. Payment of Refunded District Bonds.**

(a) Payment. From the moneys on deposit in the Escrow Fund, the Escrow Agent shall pay the principal of, and interest on the Refunded District Bonds due prior to September 1, 2021, and pay on September 1, 2022 the Redemption Price on the Redemption Date.

(b) Defeasance and Redemption of the Refunded Authority Bonds. The District and the Authority intend for the defeasance of the Refunded District Bonds to effect a simultaneous defeasance of the Refunded Authority Bonds and for the moneys which will be used to refund and redeem the Refunded District Bonds to be used to simultaneously refund and redeem the Refunded Authority Bonds.

(c) Irrevocable Instructions to Provide Notice. The Authority hereby instructs the Escrow Agent to mail, first class, postage prepaid, a notice to the Refunded Authority Bonds owners in the form attached hereto as Exhibit B stating that the defeasance of the Refunded Authority Bonds has occurred. The Authority further instructs the Escrow Agent to mail, first class, postage prepaid, by not later than 30 days prior to the Redemption Date a notice in substantially the form attached hereto as Exhibit C of redemption with respect to the Refunded Authority Bonds maturing on and after September 1, 2022 in accordance with the procedures set forth in Section \_\_\_\_ of the Authority Indenture.

(d) Unclaimed Moneys. Any moneys which remain unclaimed for 30 days after September 1, 2021 shall be repaid by the Escrow Agent to the District.

(e) Priority of Payments. The owners of the Refunded District Bonds shall have a first and exclusive lien on all moneys in the Escrow Fund until such moneys are used and applied as provided in this Agreement.

(f) Termination of Obligation. As provided in the District Indenture, upon deposit of moneys with the Escrow Agent in the Escrow Fund as set forth in Section 1 hereof, all obligations of the District under the District Indenture with respect to the Refunded District Bonds shall cease, terminate and be completely discharged except as set forth in the District Indenture. The Authority agrees that upon the defeasance and redemption of the Refunded District Bonds, the Refunded Authority Bonds shall be simultaneously defeased and the obligations of the Authority relating thereto released.

**SECTION 6. Application of Certain Terms of the District Indenture.** All of the terms of the District Indenture relating to the making of payments of principal and interest with respect to the Refunded District Bonds and relating to the exchange or transfer of the Refunded District Bonds are incorporated in this Agreement as if set forth in full herein. The procedures set forth in Article VIII

of the District Indenture relating to the resignation and removal and merger of the Prior Trustee under the District Indenture are also incorporated in this Agreement as if set forth in full herein and shall be the procedures to be followed with respect to any resignation or removal of the Escrow Agent hereunder.

SECTION 7. Performance of Duties. The Escrow Agent agrees to perform only the duties set forth herein and shall have no responsibility to take any action or omit to take any action not set forth herein.

SECTION 8. Escrow Agent’s Authority to Make Investments. Except as provided in Section 2 hereof, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of the moneys held hereunder.

SECTION 9. Indemnity. The District hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Agent at any time (whether or not also indemnified against the same by the District or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds deposited therein, the retention of the proceeds thereof and any payment, transfer or other application of moneys by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the District shall not be required to indemnify the Escrow Agent against the Escrow Agent’s own negligence or willful misconduct or the negligence or willful misconduct of the Escrow Agent’s respective employees or the willful breach by the Escrow Agent of the terms of this Agreement. In no event shall the District or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement.

SECTION 10. Responsibilities of Escrow Agent. The Escrow Agent and its agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys deposited therein, the sufficiency of the moneys on deposit in the Escrow Fund to pay the Refunded District Bonds or any payment, transfer or other application of moneys or obligations by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The recitals of fact contained in the “Whereas” clauses herein shall be taken as the statements of the District, and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the sufficiency of the proceeds to accomplish the refunding of the Refunded District Bonds or to the validity of this Agreement as to the District and, except as otherwise provided herein, the Escrow Agent shall incur no liability in respect thereof. The Escrow Agent shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the District, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it

necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an officer of the District.

SECTION 11. Amendments. This Agreement is made for the benefit of the District and the owners from time to time of the Refunded District Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent and the District; provided, however, that the District and the Escrow Agent may, without the consent of, or notice to, such owners, amend this Agreement or enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement or the District Indenture, for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Agreement; (ii) to grant to, or confer upon, the Escrow Agent for the benefit of the owners of the Refunded District Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such owners or the Escrow Agent; and (iii) to include under this Agreement additional funds. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the various Refunded District Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 12. Term. This Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either: (i) the date upon which the Refunded District Bonds have been paid in accordance with this Agreement; or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Agent pursuant to Section 5(d) of this Agreement.

SECTION 13. Compensation. The Escrow Agent shall receive its reasonable fees and expenses as previously agreed to by the Escrow Agent and the District and any other reasonable fees and expenses of the Escrow Agent approved by the District; provided, however, that under no circumstances shall the Escrow Agent be entitled to any lien or assert any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Agent under this Agreement.

SECTION 14. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the District or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 15. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

SECTION 16. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED UNDER THE LAWS OF THE STATE OF CALIFORNIA.

SECTION 17. Insufficient Funds. If at any time the Escrow Agent has actual knowledge that the moneys in the Escrow Fund will not be sufficient to make all payments required by this Agreement, the Escrow Agent shall notify the District in writing, of the amount thereof and the reason therefor to the extent known to it. The Escrow Agent shall have no responsibility regarding any such deficiency. No provision of this Agreement shall require the Escrow Agent to expend or

risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder.

SECTION 18. Notice to District and Escrow Agent. Any notice to or demand upon the Escrow Agent may be served or presented, and such demand may be made, at the principal corporate trust office of the Escrow Agent at Wilmington Trust, National Association, 650 Town Center Drive, Suite 800, Costa Mesa, California 92626, Attention: Corporate Trust Department. Any notice to or demand upon the District shall be deemed to have been sufficiently given or served for all purposes by being mailed by registered or certified mail, and deposited, postage prepaid, in a post office letter box, addressed to the Financial Services Director of the City of Beaumont, 550 East 6th Street, Beaumont, California 92223 (or such other address as may have been filed in writing by the District with the Escrow Agent). Any notice to or demand upon the Authority shall be deemed to have been sufficiently given or served for all purposes by being mailed by registered or certified mail, and deposited, postage prepaid, in a post office letter box, addressed to the Executive Director of the Beaumont Financing Authority, 550 East 6th Street, Beaumont, California 92223 (or such other address as may have been filed in writing by the District with the Escrow Agent).

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]*

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

CITY OF BEAUMONT COMMUNITY FACILITIES  
DISTRICT NO. 93-1

By: \_\_\_\_\_  
City Manager of the City of Beaumont, acting as  
the legislative body of City of Beaumont  
Community Facilities District No. 93-1

ATTEST:

\_\_\_\_\_  
City Clerk of the City of Beaumont, acting  
as the legislative body of City of Beaumont  
Community Facilities District No. 93-1

BEAUMONT FINANCING AUTHORITY

By: \_\_\_\_\_  
Executive Director

ATTEST:

\_\_\_\_\_  
Secretary of the Beaumont Financing Authority

*[SIGNATURES CONTINUED ON NEXT PAGE.]*

*[SIGNATURE PAGE CONTINUED.]*

WILMINGTON TRUST, NATIONAL  
ASSOCIATION, as Escrow Agent

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**FEDERAL SECURITIES**

<u>Security</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest</u>	<u>Interest Rate</u>	<u>Price</u>
-----------------	-----------------	-----------------------------	-----------------	--------------------------	--------------

**EXHIBIT B****NOTICE OF DEFEASANCE**

**BEAUMONT FINANCING AUTHORITY  
2011 LOCAL AGENCY REVENUE BONDS, SERIES A  
(IMPROVEMENT AREA NO. 17B)**

<i>Maturity Date (September 1)</i>	<i>Par Amount</i>	<i>Interest Rate</i>	<i>CUSIP No.*</i>
2020	\$100,000	5.000%	074406MQ9
2021	120,000	5.000	074406MR7
2022	140,000	5.000	074406MS5
2023	165,000	5.000	074406MT3
2024	195,000	5.250	074406MU0
2025	220,000	5.375	074406MV8
2026	250,000	5.500	074406MW6
2031	1,820,000	6.125	074406MX4
2042	8,920,000	6.375	074406MY2

Notice is hereby given to the holders of the above-captioned Bonds (the “Refunded Bonds”) that (i) the Refunded Bonds have been defeased; (ii) there has been deposited with Wilmington Trust, National Association, as Escrow Agent, moneys and securities as permitted by that certain Indenture of Trust dated as of January 15, 1994, by and between the Beaumont Financing Authority (the “Authority”) and Wilmington Trust, National Association, as successor trustee (the “Trustee”), as amended and supplemented, including by the Twenty-First Supplemental Indenture of Trust dated as of December 1, 2011, by and between the Authority and the Trustee, as successor trustee (as supplemented, the “Indenture”), relating to the Refunded Bonds, which will be sufficient and available to pay the principal and interest due with respect to the Refunded Bonds prior to September 1, 2021 and to pay redeem on September 1, 2021 the Refunded Bonds maturing on and after September 1, 2022 at a redemption price equal to the principal amount thereof to be redeemed, plus interest accrued thereon to the date of redemption, without premium; and (ii) the Escrow Agent has been irrevocably instructed to redeem such outstanding Refunded Bonds on September 1, 2021.

\* The CUSIP numbers are included solely for the convenience of the Holders of the Refunded Bonds. Neither the District nor the Trustee shall be responsible for any error of any nature relating to such numbers.

Dated this \_\_\_ day of July, 2020.

**WILMINGTON TRUST, NATIONAL  
ASSOCIATION,  
as Trustee or Escrow Agent**

## EXHIBIT C

## NOTICE OF REDEMPTION

**BEAUMONT FINANCING AUTHORITY  
2011 LOCAL AGENCY REVENUE BONDS, SERIES A  
(IMPROVEMENT AREA NO. 17B)**

NOTICE IS HEREBY GIVEN to the owners of the above-captioned Bonds (the “Bonds”) of the Beaumont Financing Authority (the “Authority”) issued on December 22, 2011 pursuant to the Indenture of Trust dated as of January 15, 1994, by and between the Beaumont Financing Authority (the “Authority”) and Wilmington Trust, National Association, as successor trustee (the “Trustee”), as amended and supplemented, including by the Twenty-First Supplemental Indenture of Trust dated as of December 1, 2011, by and between the Authority and the Trustee, as successor trustee (as supplemented, the “Indenture”), that the Bonds listed below have been called for redemption on September 1, 2021 (the “Redemption Date”).

<i>Maturity Date (September 1)</i>	<i>Par Amount</i>	<i>Interest Rate</i>	<i>CUSIP No.*</i>	<i>Redemption Price</i>
2020	\$100,000	5.000%	074406MQ9	100%
2021	120,000	5.000	074406MR7	100
2022	140,000	5.000	074406MS5	100
2023	165,000	5.000	074406MT3	100
2024	195,000	5.250	074406MU0	100
2025	220,000	5.375	074406MV8	100
2026	250,000	5.500	074406MW6	100
2031	1,820,000	6.125	074406MX4	100
2042	8,920,000	6.375	074406MY2	100

The Bonds will be payable on the Redemption Date at a redemption price of 100% of the principal amount plus accrued interest to such date (the “Redemption Price”). The Redemption Price of the Bonds will become due and payable on the Redemption Date. Interest with respect to the Bonds to be redeemed will cease to accrue on and after the Redemption Date, and such Bonds will be surrendered to the Trustee.

All Bonds are required to be surrendered to the principal corporate trust office of the Trustee, on the Redemption Date at the following location. If the Bonds are mailed, the use of registered, insured mail is recommended:

Wilmington Trust, National Association  
650 Town Center Drive, Suite 600  
Costa Mesa, California 92626

If the Owner of any Bond subject to optional redemption fails to deliver such Bond to the Trustee on the Redemption Date, such Bond shall nevertheless be deemed redeemed on the Redemption Date and the Owner of such Bond shall have no rights in respect thereof except to receive payment of the Redemption Price from funds held by the Trustee for such payment.

A form W-9 must be submitted with the Bonds. Failure to provide a completed form W-9 will result in 31% backup withholding pursuant to the Interest and Dividend Tax Compliance Act of 1983. Under the Jobs and Growth Tax Relief Reconciliation Act of 2003, 28% will be withheld if the tax identification number is not properly certified.

\* The CUSIP numbers are included solely for the convenience of the Holders of the Bonds. Neither the Issuer nor the Trustee shall be responsible for any error of any nature relating to such numbers.

DATED this \_\_\_\_ day of July, 2021

**WILMINGTON TRUST, NATIONAL  
ASSOCIATION,  
as Trustee or Escrow Agent**

**ESCROW AGREEMENT  
(2012 SERIES A)**

THIS ESCROW AGREEMENT (2012 SERIES A), dated as of July 1, 2020 (the “Agreement”), by and among the City of Beaumont Community Facilities District No. 93-1 (the “District”), the Beaumont Financing Authority (the “Authority”) and Wilmington Trust, National Association, as escrow agent (the “Escrow Agent”), is entered into in accordance with Resolution No. \_\_\_\_\_ of the City of Beaumont, acting as legislative body for the District, adopted on July 7, 2020, Resolution No. \_\_\_\_\_ of the Authority, adopted on July 7, 2020 and an Indenture of Trust dated as of January 15, 1994 (the “Original District Indenture”), by and between the District and Wilmington Trust, National Association, as successor trustee (the “Prior Trustee”), as amended and supplemented, including by the Twenty-Fourth Supplemental Indenture of Trust dated as of March 1, 2012 (the “District Supplemental Indenture” and, together with the Original District Indenture, the “District Indenture”), by and between the District and the Prior Trustee, as successor trustee, to refund all of the outstanding City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2012 Series A (Improvement Area No. 8C) (the “Refunded District Bonds”) and effect the simultaneous refunding of the outstanding Beaumont Financing Authority 2012 Local Agency Revenue Bonds, Series A (Improvement Area No. 8C) (the “Refunded Authority Bonds”).

**WITNESSETH:**

WHEREAS, the District has previously issued the Refunded District Bonds pursuant to the District Indenture; and

WHEREAS, the Authority has previously issued the Refunded Authority Bonds pursuant to the Indenture of Trust dated as of January 15, 1994 (the “Original Authority Indenture”), as amended and supplemented, including by the Twenty-Second Supplemental Indenture of Trust dated as of March 1, 2012 (the “Authority Supplemental Indenture” and, together with the Original Authority Indenture, the “Authority Indenture”), each by and between the Authority and the Prior Trustee, as successor trustee, a portion of the proceeds of which were used to purchase the Refunded District Bonds; and

WHEREAS, the District has determined to issue its City of Beaumont Community Facilities District No. 93-1 2020 Special Tax Refunding Bonds (Improvement Area No. 8C) (the “2020 Improvement Area No. 8C Bonds”) for the purpose in part of providing moneys which, together with certain moneys transferred from the Prior Trustee, will be used to refund all of the Refunded District Bonds and to redeem on September 1, 2022 (the “Redemption Date”) the Refunded District Bonds maturing on and after September 1, 2023 at a redemption price equal to 100% of the principal amount of the Refunded District Bonds to be redeemed, together with all interest accrued to such date (the “Redemption Price”), as required under the District Indenture; and

WHEREAS, the District intends to pay the amounts set forth in the preceding paragraph by irrevocably depositing with the Escrow Agent moneys and certain Federal Securities (as permitted by, in the manner prescribed by, and all in accordance with the District Indenture) which, together with interest thereon, will be fully sufficient to pay and discharge the Refunded District Bonds; and

WHEREAS, the District and the Authority intend for the deposit of such moneys to effect the simultaneous defeasance of the Refunded Authority Bonds;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the District, the Authority and the Escrow Agent agree as follows:

SECTION 1. Deposit of Moneys. The Escrow Agent hereby acknowledges receipt of (i) \$\_\_\_\_\_ from a portion of the net proceeds of the sale of the 2020 Improvement Area No. 8C Bonds, and (ii) \$\_\_\_\_\_ from the Prior Trustee from amounts on deposit in certain funds and accounts relating to the Refunded District Bonds established under the District Indenture, as more specifically identified in the pricing numbers relating to the 2020 Improvement Area No. 8C Bonds and included in the closing transcript therefor. The Escrow Agent shall hold all such amounts in irrevocable escrow separate and apart from other funds of the District and the Escrow Agent in a fund hereby created and established to be known as the 2012 Series A Escrow Fund (the “Escrow Fund”) and to be applied solely as provided in this Agreement.

SECTION 2. Investment of Moneys. The District hereby instructs the Escrow Agent to apply \$\_\_\_\_\_ of the moneys set forth above to purchase the Federal Securities listed in Exhibit A hereto and to hold \$\_\_\_\_\_ uninvested as cash. The Escrow Agent shall be entitled to rely upon the conclusion of \_\_\_\_\_ (the “Verification Agent”), that the Federal Securities listed on Exhibit A hereto mature and bear interest payable in such amounts and at such times as, together with cash on deposit in the Escrow Fund, will be sufficient to pay prior to September 1, 2022, the principal and interest due with respect to the Refunded District Bonds and to pay on September 1, 2022, the Redemption Price.

SECTION 3. Investment of Any Remaining Moneys. At the written direction of the District, the Escrow Agent shall reinvest any other amount of principal and interest, or any portion thereof, received from the Federal Securities prior to the date on which such payment is required for the purposes set forth herein, in noncallable Federal Securities maturing not later than the date on which such payment or portion thereof is required for the purposes set forth in Section 5, at the written direction of the District, as verified in a report prepared by an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions to the effect that the reinvestment described in said report will not adversely affect the sufficiency of the amounts of securities, investments and money in the Escrow Fund to pay the principal and interest due with respect to the Refunded District Bonds prior to September 1, 2022 and to pay on September 1, 2022 the Redemption Price, and provided that the District has obtained and delivered to the Escrow Agent an unqualified opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, that such reinvestment will not adversely affect the exclusion from gross income for federal income tax purposes of the interest portion of the Refunded District Bonds or interest on the Refunded Authority Bonds. Any interest income resulting from investment or reinvestment of moneys pursuant to this Section 3 which are not required for the purposes set forth in Section 5, as verified in the letter of the Verification Agent originally obtained by the District with respect to the refunding of the Refunded District Bonds or in any other report prepared by an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of tax-exempt obligations of political subdivisions, shall be paid to the District promptly upon the receipt of such interest income by the Escrow Agent. The determination of the District as to whether an accountant qualifies under this Escrow Agreement shall be conclusive.

SECTION 4. Substitution of Securities. Upon the written request of the District, and subject to the conditions and limitations herein set forth and applicable governmental rules and regulations, the Escrow Agent shall sell, redeem or otherwise dispose of the Federal Securities, provided that there are substituted therefor from the proceeds of the Federal Securities other Federal Securities, but only after the District has obtained and delivered to the Escrow Agent: (i) an

unqualified opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, to the effect that the substitution of securities is permitted under the legal documents in effect with respect to the Refunded District Bonds and that such reinvestment will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Refunded District Bonds or interest with respect to the Refunded Authority Bonds; and (ii) a report by a firm of independent certified public accountants to the effect that the reinvestment described in said report will not adversely affect the sufficiency of the amounts of securities, investments and money in the Escrow Fund to pay the principal and interest due with respect to the Refunded District Bonds prior to September 1, 2022 and to pay on September 1, 2022, the Redemption Price. The Escrow Agent shall not be liable or responsible for any loss resulting from any reinvestment made pursuant to this Agreement and in full compliance with the provisions hereof.

**SECTION 5. Payment of Refunded District Bonds.**

(a) Payment. From the moneys on deposit in the Escrow Fund, the Escrow Agent shall pay the principal of, and interest on the Refunded District Bonds due prior to September 1, 2022, and pay on September 1, 2022 the Redemption Price on the Redemption Date.

(b) Defeasance and Redemption of the Refunded Authority Bonds. The District and the Authority intend for the defeasance of the Refunded District Bonds to effect a simultaneous defeasance of the Refunded Authority Bonds and for the moneys which will be used to refund and redeem the Refunded District Bonds to be used to simultaneously refund and redeem the Refunded Authority Bonds.

(c) Irrevocable Instructions to Provide Notice. The Authority hereby instructs the Escrow Agent to mail, first class, postage prepaid, a notice to the Refunded Authority Bonds owners in the form attached hereto as Exhibit B stating that the defeasance of the Refunded Authority Bonds has occurred. The Authority further instructs the Escrow Agent to mail, first class, postage prepaid, by not later than 30 days prior to the Redemption Date a notice in substantially the form attached hereto as Exhibit C of redemption with respect to the Refunded Authority Bonds maturing on and after September 1, 2023 in accordance with the procedures set forth in Section \_\_\_\_ of the Authority Indenture.

(d) Unclaimed Moneys. Any moneys which remain unclaimed for 30 days after September 1, 2022 shall be repaid by the Escrow Agent to the District.

(e) Priority of Payments. The owners of the Refunded District Bonds shall have a first and exclusive lien on all moneys in the Escrow Fund until such moneys are used and applied as provided in this Agreement.

(f) Termination of Obligation. As provided in the District Indenture, upon deposit of moneys with the Escrow Agent in the Escrow Fund as set forth in Section 1 hereof, all obligations of the District under the District Indenture with respect to the Refunded District Bonds shall cease, terminate and be completely discharged except as set forth in the District Indenture. The Authority agrees that upon the defeasance and redemption of the Refunded District Bonds, the Refunded Authority Bonds shall be simultaneously defeased and the obligations of the Authority relating thereto released.

**SECTION 6. Application of Certain Terms of the District Indenture.** All of the terms of the District Indenture relating to the making of payments of principal and interest with respect to the Refunded District Bonds and relating to the exchange or transfer of the Refunded District Bonds are incorporated in this Agreement as if set forth in full herein. The procedures set forth in Article VIII

of the District Indenture relating to the resignation and removal and merger of the Prior Trustee under the District Indenture are also incorporated in this Agreement as if set forth in full herein and shall be the procedures to be followed with respect to any resignation or removal of the Escrow Agent hereunder.

SECTION 7. Performance of Duties. The Escrow Agent agrees to perform only the duties set forth herein and shall have no responsibility to take any action or omit to take any action not set forth herein.

SECTION 8. Escrow Agent’s Authority to Make Investments. Except as provided in Section 2 hereof, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of the moneys held hereunder.

SECTION 9. Indemnity. The District hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Agent at any time (whether or not also indemnified against the same by the District or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds deposited therein, the retention of the proceeds thereof and any payment, transfer or other application of moneys by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the District shall not be required to indemnify the Escrow Agent against the Escrow Agent’s own negligence or willful misconduct or the negligence or willful misconduct of the Escrow Agent’s respective employees or the willful breach by the Escrow Agent of the terms of this Agreement. In no event shall the District or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement.

SECTION 10. Responsibilities of Escrow Agent. The Escrow Agent and its agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys deposited therein, the sufficiency of the moneys on deposit in the Escrow Fund to pay the Refunded District Bonds or any payment, transfer or other application of moneys or obligations by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The recitals of fact contained in the “Whereas” clauses herein shall be taken as the statements of the District, and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the sufficiency of the proceeds to accomplish the refunding of the Refunded District Bonds or to the validity of this Agreement as to the District and, except as otherwise provided herein, the Escrow Agent shall incur no liability in respect thereof. The Escrow Agent shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the District, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it

necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an officer of the District.

SECTION 11. Amendments. This Agreement is made for the benefit of the District and the owners from time to time of the Refunded District Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent and the District; provided, however, that the District and the Escrow Agent may, without the consent of, or notice to, such owners, amend this Agreement or enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement or the District Indenture, for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Agreement; (ii) to grant to, or confer upon, the Escrow Agent for the benefit of the owners of the Refunded District Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such owners or the Escrow Agent; and (iii) to include under this Agreement additional funds. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the various Refunded District Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 12. Term. This Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either: (i) the date upon which the Refunded District Bonds have been paid in accordance with this Agreement; or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Agent pursuant to Section 5(d) of this Agreement.

SECTION 13. Compensation. The Escrow Agent shall receive its reasonable fees and expenses as previously agreed to by the Escrow Agent and the District and any other reasonable fees and expenses of the Escrow Agent approved by the District; provided, however, that under no circumstances shall the Escrow Agent be entitled to any lien or assert any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Agent under this Agreement.

SECTION 14. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the District or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 15. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

SECTION 16. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED UNDER THE LAWS OF THE STATE OF CALIFORNIA.

SECTION 17. Insufficient Funds. If at any time the Escrow Agent has actual knowledge that the moneys in the Escrow Fund will not be sufficient to make all payments required by this Agreement, the Escrow Agent shall notify the District in writing, of the amount thereof and the reason therefor to the extent known to it. The Escrow Agent shall have no responsibility regarding any such deficiency. No provision of this Agreement shall require the Escrow Agent to expend or

risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder.

SECTION 18. Notice to District and Escrow Agent. Any notice to or demand upon the Escrow Agent may be served or presented, and such demand may be made, at the principal corporate trust office of the Escrow Agent at Wilmington Trust, National Association, 650 Town Center Drive, Suite 800, Costa Mesa, California 92626, Attention: Corporate Trust Department. Any notice to or demand upon the District shall be deemed to have been sufficiently given or served for all purposes by being mailed by registered or certified mail, and deposited, postage prepaid, in a post office letter box, addressed to the Financial Services Director of the City of Beaumont, 550 East 6th Street, Beaumont, California 92223 (or such other address as may have been filed in writing by the District with the Escrow Agent). Any notice to or demand upon the Authority shall be deemed to have been sufficiently given or served for all purposes by being mailed by registered or certified mail, and deposited, postage prepaid, in a post office letter box, addressed to the Executive Director of the Beaumont Financing Authority, 550 East 6th Street, Beaumont, California 92223 (or such other address as may have been filed in writing by the District with the Escrow Agent).

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]*

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

CITY OF BEAUMONT COMMUNITY FACILITIES  
DISTRICT NO. 93-1

By: \_\_\_\_\_  
City Manager of the City of Beaumont, acting as  
the legislative body of City of Beaumont  
Community Facilities District No. 93-1

ATTEST:

\_\_\_\_\_  
City Clerk of the City of Beaumont, acting  
as the legislative body of City of Beaumont  
Community Facilities District No. 93-1

BEAUMONT FINANCING AUTHORITY

By: \_\_\_\_\_  
Executive Director

ATTEST:

\_\_\_\_\_  
Secretary of the Beaumont Financing Authority

*[SIGNATURES CONTINUED ON NEXT PAGE.]*

*[SIGNATURE PAGE CONTINUED.]*

WILMINGTON TRUST, NATIONAL  
ASSOCIATION, as Escrow Agent

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**FEDERAL SECURITIES**

<u><i>Security</i></u>	<u><i>Maturity</i></u>	<u><i>Principal Amount</i></u>	<u><i>Interest</i></u>	<u><i>Interest Rate</i></u>	<u><i>Price</i></u>
------------------------	------------------------	------------------------------------	------------------------	---------------------------------	---------------------

**EXHIBIT B****NOTICE OF DEFEASANCE**

**BEAUMONT FINANCING AUTHORITY  
2012 LOCAL AGENCY REVENUE BONDS, SERIES A  
(IMPROVEMENT AREA NO. 8C)**

<i>Maturity Date (September 1)</i>	<i>Par Amount</i>	<i>Interest Rate</i>	<i>CUSIP No.*</i>
2020	\$30,000	4.000%	074406NC9
2021	40,000	4.250	074406ND7
2022	45,000	4.375	074406NE5
2023	55,000	4.500	074406NF2
2024	65,000	4.750	074406NG0
2025	75,000	4.750	074406NH8
2026	85,000	5.000	074406NJ4
2027	100,000	5.000	074406NK1
2028	115,000	5.125	074406NL9
2029	120,000	5.250	074406NM7
2032	400,000	5.625	074406NN5
2042	4,475,000	5.875	074406NP0

Notice is hereby given to the holders of the above-captioned Bonds (the “Refunded Bonds”) that (i) the Refunded Bonds have been defeased; (ii) there has been deposited with Wilmington Trust, National Association, as Escrow Agent, moneys as permitted by that certain Indenture of Trust dated as of January 15, 1994, by and between the Beaumont Financing Authority (the “Authority”) and Wilmington Trust, National Association, as successor trustee (the “Trustee”), as amended and supplemented, including by the Twenty-Second Supplemental Indenture of Trust dated as of March 1, 2012, by and between the Authority and the Trustee, as successor trustee (as supplemented, the “Indenture”), relating to the Refunded Bonds, which will be sufficient and available to pay the principal and interest due with respect to the Refunded Bonds prior to September 1, 2022 and to pay redeem on September 1, 2022 the Refunded Bonds maturing on and after September 1, 2023 at a redemption price equal to the principal amount thereof to be redeemed, plus interest accrued thereon to the date of redemption, without premium; and (ii) the Escrow Agent has been irrevocably instructed to redeem such outstanding Refunded Bonds on September 1, 2022.

\* The CUSIP numbers are included solely for the convenience of the Holders of the Refunded Bonds. Neither the District nor the Trustee shall be responsible for any error of any nature relating to such numbers.

Dated this \_\_\_ day of July, 2020.

**WILMINGTON TRUST, NATIONAL  
ASSOCIATION,  
as Trustee or Escrow Agent**

## EXHIBIT C

## NOTICE OF REDEMPTION

**\$5,605,000**

**BEAUMONT FINANCING AUTHORITY  
2012 LOCAL AGENCY REVENUE BONDS, SERIES A  
(IMPROVEMENT AREA NO. 8C)**

NOTICE IS HEREBY GIVEN to the owners of the above-captioned Bonds (the “Bonds”) of the Beaumont Financing Authority (the “Authority”) issued on March 29, 2012 pursuant to the Indenture of Trust dated as of January 15, 1994, by and between the Beaumont Financing Authority (the “Authority”) and Wilmington Trust, National Association, as successor trustee (the “Trustee”), as amended and supplemented, including by the Twenty-Second Supplemental Indenture of Trust dated as of March 1, 2012, by and between the Authority and the Trustee, as successor trustee (as supplemented, the “Indenture”), that the Bonds listed below have been called for redemption on September 1, 2022 (the “Redemption Date”).

<i>Maturity Date (September 1)</i>	<i>Par Amount</i>	<i>Interest Rate</i>	<i>CUSIP No.*</i>	<i>Redemption Price</i>
2023	\$55,000	4.500%	074406NF2	100%
2024	65,000	4.750	074406NG0	100
2025	75,000	4.750	074406NH8	100
2026	85,000	5.000	074406NJ4	100
2027	100,000	5.000	074406NK1	100
2028	115,000	5.125	074406NL9	100
2029	120,000	5.250	074406NM7	100
2032	400,000	5.625	074406NN5	100
2042	4,475,000	5.875	074406NP0	100

The Bonds will be payable on the Redemption Date at a redemption price of 100% of the principal amount plus accrued interest to such date (the “Redemption Price”). The Redemption Price of the Bonds will become due and payable on the Redemption Date. Interest with respect to the Bonds to be redeemed will cease to accrue on and after the Redemption Date, and such Bonds will be surrendered to the Trustee.

All Bonds are required to be surrendered to the principal corporate trust office of the Trustee, on the Redemption Date at the following location. If the Bonds are mailed, the use of registered, insured mail is recommended:

Wilmington Trust, National Association  
650 Town Center Drive, Suite 600  
Costa Mesa, California 92626

If the Owner of any Bond subject to optional redemption fails to deliver such Bond to the Trustee on the Redemption Date, such Bond shall nevertheless be deemed redeemed on the Redemption Date and the Owner of such Bond shall have no rights in respect thereof except to receive payment of the Redemption Price from funds held by the Trustee for such payment.

A form W-9 must be submitted with the Bonds. Failure to provide a completed form W-9 will result in 31% backup withholding pursuant to the Interest and Dividend Tax Compliance Act of 1983. Under the Jobs and Growth Tax Relief Reconciliation Act of 2003, 28% will be withheld if the tax identification number is not properly certified.

\* The CUSIP numbers are included solely for the convenience of the Holders of the Bonds. Neither the Issuer nor the Trustee shall be responsible for any error of any nature relating to such numbers.

DATED this \_\_\_\_ day of July, 2022

**WILMINGTON TRUST, NATIONAL  
ASSOCIATION,  
as Trustee or Escrow Agent**

**PRELIMINARY OFFICIAL STATEMENT DATED JULY \_\_, 2020**

**NEW ISSUE-FULL BOOK ENTRY**

Rating: S&P: “\_\_” (Insured)

S&P: “\_\_” (Underlying)

See the caption “MISCELLANEOUS—Rating”

*In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California (“Bond Counsel”), under existing statutes, regulations, rulings and judicial decisions, interest on the 2020 Bonds is not excluded from gross income for federal income tax purposes but is exempt from State of California personal income tax. See the caption “LEGAL MATTERS — Tax Matters” with respect to tax consequences concerning the Bonds.*

**\$17,595,000\***

**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY  
LOCAL AGENCY REFUNDING BONDS  
SERIES 2020A (FEDERALLY TAXABLE)**

**Dated: Date of Delivery**

**Due: September 1 as shown on inside cover**

The Bonds described herein are being issued by the Beaumont Public Improvement Authority (the “Authority”) to acquire certain special tax refunding obligations (the “Local Obligations”) of the City of Beaumont Community Facilities District No. 93-1 (the “District”), formed by the City of Beaumont (the “City”). The Local Obligations are being issued to refund two outstanding series of bonds issued by the District, which, in turn, will effect a defeasance of certain outstanding bonds issued by the Beaumont Financing Authority. See “FINANCING PLAN.”

The Bonds are payable solely from “Revenues” pledged by the Authority pursuant to that certain Indenture of Trust, dated as of July 1, 2020 (the “Indenture”), by and between the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”). Revenues consist primarily of debt service on the Local Obligations, which are payable from special taxes levied in the applicable improvement area of the District.

The Bonds will be issued in denominations of \$5,000 or any integral multiple thereof. Interest on the Bonds is payable semiannually on March 1 and September 1 of each year commencing March 1, 2021. The Bonds will be initially issued only in book-entry form and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository of the Bonds. Principal and interest (and premium, if any) on the Bonds is payable by the Trustee to DTC, which remits such payments to its participants for subsequent distribution to the beneficial owners of the Bonds. See “THE BONDS — General Provisions” and “— Book-Entry Only System” herein.

*The Bonds are subject to redemption prior to maturity as described herein. See “THE BONDS — Redemption.”*

The scheduled payment of principal of and interest when due on the Bonds will be guaranteed under an insurance policy to be issued concurrently with the issuance of the Bonds by \_\_\_\_\_ (the “Insurer”). The Insurer will also issue a debt service reserve insurance policy concurrently with the issuance of the Bonds to be credited to the Reserve Fund for the Bonds. See “BOND INSURANCE” herein.

[Insurer Logo]

**CERTAIN EVENTS COULD AFFECT THE ABILITY OF THE AUTHORITY TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS WHEN DUE. THE PURCHASE OF THE BONDS INVOLVES SIGNIFICANT INVESTMENT RISKS, AND THE BONDS MAY NOT BE SUITABLE INVESTMENTS FOR MANY INVESTORS. SEE THE SECTION OF THIS OFFICIAL STATEMENT ENTITLED “SPECIAL RISK FACTORS” FOR A DISCUSSION OF CERTAIN RISK FACTORS THAT SHOULD BE CONSIDERED, IN ADDITION TO THE OTHER MATTERS SET FORTH HEREIN, IN EVALUATING THE INVESTMENT QUALITY OF THE BONDS.**

---

***Maturity Schedule***  
***(see inside cover)***

---

The Bonds are offered when, as and if issued and accepted by Stifel, Nicolaus & Company, Incorporated, the Underwriter, subject to the approval as to their legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as Bond Counsel and Disclosure Counsel. Certain legal matters will be passed upon for the Authority and the City by Slovak, Baron, Empey, Murphy & Pinkney LLP, Palm Springs, California, and for the Underwriter by its counsel, Kutak Rock LLP, Irvine, California. It is anticipated that the Bonds in definitive form will be available for delivery to DTC or its agent on or about July \_\_, 2020.

[STIFEL LOGO]

---

\* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy them be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Dated: July \_\_, 2020

*Item 10.*

**MATURITY SCHEDULE**

\$ \_\_\_\_\_  
**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY**  
**LOCAL AGENCY REFUNDING BONDS**  
**SERIES 2020A (FEDERALLY TAXABLE)**

<b>Serial Bonds</b>					
<i>Maturity (September 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>CUSIP<sup>†</sup></i>

<sup>†</sup> CUSIP® Copyright 2020, American Bankers Association. CUSIP® data in this Official Statement is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers' Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service. None of the Authority, the District, the City, or the Underwriter or its counsel takes any responsibility for the accuracy of CUSIP data in this Official Statement. The CUSIP® number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY**

**BOARD OF DIRECTORS**

Rey Santos, Chair  
Mike Lara, Vice Chair  
Nancy Carroll, Director  
Julio Martinez, III, Director  
Lloyd White, Director

---

**CITY OF BEAUMONT**

**CITY COUNCIL**

Rey Santos, Mayor  
Mike Lara, Mayor Pro-Tem  
Nancy Carroll, Member  
Julio Martinez, III, Member  
Lloyd White, Member

---

**CITY OFFICIALS**

Todd Parton, City Manager  
Kristine Day, Assistant City Manager

---

**PROFESSIONAL SERVICES**

**BOND COUNSEL / DISCLOSURE COUNSEL**

Stradling Yocca Carlson & Rauth, a Professional Corporation  
Newport Beach, California

**AUTHORITY TRUSTEE / DISTRICT TRUSTEE/ESCROW AGENT**

Wilmington Trust, National Association  
Costa Mesa, California

**MUNICIPAL ADVISOR**

Urban Futures, Inc.  
Tustin, California

**SPECIAL TAX CONSULTANT**

Webb Municipal Finance, LLC  
Riverside, California

**VERIFICATION AGENT**

Causey, Demgen & Moore, P.C.  
Denver, Colorado

*Investment in the Bonds, involves risks which are not appropriate for certain investors. Therefore, only persons with substantial financial resources (in net worth or income) who understand (either alone or with competent investment advice) those risks should consider such an investment.*

Except where otherwise indicated, all information contained in this Official Statement has been provided by the Beaumont Public Improvement Authority, the City of Beaumont and the City of Beaumont Community Facilities District No. 93-1. No dealer, broker, salesperson or other person has been authorized by the Authority, the City, the District, the Trustee or the Underwriter to give any information or to make any representations in connection with the offer or sale of the Bonds other than those contained herein; and, if given or made, such other information or representations must not be relied upon as having been authorized by the Authority, the City, the District, the Trustee or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The information set forth herein which has been obtained from third party sources is believed to be reliable but is not guaranteed as to accuracy or completeness by the District, the City or the Authority. This Official Statement is not to be construed as a contract with the purchasers or Owners of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such are not to be construed as representations of fact.

The Underwriter has provided the following sentence for inclusion in this Official Statement:

The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy of completeness of such information.

The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority, the City, the District or any other parties described herein since the date hereof. All summaries of the Indenture, the Local Obligation Bond Indentures or other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the City for further information in connection therewith. While the City maintains an internet website for various purposes, none of the information on that website is incorporated by reference herein or intended to assist investors in making any investment decision or to provide any continuing information with respect to the Bonds or any other bonds or obligations of the Authority, the City or the District. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “budget” or other similar words.

The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Authority does not plan to issue any updates or revisions to the forward-looking statements set forth in this Official Statement. The Authority is obligated to provide continuing disclosure for certain historical information only. See the caption “MISCELLANEOUS — Continuing Disclosure” herein.

\_\_\_\_\_ (the “Insurer”) makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, the Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Insurer, supplied by the Insurer and presented under the heading “BOND INSURANCE” and Appendix H — “SPECIMEN MUNICIPAL BOND INSURANCE POLICY.”

**IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.**

**THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT. THE BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.**

[INSERT ALL MAPS]

TABLE OF CONTENTS

Page

INTRODUCTION ..... 3

    Financing Purpose..... 3

    The Bonds; The Local Obligations ..... 3

    Legal Authority ..... 4

    Sources of Payment for the Bonds and the Local Obligations..... 5

    Description of the Bonds..... 5

    The City ..... 6

    The Authority..... 6

    Professionals Involved in the Offering ..... 6

    SEC Order..... 6

    Continuing Disclosure..... 6

FINANCING PLAN ..... 7

    Purpose of Issue and the Refunding Plan..... 7

    Estimated Sources and Uses of Funds ..... 8

BOND INSURANCE ..... 8

THE BONDS ..... 9

    General Provisions ..... 9

    Redemption ..... 9

    Payment, Registration, Transfer and Exchange of Bonds..... 11

    Book-Entry Only System..... 12

    Estimated Debt Service Schedules: Bonds and Local Obligations ..... 13

    Debt Service Coverage for the Bonds..... 15

SECURITY FOR THE BONDS ..... 15

    General..... 15

    Revenues and Flow of Funds ..... 15

    Reserve Fund ..... 16

    Surplus Fund..... 18

    No Additional Bonds Except to Refund Bonds ..... 18

SECURITY FOR THE LOCAL OBLIGATIONS ..... 19

    General..... 19

    Improvement Area No. 8C Indenture..... 20

    Improvement Area No. 17B Indenture..... 21

    Local Obligation Parity Bonds..... 22

    Priority of Lien..... 22

    Covenants of the District..... 22

    Special Taxes Are Not Within Teeter Plan ..... 24

THE DISTRICT..... 24

THE IMPROVEMENT AREAS ..... 24

    The Taxing Jurisdictions in the Aggregate ..... 24

    The Local Obligations..... 28

SPECIAL RISK FACTORS ..... 28

    Risks of Real Estate Secured Investments Generally..... 29

    COVID-19 (Coronavirus) Pandemic..... 29

    Tax Cuts and Jobs Act ..... 29

    The Bonds are Limited Obligations of the Authority ..... 30

    No Obligation of the City..... 30

    No Cross-Collateralization Between Taxing Jurisdictions ..... 30

    Potential Early Redemption of Bonds from Prepayments or Other Sources..... 30

    Property Values..... 31

**TABLE OF CONTENTS**  
**(continued)**

	<u>Page</u>
Natural Disasters .....	31
Hazardous Substances.....	32
Parity Taxes and Special Assessments.....	32
Payment of the Special Tax is not a Personal Obligation of the Owners.....	33
Disclosures to Future Purchasers .....	33
Special Tax Delinquencies.....	33
Insufficiency of Special Taxes.....	34
Risks Associated with Bond Insurance .....	35
FDIC/Federal Government Interests in Properties.....	35
Bankruptcy and Foreclosure .....	36
Funds Invested in the County Investment Pool.....	37
No Acceleration Provision .....	37
Limitations on Remedies .....	37
Loss of Tax Exemption.....	37
IRS Audit of Tax-Exempt Bond Issues.....	38
Limited Secondary Market.....	38
Proposition 218 .....	38
Ballot Initiatives.....	40
<b>LEGAL MATTERS.....</b>	<b>40</b>
State and Federal Investigations and Criminal Charges Involving Former City Officials.....	40
State Controller Investigation .....	41
Tax Matters .....	41
Absence of Litigation.....	42
Legal Opinion .....	42
<b>MISCELLANEOUS .....</b>	<b>42</b>
Ratings .....	42
Verification of Mathematical Accuracy.....	43
Underwriting .....	43
Continuing Disclosure.....	43
Additional Information .....	44
<b>APPENDIX A INFORMATION REGARDING THE TAXING JURISDICTIONS.....</b>	<b>A-1</b>
<b>APPENDIX B SUMMARY OF PRINCIPAL DOCUMENTS .....</b>	<b>B-1</b>
<b>APPENDIX C DEMOGRAPHIC INFORMATION REGARDING THE COUNTY OF RIVERSIDE AND THE CITY OF BEAUMONT .....</b>	<b>C-1</b>
<b>APPENDIX D RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.....</b>	<b>D-1</b>
<b>APPENDIX E FORM OF BOND COUNSEL OPINION.....</b>	<b>E-1</b>
<b>APPENDIX F FORM OF CONTINUING DISCLOSURE AGREEMENT.....</b>	<b>F-1</b>
<b>APPENDIX G DTC AND THE BOOK-ENTRY-ONLY SYSTEM.....</b>	<b>G-1</b>
<b>APPENDIX H SPECIMEN MUNICIPAL BOND INSURANCE POLICY .....</b>	<b>H-1</b>
<b>APPENDIX I SECURITIES AND EXCHANGE COMMISSION ORDER.....</b>	<b>I-1</b>

## OFFICIAL STATEMENT

**\$17,595,000\***

**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY  
LOCAL AGENCY REFUNDING BONDS  
SERIES 2020A (FEDERALLY TAXABLE)**

### INTRODUCTION

The purpose of this Official Statement, which includes the cover page and Appendices hereto (the “Official Statement”), is to provide certain information concerning the sale and issuance of \$17,595,000\* Beaumont Public Improvement Authority Local Agency Refunding Bonds, Series 2020A (Federally Taxable) (the “Bonds”).

*This Introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.*

#### **Financing Purpose**

***Purpose of the Bonds.*** The Bonds are being issued by the Beaumont Public Improvement Authority (the “Authority”) to acquire the “Local Obligations” described below (see “FINANCING PLAN” herein).

***Purpose of the Local Obligations.*** The net proceeds of the Local Obligations, along with other available funds, will be used as follows (see “FINANCING PLAN” herein):

(i) to make deposits into two separate escrow funds (collectively, the “Escrow Funds”) to be held by Wilmington Trust, National Association, as escrow agent (the “Escrow Agent”) pursuant to two separate Escrow Agreements, each dated as of July 1, 2020 (collectively, the “Escrow Agreements”) for the purpose of redeeming the Prior Improvement Area Bonds (as defined below)); and

(ii) to purchase a municipal bond insurance policy (the “Policy”) issued by \_\_\_\_\_ (the “Insurer”) for the purpose of paying the principal of and interest on the Bonds when due, with the determination of which Bonds to insure to be made at the time of pricing; and

(iii) to purchase a reserve policy issued by the Insurer to be credited to the Reserve Fund for the Bonds (the “Reserve Policy”); and

(iv) to pay the costs of issuing the Bonds.

#### **The Bonds; The Local Obligations**

***The Bonds.*** The Bonds are payable from “Revenues,” as more completely defined below, generally consisting of revenues received by the Authority as the result of the payment of debt service on the Local Obligations, and amounts held in the funds and accounts established and held for the benefit of the Bonds under the Indenture (as defined below).

---

\* Preliminary, subject to change.

**Local Obligations.** The “Local Obligations” consist of the following two separate series of bonds issued by the City of Beaumont Community Facilities District No. 93-1 (the “District”), which is located in the City of Beaumont (the “City”):

**Improvement Area No. 8C:** \$5,780,000\* City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 8C) 2020 Special Tax Refunding Bonds (the “Improvement Area No. 8C 2020 Bonds”) are being issued by the District to refund the outstanding City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2012 Series A (Improvement Area No. 8C) (the “Prior Improvement Area No. 8C Bonds”). The refunding of the Prior Improvement Area No. 8C Bonds will cause a simultaneous refunding of the Beaumont Financing Authority’s 2012 Local Agency Revenue Bonds, Series A (Improvement Area No. 8C) (the “Prior 2012 Authority Bonds”).

The Improvement Area No. 8C 2020 Bonds are payable from Special Taxes levied on taxable property in Improvement Area No. 8C of the District (“Improvement Area No. 8C”). The Improvement Area No. 8C 2020 Bonds are payable from Special Taxes levied on taxable property in Improvement Area No. 8C on a parity with the District’s Special Tax Refunding Bonds, 2017 Series A (Improvement Area No. 8C) outstanding in the principal amount of \$5,575,664 (the “Improvement Area No. 8C 2017 Bonds”) and the Special Tax Bonds, 2018 Series A outstanding in the principal amount of \$16,890,000 (the “Improvement Area No. 8C 2018 Bonds, and together with the Improvement Area No. 8C 2017 Bonds and the Improvement Area No. 8C 2020 Bonds, the “Improvement Area No. 8C Bonds”).

See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Improvement Area No. 8C” herein.

**Improvement Area No. 17B:** \$11,815,000\* City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 17B) 2020 Special Tax Refunding Bonds (the “Improvement Area No. 17B Bonds”) are being issued by the District to refund the outstanding City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2011 Series A and 2011 Series B (Improvement Area No. 17B) (the “Prior Improvement Area No. 17B Bonds,” and with the Prior Improvement Area No. 8C Bonds, the “Prior Improvement Area Bonds”). The Improvement Area No. 17B Bonds are payable from Special Taxes levied on taxable property in Improvement Area No. 17B of the District (“Improvement Area No. 17B”).

The refunding of the Prior Improvement Area No. 17B Bonds will cause a simultaneous refunding of the Beaumont Financing Authority’s 2011 Local Agency Revenue Bonds, Series A (Improvement Area No. 17B) (the “Prior 2011 Authority Bonds”). See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Improvement Area No. 17B” herein.

Improvement Area No. 8C and Improvement Area No. 17B are collectively referred to in this Official Statement as the “Improvement Areas” or the “Taxing Jurisdictions.”

### **Legal Authority**

**The Bonds.** The Bonds are being issued under Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”) and an Indenture of Trust dated as of July 1, 2020 (the “Indenture”), by and between the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”).

**The Local Obligations.** The Local Obligations are being issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Mello-Roos Act”). The Improvement Area No. 8C 2020 Bonds are being issued pursuant to an Indenture of Trust dated as of January 15, 1994, as amended and

---

\* Preliminary, subject to change.

supplemented, including as supplemented by a Thirty-Seventh Supplemental Indenture, dated as of July 1, 2020 (together, the “Improvement Area No. 8C Indenture”), by and between the District and Wilmington Trust, National Association, as trustee (the “District Trustee”).

The Improvement Area No. 17B Bonds are being issued pursuant to a Bond Indenture, dated as of July 1, 2020 (the “Improvement Area No. 17B Indenture, and together with the Improvement Area No. 8C Indenture, the “Local Obligation Bond Indentures” and each, a “Local Obligation Bond Indenture”), by and between the District and the District Trustee.

### **Sources of Payment for the Bonds and the Local Obligations**

The Bonds are secured by a first lien on and pledge of all of the Revenues. “Revenues” are defined in the Indenture to include:

- (a) all amounts received from the Local Obligations;
- (b) any proceeds of the Bonds originally deposited with the Trustee and all moneys deposited and held from time to time by the Trustee in the funds and accounts established under the Indenture with respect to the Bonds (other than the Surplus Fund); and
- (c) investment income with respect to any moneys held by the Trustee in the funds and accounts established under the Indenture with respect to the Bonds (other than investment income on moneys held in the Surplus Fund).

See “SECURITY FOR THE BONDS — Revenues and Flow of Funds” herein.

**Local Obligations.** Each Local Obligation will be payable from Net Special Taxes collected in the applicable Taxing Jurisdiction as a result of the levy of Special Taxes.

***The Local Obligations are not cross-collateralized. In other words, Special Taxes from one Taxing Jurisdiction cannot be used to cover any shortfall in the payment of debt service on the Local Obligation of another Taxing Jurisdiction. However, the Reserve Fund held by the Trustee and funded with the deposit therein of the Reserve Policy will be available in the event of delinquent Revenues. See “SECURITY FOR THE BONDS — Reserve Fund” herein.***

### **Description of the Bonds**

**Payments.** Interest is payable semiannually on March 1 and September 1 of each year, commencing March 1, 2021. Principal of and premium, if any, on the Bonds shall be payable by the Trustee. See “THE BONDS — General Provisions” and “ — Book-Entry Only System” herein.

**Denominations.** The Bonds will be issued in denominations of \$5,000 each or integral multiples thereof.

**Redemption.** The Bonds are subject to redemption prior to their maturity. See “THE BONDS — Redemption” herein.

**Registration, transfers and exchanges.** The Bonds will be issued as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), and will be available to actual purchasers of the Bonds (the “Beneficial Owners”) under the book-entry system maintained by DTC. See “THE BONDS — Payment, Registration, Transfer and Exchange of Bonds” and “ — Book-Entry Only System.”

## The City

The City was incorporated in 1912 under the general laws of the State. The City has a land area of approximately 30 square miles and an estimated population of 48,401 people as of January 1, 2019. The City provides a wide range of services, including police, public works (including sewer and storm drain services), street maintenance and land and building development. The City also operates various community services, including parks, a senior center, a teen and day camp and a municipal swimming pool.

The City is located in Riverside County, California (the “County”), approximately 25 miles east of the city of Riverside at the junction of Interstate 10, State Route 60 and State Route 79.

**Neither the Bonds nor the Local Obligations are a debt of the City, and no revenues of the City are pledged to repayment of the Bonds or the Local Obligations.**

## The Authority

The Authority is a joint exercise of powers authority organized and existing pursuant to the Act. Its members are the City and the Beaumont Parking Authority.

## Professionals Involved in the Offering

All proceedings in connection with the issuance of the Bonds are subject to the approval of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel and Disclosure Counsel. Slovak Baron Empey Murphy & Pinkney LLP, Palm Springs, California, will render a legal opinion on certain matters for the Authority. Webb Municipal Finance, LLC is acting as Special Tax Consultant to the District. Wilmington Trust, National Association, Costa Mesa, California, will act as the Authority Trustee, District Trustee and Escrow Agent. Stifel, Nicolaus & Company, Incorporated, is acting as underwriter in connection with the issuance and delivery of the Bonds. Kutak Rock LLP, Irvine, California, is serving as Underwriter’s Counsel. Causey, Demgen & Moore, P.C., will provide escrow verification services.

*Payment of the fees of Bond Counsel, Disclosure Counsel, the Underwriter and counsel to the Underwriter is contingent upon issuance of the Bonds. Stradling Yocca Carlson & Rauth, a Professional Corporation, represents the Underwriter in connection with financings unrelated to the Authority, the City and the District.*

## SEC Order

On August 23, 2017, following an offer of settlement by the Beaumont Financing Authority (the “BFA”), the U.S. Securities and Exchange Commission (“SEC”) entered a Cease-and-Desist Order and imposed certain undertakings on the BFA (the “SEC Order”). The BFA neither admits nor denies the findings in the SEC Order. The members of the City Council of the City act as the Board of Directors of the BFA and City staff acts as the staff of the BFA. A copy of the SEC Order is attached hereto as Appendix I. See also “MISCELLANEOUS — Continuing Disclosure” herein.

## Continuing Disclosure

The Authority will enter into a Continuing Disclosure Agreement with Webb Municipal Finance, LLC, and will covenant therein for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Authority and the Taxing Jurisdictions by not later than April 1 following the end of its fiscal year (which currently ends June 30), commencing with the report for the 2019-20 Fiscal Year (the “Annual Report”), and to provide notices of the occurrence of certain enumerated events. The first Annual Report will be due April 1, 2021. The Annual Report and notices of certain listed events (the “Listed Events”) will be filed with the Electronic Municipal Market Access System of the

Municipal Securities Rulemaking Board available on the Internet at <http://emma.msrb.org> (“EMMA”). The specific nature of the information to be contained in the Annual Report and any notices of the Listed Events is set forth in Appendix F — “FORM OF CONTINUING DISCLOSURE AGREEMENT.” These covenants will be made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”). See “MISCELLANEOUS — Continuing Disclosure” herein.

**FINANCING PLAN**

**Purpose of Issue and the Refunding Plan**

*Acquisition of the Local Obligations.* The Authority is issuing the Bonds to purchase the Local Obligations.

*Refunding of the Prior Improvement Area Bonds.* Certain proceeds of the Local Obligations together with funds on hand with the Trustee and the City will be deposited into the Escrow Funds pursuant to the Escrow Agreements. Funds deposited into the Escrow Funds pursuant to the Escrow Agreements will be used to pay principal and interest due on the Prior Improvement Area Bonds through the Redemption Date, and to redeem the remaining outstanding principal amount of the Prior Improvement Area Bonds on such date, as follows:

(a) Prior Improvement Area No. 8C Bonds: Proceeds of the Improvement Area No. 8C 2020 Bonds deposited into an Escrow Fund relating to the Prior Improvement Area No. 8C Bonds will be used to defease the outstanding Prior Improvement Area No. 8C Bonds and redeem the Prior Improvement Area No. 8C Bonds maturing on and after September 1, 2023 on September 1, 2022, at a redemption price equal to 100% of the principal amount to be redeemed, together with accrued interest to the redemption date.

(e) Prior Improvement Area No. 17B Bonds: Proceeds of the Improvement Area No. 17B Bonds deposited into an Escrow Fund relating to the Prior Improvement Area No. 17B Bonds will be used to defease the outstanding Prior Improvement Area No. 17B Bonds and redeem the Prior Improvement Area No. 17B Bonds maturing on and after September 1, 2022 on September 1, 2021, at a redemption price equal to 100% of the principal amount to be redeemed, together with accrued interest to the redemption date.

Certain moneys in the existing funds and accounts relating to the Prior Improvement Area Bonds and the Prior Authority Bonds also will be transferred to the Escrow Funds and be applied to the defeasance and redemption of the Prior Improvement Area Bonds. See “— Estimated Sources and Uses of Funds” below. See also “MISCELLANEOUS — Verification of Mathematical Accuracy” below.

The redemption of the Prior Improvement Area Bonds will cause a simultaneous redemption of the Prior Authority Bonds.

**Estimated Sources and Uses of Funds**

**The Bonds.** The anticipated sources and uses of funds relating to the Bonds and the funds relating to the Prior Improvement Area Bonds, the Prior 2011 Authority Bonds and the Prior 2012 Authority Bonds are as follows:

	<i><b>Total</b></i>
<b>Sources:</b>	
Principal Amount of the Bonds	
Underwriter’s Discount	
<b>Total Sources</b>	
<b>Uses:</b>	
Purchase of Local Obligations <sup>(1)(2)</sup>	
<b>Total Uses</b>	

- 
- (1) The Trustee for each of the Local Obligations will transfer to the Escrow Agent funds held in existing funds and accounts relating to the Prior Improvement Area Bonds, together with Bond proceeds received from the Authority from the purchase of the Local Obligations, to the Escrow Funds to defease the Prior Improvement Area Bonds, the Prior 2011 Authority Bonds and the Prior 2012 Authority Bonds. See the sources and uses of funds for the Local Obligations below.
  - (2) Proceeds of the Bonds will be used to acquire the Local Obligations. The District Trustee for each of the Local Obligations will transfer to the Trustee for the Bonds for deposit in the Costs of Issuance Fund each Taxing Jurisdiction’s proportionate share of the costs of issuance of the Bonds.

**Local Obligations.** The anticipated sources and uses of funds relating to the Local Obligations and prior funds on hand are as follows:

	<i><b>Improvement Area No. 8C</b></i>	<i><b>Improvement Area No. 17B</b></i>
<b>Sources</b>		
Principal Amount		
Prior Funds on Hand		
Underwriter’s Discount		
<b>Total Sources</b>		
<b>Uses</b>		
Escrow Funds <sup>(1)</sup>		
Cost of Issuance Fund <sup>(2)</sup>		
<b>Total Uses</b>		

- 
- (1) See “—Purpose of Issue and the Refunding Plan.”
  - (2) On the date of issuance of the Bonds and the Local Obligations, the District will deposit a portion of the proceeds of the Local Obligations into the Cost of Issuance Fund. Amounts in the Cost of Issuance Fund will be used to pay Trustee fees, Bond Counsel fees, printing costs, the premium for the Policy and the Reserve Policy, and other related costs.

**BOND INSURANCE**

*The information under this caption has been prepared by \_\_\_\_\_ (the “Insurer”) for inclusion in this Official Statement. None of the Authority, the District or the Underwriter has reviewed this information, nor do such entities make any representation with respect to the accuracy or completeness thereof. The following information is not complete and reference is made to Appendix H for a specimen of the Policy.*

[TO COME FROM BOND INSURER]

## THE BONDS

### General Provisions

The Bonds will be dated their date of delivery, and the Bonds will be issued in the aggregate principal amounts set forth on the inside front cover hereof. The Bonds will bear interest from their dated date at the rates per annum set forth on the inside front cover hereof, payable semiannually on each March 1 and September 1, commencing March 1, 2021 (each, an “Interest Payment Date”), and will mature in the amounts and on the dates set forth on the inside front cover hereof. The Bonds will be issued in fully registered form in denominations of \$5,000 each or any integral multiple thereof.

Interest on the Bonds will be payable on each Interest Payment Date to the person whose name appears on the Bond Register as the Owner as of the Record Date immediately preceding each Interest Payment Date. Interest will be paid by check of the Trustee mailed on the Interest Payment Date by first class mail, postage prepaid, to the Owner at the address as it appears on the Bond Register or by wire transfer to an account in the United States of America upon instructions of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds provided to the Trustee, in writing, at least five Business Days before the Record Date for such Interest Payment Date. The Bonds are issued in fully registered form and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Bonds. Ownership interests in the Bonds may be purchased in book-entry form only in denominations of \$5,000 and any integral multiple. See the subsection hereof entitled “— Book-Entry Only System.”

Principal of and premium (if any) on any Bond will be paid upon presentation and surrender thereof, at maturity or the prior redemption thereof, at the Trust Office of the Trustee.

Each Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date (the 15th calendar day of the month preceding the month in which such Interest Payment Date occurs, whether or not such day is a Business Day) and on or before the following Interest Payment Date, in which event it will bear interest from such Interest Payment Date; or (b) it is authenticated on or before February 15, 2021 in which event it will bear interest from the Dated Date; provided, however, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon, or from the Dated Date if no interest has been paid or made available for payment.

### Redemption

**Optional Redemption.** The Bonds may be redeemed at the option of the Authority, from any source of available funds, prior to maturity on any date on or after September 1, 20\_\_ as a whole, or in part from maturities of the Local Obligations simultaneously redeemed, if any redemption of Local Obligations is being made in conjunction with such optional redemption, and otherwise from such maturities as are selected by the Authority, by lot within a maturity, at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

Prior to consenting to the optional redemption of any Local Obligation which it has purchased, the Authority will deliver to the Trustee a certificate of an Independent Accountant verifying that, following such optional redemption of the Local Obligations and redemption of Bonds, the principal and interest generated from the remaining Local Obligations is adequate to make the timely payment of principal and interest due on the Bonds will remain Outstanding under the Indenture following such optional redemption.

**Special Redemption.** The Bonds are subject to special redemption on any Interest Payment Date from proceeds of early redemption of Local Obligations from the prepayment of Special Taxes within a Taxing

Jurisdiction in connection with Local Obligations, in whole or in part, from maturities corresponding proportionately to the maturities of the Local Obligations simultaneously redeemed, at the principal amount thereof, plus a premium expressed below as a percentage of the principal amount so redeemed, plus accrued interest to the date of redemption thereof:

***Redemption Dates***

***Premium***

***Notice of Redemption.*** The Trustee on behalf, and at the expense, of the Authority will send notice of any redemption to the respective Owners of any Bonds designated for redemption at their respective addresses appearing on the Bond Register, and to the Securities Depositories and to the Information Services, at least thirty (30) but not more than sixty (60) days prior to the date fixed for redemption. Neither failure to receive any such notice so sent 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. The notice will state the date of the notice, the redemption date, the redemption place and the redemption price and will designate the CUSIP numbers, the Bond numbers and the maturity or maturities (in the event of redemption of all of the Bonds of such maturity or maturities in whole) of the Bonds to be redeemed, and will require that such Bonds be then surrendered at the Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

In the case of an optional or special redemption of Bonds, such notice may state that such redemption is subject to receipt by the Trustee, on or before the date fixed for redemption, of moneys sufficient to pay the redemption price of the Bonds to be redeemed. Unless funds for the optional or special redemption of any Bonds are irrevocably deposited with the Trustee prior to rendering notice of redemption to the Bondowners, such notice shall state that such redemption is subject to the deposit of funds by the Authority. Any notice of optional or special redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture.

***Selection of Bonds of a Maturity for Redemption.*** Unless otherwise provided in the Indenture, whenever provision is made for the redemption of less than all of the Bonds of a maturity, the Trustee will select the Bonds to be redeemed from all Bonds of such maturity not previously called for redemption, by lot in any manner which the Trustee in its sole discretion deems appropriate and fair. For purposes of such selection, all Bonds will be deemed to be comprised of separate \$5,000 authorized denominations, and such separate authorized denominations will be treated as separate Bonds which may be separately redeemed.

***Partial Redemption of Bonds.*** In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Authority will execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of the same maturity date, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

In the event of a partial optional redemption or special redemption of Term Bonds, each of the remaining sinking fund payments for such Term Bonds will be reduced, as nearly as practicable, on a pro rata basis, as determined by the Authority, and the Authority will provide the Trustee with a revised schedule for remaining sinking fund payments.

***Effect of Redemption.*** From and after the date fixed for redemption, if funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption have been duly provided, such Bonds so called will cease to be entitled to any benefit under the Indenture other than

the right to receive payment of the redemption price, and no interest will accrue thereon from and after the redemption date specified in such notice.

### **Payment, Registration, Transfer and Exchange of Bonds**

***Book-Entry Only System.*** The Bonds will be issued as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), and will be available to actual purchasers of the Bonds (the “Beneficial Owners”) in the denominations set forth above, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants (as defined in Appendix B) as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See “THE BONDS — Book-Entry Only System.” In the event that the book-entry-only system is no longer used with respect to the Bonds, the Bonds will be registered and transferred in accordance with the Indenture. See “THE BONDS — Book-Entry Only System.”

***Transfer of Bonds.*** Subject to the book-entry only provisions of the Indenture, any Bond may in accordance with its terms, be transferred, upon the Bond Register maintained by the Trustee, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed. Whenever any Bond is surrendered for transfer, the Authority will execute and the Trustee will authenticate and deliver to the transferee a new Bond or Bonds of like tenor, maturity and aggregate principal amount. No Bonds selected for redemption will be subject to transfer, nor shall any Bond be subject to transfer during the fifteen days prior to the selection of Bonds for redemption.

The cost of printing any Bonds and any services rendered or any expenses incurred by the Trustee in connection with any transfer or exchange will be paid by the Authority. However, the Owners of the Bonds will be required to pay any tax or other governmental charge required to be paid for any exchange or registration of transfer and the Owners of the Bonds will be required to pay the reasonable fees and expenses of the Trustee and Authority in connection with the replacement of any mutilated, lost or stolen Bonds.

***Exchange of Bonds.*** Subject to the book-entry only provisions of the Indenture, Bonds may be exchanged at the Trust Office of the Trustee for Bonds of the same tenor and maturity and of other authorized denominations. No Bonds selected for redemption will be subject to exchange, nor shall any Bond be subject to exchange during the fifteen days prior to the selection of Bonds for redemption.

***Temporary Bonds.*** The Bonds may be issued initially 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 Authority and may contain such reference to any of the provisions of the Indenture as may be appropriate. Every temporary Bond shall be executed by the Authority and be registered and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the Authority issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds may be surrendered for cancellation, in exchange therefor at the Trust Office of the Trustee, and the Trustee shall authenticate and 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 under this Indenture as definitive Bonds authenticated and delivered hereunder.

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

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

### **Book-Entry Only System**

While the Bonds are subject to the book-entry system, the principal, interest and any redemption premium with respect to a Bond will be paid by the Trustee to DTC, which in turn is obligated to remit such payment to its DTC Participants for subsequent disbursement to Beneficial Owners of the Bonds, as described in Appendix G — “DTC AND THE BOOK-ENTRY-ONLY SYSTEM” herein. So long as Cede & Co. is the registered owner of the Bonds, references herein to the Owners of the Bonds shall mean Cede & Co. and *not* the Beneficial Owners of the Bonds. **The Authority gives no assurance that DTC or the DTC Participants will distribute payments or notices to Beneficial Owners.**

**Estimated Debt Service Schedules: Bonds and Local Obligations**

The Local Obligations acquired with proceeds of the Bonds mature on the same date. The following table presents the debt service schedule for the Bonds, assuming there are no early redemptions of Bonds prior to maturity:

**TABLE 1**  
**ANNUALIZED DEBT SERVICE SCHEDULE FOR THE BONDS**

<i>Year Ending September 1</i>	<i>Principal</i>	<i>Interest</i>	<i>Total Debt Service</i>
------------------------------------	------------------	-----------------	-------------------------------

The following table summarizes the anticipated debt service payments to be received by the Authority as the result of its ownership of the Local Obligations, assuming there are no early redemptions of Local Obligations prior to their respective maturities.

**TABLE 2**  
**ANNUALIZED DEBT SERVICE SCHEDULE FOR THE LOCAL OBLIGATIONS**

<i>Bond Year Ending September 1</i>	<i>Improvement Area No. 8C Debt Service</i>	<i>Improvement Area No. 17B Debt Service</i>	<i>Total Revenues<sup>(1)</sup></i>	<i>Total Debt Service on the Bonds</i>
---	---	--	---	--

Total

---

<sup>(1)</sup> Equals the total anticipated debt service on the Local Obligations in each Bond Year ending September 1.  
Source: Underwriter.

## Debt Service Coverage for the Bonds

Scheduled payments of principal of and interest on the Bonds equals 100% of the projected Revenues that will be generated by the anticipated payment of debt service on each of the Local Obligations while the Bonds are outstanding. According to the Special Tax Consultant, based on the annual debt service for the Local Obligations, Special Taxes levied in each Taxing Jurisdiction, less estimated Administrative Expenses and assuming no delinquencies, if levied at the Assigned Special Tax rates, would generate in each Fiscal Year not less than 110% of debt service payable with respect to each series of Local Obligations. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.” However, under the Act, under no circumstances will the Special Taxes levied against any Assessor’s Parcel of Residential Property within the applicable Taxing Jurisdiction for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) per fiscal year as a consequence of delinquency or default by the owner of any other Assessor’s Parcel within such applicable Taxing Jurisdiction. See “SECURITY FOR THE LOCAL OBLIGATIONS — Special Taxes; Gross Special Taxes; Net Special Taxes — 10% Limitation on Increases in the Special Tax Levy as a Result of Delinquencies.”

## SECURITY FOR THE BONDS

### General

As described below, the Bonds are payable primarily from Revenues consisting primarily of amounts received by the Authority as the result of its acquisition of the Local Obligations.

**The Bonds are special obligations of the Authority payable solely from and secured solely by the Revenues pledged therefor in the Indenture. The Bonds are not a debt or liability of the City, the State of California or any political subdivisions thereof other than the Authority to the limited extent described herein. The faith and credit of the Authority is not pledged to secure the payment of Bonds, nor is any of its political subdivisions liable therefor, nor in any event shall the Bonds or any interest or redemption premium thereunder be payable out of any funds or properties other than those of the Authority as set forth in the Indenture. The Authority has no taxing power.**

### Revenues and Flow of Funds

***Bonds; Revenues.*** The Bonds are secured by a first lien on and pledge of all of the Revenues. So long as any of the Bonds are Outstanding, the Revenues will not be used for any purpose except as is expressly permitted by the Indenture.

***Collection by the Trustee.*** The Trustee will collect and receive all of the Revenues, and any Revenues collected or received by the Authority will be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and shall forthwith be paid by the Authority to the Trustee. The Trustee is also entitled to and will take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority and all of the obligations of the City and the District under the Local Obligations.

***Deposit of Revenues.*** All Revenues derived from the Local Obligations, other than Local Obligation Delinquency Revenues, will be promptly deposited by the Trustee upon receipt thereof in the Revenue Fund. Any Revenues which represent the payment of delinquent principal of or interest on an issue of Local Obligations will immediately be deposited to the Reserve Fund to the extent necessary to replenish, to the extent the Reserve Fund deficiency resulted from the delinquency in the payment of scheduled debt service on such Local Obligations, the amount in the Reserve Fund to the Reserve Requirement, with any amount in excess of that needed to replenish the Reserve Fund to be deposited to the Revenue Fund for transfer as provided in the Indenture.

***Application of Revenues.*** On each Interest Payment Date, the Trustee shall transfer from the Revenue Fund, and deposit into the following respective accounts for the Bonds, the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

***Interest Account.*** On each Interest Payment Date, the Trustee will deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to equal the amount of interest becoming due and payable on such Interest Payment Date on all Outstanding Bonds on such date. Moneys in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity). In the event that the amounts on deposit in the Interest Account on any Interest Payment Date, after any transfers from the Reserve Fund, are insufficient for any reason to pay the aggregate amount of interest then coming due and payable on the Outstanding Bonds, the Trustee will apply such amounts to the payment of interest on each of the Outstanding Bonds on a pro rata basis.

***Principal Account.*** On each September 1 on which principal of the Bonds will be payable, the Trustee will deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of, and premium (if any) on, the Bonds coming due and payable on such date, or required to be redeemed on such date; provided, however, that no amount will be deposited to effect an optional redemption unless the Trustee has first received a certificate of an Independent Accountant certifying that such deposit to effect an optional redemption of the Bonds will not impair the ability of the Authority to make timely payment of the principal of and interest on the Bonds, assuming for such purposes that the City and the District continue to make timely payments on all Local Obligations not then in default. All moneys in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of (i) paying the principal of the Bonds at the maturity thereof or (ii) paying the principal of and premium (if any) on any Bonds upon the redemption thereof.

***Reserve Fund.*** On each Interest Payment Date on which the balance in the Reserve Fund is less than the Reserve Requirement, after making deposits required into the Interest Account and the Principal Account, the Trustee shall transfer from the Revenue Fund an amount sufficient to increase the balance in the Reserve Fund to the Reserve Requirement by depositing the amount necessary to make the various accounts therein equal to, together, the Reserve Requirement, provided the value of the moneys deposited therein, as invested, will be valued at market value on such transfer date for purposes of making such determination.

***Deficiencies.*** If on any Interest Payment Date the amount on deposit in the Revenue Fund is inadequate to make the transfers described above as a result of a payment default on an issue of Local Obligations, the Trustee will immediately notify the District of the amount needed to make the required deposits described above under “— *Application of Revenues.*” In the event that following such notice the Trustee receives additional payments from the District to cure such shortfall, the Trustee shall deposit such amounts to the Revenue Fund for application in accordance with the Indenture.

***Surplus Fund.*** On September 1 of each year, after making the deposits described above, the Trustee will transfer all amounts remaining on deposit in the Revenue Fund to the Administrative Expense Fund unless the Trustee has received a request of the Authority directing it to transfer all or a portion of the said amounts to the Surplus Fund, in which case the Trustee shall make the transfer to the Surplus Fund.

## **Reserve Fund**

An account for each issue of Local Obligations will be established in the Reserve Fund (each, an “Account”). The Reserve Policy in the amount of \$\_\_\_\_\_ shall be deposited into the Reserve Fund in an amount equal to the Reserve Requirement. Each Local Obligation’s share shall initially be as follows:

- \$\_\_\_\_\_ in the Improvement Area No. 8C Account
- \$\_\_\_\_\_ in the Improvement Area No. 17B Account

The aggregate of the foregoing amounts is equal to the Reserve Requirement as of the date of issuance of the Bonds, which is an amount equal to the lowest of (i) 10% of the initial principal amount of the Bonds, (ii) Maximum Annual Debt Service on the Outstanding Bonds, or (iii) 125% of average Annual Debt Service on the Outstanding Bonds. Pursuant to the Indenture, the Reserve Requirement shall never be greater than the initial Reserve Requirement, and, as of any date of calculation, shall not be greater than the Reserve Requirement calculated for the previous Bond Year. In the event that the amount of the Reserve Requirement is changed, the Trustee will, upon receipt of a Request of the Authority, adjust the shares of each Account to reflect the new Reserve Requirement.

Subject to the limitations set forth in the following paragraph, moneys in the Reserve Fund will be used to pay the principal of and interest on the Bonds when the moneys in the Interest Account and the Principal Account of the Revenue Fund are insufficient therefor. In addition, amounts in the Reserve Fund may be applied (i) in connection with an optional redemption of Bonds or a defeasance thereof, (ii) when the balance therein equals the principal and interest due on the Bonds to and including maturity, (iii) credited to a Taxing Jurisdiction as a result of a reduction in the Reserve Requirement resulting from the redemption of the Local Obligations relating to such Taxing Jurisdiction and the Bonds so redeemed in connection therewith, or (iv) when amounts in certain accounts of the Reserve Fund are transferred to the Interest Account and the Principal Account as a credit against the payments due on the Local Obligations on the transfer dates specified below.

If the amounts in the Interest Account or the Principal Account of the Revenue Fund are insufficient to pay the principal of or interest on the Bonds when due, the Trustee shall withdraw from the applicable Reserve Account or Reserve Accounts an amount equal to the deficiency resulting from the delinquency in the payment of scheduled debt service on the applicable series of Local Obligations and transfer such amount to the Interest Account, the Principal Account of the Revenue Fund or both, as applicable. If there are insufficient funds on deposit in a Reserve Account to cover a deficiency resulting from the delinquency in the payment of scheduled debt service on the applicable series of Local Obligations, the Trustee shall withdraw from each of the other Reserve Accounts a share of such insufficiency based upon the proportion of the amount in a Reserve Account to the total amount on deposit in the Reserve Fund and transfer such amounts to the Interest Account, the Principal Account of the Revenue Fund or both, as applicable.

Upon the transfer by the Trustee to the Reserve Fund of delinquent Revenues, such Revenues shall be allocated to the Reserve Accounts as follows:

First, to the Reserve Account for any series of Local Obligations, other than the Reserve Account to which such delinquent Revenues relate, that amount necessary to increase the amount on deposit in such account to the Reserve Requirement on a Proportionate Share basis if the deficiency in the amount on deposit in such account resulted from draws on such account due to delinquencies in the payment of scheduled debt service on that series of Local Obligations from which the Local Obligations Delinquency Revenues were received. In the event that such delinquent Revenues are not sufficient to increase the amount on deposit in each of the applicable Reserve Accounts to the Reserve Requirement, a Proportionate Share of such delinquent Revenues shall be deposited in each such Reserve Account.

Second, after increasing the amount on deposit in each applicable Reserve Account to the applicable Proportionate Share of the Reserve Requirement pursuant to the first step, to the Reserve Account for the series of Local Obligations from which the delinquent Revenues were received that amount necessary to replenish the amount on deposit in such Reserve Account to the applicable Proportionate Share of the Reserve Requirement.

Third, after making all deposits pursuant to the first and second steps, the remaining delinquent Revenues, if any, shall be transferred to the Revenue Fund.

When amounts in an Account of the Reserve Fund are sufficient to repay the remaining principal and interest due on the related Local Obligations that will be applied to the Bonds, such amounts will be transferred to the Interest Account and the Principal Account as a credit against the payments due on such Local Obligations, with the amount transferred from an Account being deposited first to the Interest Account as a credit on the interest due on such Local Obligations on such date and the balance being deposited to the Principal Account as a credit on the principal due on such Local Obligations on such date.

### **Surplus Fund**

Any amounts transferred to the Surplus Fund will no longer be considered Revenues and will not be pledged to repay the Bonds. So long as Local Obligations are outstanding, on September 1 of each year after setting aside any amount specified in a Request of the Authority as necessary to pay Administrative Expenses, all of the remaining balance, if any, in the Surplus Fund will (i) be transferred by the Trustee to the City for credit to the special tax fund of the District, and the District shall be credited a percentage of the total amount available on each September 1 that is equal to the percentage that its outstanding Local Obligations represent of all outstanding Local Obligations held by the Trustee as of the date of disbursement, or (ii) as set forth in a Request of the City be applied to the redemption of Local Obligations pursuant to the terms of the Local Obligations Indenture with the District to be credited a percentage of the total amount available on each September 1 that is equal to the percentage which its outstanding Local Obligations represents of all outstanding Local Obligations held by the Trustee as of the date of disbursement.

In the event that the Local Obligations have been prepaid or defeased in whole or in part, then such credit shall be applied based on a Certificate of an Independent Financial Consultant prepared at the direction of the Authorized Representative of the City. In the event the District is no longer obligated to levy Special Taxes to repay Local Obligations, then any amounts in the Surplus Fund may be used by the Authority for any lawful purpose, including, but not limited to, the payment of expenses of the Authority, the City or the District relating to the Bonds, the Local Obligations, the District, or any other purpose as specified in a Request of the Authority delivered to the Trustee.

### **No Additional Bonds Except to Refund Bonds**

The Authority may issue Additional Bonds secured on a parity with the Bonds (“Additional Bonds”), in such principal amount as shall be determined by the Authority, pursuant to a Supplemental Indenture adopted or entered into by the Authority, but only for the purpose of refunding the Bonds or Additional Bonds.

Additional Bonds may only be issued subject to the following conditions precedent established by the Indenture:

- (a) The Authority shall be in compliance with all covenants set forth in the Indenture and all Supplemental Indentures.
- (b) The proceeds of such Additional Bonds will be applied to accomplish a refunding of all or a portion of the Bonds or any Additional Bonds Outstanding.
- (c) The Supplemental Indenture providing for the issuance of such Additional Bonds must provide that interest thereon will be payable on September 1 and March 1, and principal thereof will be payable on September 1 in any year in which principal is payable.
- (d) Prior to the delivery of any Additional Bonds, a written certificate must be provided to the Authority and the Trustee by an Independent Financial Consultant which certifies that the Annual Debt Service

in each Bond Year on the Additional Bonds does not exceed the Annual Debt Service in each Bond Year on the Bonds defeased or redeemed with the proceeds of such Additional Bonds.

(e) The Supplemental Indenture providing for the issuance of Additional Bonds may provide for the establishment of separate funds and accounts.

(f) No Event of Default has occurred and be continuing with respect to the Bonds or any of the Local Obligations.

(g) The Authority will deliver to the Trustee a written Certificate of the Authority certifying that the conditions precedent to the issuance of such Additional Bonds set forth in subsections (a), (b), (c), (d) and (f) above have been satisfied and that, upon the issuance of such Additional Bonds an amount equal to the Reserve Requirement, as adjusted (if necessary) to reflect the issuance of such Additional Bonds will be on deposit in the Reserve Fund.

## SECURITY FOR THE LOCAL OBLIGATIONS

### General

Each Local Obligation is a limited obligation of the District payable solely from Net Special Taxes (defined below) collected in the applicable Taxing Jurisdiction and amounts deposited by the District in the applicable Special Tax Fund. The District's limited obligation to pay the principal of, premium, if any, and interest on the applicable Local Obligations from Net Special Taxes collected in the applicable Taxing Jurisdiction and amounts in the applicable Special Tax Fund is absolute and unconditional.

No Local Obligation (and no Parity Bonds issued under the Local Obligation Bond Indenture relating to the Local Obligations, each a "Local Obligation Parity Bond") is a legal or equitable pledge, charge, lien or encumbrance upon any of the District's property, or upon any of its income, receipts or revenues, except the Net Special Taxes collected in the applicable Taxing Jurisdiction and other amounts in the applicable Special Tax Fund.

The "Special Taxes" for each Taxing Jurisdiction are levied and collected according to the rate and method of apportionment (each, a "Rate and Method") established for such Taxing Jurisdiction. See Appendix A — "INFORMATION REGARDING THE TAXING JURISDICTIONS" and Appendix D — "RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS."

**The Local Obligations are not cross-collateralized. In other words, Special Taxes collected in one Taxing Jurisdiction cannot be used to cover any shortfall in the payment of debt service on the Local Obligations of another Taxing Jurisdiction. However, the Reserve Fund held by the Trustee and funded at the Reserve Requirement will be available in the event of delinquent Revenues. See "SECURITY FOR THE BONDS — Reserve Fund" herein.**

**Except for the Net Special Taxes, neither the credit nor the taxing power of the District or the City is pledged for the payment of the Local Obligations or related interest, and no Owner of the Bonds may compel the exercise of taxing power by the District or the forfeiture of any of its property. The principal of and interest on the Local Obligations and premiums upon the redemption thereof, if any, are not a debt of the District or the City, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory limitation or restriction.**

The Special Tax is collected in the manner and at the same time as *ad valorem* property taxes are collected and is subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for *ad valorem* property taxes; provided, however, that the District may directly bill

the Special Tax, and may collect Special Taxes at a different time or in a different manner as determined by the City Council.

However, under the Act as in effect at the time of formation of the Improvement Areas and under the applicable Rate and Methods, under no circumstances will the Special Taxes levied against any Assessor's Parcel of Residential Property within the applicable Improvement Area for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) per fiscal year as a consequence of delinquency or default by the owner of any other Assessor's Parcel within such applicable Improvement Area. Therefore, even though the maximum Special Tax rates may allow for Special Tax increases greater than 10%, in the event of high delinquencies in an Improvement Area, the District could not increase the Special Taxes in such applicable Improvement Area in the fiscal year following such delinquencies by more than 10% on the residential units. See "SPECIAL RISK FACTORS — Special Tax Delinquencies."

### **Improvement Area No. 8C Indenture**

Under the Improvement Area No. 8C Indenture, "Net Taxes" (and referred to herein as the "Net Special Taxes") pledged by the District to the Improvement Area No. 8C Bonds is defined in the Improvement Area No. 8C Indenture as the "Gross Taxes" (referred to herein as the "Gross Special Taxes") minus a certain amount of Administrative Expenses (the "Priority Administrative Expenses"). Priority Administrative Expenses are equal to \$30,000.

"Gross Special Taxes" is defined in the Improvement Area No. 8C Indenture as the amount of Special Taxes for Improvement Area No. 8C and proceeds from the sale of property collected pursuant to the foreclosure provisions of the Improvement Area No. 8C Indenture for the delinquency of such Special Taxes and proceeds from any security for payment of Special Taxes for Improvement Area No. 8C taken in lieu of foreclosure.

At such time as the County Auditor-Controller of the County makes an apportionment of tax revenues, including Special Taxes of Improvement Area No. 8C and other amounts constituting Gross Special Taxes, if any, and such apportionment is transferred to the District Trustee on behalf of the District for Improvement Area No. 8C (any such apportionment being hereinafter referred to as an "Apportionment"), the Trustee shall deposit such Apportionment and any other amounts constituting Gross Taxes in the Special Tax Fund for Improvement Area No. 8C, to be held in trust by the District Trustee and transferred and deposited into the following respective accounts and Funds the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Special Taxes for Improvement Area No. 8C sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

- (1) The Administrative Expenses Fund;
- (2) The Interest Account of the Bond Fund;
- (3) The Principal Account of the Bond Fund;
- (4) The Sinking Account of the Bond Fund;
- (5) The applicable Reserve Account of the Bond Fund and to any other reserve fund or account established in connection with or allocated to the Improvement Area No. 8C Bonds (including the Reserve Fund established under the Indenture;
- (6) The Rebate Fund; and

- (7) The Residual Fund.

### **Improvement Area No. 17B Indenture**

Under the Improvement Area No. 17B Indenture, the “Net Special Taxes” pledged by the District to the Improvement Area No. 17B Bonds (and any related Local Obligation Parity Bonds) is defined in the Improvement Area No. 17B Indenture as “Gross Special Taxes” minus amounts set aside to pay Priority Administrative Expenses.

“Gross Special Taxes” is defined in the Improvement Area No. 17B Indenture as the amount of all Special Taxes received by the District for Improvement Area No. 17B, together with the net amounts collected from the redemption of delinquent Special Taxes, including the penalties and interest thereon and from the sale of property sold as a result of the foreclosure of the lien of the Special Taxes resulting from the delinquency in the payment of such Special Taxes due and payable on such property.

“Priority Administrative Expenses” are annual Administrative Expenses of the District payable from Gross Special Taxes from Improvement Area No. 17B, which expenses total up to \$30,000 for Improvement Area No. 17B in each Fiscal Year.

The District may, in its sole discretion, fund additional Administrative Expenses for Improvement Area No. 17B, without limitation, from Special Taxes collected within Improvement Area No. 17B not otherwise required to be transferred to the District Trustee and from moneys held in the Administrative Expense Fund held under the Improvement Area No. 17B Indenture.

The District covenants in the Improvement Area No. 17B Indenture that it will receive all Net Special Taxes in trust for the Owners of the Improvement Area No. 17B Bonds, and will instruct the Treasurer to deposit Net Special Taxes for Improvement Area No. 17B with the District Trustee as required by the Improvement Area No. 17B Indenture, and the District shall have no beneficial right or interest in the amounts so deposited except as provided by the Improvement Area No. 17B Indenture.

Except for the portion of any prepayment of Special Taxes to be deposited into the Redemption Account established under the Improvement Area No. 17B Indenture, the District Trustee under the Improvement Area No. 17B Indenture will, on each date on which the Special Taxes of Improvement Area No. 17B are received from the District, deposit the Special Taxes in the Special Tax Fund to be held in trust for the Authority as the owner of the Improvement Area No. 17B Bonds. The District Trustee will transfer such Special Taxes on deposit in the Special Tax Fund on the dates and in the amounts set forth in the Improvement Area No. 17B Indenture, in the following order of priority, to:

- (1) The Administrative Expense Fund;
- (2) The Interest Account of the Special Tax Fund;
- (3) The Principal Account of the Special Tax Fund;
- (4) The Authority for deposit in the Reserve Account as necessary to increase the amount therein to the District’s Proportionate Share of the Reserve Requirement and to such reserve accounts for Local Obligation Parity Bonds to replenish the amounts therein to the applicable reserve requirements;
- (5) The Redemption Account of the Special Tax Fund; and
- (6) The District Surplus Fund.

The Improvement Area No. 17B Indenture creates and establishes to be maintained by the District Trustee a Surplus Fund. As soon as practicable after each September 1, and in any event prior to each October 1, the District Trustee will transfer all remaining amounts in the Special Tax Fund to the Surplus Fund, unless on or prior to such date, it has received a Certificate of an Authorized Representative directing that certain amounts be retained in the Special Tax Fund because the District has included such amounts as being available in the Special Tax Fund in calculating the amount of the levy of Special Taxes for such Fiscal Year. The amounts in the Surplus Fund are not pledged to the repayment of the Local Obligations or any Parity Local Obligations and may be used by the District for any lawful purpose.

### **Local Obligation Parity Bonds**

Each Local Obligation Bond Indenture authorizes the District to issue additional bonds secured by Net Special Taxes on a parity with the related Local Obligations but only for the purpose of refunding all or a portion of the applicable Local Obligations or Local Obligation Parity Bond. Local Obligations shall only be refunded if a corresponding amount of Bonds is refunded. For a description of the conditions established in each Local Obligation Bond Indenture for the issuance of Local Obligation Parity Bonds, see Appendix B — “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS.”

### **Priority of Lien**

Each installment of the Special Taxes and any interest and penalties thereon, constitutes a lien on the parcel of land on which it was imposed until the same is paid. Such lien is co-equal to and independent of the lien for general taxes, any other community facilities district special taxes. See “THE TAXING JURISDICTIONS — The Taxing Jurisdictions in the Aggregate” herein.

### **Covenants of the District**

In each Local Obligation Bond Indenture, the District covenants as follows, among other things:

***Punctual Payment.*** It will duly and punctually pay or cause to be paid the principal of and interest on each related Local Obligation (and any related Local Obligation Parity Bond) issued under its Local Obligation Bond Indenture, together with the premium, if any to the extent that Net Special Taxes and other amounts pledged under the Local Obligation Bond Indenture are available therefor.

***Against Encumbrance.*** It will not mortgage or otherwise encumber, pledge or place any charge upon any of the Net Special Taxes except as provided in the related Local Obligation Bond Indenture, and will not issue any obligation or security having a lien or charge upon the Net Special Taxes superior to or on a parity with the related Local Obligations (other than related Local Obligation Parity Bonds). Nothing in the Local Obligation Bond Indenture prevents the District from issuing or incurring indebtedness which is payable from a pledge of Net Special Taxes which is subordinate in all respects to the pledge of Net Special Taxes to repay the related Local Obligations and the related Local Obligation Parity Bonds.

### ***Levy of Special Tax.***

**Improvement Area No. 8C Indenture.** The City Council, on behalf of the District, shall, levy the Special Tax in Improvement Area No. 8C in an amount sufficient to pay the principal or Accreted Value of and interest on the Improvement Area No. 8C Bonds and any related Local Obligation Parity Bonds as provided in the proceedings and the Administrative Expenses relating to Improvement Area No. 8C due or coming due, plus the amount, if any, necessary to replenish the Reserve Account to an amount equal to the Reserve Requirement for Improvement Area No. 8C, if any, so long as any Improvement Area No. 8C Bonds and any related Local Obligation Parity Bonds are Outstanding; provided, that the amount of the Special Tax shall not exceed the maximum amounts specified in the Rate and Method for Improvement Area No. 8C Bonds.

Improvement Area No. 17B Indenture. So long as any Improvement Area No. 17B Bonds or related Local Obligation Parity Bonds are Outstanding, the legislative body of the District will levy the related Special Tax in Improvement Area No. 17B (taking into consideration reasonably anticipated delinquencies) in an amount sufficient, together with other amounts on deposit in the Special Tax Fund and available for such purpose, to pay the principal of and interest on such Improvement Area No. 17B Bonds and any such related Local Obligation Parity Bonds when due, the applicable Administrative Expenses and any amounts required to replenish such District's allocable share of the Reserve Requirement for Improvement Area No. 17B resulting from the delinquency in the payment of scheduled debt service on the Improvement Area No. 17B Bonds or related Local Obligation Parity Bonds. The District further covenants that it will take no actions that would discontinue or cause the discontinuance of the Special Tax levy for Improvement Area No. 17B or the District's authority to levy the Special Tax for so long as the Improvement Area No. 17B Bonds and any related Local Obligation Parity Bonds are outstanding.

***Commence Foreclosure Proceedings.***

Improvement Area No. 8C Indenture. The District covenants with and for the benefit of the Owners of the Improvement Area No. 8C Bonds and the landowners of Improvement Area No. 8C securing the Improvement Area No. 8C Bonds that it will review the public records of the County of Riverside, California, in connection with the collection of the Special Tax not later than July 1 of each year to determine the amount of Special Tax collected in the prior Fiscal Year; and with respect to individual delinquencies within Improvement Area No. 8C, if the District determines that any single property owner subject to the Special Tax within Improvement Area No. 8C is delinquent in the payment of Special Taxes in the aggregate of \$2,500 or more or that as to any single parcel the delinquent Special Taxes represent more than 5% of the aggregate Special Taxes within Improvement Area No. 8C, then the District will send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to the property owner within 45 days of such determination, and (if the delinquency remains uncured) the District will cause judicial foreclosure proceedings to be filed in the superior court within ninety (90) days of such determination against all properties for which the Special Taxes remain delinquent.

Improvement Area No. 17B Indenture. The District covenants for the benefit of the Owners of the Improvement Area No. 17B Bonds that it (i) will commence judicial foreclosure proceedings against parcels with delinquent Special Taxes in excess of \$2,500 by the October 1 following the close of each Fiscal Year in which such Special Taxes were due, (ii) will commence judicial foreclosure proceedings against all parcels with delinquent Special Taxes by the October 1 following the close of each fiscal year in which it receives Special Taxes in an amount which is less than 95% of the total Special Tax levied and the amount on deposit in the Reserve Account is at less than the Reserve Requirement, and (iii) will diligently pursue such foreclosure proceedings until the delinquent Special Taxes are paid.

The District may, but is not obligated to, advance funds from any source of legally available funds in order to maintain any Reserve Account of the Reserve Fund. The District may treat any delinquent Special Tax sold to an independent third-party or to any funds of the City for at least 100% of the delinquent amount as having been paid. Proceeds of any such sale up to 100% of the delinquent amount will be deposited in the applicable Special Tax Fund. See "SPECIAL RISK FACTORS — Special Tax Delinquencies" herein for a discussion of the City's current foreclosure proceedings.

The District covenants that it will deposit the net proceeds of any foreclosure and any other Delinquency Proceeds in the applicable Special Tax Fund and will apply such proceeds remaining after the payment of Administrative Expenses to pay any delinquent installments of principal and interest on the Improvement Area No. 17B Bonds and any related Local Obligation Parity Bonds and to make current payments of principal and interest on the Improvement Area No. 17B Bonds and any related Local Obligation Parity Bonds, and to replenish any draw on the Reserve Account for Improvement Area No. 17B resulting from the delinquency in the payment of scheduled debt service on the Improvement Area No. 17B Bonds and any related Local Obligation Parity Bonds.

***Reduction of Maximum Special Taxes.*** The District shall find and determine under each Local Obligation Bond Indenture that, historically, delinquencies in the payment of special taxes authorized pursuant to the Act in community facilities districts in Southern California have from time to time been at levels requiring the levy of special taxes at the maximum authorized rates in order to make timely payment of principal of and interest on the outstanding indebtedness of such community facilities districts. For this reason, the District shall determine under each Local Obligation Bond Indenture that a reduction in the maximum Special Tax rates authorized to be levied on parcels in the applicable Improvement Area below the levels provided under the Local Obligation Bond Indenture would interfere with the timely retirement of the Local Obligations and Parity Local Obligations. The District shall determine it to be necessary in order to preserve the security for the Local Obligations and Parity Local Obligations to covenant, and, to the maximum extent that the law permits it to do so, the District does covenant, that it shall not initiate proceedings to reduce the maximum Special Tax rates in each Improvement Area, unless, in connection therewith, (i) the District receives a certificate from one or more Independent Financial Consultants which, when taken together, certify that, on the basis of the parcels of land and improvements existing in the applicable Improvement Area as of the July 1 preceding the reduction, the maximum amount of the Special Tax which may be levied on then existing taxable property in each Bond Year for any Local Obligations and Parity Local Obligations Outstanding will equal at least the sum of the Priority Administrative Expenses for such Bond Year plus 110% of the gross debt service in such Bond Year on all Bonds and Parity Bonds to remain Outstanding after the reduction is approved, (ii) the District finds that any reduction made under such conditions will not adversely affect the interests of the Owners of the Local Obligations and Parity Local Obligations, and (iii) the District is not delinquent in the payment of the principal of or interest on the Local Obligations or any Parity Local Obligations.

### **Special Taxes Are Not Within Teeter Plan**

The Special Taxes are not encompassed within the alternate procedure for the distribution of certain property tax levies on the secured roll pursuant to Chapter 3, Part 8, Division 1 of the California Revenue and Taxation Code (Section 4701 et seq.), commonly referred to as the “Teeter Plan.” The County of Riverside (the “County”) has adopted a Teeter Plan under which a tax distribution procedure is implemented and secured roll taxes are distributed to taxing agencies within the County on the basis of the tax levy, rather than on the basis of actual tax collections. However, by policy, the County does not include special taxes, assessments or assessments in its Teeter Plan. The Special Taxes of the District are not included in the County’s Teeter Plan.

## **THE DISTRICT**

The District was formed by the City on August 11, 1993, and its improvement areas are located throughout the City.

## **THE IMPROVEMENT AREAS**

### **The Taxing Jurisdictions in the Aggregate**

***Introduction.*** Set forth under this caption is certain information describing the Taxing Jurisdictions in the aggregate and separate sections on each of them. Although the Authority believes the information with respect to the Taxing Jurisdictions, in the aggregate, is relevant to an informed decision to purchase the Bonds, investors should be aware that the debt service on one Local Obligation may not be used to make up any shortfall in the debt service on another Local Obligation. Moreover, the parcels in each Taxing Jurisdiction are taxed according to the applicable Rate and Method, and the applicable Special Taxes may only be applied to pay the debt service on the Local Obligations related to the Taxing Jurisdiction in which such Special Taxes are levied and not on the debt service of any other Local Obligations.

Potential investors should further be aware that Special Taxes are levied against individual parcels within each Taxing Jurisdiction and that any such parcel may have a value-to-lien ratio less than the overall

value-to-lien ratio for such Taxing Jurisdiction and less than the value-to-lien ratio of the Taxing Jurisdictions in the aggregate.

**Property Values & Development Status.** The most recent aggregate assessed value reported by the County Assessor for the property in the Taxing Jurisdictions for the Fiscal Year 2018-19 was \$346,011,252. Each of the Taxing Jurisdictions is built-out, with a total of 1,079 single family residences. The Special Tax obligation has been prepaid for three parcels within Improvement Area No. 8C and two parcels within Improvement Area No. 17B. As a result, there are a total of 1,074 parcels within the Taxing Jurisdictions in the aggregate which are subject to their respective Special Tax levies.

**Value-To-Lien Ratios.** The aggregate assessed value of all of the taxable property in the Taxing Jurisdictions, as established by the County Assessor for Fiscal Year 2019-20, was \$346,011,252. The aggregate principal amount of the Local Obligations is \$17,595,000\*. The following tables set forth the aggregate assessed value-to-lien ratios of all the taxable property in the Taxing Jurisdictions based on Fiscal Year 2019-20 assessed values in each of the Taxing Jurisdictions and the principal amount of the Local Obligations. Table 3 presents such information by Taxing Jurisdiction.

As shown in Table 4 below, 52 parcels have value-to-lien ratios below 6.00:1. These parcels are located in Improvement Area No. 8C. One of such parcels has reduced assessed value due to Proposition 60/90, which allows property owners aged 55 and older to transfer the base year value of a sold home to a replacement home of equal or lesser value within the same county (Proposition 60), or to another county in California (Proposition 90). This parcel is owned by an individual and has a 1975 base year value. Another of such parcels transferred its base year value due to eminent domain. The remaining 50 parcels were purchased by the current owners at much earlier dates than other properties in Improvement Area No. 8C and as a result of the limitation of assessed valuation growth allowed under Article XIII A of the State Constitution, have lower assessed values.

---

\* Preliminary, subject to change.

**TABLE 3**  
**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY**  
**TAXING JURISDICTIONS IN AGGREGATE**  
**ASSESSED VALUE-TO-LIEN RATIOS**  
**FISCAL YEAR 2019-20**

<i>Community Facilities District No. 93-1 Improvement Area</i>	<i>Parcels</i>	<i>Projected Fiscal Year 2020-21 Special Tax Levy</i>	<i>Fiscal Year 2020-21 Assigned Special Tax</i>	<i>Fiscal Year 2019-20 Assessed Value</i>	<i>Percent of Fiscal Year 2019-20 Assessed Value</i>	<i>IA 8C Parity Bonds</i>	<i>IA 8C 2020 Bonds</i>	<i>Total Allocation of Outstanding Debt<sup>(1)*</sup></i>	<i>Percent of Bonds</i>	<i>Aggregate Value-to-Lien Ratio*</i>
Improvement Area 8C	686	\$1,512,792	\$1,774,073	\$221,672,729	63.5%	\$22,465,664	\$5,780,000	\$28,245,664	70.5%	7.85:1
Improvement Area 17B	<u>388</u>	<u>661,367</u>	<u>1,000,929</u>	<u>124,338,523</u>	36.5	<u>--</u>	<u>--</u>	<u>11,815,000</u>	29.5	<u>10.52:1</u>
<b>Total</b>	<b>1,074</b>	<b>\$2,174,159</b>	<b>\$ 2,775,002</b>	<b>\$346,011,252</b>	<b>100.0%</b>	<b>\$22,465,664</b>	<b>\$5,780,000</b>	<b>\$40,060,664</b>	<b>100.0%</b>	<b>8.64:1</b>

\* Preliminary, subject to change.

<sup>(1)</sup> Outstanding debt for Improvement Area No. 8C includes the Improvement Area No. 8C 2017 Bonds, the Improvement Area No. 8C 2018 Bonds and the Improvement Area No. 8C 2020 Bonds.  
 The outstanding debt for Improvement Area No. 17B includes the Improvement Area No. 17B Bonds.

Source: Webb Municipal Finance, LLC.

**TABLE 4**  
**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY**  
**VALUE-TO-LIEN STRATIFICATION BASED ON**  
**ASSESSED VALUE OF THE TAXING JURISDICTIONS IN THE AGGREGATE**  
**FISCAL YEAR 2019-20\***

<i>Assessed Value-to-Lien<sup>(1)</sup></i>	<i>No. of Parcels</i>	<i>Percent of Total Parcels</i>	<i>Projected Fiscal Year 2020-21 Special Tax Levy<sup>(2)</sup></i>	<i>Percent of Projected Fiscal Year 2020-21 Levy</i>	<i>Fiscal Year 2020-21 Assigned Special Tax</i>	<i>Percent of Assigned Special Tax</i>	<i>Fiscal Year 2019-20 Assessed Value</i>	<i>Percent of Fiscal Year 2019-20 Assessed Value</i>	<i>Allocation of Bonds<sup>(2)</sup></i>	<i>Aggregate Value-to-Lien</i>
Less than 6.00:1 <sup>(3)</sup>	53	4.93%	\$ 109,862	5.05%	\$ 127,219	4.63%	\$ 10,228,548	2.96 %	\$ 2,049,997	4.99:1
6.00:1 to 7.99:1	314	29.24	711,522	32.72	829,432	30.22	97,469,653	28.17	13,264,549	7.35:1
8.00:1 to 9.99:1	437	40.69	889,589	40.92	1,097,140	39.97	144,870,783	41.87	16,449,623	8.81:1
10.00:1 to 11.99:1	216	20.11	370,627	17.05	551,772	20.10	72,725,954	21.02	6,641,530	10.95:1
Greater than 11.99:1 <sup>(4)</sup>	<u>54</u>	<u>5.03</u>	<u>92,559</u>	<u>4.26</u>	<u>139,439</u>	<u>5.08</u>	<u>20,716,314</u>	<u>5.99</u>	<u>1,654,965</u>	<u>12.52:1</u>
<b>Total</b>	<b>1,074</b>	<b>100.00%</b>	<b>\$ 2,174,159</b>	<b>100.00%</b>	<b>\$ 2,745,001</b>	<b>100.00%</b>	<b>\$ 346,011,252</b>	<b>100.00%</b>	<b>\$40,060,664</b>	<b>8.64:1</b>

\* Preliminary, subject to change.

<sup>(1)</sup> Assessed Value-to-Lien based upon the principal amount of the Local Obligations.

<sup>(2)</sup> Outstanding debt for Improvement Area No. 8C includes all of the Improvement Area No. 8C 2020 Bonds. The outstanding debt for Improvement Area No. 17B includes the Improvement Area No. 17B Bonds.

<sup>(3)</sup> Minimum estimated Value-to-Lien is 0.63:1. See "INFORMATION REGARDING THE TAXING JURISDICTIONS—Improvement Area No. 8C—Value-to-Lien" in Appendix A hereto.

<sup>(4)</sup> Maximum estimated Value-to-Lien is 14.62:1.

Source: Webb Municipal Finance, LLC.

The projected average effective tax rate for the parcels within the Taxing Jurisdictions ranges from approximately 1.99% to 2.14%.

**Top Taxpayers within the Taxing Jurisdictions.** No single individual owner owns more than three parcels within any one Taxing Jurisdiction, and no single taxpayer is projected to be responsible for more than 0.76% of Fiscal Year 2019-20 Special Taxes within any one Taxing Jurisdiction. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.”

**Delinquencies.** Special Taxes were levied against 1,074 parcels in the Taxing Jurisdictions in Fiscal Year 2019-20. As of May 31, 2020, fifteen of the property owners were delinquent in the payment of the Fiscal Year 2019-20 Special Tax levy. For the Special Tax levies, collections and delinquency rates for the last five fiscal years in each of the Taxing Jurisdictions see Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.”

### The Local Obligations

The table below summarizes the final maturity dates of the Local Obligations and the principal amount of each Local Obligation. For a description of the total debt service on the Bonds provided by each Local Obligation, see Table 2 under the heading “THE BONDS – Estimated Debt Service Schedules: Bonds and Local Obligations” herein.

**TABLE 5**

**Beaumont Public Improvement Authority  
Summary of the Local Obligations**

<i>District</i>	<i>Maturity Date (September 1)</i>	<i>Principal Amount*</i>
Improvement Area No. 8C	2042	\$ 5,780,000
Improvement Area No. 17B	2042	<u>11,815,000</u>
Total		<b>\$ 17,595,000</b>

\* Preliminary, subject to change.

### SPECIAL RISK FACTORS

The purchase of the Bonds involves significant risks and is not a suitable investment for all investors. The following is a discussion of certain risk factors which should be considered, in addition to other matters set forth herein, in evaluating the investment quality of the Bonds. This discussion does not purport to be comprehensive or definitive and does not purport to be a complete statement of all factors which may be considered as risks in evaluating the credit quality of the Bonds. The occurrence of one or more of the events discussed herein could adversely affect the ability or willingness of property owners in the Taxing Jurisdictions to pay their Special Taxes when due. Such failures to pay Special Taxes could result in the inability of the Taxing Jurisdictions to make full and punctual payments of debt service on the Local Obligations which comprise the Revenues available to pay debt service on the Bonds. In addition, the occurrence of one or more of the events discussed herein could adversely affect the value of the property in the Taxing Jurisdictions. See “—Property Values” and “—Limited Secondary Market.”

## **Risks of Real Estate Secured Investments Generally**

Because the timely payment of debt service on the Bonds will be dependent upon the timely payment of the Local Obligations and the timely payment of the Local Obligations will be dependent upon the timely payment of Special Taxes, which are secured ultimately by the Taxable Property within the Taxing Jurisdictions, the Bond Owners will be subject to the risks generally incident to an investment secured by real estate, including, without limitation, (i) adverse changes in local market conditions, such as changes in the market value of real property in and around the vicinity of the Taxing Jurisdictions, the supply of or demand for competitive properties in such area, and the market value of residential property or buildings and/or sites in the event of sale or foreclosure; (ii) changes in real estate tax rates and other operating expenses, governmental rules (including, without limitation, zoning laws and laws relating to endangered species and hazardous materials) and fiscal policies; (iii) natural disasters (including, without limitation, earthquakes, wildfires, floods, drought and windstorms), which may result in uninsured losses; and (iv) adverse changes in local market conditions.

### **COVID-19 (Coronavirus) Pandemic**

The spread of the novel strain of coronavirus called COVID-19 is having significant negative impacts throughout the world, including in the State, County and the City. The World Health Organization has declared the COVID-19 outbreak to be a pandemic, and states of emergency have been declared by the County, State and the United States. The purposes behind these declarations are to coordinate and formalize emergency actions across federal, state and local governmental agencies, and to proactively prepare for a wider spread of the virus. There have been confirmed cases of COVID-19 in the County, and confirmed cases of COVID-19 are growing throughout the State and health officials are expecting the number of confirmed cases to continue to grow.

On May 6, 2020, Governor Newsom issued Executive Order N-61-20 (the “Executive Order”), waiving penalties and interest on taxes on property on the secured or unsecured roll through May 6, 2021 under certain conditions, including: (i) the property is a residential property occupied by the taxpayer or the property is used for a small business, (ii) the taxes owed were not delinquent as of March 4, 2020, (iii) the taxpayer files for relief in a form prescribed by the applicable county tax collector, and (iv) the taxpayer demonstrates economic hardship to the satisfaction of the county tax collector. The Executive Order may have an effect on the collection of penalties and interest on delinquent amounts of the Special Tax and may otherwise affect a property owner’s willingness to pay the Special Tax when due.

The COVID-19 outbreak is ongoing, and the ultimate geographic spread of the virus, the duration and severity of the outbreak and actions that may be taken by governmental authorities to contain the outbreak or to treat its impact are uncertain. The ultimate adverse impact of COVID-19 on the City, the Taxing Jurisdictions and homeowners’ willingness and ability to pay Special Tax when due, and the real estate market in general is unknown.

### **Tax Cuts and Jobs Act**

H.R. 1 of the 115th U.S. Congress, known as the “Tax Cuts and Jobs Act,” was enacted into law on December 22, 2017 (the “Tax Act”). The Tax Act makes significant changes to many aspects of the Code. For example, the Tax Act reduces the amount of mortgage interest expense and state and local income tax and property tax expense that individuals may deduct from their gross income for federal income tax purposes, which could increase the cost of home ownership within the District. However, neither the City nor the District can predict the effect that the Tax Act may have on the cost of home ownership or the price of homes in the District or the ability or willingness of homeowners to pay Special Taxes or property taxes.

### **The Bonds are Limited Obligations of the Authority**

The Bonds are limited obligations of the Authority payable only from amounts pledged under the Indenture, which consist primarily of payments made to the Trustee on the Local Obligations and amounts in the Reserve Fund. Funds for the payment of the principal of and the interest on the Local Obligations are derived only from payments of Special Taxes. The amount of Special Taxes that are collected could be insufficient to pay principal of and interest on the Local Obligations due to non-payment of the Special Taxes levied or due to insufficient proceeds received from a judicial foreclosure sale of land within the Taxing Jurisdictions following delinquency. The District's legal obligation with respect to any delinquent Special Taxes is limited to the institution of judicial foreclosure proceedings under certain circumstances with respect to any parcels for which Special Taxes is delinquent. The Bonds cannot be accelerated in the event of any default.

Failure by owners of the parcels within the Taxing Jurisdictions to pay Special Tax installments when due, delay in foreclosure proceedings, or the inability of the District to sell parcels which have been subject to foreclosure proceedings for amounts sufficient to cover the delinquent installments of Special Taxes levied against such parcels may result in the inability of the District to make full or timely payments of debt service on the Local Obligations, which may, in turn, result in the depletion of the Reserve Fund and the inability of the Authority to make full or timely payment on the Bonds.

### **No Obligation of the City**

The Local Obligations and the interest thereon, and in turn, the Bonds, are not payable from the general funds of the City. Except with respect to the Special Taxes, neither the credit nor the taxing power of the District or the City is pledged for the payment of the Local Obligations or the interest thereon, and except to compel a levy of the Special Taxes securing the Local Obligations, no Owner of the Bonds may compel the exercise of any taxing power by the District or the City or force the forfeiture of any property of the City or the District. The principal of, premium, if any, and interest on the Bonds are not a debt of the City or the District or a legal or equitable pledge, charge, lien or encumbrance upon any of the City's or the District's property or upon any of the City's or the District's income, receipts or revenues, except the Revenues and other amounts pledged under the Indenture.

### **No Cross-Collateralization Between Taxing Jurisdictions**

The Local Obligations are not cross-collateralized. In other words, the Special Taxes from one Taxing Jurisdiction cannot be used directly to cover any shortfall in the payment of debt service on the Local Obligations of another Taxing Jurisdiction. However, all amounts in the Reserve Fund are available to pay debt service on the Bonds if the amounts in the Interest Account or the Principal Account of the Revenue Fund are insufficient to pay the principal of or interest on the Bonds when due. See the caption "SECURITY FOR THE BONDS — Reserve Fund."

### **Potential Early Redemption of Bonds from Prepayments or Other Sources**

Property owners within the Taxing Jurisdictions are permitted to prepay their Special Taxes at any time. Such prepayments will result in a redemption of Local Obligations on the first March 1 or September 1 which is more than 30 days following the receipt of the prepayment. The proceeds of the Local Obligations so redeemed will then be used to make a mandatory redemption of the Bonds. The Bonds will be called on a pro rata basis from the proceeds of the Local Obligations redeemed from prepayments. Such mandatory redemption of Bonds that were purchased at a price greater than par could reduce the otherwise expected yield on such Bonds. See "THE BONDS — Redemption — *Special Redemption*."

## Property Values

The value of property within the Taxing Jurisdictions is an important factor in evaluating the investment quality of the Bonds. In the event that a property owner defaults in the payment of Special Tax installment, a District's only remedy is to judicially foreclose on that property. Prospective purchasers of the Bonds should not assume that the property within the Taxing Jurisdictions could be sold for the assessed values or minimum market values described herein at a foreclosure sale for delinquent Special Tax installments or for an amount adequate to pay delinquent Special Tax installments.

The assessed values set forth in this Official Statement do not represent market values arrived at through an appraisal process and generally reflect only the sales price of a parcel when acquired by its current owner, increased or decreased annually by an amount determined by the Riverside County Assessor based on current market conditions, generally not to exceed an increase of more than 2% per fiscal year from the date of purchase (except in the case of new construction subsequent to such acquisition). No assurance can be given that a parcel could actually be sold for its assessed value.

The actual market value of the property is subject to future events such as downturn in the economy, occurrences of certain acts of nature and the decisions of various governmental agencies as to land use, all of which could adversely impact the value of the land in the Taxing Jurisdictions which is the security for the Local Obligations, which secure the Bonds. As discussed herein, many factors could adversely affect property values or prevent or delay further land development within the Taxing Jurisdictions.

## Natural Disasters

[The land within the Taxing Jurisdictions, like all California communities, may be subject to unpredictable seismic activity, fires, floods, or other natural disasters. Southern California is a seismically active area. Seismic activity represents a potential risk for damage to buildings, roads, and property within the Taxing Jurisdictions. In addition, land susceptible to seismic activity may be subject to liquefaction during the occurrence of such event. The property within the Taxing Jurisdictions is not located in an Alquist Priolo Earthquake Study Zone though it is located in close proximity to the San Andreas Fault. The Taxing Jurisdictions are not located in a flood plain area.

In recent years, wildfires have caused extensive damage throughout the State. In some instances, entire neighborhoods have been destroyed. Several of the fires that occurred in recent years damaged or destroyed property in areas that were not previously considered to be at risk from such events. Some commentators believe that climate change will lead to even more frequent and more damaging wildfires in the future. Additionally, wildfires increase the risk of mudslides in areas like the Taxing Jurisdictions that are surrounded by hillsides. In general, property damage due to wildfire or mudslides could result in a significant decrease in the market value of property in the Taxing Jurisdictions and in the ability or willingness of property owners to pay Special Taxes.

Western Riverside County, in which the Taxing Jurisdictions are located, has previously experienced large scale wildfires that resulted in the destruction of homes and businesses. According to the City's Municipal Code, which incorporates portions of the County's Ordinance 787 and the California Fire Code by reference, none of the Taxing Jurisdictions are located in a Very High Fire Hazard Severity Zone. More information regarding Fire Hazard Severity Zones, including the most recent Fire Hazard Severity Zone Maps, can be found at the California Department of Forestry and Fire Protection website at <http://frap.fire.ca.gov/index>, though such website is not incorporated herein by reference. Homeowner's insurance is available to property owners within the Taxing Jurisdictions, and the coverage provided by such insurance typically insures against fire damage, although there is no assurance that homeowners within the Taxing Jurisdictions will purchase or maintain such insurance.

In the event of a severe earthquake, fire, flood or other natural disaster, there may be significant damage to both property and infrastructure in the Taxing Jurisdictions. As a result, a substantial portion of the property owners may be unable or unwilling to pay the Special Taxes when due. In addition, the value of land in the Taxing Jurisdictions could be diminished in the aftermath of such a natural disaster, reducing the resulting proceeds of foreclosure sales in the event of delinquencies in the payment of the Special Taxes.]

### **Hazardous Substances**

The value of a parcel may be reduced as a result of the presence of a hazardous substance. In general, the owners and operators of a parcel may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as “CERCLA” or the “Superfund Act,” is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner or operator is obligated to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the taxed parcels be affected by a hazardous substance, is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

Further, it is possible that liabilities may arise in the future with respect to any of the parcels resulting from the existence, currently, on the parcel of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the value of a parcel that is realizable upon a delinquency.

None of the Authority, the District or the City has knowledge of any hazardous substances being located on the property within the Taxing Jurisdictions; however, such entities have not conducted any investigation with respect to hazardous substances within the Taxing Jurisdictions.

### **Parity Taxes and Special Assessments**

Property within the Taxing Jurisdictions is subject to taxes and other charges levied by several other public agencies. See the discussion of direct and overlapping indebtedness under the heading Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.” Neither the Authority, the District nor the City has control over the ability of other entities and districts to issue indebtedness secured by special taxes or assessments payable from all or a portion of the property within the Taxing Jurisdictions.

The Special Taxes and any penalties thereon will constitute a lien against the lots and parcels of land on which they will be annually imposed until they are paid. Such lien is on a parity with the lien of all special taxes and special assessments levied by other agencies and is co-equal to and independent of the lien for general *ad valorem* property taxes regardless of when they are imposed upon the same property. The Special Taxes have priority over all existing and future private liens imposed on the property. See “— Bankruptcy and Foreclosure” below.

None of the Authority, the District or the City has control over the ability of other entities and districts to issue indebtedness secured by special taxes, *ad valorem* taxes or assessments payable from all or a portion of the property within the Taxing Jurisdictions. In addition, the landowners within the Taxing Jurisdictions may, without the consent or knowledge of the Authority, the District or the City, petition other public agencies to issue public indebtedness secured by special taxes, *ad valorem* taxes or assessments. Any such special taxes, *ad valorem* taxes or assessments may have a lien on such property on a parity with the Special Taxes

and could reduce the estimated value-to-lien ratios for property within the Taxing Jurisdictions described in this Official Statement.

### **Payment of the Special Tax is not a Personal Obligation of the Owners**

An owner of a taxable parcel is not personally obligated to pay the Special Tax. Rather, the Special Tax is an obligation which is secured only by a lien against the taxable parcel. If the proceeds received from the sale of a taxable parcel following a Special Tax delinquency are not sufficient, taking into account other liens imposed by public agencies, to pay the full amount of the Special Tax delinquency, the District has no recourse against the owner of the parcel.

### **Disclosures to Future Purchasers**

The willingness or ability of an owner of a parcel to pay the Special Tax may be affected by whether or not the owner was given due notice of the Special Tax authorization at the time the owner purchased the parcel, was informed of the amount of the Special Tax on the parcel should the Special Tax be levied at the maximum tax rate and the risk of such a levy and, at the time of such a levy, has the ability to pay it as well as pay other expenses and obligations. The City has caused a notice of the Special Tax that may be levied against the taxable parcels in each Taxing Jurisdiction to be recorded in the Office of the Recorder for the County. While title companies normally refer to such notices in title reports, there can be no guarantee that such reference will be made or, if made, that a prospective purchaser or lender will consider such Special Tax obligation in the purchase of a property within the Taxing Jurisdictions or lending of money thereon.

The Mello-Roos Act requires the subdivider (or its agent or representative) of a subdivision to notify a prospective purchaser or long-term lessor of any lot, parcel, or unit subject to a Mello-Roos special tax of the existence and maximum amount of such special tax using a statutorily prescribed form. California Civil Code Section 1102.6b requires that in the case of transfers other than those covered by the above requirement, the seller must at least make a good faith effort to notify the prospective purchaser of the special tax lien in a format prescribed by statute. Failure by an owner of the property to comply with the above requirements, or failure by a purchaser or lessor to consider or understand the nature and existence of the Special Tax, could adversely affect the willingness and ability of the purchaser or lessor to pay the Special Tax when due.

### **Special Tax Delinquencies**

Under provisions of the Mello-Roos Act, the Special Taxes, from which funds necessary for the payment of principal of and interest on the Local Obligations and, thus, the Bonds are derived, are customarily billed to the properties within the District on the *ad valorem* property tax bills sent by the County to owners of such properties. The Mello-Roos Act currently provides that such Special Tax installments are due and payable, and bear the same penalties and interest for non-payment, as do *ad valorem* property tax installments.

See the delinquency tables in Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS” for the delinquency history of each Taxing Jurisdiction over the last five Fiscal Years.

See “SECURITY FOR THE LOCAL OBLIGATIONS — Covenants of the District — *Commence Foreclosure Proceedings*,” for a discussion of the provisions which apply, and procedures which the District is obligated to follow under the Local Obligation Bond Indentures, in the event of delinquencies in the payment of Special Taxes. See “— Bankruptcy and Foreclosure” below for a discussion of the policy of the Federal Deposit Insurance Corporation (the “FDIC”) regarding the payment of special taxes and assessment and limitations on the District’s ability to foreclose on the lien of the Special Taxes in certain circumstances.

The District has the authority and the obligation, subject to the Act and the maximum Special Tax rates set forth in each Rate and Method, to increase the levy of Special Taxes against non-delinquent property owners in the applicable Taxing Jurisdiction in the event other owners within such Taxing Jurisdiction are

delinquent. Pursuant to each Rate and Method, under no circumstances may the Special Tax levied against any parcel for which an occupancy permit for private residential use has been issued be increased by more than 10% per fiscal year as a consequence of delinquency or default by the owner of any other parcel or parcels within the Taxing Jurisdiction. Thus, the District may not be able to increase Special Tax levies in future fiscal years by enough to make up for delinquencies for prior fiscal years. This would result in draws on the Reserve Fund, and if delinquencies continue and in the aggregate exceed the Reserve Fund balance, defaults would occur in the payment of principal and interest on the Bonds.

### **Insufficiency of Special Taxes**

Notwithstanding that the maximum Special Taxes that may be levied in the Taxing Jurisdictions exceeds debt service due on the Local Obligations, the Special Taxes collected could be inadequate to make timely payment of debt service either because of nonpayment or because property becomes exempt from taxation.

The Rate and Method of Apportionment of Special Tax governing the levy of the Special Taxes within each Taxing Jurisdiction expressly exempts up to a specified number of acres of property owned by public entities, homeowner associations, churches and other specified owners. If for any reason property within a Taxing Jurisdiction becomes exempt from taxation by reason of ownership by a non-taxable entity such as the federal government, another public agency or other organization determined to be exempt, subject to the limitations of the maximum authorized rates, the Special Tax will be reallocated to the remaining taxable properties within such Taxing Jurisdiction. This could result in certain owners of property paying a greater amount of the Special Tax and could have an adverse impact upon the ability and willingness of the owners of such property to pay the Special Tax when due.

The Mello-Roos Act provides that, if any property within a Taxing Jurisdiction not otherwise exempt from the Special Tax is acquired by a public entity through a negotiated transaction, or by gift or devise, the Special Tax will continue to be levied on and enforceable against the public entity that acquired the property. In addition, the Mello-Roos Act provides that, if property subject to the Special Tax is acquired by a public entity through eminent domain proceedings, the obligation to pay the Special Tax with respect to that property is to be treated as if it were a special assessment and be paid from the eminent domain award. The constitutionality and operation of these provisions of the Mello-Roos Act have not been tested in the courts. Due to problems of collecting taxes from public agencies, if a substantial portion of land within a Taxing Jurisdiction became owned by public agencies, collection of the Special Tax might become more difficult and could result in collections of the Special Tax which might not be sufficient to pay principal of and interest on the related Local Obligations when due, or if a substantial portion of land within a Taxing Jurisdiction became exempt from the Special Tax because of public ownership, or otherwise, the maximum Special Taxes which could be levied upon the remaining taxable property therein might not be sufficient to pay principal of and interest on the related Local Obligations when due, and in either case a default could occur with respect to the payment of such principal and interest, and, in turn, a default could occur in the payment of the principal and interest on the Bonds.

Moreover, under no circumstances may the Special Tax levied against any parcel for which an occupancy permit for private residential use has been issued within a Taxing Jurisdiction be increased by more than 10% per fiscal year as a consequence of delinquency or default by the owner of any other parcel or parcels within such Taxing Jurisdiction. Thus, the District may not be able to increase Special Tax levies in a Taxing Jurisdiction in future fiscal years by enough to make up for delinquencies within such Taxing Jurisdiction for prior fiscal years. This may result in draws on the Reserve Fund, and if delinquencies continue and in the aggregate exceed the Reserve Fund balance, defaults would occur in the payment of principal and interest on the Bonds. See "SECURITY FOR THE LOCAL OBLIGATIONS — Special Taxes; Gross Special Taxes; Net Special Taxes."

## Risks Associated with Bond Insurance

In the event that the Authority defaults in the payment of principal of or interest on the Bonds when due, the Owners of the Bonds will have a claim under the Policy for such payments. See the caption “BOND INSURANCE.” In the event that the Insurer becomes obligated to make payments on the Bonds, no assurance can be given that such event will not adversely affect the market for the Bonds. In the event that the Insurer is unable to make payments of principal of or interest on the Bonds when due under the Policy, the Bonds will be payable solely from Revenues and amounts that are held in certain funds and accounts established under the Indenture, as described under the caption “SECURITY FOR THE BONDS.”

The long-term credit rating on the Bonds is dependent in part on the financial strength of the Insurer and its claims-paying ability. The Insurer’s financial strength and claims-paying ability are predicated upon a number of factors which could change over time. If the long-term ratings of the Insurer are lowered, such event could adversely affect the market for the Bonds. See the caption “MISCELLANEOUS—Rating.”

None of the Authority, the District, the City or the Underwriter has made an independent investigation of the claims-paying ability of the Insurer, and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is being made by the Authority, the District, the City or the Underwriter in this Official Statement. Therefore, when making an investment decision with respect to the Bonds, potential investors should carefully consider the ability of the Authority to pay principal and interest on the Bonds, assuming that the Policy is not available to pay principal and interest on the Bonds, and the claims-paying ability of the Insurer through final maturity of the Bonds.

So long as the Policy remains in effect and the Insurer is not in default of its obligations thereunder, the Insurer has certain notice, consent and other rights under the Indenture and will have the right to control all remedies in the event of a default under the Indenture as to the Bonds. The Insurer is not required to obtain the consent of the Owners of the Bonds with respect to the exercise of remedies. See Appendix B.

## FDIC/Federal Government Interests in Properties

**General.** The ability of the District to foreclose the lien of delinquent unpaid Special Tax installments may be limited with regard to properties in which the Federal Deposit Insurance Corporation (the “FDIC”), the Drug Enforcement Agency, the Internal Revenue Service, or other federal agency has or obtains an interest.

The supremacy clause of the United States Constitution reads as follows: “This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the contrary notwithstanding.”

This means that, unless Congress has otherwise provided, if a federal governmental entity owns a parcel that is subject to Special Taxes within the Taxing Jurisdictions but does not pay taxes and assessments levied on the parcel (including Special Taxes), the applicable state and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

Moreover, unless Congress has otherwise provided, if the federal government has a mortgage interest in the parcel and the District wishes to foreclose on the parcel as a result of delinquent Special Taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to pay delinquent taxes and assessments on a parity with the Special Taxes and preserve the federal government’s mortgage interest. In *Rust v. Johnson* (9th Circuit; 1979) 597 F.2d 174, the United States Court of Appeal, Ninth Circuit held that the Federal National Mortgage Association (“FNMA”) is a federal instrumentality for purposes of this doctrine, and not a private entity, and that, as a result, an exercise of state power over a mortgage interest held by FNMA constitutes an exercise of state power over property of the United States.

The District has not undertaken to determine whether any federal governmental entity currently has, or is likely to acquire, any interest (including a mortgage interest) in any of the parcels subject to the Special Taxes within the Taxing Jurisdictions, and therefore expresses no view concerning the likelihood that the risks described above will materialize while the Bonds are outstanding.

**FDIC.** In the event that any financial institution making any loan which is secured by real property within the Taxing Jurisdictions is taken over by the FDIC, and prior thereto or thereafter the loan or loans go into default, resulting in ownership of the property by the FDIC, then the ability of the District to collect interest and penalties specified by State law and to foreclose the lien of delinquent unpaid Special Taxes may be limited. The FDIC's policy statement regarding the payment of state and local real property taxes (the "Policy Statement") provides that property owned by the FDIC is subject to state and local real property taxes only if those taxes are assessed according to the property's value, and that the FDIC is immune from real property taxes assessed on any basis other than property value. According to the Policy Statement, the FDIC will pay its property tax obligations when they become due and payable and will pay claims for delinquent property taxes as promptly as is consistent with sound business practice and the orderly administration of the institution's affairs, unless abandonment of the FDIC's interest in the property is appropriate. The FDIC will pay claims for interest on delinquent property taxes owed at the rate provided under state law, to the extent the interest payment obligation is secured by a valid lien. The FDIC will not pay any amounts in the nature of fines or penalties and will not pay nor recognize liens for such amounts. If any property taxes (including interest) on FDIC-owned property are secured by a valid lien (in effect before the property became owned by the FDIC), the FDIC will pay those claims. The Policy Statement further provides that no property of the FDIC is subject to levy, attachment, garnishment, foreclosure or sale without the FDIC's consent. In addition, the FDIC will not permit a lien or security interest held by the FDIC to be eliminated by foreclosure without the FDIC's consent.

The Policy Statement states that the FDIC generally will not pay non-*ad valorem* taxes, including special assessments, on property in which it has a fee interest unless the amount of tax is fixed at the time that the FDIC acquires its fee interest in the property, nor will it recognize the validity of any lien to the extent it purports to secure the payment of any such amounts. Special taxes imposed under the Act and a special tax formula which determines the special tax due each year are specifically identified in the Policy Statement as being imposed each year and therefore covered by the FDIC's federal immunity. The Ninth Circuit has issued a ruling on August 28, 2001 in which it determined that the FDIC, as a federal agency, is exempt from special taxes under the Act.

The District is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency in the payment of Special Taxes on a parcel within the Taxing Jurisdictions in which the FDIC has or obtains an interest, although prohibiting the lien of the Special Taxes to be foreclosed out at a judicial foreclosure sale could reduce or eliminate the number of persons willing to purchase a parcel at a foreclosure sale. Such an outcome could cause a draw on the Reserve Account and perhaps, ultimately, if enough property were to become owned by the FDIC, a default in payment on the Bonds.

### **Bankruptcy and Foreclosure**

In the event of a delinquency in the payment of the Special Taxes, the District, under certain circumstances, is required to commence enforcement proceedings as described under the heading "SECURITY FOR THE LOCAL OBLIGATIONS — Covenants of the District." However, prosecution of such proceedings could be delayed due to crowded local court calendars, dilatory legal tactics, or bankruptcy. It is also possible that the District will be unable to realize proceeds in an amount sufficient to pay the applicable delinquency. Moreover, the ability of the District to commence and prosecute enforcement proceedings may be limited by bankruptcy, insolvency and other laws generally affecting creditors' rights (such as the Soldiers' and Sailors' Relief Act of 1940) and by the laws of the State relating to judicial and non-judicial foreclosure. Although bankruptcy proceedings would not cause the liens of the Special Taxes to become extinguished, the amount and priority of any Special Tax liens could be modified if the value of the property falls below the value of the

lien. If the value of the property is less than the lien, such excess amount could be treated as an unsecured claim by the bankruptcy court. In addition, bankruptcy of a property owner could result in a delay in the enforcement proceedings because federal bankruptcy laws provide for an automatic stay of foreclosure and tax sale proceedings. Any such delay could increase the likelihood of delay or default in payment of the principal of and interest on the Local Obligations, and the possibility of delinquent tax installments not being paid in full. The various legal opinions delivered in connection with the issuance of the Bonds, including Bond Counsel's approving legal opinion, are qualified as to the enforceability of the Bonds, the Indenture, the Local Obligations and the Local Obligation Bond Indentures by reference to bankruptcy, reorganization, moratorium, insolvency and other laws affecting the rights of creditors generally or against public corporations such as the District.

### **Funds Invested in the County Investment Pool**

On January 24, 1996, the United States Bankruptcy Court for the Central District of California held that a State statute providing for a priority of distribution of property held in trust conflicted with, and was preempted by, federal bankruptcy law. In that case, the court addressed the priority of the disposition of moneys held in a county investment pool upon bankruptcy of the county. Following payment of the Special Taxes to the District and prior to payment by the District Trustee of debt service on the Local Obligations, such funds may be invested in the name of the City or the District for a period of time in the County investment pool. In the event of a petition of or the adjustment of County debts under Chapter 9 of the Federal Bankruptcy Code, a court might hold that the District and in turn the Authority and the Bond owners do not have a valid and/or prior lien on the Special Taxes or debt service payments on the Local Obligations where such amounts are deposited in the County investment pool and may not provide the Bond owners with a priority interest in such amounts. In that circumstance, unless the Bond owners could "trace" the funds that have been deposited in the County investment pool, the Bond owners would be unsecured (rather than secured) creditors of the County. There can be no assurance that the Bond owners could successfully so trace the Special Taxes or debt service payments.

### **No Acceleration Provision**

The Bonds do not contain a provision allowing for the acceleration of the Bonds in the event of a payment default or other default under the terms of the Bonds or the Indenture. Pursuant to the Indenture, an Owner of the Bonds is given the right for the equal benefit and protection of all owners similarly situated to pursue certain remedies described in Appendix B — "SUMMARY OF PRINCIPAL LEGAL DOCUMENTS — SUMMARY OF AUTHORITY INDENTURE — EVENTS OF DEFAULT AND REMEDIES."

### **Limitations on Remedies**

Remedies available to the Owners of the Bonds may be limited by a variety of factors and may be inadequate to assure the timely payment of principal of and interest on the Bonds or to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Bond Counsel has limited its opinion as to the enforceability of the Bonds and of the Indenture to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws affecting generally the enforcement of creditors' rights, by equitable principles, by the exercise of judicial discretion and by limitations on remedies against public agencies in the State. The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation or modification of the rights of the owners of the Bonds.

### **Loss of Tax Exemption**

As discussed under the caption "LEGAL MATTERS — Tax Matters," interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds

were issued, as a result of future acts or omissions of the Authority, the City or the District in violation of covenants in the Indenture or the Local Obligation Bond Indentures, respectively. Should such an event of taxability occur, the Bonds are not subject to a special redemption and will remain outstanding until maturity or until redeemed under one of the other redemption provisions contained in the Indenture.

A change in the tax status of the interest on the Bonds would likely affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

It is possible that subsequent to the issuance of the Bonds there might be federal, State, or local statutory changes (or judicial or regulatory interpretations of federal, State, or local law) that affect the federal, State, or local tax treatment of the Bonds or the market value of the Bonds. No assurance can be given that subsequent to the issuance of the Bonds such changes or interpretations will not occur. See “LEGAL MATTERS — Tax Matters” below.

### **IRS Audit of Tax-Exempt Bond Issues**

As discussed under “LEGAL MATTERS — Tax Matters,” the Internal Revenue Service (the “IRS”) has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of other similar bonds). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the issuance of the Bonds to the extent that it adversely affects the exclusion from gross income of interest (and original issue discount) on the Bonds or their market value.

### **Limited Secondary Market**

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Although the Authority has committed to provide certain statutorily required financial and operating information, there can be no assurance that such information will be available to Bondowners on a timely basis. See “INTRODUCTION — Continuing Disclosure” and Appendix F — “FORM OF CONTINUING DISCLOSURE AGREEMENT.” Any failure to provide annual financial information, if required, does not give rise to monetary damages but merely an action for specific performance. Occasionally, because of general market conditions, lack of current information, the absence of a credit rating for the Bonds or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price.

### **Proposition 218**

An initiative measure commonly referred to as the “Right to Vote on Taxes Act” (the “Initiative”) was approved by the voters of the State of California at the November 5, 1996 general election. The Initiative added Article XIIC and Article XIID to the California Constitution. According to the “Title and Summary” of the Initiative prepared by the California Attorney General, the Initiative limits “the authority of local governments to impose taxes and property-related assessments, fees and charges.” The provisions of the Initiative continue to be interpreted by the courts. The Initiative could potentially impact the Special Taxes available to the District to pay the principal of and interest on the Local Obligations as described below.

Among other things, Section 3 of Article XIII states that “. . . the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge.”

The Mello-Roos Act provides for a procedure which includes notice, hearing, protest and voting requirements to alter the rate and method of apportionment of an existing special tax. However, the Mello-Roos Act prohibits a legislative body from adopting any resolution to reduce the rate of any special tax or terminate the levy of any special tax pledged to repay any debt incurred pursuant to the Mello-Roos Act unless such legislative body determines that the reduction or termination of the special tax would not interfere with the timely retirement of that debt. On August 1, 1997, a bill was signed into law by the Governor of the State enacting Government Code Section 5854, which states that:

Section 3 of Article XIIC of the California Constitution, as adopted at the November 5, 1996, general election, shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after that date, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights protected by Section 10 of Article I of the United States Constitution.

Accordingly, although the matter is not free from doubt, it is likely that the Initiative has not conferred on the voters the power to repeal or reduce the Special Taxes if such reduction would interfere with the timely retirement of the Local Obligations.

It may be possible, however, for voters or the City Council of the City, acting as the legislative body of the District, to reduce the Special Taxes in a manner which does not interfere with the timely repayment of the Local Obligations, but which does reduce the maximum amount of Special Taxes that may be levied in any year below the existing levels. Therefore, no assurance can be given with respect to the levy of Special Taxes for Administrative Expenses. Furthermore, no assurance can be given with respect to the future levy of the Special Taxes in amounts greater than the amount necessary for the timely retirement of the Local Obligations. Nevertheless, to the maximum extent that the law permits it to do so, the District will covenant in each Local Obligation Bond Indenture executed by it that it will not initiate proceedings under the Mello-Roos Act to reduce the maximum Special Tax rates in a Taxing Jurisdiction below an amount equal to 110% of the debt service for the Local Obligations of such Taxing Jurisdiction in each Bond Year. The District also will covenant in each Local Obligation Bond Indenture executed by it that, in the event an initiative is adopted which purports to alter the Rate and Method of Apportionment of Special Tax for its Taxing Jurisdictions, it will commence and pursue legal action in order to preserve its ability to comply with the foregoing covenant. However, no assurance can be given as to the enforceability of the foregoing covenants.

The California Court of Appeal, Fourth Appellate District, Division One, issued its opinion in *City of San Diego v. Melvin Shapiro, et al.* (D063997) (the "San Diego Decision"). The case involved a Convention Center Facilities District (the "CCFD") established by the City of San Diego ("San Diego"). The CCFD is a financing district much like a community facilities district established under the provisions of the Act. The CCFD is comprised of all of the real property in San Diego. However, the special tax to be levied within the CCFD was to be levied only on hotel properties located within the CCFD.

The election authorizing the special tax was limited to owners of hotel properties and lessees of real property owned by a governmental entity on which a hotel is located. Thus, the election was not a registered voter election. Such approach to determining who would constitute the qualified electors of the CCFD was modeled after Section 53326(c) of the Act, which generally provides that, if a special tax will not be apportioned in any tax year on residential property, the legislative body may provide that the vote shall be by the landowners of the proposed district whose property would be subject to the special tax. The Court held that the CCFD special tax election was invalid under the California Constitution because Article XIII A, Section 4 thereof and Article XIIC, Section 2 thereof require that the electors in such an election be the registered voters within the district.

The facts of the San Diego Decision show that there were thousands of registered voters within the CCFD (*viz.*, all of the registered voters in San Diego). The elections held in each of the Taxing Jurisdictions had less than 12 registered voters within each Taxing Jurisdiction at the time of the elections to authorize the

Special Tax. In the San Diego Decision, the Court expressly stated that it was not addressing the validity of landowner voting to impose special taxes pursuant to the Act in situations where there are fewer than 12 registered voters. Thus, by its terms, the Court's holding does not apply to the Special Tax elections in the Taxing Jurisdictions. Moreover, Section 53341 of the Act provides that any "action or proceeding to attack, review, set aside, void or annul the levy of a special tax...shall be commenced within 30 days after the special tax is approved by the voters." Similarly, Section 53359 of the Act provides that any action to determine the validity of bonds issued pursuant to the Act be brought within 30 days of the voters approving the issuance of such bonds. Voters within the Taxing Jurisdictions approved the Special Tax and the issuance of bonds years ago, and bonds issued on behalf of the Taxing Jurisdictions secured by the Special Taxes have been issued years ago. Based on Sections 53341 and 53359 of the Act and analysis of existing laws, regulations, rulings and court decisions, Bond Counsel is of the opinion that no successful challenge to the Special Tax being levied in accordance with the Rate and Methods may now be brought.

The interpretation and application of the Initiative will continue to be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainty the outcome of such determination or the timeliness of any remedy afforded by the courts. See "SPECIAL RISK FACTORS — Limitations on Remedies."

### **Ballot Initiatives**

Articles XIII A, XIII B, XIII C and XIII D, all of which placed certain limitations on the power of local agencies to tax, collect and expend revenues, were adopted pursuant to measures qualified for the ballot pursuant to California's constitutional initiative process and the State Legislature has in the past enacted legislation which has altered the spending limitations or established minimum funding provisions for particular activities. From time to time, other initiative measures could be adopted by California voters or legislation enacted by the legislature. The adoption of any such initiative or legislation might place limitations on the ability of the State, the City, or the District to increase revenues or to increase appropriations or on the ability of the landowners within the Taxing Jurisdictions to complete proposed future development.

## **LEGAL MATTERS**

### **State and Federal Investigations and Criminal Charges Involving Former City Officials**

On April 22, 2015, the Federal Bureau of Investigation and the Riverside County District Attorney's Office served search warrants on Beaumont City Hall and two other locations. The search warrants and the subsequent investigation resulted in charges for corruption and embezzlement being brought against seven (7) former City officials: former City Manager Alan Kapanicas, former Economic Development Director David Dillon, former City Planner Ernest Egger, former Finance Director William Aylward, former Police Chief Francis Dennis Coe Jr., former Public Works Director Deepak Moorjani and former City Attorney Joseph Sandy Aklufi. Six (6) of these former City officials have pled guilty to date with several of them having agreed to pay restitution in connection with their plea arrangements. City Attorney Joseph Sandy Aklufi pleaded not guilty and his trial has not yet commenced. All of the former officials either resigned or were terminated by 2015.

In addition to the SEC Order described under the caption "INTRODUCTION- SEC Order" and attached as Appendix I, in August 2017, the SEC entered into settlements with former City Manager Alan Kapanicas, the BFA's former underwriter, O'Connor & Company Securities, Inc., and former investment banker Anthony Wetherbee in connection with the BFA's failure to meet its annual continuing disclosure obligations from 2003 to 2013. In consenting to the SEC settlement without admitting or denying the findings, Mr. Kapanicas agreed to be barred from participating in any future municipal offerings and pay a penalty of \$37,500. Additionally, in consenting to the SEC settlement without admitting or denying the findings, O'Connor & Company Securities, Inc., agreed to comply with a number of undertakings and pay a \$150,000

penalty, and Mr. Wetherbee agreed to serve a suspension from the securities industry for six (6) months and pay a \$15,000 penalty.

On May 11, 2017, the Riverside County District Attorney on behalf of the Criminal Grand Jury of the County of Riverside filed an indictment against former Beaumont City Councilmember Mark Orozco accusing him of ten (10) felony counts, including attempting to solicit a bribe from Pardee Homes. On September 28, 2017, Mr. Orozco pleaded guilty to one (1) felony count of bribery and one (1) felony count of perjury. Mr. Orozco resigned from the City Council on October 24, 2017, and agreed not to seek another public office.

### **State Controller Investigation**

In May 2015, the State Controller began an investigation into the City's internal accounting controls. In November 2015, the State Controller published its report that included a determination that 75 of the 79 internal control elements evaluated were found to be inadequate. In response, the City immediately took action to address the concerns of the State Controller, and the City has revised its internal control practices to align with the State Controller's recommendations. As a result of issuing its audit for Fiscal Year 2016-17, the City is now in compliance with all 79 internal control elements.

### **Tax Matters**

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California ("Bond Counsel"), under existing statutes, regulations, rulings and judicial decisions, interest with respect to the Bonds is exempt from State of California personal income tax. Interest on the Bonds is not excluded from gross income for federal income tax purposes.

With certain exceptions, the difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of the same maturity is to be sold to the public) and the stated redemption price at maturity (to the extent that such issue price is lower than the stated redemption price at maturity) with respect to such Bond constitutes original issue discount. Original issue discount accrues under a constant yield method. The amount of original issue discount deemed received by the Beneficial Owner of a Bond will increase the Beneficial Owner's basis in the Bond.

The amount by which a Beneficial Owner's original basis for determining gain or loss on sale or exchange of the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium, which a Beneficial Owner may elect to amortize under Section 171 of the Code; such amortizable Bond premium reduces the Beneficial Owner's basis in the applicable Bond (and the amount of taxable interest received), and is deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Beneficial Owner realizing a taxable gain when a Bond is sold by the Beneficial Owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Beneficial Owner. The Beneficial Owners of Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable Bond premium.

In the event of a legal defeasance of a Bond, such Bond might be treated as retired and "reissued" for federal tax purposes as of the date of the defeasance, potentially resulting in recognition of taxable gain or loss to the applicable Beneficial Owner generally equal to the difference between the amount deemed realized from the deemed redemption and reissuance and the Beneficial Owner's adjusted tax basis in such Bond.

See Appendix E — "FORM OF BOND COUNSEL OPINION" for a form of the opinion to be provided by Bond Counsel on the date of issuance of the Bonds.

### **Absence of Litigation**

The Authority will certify at the time the Bonds are issued that no litigation is pending or threatened concerning the validity of the Bonds or the Local Obligations and that no action, suit or proceeding is known by the Authority to be pending that would restrain or enjoin the delivery of the Bonds or the Local Obligations, or contest or affect the validity of the Bonds or the Local Obligations or any proceedings of the Authority taken with respect to the Bonds or the Local Obligations. The District will also certify at the time the Bonds are issued that no litigation is pending or threatened concerning the validity the Local Obligations and that no action, suit or proceeding is known by the District to be pending that would restrain or enjoin the delivery of the Local Obligations, or contest or affect the validity of the Local Obligations or any proceedings of the District taken with respect to the Local Obligations.

### **Legal Opinion**

Certain proceedings in connection with the issuance of the Bonds are subject to the approval as to their legality of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel for the Authority in connection with the issuance of the Bonds. The opinion of Bond Counsel approving the validity of the Bonds substantially in the form attached as Appendix E hereto will be attached to each Bond. Bond Counsel's employment is limited to a review of legal procedures required for the approval of the Bonds and to rendering an opinion as to the validity of the Bonds and the exemption of interest on the Bonds from income taxation. Bond Counsel expresses no opinion to the Owners of the Bonds as to the accuracy, completeness or fairness of this Official Statement or other offering materials relating to the Bonds and expressly disclaims any duty to do so.

*Payment of the fees of Bond Counsel, Disclosure Counsel, the Underwriter and Underwriter's Counsel is contingent upon issuance of the Bonds.*

## **MISCELLANEOUS**

### **Ratings**

S&P is expected to assign the rating of “\_\_\_” to the Bonds based upon the delivery of the Policy by the Insurer at the time of issuance of the Bonds. See “BOND INSURANCE” herein.

In addition, S&P is expected to assign its underlying rating of “\_\_\_” to the Bonds, independent of the delivery of the Policy. There is no assurance that any credit rating given to the Bonds will be maintained for any period of time or that the rating may not be lowered or withdrawn entirely by S&P if, in the judgment of S&P, circumstances so warrant. Any downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds. Such rating reflects only the views of S&P and an explanation of the significance of such rating may be obtained from S&P. Generally, rating agencies base their ratings on information and materials furnished to them (which may include information and material from the City, the Authority or the District which is not included in this Official Statement) and on investigations, studies and assumptions by the rating agencies.

The Authority has covenanted in a Continuing Disclosure Agreement to file notices of any rating changes on the Bonds. See the caption “—Continuing Disclosure” and Appendix F. Notwithstanding such covenant, information relating to rating changes on the Bonds may be publicly available from the rating agencies prior to such information being provided to the Authority and prior to the date the Authority is obligated to file a notice of rating change. Purchasers of the Bonds are directed to the rating agencies and their respective websites and official media outlets for the most current ratings changes with respect to the Bonds after the initial issuance of the Bonds.

None of the City, the Authority, the District or the Underwriter makes any representation as to the Insurer's creditworthiness or any representation that the Insurer's credit rating will be maintained in the future. The rating agencies have previously taken action to downgrade the ratings of certain municipal bond insurers and have published various releases outlining the processes that they intend to follow in evaluating the ratings of financial guarantors. For some financial guarantors, the result of such evaluations could be a rating affirmation, a change in rating outlook, a review for downgrade or a downgrade. Potential investors are directed to the rating agencies for additional information on the applicable rating agencies' evaluations of the financial guaranty industry and individual financial guarantors, including the Insurer. See the caption "BOND INSURANCE" for further information relating to the Insurer.

### **Verification of Mathematical Accuracy**

Causey, Demgen & Moore, P.C., independent accountants, upon delivery of the Bonds, will deliver a report on the mathematical accuracy of certain computations, contained in schedules provided to them which were prepared by the Underwriter, relating to the sufficiency of moneys and securities deposited into the Escrow Funds to pay, when due, the principal, whether at maturity or upon prior prepayment, interest and prepayment premium requirements of the Prior Improvement Area Bonds, the Prior 2011 Authority Bonds and the Prior 2012 Authority Bonds.

The report of Causey, Demgen & Moore, P.C., will include the statement that the scope of its engagement is limited to verifying the mathematical accuracy of the computations contained in such schedules provided to it, and that it has no obligation to update its report because of events occurring, or data or information coming to its attention, subsequent to the date of its report.

### **Underwriting**

The Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), at a purchase price of \$\_\_\_\_\_ (representing the par amount of the Bonds, less underwriter's discount of \$\_\_\_\_\_).

The purchase agreement relating to the Bonds among the Authority, the District and the Underwriter provides that all Bonds will be purchased if any are purchased, and that the obligation to make such purchase is subject to certain terms and conditions set forth in said purchase contract, including, but not limited to, the approval of certain legal matters by counsel.

### **Continuing Disclosure**

The Authority will execute a continuing disclosure agreement by and between the Authority and Webb Municipal Finance, LLC, as Dissemination Agent, in the form attached hereto as Appendix F for the benefit of the Owners and Beneficial Owners of the Bonds to provide certain financial information and operating data relating to the Authority and the Taxing Jurisdictions (the "Annual Report") and to provide notices of the occurrence of certain enumerated events (the "Listed Events"). The Annual Report will be filed by the Dissemination Agent with the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board ("EMMA"). Notices of Listed Events will be filed by the Dissemination Agent with EMMA. The specific nature of the information to be included in the Annual Reports and the notices of Listed Events is set forth in Appendix F — "FORM OF DISTRICT CONTINUING DISCLOSURE AGREEMENT." The Continuing Disclosure Agreement will be executed and delivered by the Authority in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5) (the "Rule"). The Annual Reports are to be filed by the Authority no later than the April 1 after the end of the Authority's fiscal year, which is currently June 30. The first Annual Report will be due April 1, 2021.

The City Council of the City serves as the governing board of the Authority and all of the City's community facilities districts. In connection with the SEC Order, the BFA conducted a review of

noncompliance with all existing continuing disclosure undertakings of the District with respect to bonds issued by the BFA. See the caption “INTRODUCTION — SEC Order.” The BFA identified omissions and deficiencies in prior continuing disclosure filings for Fiscal Years 2003 through 2017. Such omissions and deficiencies included the late filing of annual reports, the late filing of or failure to file the City’s audited financial statements, the failure to file completed information on the status of facilities being constructed with bond proceeds, and information concerning the certificates of occupancy and certificates of final inspection. Such omissions and deficiencies also included the failure to report certain information concerning the special tax delinquency data and reserve fund balances, cash flow management fund balances, rate stabilization fund balances, improvement fund balances, residual fund balances, special escrow fund balances, the aggregate number of building permits issued and statements of the reserve requirement, cash flow management fund requirement and rate stabilization fund requirement.

The BFA has caused the District to make corrective filings for Fiscal Years 2014 through 2018 with EMMA, including the filing of audited and unaudited financial statements for Fiscal Years 2014 through 2018, supplements to certain prior continuing disclosure annual reports and notices of the failure to file certain continuing disclosure annual reports and audited financial statements.

It should be noted that the Authority is required to file certain financial statements with the Annual Reports. This requirement has been included in the Continuing Disclosure Agreement solely to satisfy the provisions of the Rule. The inclusion of this information does not mean that the Bonds are secured by any resources or property of the Authority other than as described hereinabove. See “SECURITY FOR THE BONDS,” “SECURITY FOR THE LOCAL OBLIGATIONS” and “SPECIAL RISK FACTORS.” It should also be noted that the list of significant events which the Authority has agreed to report includes three items which have absolutely no application whatsoever to the Bonds. These items have been included in the list solely to satisfy the requirements of the Rule. Thus, any implication from the inclusion of these items in the list to the contrary notwithstanding, there are no credit or liquidity providers with respect to the Bonds.

The Continuing Disclosure Agreement will inure solely to the benefit of any Dissemination Agent, the Underwriter and Owners or Beneficial Owners from time to time of the Bonds. A default under the Continuing Disclosure Agreement is not a default under the Indenture and the sole remedy following a default is an action to compel specific performance by the Authority with the terms of the Continuing Disclosure Agreement.

**Additional Information**

References are made herein to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive, and reference is made to such documents and reports for full and complete statements of the contents thereof.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority and the purchasers or Owners of any of the Bonds.

The execution and delivery of this Official Statement has been duly authorized by the Authority.

BEAUMONT PUBLIC IMPROVEMENT AUTHORITY

By: \_\_\_\_\_  
Executive Director

## APPENDIX A

## INFORMATION REGARDING THE TAXING JURISDICTIONS

## Improvement Area No. 8C

**Location and Description.** Improvement Area No. 8C was formed by the City on June 6, 2006 and is located in the northeast portion of the City, southeast of the intersection of Oak Valley Parkway and Cherry Avenue. Improvement Area No. 8C consists of 689 individually owned detached single family residences. The Special Tax obligation for three of the 689 homes have been prepaid, leaving 686 taxable parcels within Improvement Area No. 8C. All 686 parcels are owned by individual homeowners. All 686 taxable parcels will be classified as Developed Property for the Fiscal Year 2020-21 Special Tax levy,

**Assigned Special Taxes.** Table A-1 below sets forth the Special Taxes that are projected to be levied on taxable property within Improvement Area No. 8C in Fiscal Year 2020-21. The Special Taxes in Improvement Area No. 8C may not be levied after Fiscal Year 2050-51. The final maturity of the Improvement Area No. 8C 2020 Bonds is September 1, 2042.

TABLE A-1

**IMPROVEMENT AREA NO. 8C  
PROJECTED ASSIGNED SPECIAL TAXES  
FISCAL YEAR 2020-21**

<i>Tax Class</i>	<i>Description</i>	<i>No. of Units</i>	<i>Assigned Special Tax Per Unit<sup>(1)</sup></i>	<i>Projected Fiscal Year 2020-21 Special Tax Per Unit</i>	<i>Total Projected Fiscal Year 2020-21 Special Tax Levy<sup>(2)</sup></i>	<i>Percent of Total</i>
<u>Zone 1</u>						
1	Residential less than 1,901 sq. ft.	115	\$2,056	\$1,783	\$ 205,061	13.56%
2	Residential 1,901 sq. ft. 2,150 sq.ft.	49	2,222	1,927	94,440	6.24
3	Residential 2,151 sq.ft. to 2,650 sq. ft.	236	2,648	2,297	542,096	35.83
4	Residential 2,651 sq. ft. to 2,900 sq. ft.	55	2,884	2,502	137,604	9.10
5	Residential 2,901 sq. ft. to 3,150 sq. ft.	40	2,944	2,553	102,136	6.75
6	Residential 3,151 sq. ft. to 3,650 sq. ft.	46	3,059	2,653	122,036	8.07
7	Greater than 3,650 sq. ft.	35	3,408	2,956	103,469	6.84
8	Non-Residential Property	0	16,615	0	0	0.00
<u>Zone 2</u>						
1	Residential less than 1,901 sq. ft.	42	2,056	1,783	74,892	4.95
2	Residential 1,901 sq. ft. 2,150 sq.ft.	68	2,222	1,927	131,059	8.66
3	Residential 2,151 sq.ft. to 2,650 sq. ft.	0	2,648	0	0	0.00
4	Residential 2,651 sq. ft. to 2,900 sq. ft.	0	2,884	0	0	0.00
5	Residential 2,901 sq. ft. to 3,150 sq. ft.	0	2,944	0	0	0.00
6	Residential 3,151 sq. ft. to 3,650 sq. ft.	0	3,059	0	0	0.00
7	Greater than 3,650 sq. ft.	0	3,408	0	0	0.00
8	Non-Residential Property	0	26,301	0	0	0.00
<b>Total</b>		<b>686</b>			<b>\$ 1,512,792</b>	<b>100.00%</b>

(1) Special Tax is per acre for Non-Residential and Undeveloped Property.

(2) Levied in an amount sufficient to cover debt service on the Improvement Area No. 8C Bonds and pay Administrative Expenses of \$30,000.

Source: Webb Municipal Finance, LLC.

For the complete text of the Improvement Area No. 8C Rate and Method, see Appendix D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

***Direct and Overlapping Debt.*** The Authority has obtained the assessed values of all of the taxable property (686 taxable parcels) in Improvement Area No. 8C, as established by the County Assessor for Fiscal Year 2019-20, which totals \$221,672,729.

Improvement Area No. 8C is included within the boundaries of overlapping local agencies providing governmental services. Some of these local agencies have outstanding bonds, and/or the authority to issue bonds, payable from taxes or assessments. The existing and authorized indebtedness payable from taxes and assessments that may be levied upon the property within Improvement Area No. 8C is shown in Table A-2 below. In addition to current debt, new community facilities districts and/or special assessment districts could be formed in the future encompassing all or a portion of the property within Improvement Area No. 8C; and such districts or the agencies that formed them could issue more bonds and levy additional special taxes or assessments. The assessed value-to-lien ratio of the property within Improvement Area No. 8C, based on the Fiscal Year 2019-20 assessed values and all such estimated direct and overlapping special tax and assessment indebtedness within Improvement Area No. 8C, and assuming that the Improvement Area No. 8C 2020 Bonds have been issued to refund the Prior Improvement Area No. 8C Bonds, equals approximately 7.85-to-1\*. This ratio does not include other overlapping debt within Improvement Area No. 8C. Taking that direct and overlapping debt into account, the ratio of the aggregate assessed value of the Taxable Property within Improvement Area No. 8C to the total principal amount of all direct and overlapping debt (including general obligation bonded debt) for Improvement Area No. 8C is approximately 6.49-to-1\*.

---

\* *Preliminary, subject to change.*

**TABLE A-2**  
**IMPROVEMENT AREA NO. 8C**  
**DIRECT AND OVERLAPPING DEBT<sup>(1)</sup>**

**I. ASSESSED VALUE**

Assessed Valuation <sup>(1)</sup>	\$ 221,672,729
-----------------------------------	----------------

**II. LAND SECURED BOND INDEBTEDNESS**

<i>Outstanding Direct and Overlapping Bonded Debt</i>	<i>Type</i>	<i>No. of Parcels</i>	<i>Issued</i>	<i>Outstanding<sup>(2)</sup></i>	<i>% Applicable</i>	<i>Amount Applicable</i>
BEAUMONT CFD 93-1 IA 8C	CFD	686	\$ 29,085,000	\$28,245,664	100.00%	\$ 28,245,664*
<b>TOTAL OUTSTANDING LAND SECURED BONDED DEBT<sup>(3)</sup></b>						<b>\$ 28,245,664*</b>

<i>Authorized and Unissued Direct and Overlapping Bonded Debt</i>	<i>Type</i>	<i>No. of Parcels</i>	<i>Authorized</i>	<i>Unissued<sup>(4)</sup></i>	<i>% Applicable</i>	<i>Amount Applicable</i>
BEAUMONT CFD 93-1 IA 8C	CFD	686	\$ 30,000,000	\$ 0	100.00%	\$ 0
<b>TOTAL UNISSUED LAND SECURED INDEBTEDNESS<sup>(4)</sup></b>						<b>\$ 0</b>

<b>TOTAL OUTSTANDING AND UNISSUED LAND SECURED INDEBTEDNESS</b>	<b>\$ 28,245,664*</b>
---	-----------------------

**III. GENERAL OBLIGATION BOND INDEBTEDNESS**

<i>Outstanding Direct and Overlapping Bonded Debt</i>	<i>Type</i>	<i>No. of Parcels</i>	<i>Issued</i>	<i>Outstanding</i>	<i>% Applicable<sup>(5)</sup></i>	<i>Amount Applicable</i>
Beaumont Unified School B & I (0.074380%)	GO	686	\$ 91,658,583	\$ 82,562,937	3.50935%	\$ 2,897,423
MT San Jacinto Comm (0.01320%)	GO	686	190,000,000	164,385,000	0.23781	390,924
San Gorgonio Memorial Healthcare District (0.06990%)	GO	686	108,000,000	106,565,000	2.46194	2,623,568
San Gorgonio Pass Water Agency (0.17750%)	GO	686	0	0	2.28112	0
<b>TOTAL OUTSTANDING GENERAL OBLIGATION BONDED DEBT</b>						<b>\$ 5,911,915</b>

<i>Authorized and Unissued Direct and Overlapping Indebtedness</i>	<i>Type</i>	<i>No. of Parcels</i>	<i>Authorized</i>	<i>Unissued</i>	<i>% Applicable<sup>(5)</sup></i>	<i>Amount Applicable</i>
Beaumont Unified School B & I (0.074380%)	GO	686	\$ 141,000,000	\$ 49,341,417	3.50935 %	\$ 1,731,563
MT San Jacinto Comm (0.01320%)	GO	686	295,000,000	105,000,000	0.23781	249,701
San Gorgonio Memorial Healthcare District (0.06990%)	GO	686	108,000,000	0	2.46194	0
San Gorgonio Pass Water Agency (0.17750%)	GO	237	0	0	2.28112	0
<b>TOTAL UNISSUED GENERAL OBLIGATION INDEBTEDNESS</b>						<b>\$ 1,981,264</b>

<b>TOTAL OUTSTANDING AND UNISSUED GENERAL OBLIGATION INDEBTEDNESS</b>	<b>\$ 7,893,179</b>
---	---------------------

<b>TOTAL OF ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT</b>	<b>\$ 34,157,579*</b>
--	-----------------------

<b>TOTAL OF ALL OUTSTANDING AND UNISSUED DIRECT AND OVERLAPPING INDEBTEDNESS</b>	<b>\$ 36,138,843*</b>
--	-----------------------

**IV. Ratios to 2019-20 Assessed Valuation**

Outstanding Land Secured Bonded Debt	7.85:1*
Total Outstanding Bonded Debt	6.49:1*

\* Preliminary, subject to change.

<sup>(1)</sup> Reflects Fiscal Year 2019-20 assessed value.<sup>(2)</sup> Amount outstanding is equal to the outstanding principal amounts of the Improvement Area 8C Bonds, based on the preliminary principal amount of the Improvement Area 8C 2020 Bonds.<sup>(3)</sup> Additional bonded debt or available bond authorization may exist but is not shown because a tax was not levied for Fiscal Year 2019-20.<sup>(4)</sup> Additional Bonds may be issued for refunding purposes only.<sup>(5)</sup> Percentage applicable determined by Fiscal Year 2019-20 Equalized Roll Assessed Value information.

Source: Webb Municipal Finance, LLC.

**Value-to-Lien.** Construction of homes has been completed on all 689 parcels within Improvement Area No. 8C which have been transferred to individual homeowners. Three parcels have prepaid their Special Tax obligation. Table A-3 below allocates the Special Tax lien and share of the Improvement Area No. 8C Bonds based on the projected Fiscal Year 2020-21 Special Tax levy.

Table A-4 below sets forth the stratification of value-to-liens of the developed parcels within Improvement Area No. 8C based on Fiscal Year 2019-20 assessed value and each parcel's respective share of the principal amount of the Improvement Area No. 8C Bonds (allocated to each parcel based upon its respective share of the total projected Special Tax levy for Fiscal Year 2020-21) and the ratio of the assessed value to its share of the Improvement Area No. 8C Bonds. The ratio of the value of an individual lot within Improvement Area No. 8C to its respective share of the principal amount of the Improvement Area No. 8C Bonds can be expected to vary.

As shown in Table A-4, 52 parcels have value-to-lien ratios below 6.00:1. One of such parcels has reduced assessed value due to Proposition 60/90, which allows property owners aged 55 and older to transfer the base year value of a sold home to a replacement home of equal or lesser value within the same county (Proposition 60), or to another county in California (Proposition 90). This parcel is owned by an individual and has a 1975 base year value. Another of such parcels transferred its base year value due to eminent domain. The remaining 50 parcels were purchased by the current owners at much earlier dates than other properties in Improvement Area No. 8C and as a result of the limitation of assessed valuation growth allowed under Article XIII A of the State Constitution, have lower assessed values.

**TABLE A-3**  
**IMPROVEMENT AREA NO. 8C**  
**ESTIMATED VALUE-TO-LIEN RATIOS**  
**ALLOCATED BY PROPERTY OWNER**

<i>Property Owner</i>	<i>Parcels</i>	<i>Projected Fiscal Year 2020-21 Special Tax Levy<sup>(1)</sup></i>	<i>Percent of Projected Fiscal Year 2020-21 Levy</i>	<i>Fiscal Year 2020-21 Assigned Special Tax</i>	<i>Percent of Total Assigned Special Tax</i>	<i>Fiscal Year 2019-20 Assessed Value</i>	<i>Percent of Fiscal Year 2019-20 Assessed Value</i>	<i>Allocation of CFD 93-1 IA 8C 2020 Bonds*</i>	<i>Allocation of CFD 93-1 IA 8C 2018 Bonds</i>	<i>Allocation of CFD 93-1 IA 8C 2017 Bonds</i>	<i>Total Debt*</i>	<i>Aggregate Value-to-Lien Ratio<sup>(2)*</sup></i>
Individual Owner	2	\$ 4,799	0.32%	\$ 5,533	0.32%	\$ 619,266	0.28%	\$ 18,335	\$ 53,579	\$ 17,687	\$ 89,601	6.91:1
Individual Owner	2	4,481	0.30	5,166	0.30	718,208	0.32	17,120	50,026	16,515	83,661	8.58:1
Individual Owner	2	4,224	0.28	4,870	0.28	572,284	0.26	16,140	47,164	15,570	78,874	7.26:1
Individual Owner	2	4,224	0.28	4,870	0.28	547,537	0.25	16,140	47,164	15,570	78,874	6.94:1
Individual Owner	2	3,566	0.24	4,111	0.24	333,365	0.15	13,626	39,817	13,144	66,587	5.01:1
Individual Owner	1	2,956	0.20	3,408	0.20	525,982	0.24	11,295	33,006	10,896	55,197	9.53:1
Individual Owner	1	2,956	0.20	3,408	0.20	511,182	0.23	11,295	33,006	10,896	55,197	9.26:1
Individual Owner	1	2,956	0.20	3,408	0.20	505,726	0.23	11,295	33,006	10,896	55,197	9.16:1
Individual Owner	1	2,956	0.20	3,408	0.20	497,007	0.22	11,295	33,006	10,896	55,197	9.00:1
Individual Owner	1	2,956	0.20	3,408	0.20	481,257	0.22	11,295	33,006	10,896	55,197	8.72:1
All Others	671	1,476,717	97.62	1,702,481	97.62	216,360,915	97.60	5,642,163	16,487,220	5,442,700	27,572,083	7.85:1
<b>Total</b>	<b>686</b>	<b>\$ 1,512,792</b>	<b>100.00%</b>	<b>\$ 1,744,073</b>	<b>100.00%</b>	<b>\$ 221,672,729</b>	<b>100.00%</b>	<b>\$ 5,780,000</b>	<b>\$ 16,890,000</b>	<b>\$ 5,575,664</b>	<b>\$ 28,245,664</b>	<b>7.85:1</b>

\* Preliminary, subject to change.

<sup>(1)</sup> Projected levy in an amount sufficient to pay debt service for the Improvement Area No. 8C Bonds and Administrative Expenses of \$30,000.

<sup>(2)</sup> Aggregate Value-to-Lien based upon the par amount of the Improvement Area No. 8C Bonds.

Source: Webb Municipal Finance, LLC.

**TABLE A-4**  
**IMPROVEMENT AREA NO. 8C**  
**VALUE-TO-LIEN STRATIFICATION**

Assessed Value-to-Lien <sup>(1)</sup>	No. of Parcels	Percent of Total Parcels	Projected Fiscal Year 2020-21 Special Tax Levy <sup>(2)</sup>	Percent of Projected Fiscal Year 2020-21 Levy	Fiscal Year 2020-21 Assigned Special Tax	Percent of Assigned Special Tax	Fiscal Year 2019-20 Assessed Value	Percent of Fiscal Year 2019-20 Assessed Value	Allocation of IA 8C 2020 Bonds*	Allocation of IA 8C 2018 Bonds	Allocation of IA 8C 2017 Bonds	Total Debt*	Aggregate Value-to-Lien*
Less than 6.00:1 <sup>(3)</sup>	52	7.58%	\$ 108,306	7.16%	\$ 124,864	7.16%	\$ 10,073,927	4.54%	\$ 413,808	\$ 1,209,208	\$ 399,179	\$ 2,022,195	4.98:1
6.00:1 to 7.99:1	300	43.73	686,198	45.36	791,105	45.36	94,083,009	42.44	2,621,788	7,661,247	2,529,102	12,812,137	7.34:1
8.00:1 to 9.99:1	320	46.65	691,144	45.69	796,808	45.69	112,196,126	50.61	2,640,688	7,716,474	2,547,334	12,904,495	8.69:1
10.00:1 to 11.99:1	13	1.90	25,362	1.68	29,240	1.68	4,909,365	2.21	96,903	283,164	93,477	473,543	10.37:1
Greater than 11.99:1 <sup>(4)</sup>	1	0.15	1,783	0.12	2,056	0.12	410,302	0.19	6,813	19,908	6,572	33,293	12.32:1
<b>Total</b>	<b>686</b>	<b>100.00%</b>	<b>\$1,512,792</b>	<b>100.00%</b>	<b>\$ 1,744,073</b>	<b>100.00%</b>	<b>\$ 221,672,729</b>	<b>100.00%</b>	<b>\$ 5,780,000</b>	<b>\$16,890,000</b>	<b>\$ 5,575,664</b>	<b>\$28,245,664</b>	<b>7.85:1</b>

\* Preliminary, subject to change.

<sup>(1)</sup> Assessed Value-to-Lien based upon par amount of the Improvement Area No. 8C Bonds.

<sup>(2)</sup> Levied in an amount sufficient to pay debt service for the Improvement Area No. 8C Bonds and Administrative Expenses of \$30,000.

<sup>(3)</sup> Lowest estimated Value-to-Lien is 0.63:1. See "Value to Lien" above for a discussion of parcels with value to lien ratios below 6.00:1.

<sup>(4)</sup> Highest estimated Value-to-Lien is 12.32:1.

Source: Webb Municipal Finance, LLC.

**Historical Assessed Values.** The following table summarizes the historical and current assessed values within Improvement Area No. 8C over the past 5 Fiscal Years.

**TABLE A-5  
IMPROVEMENT AREA NO. 8C  
HISTORIC ASSESSED VALUE**

<i>Fiscal Year<sup>(1)</sup></i>	<i>Total Parcels<sup>(1)</sup></i>	<i>Land Assessed Value</i>	<i>Improvement Assessed Value</i>	<i>Total Property Assessed Value<sup>(2)</sup></i>	<i>Increase/(Decrease) in Property Assessed Value</i>
2015-16	687	\$34,917,574	\$121,141,241	\$156,058,815	N/A
2016-17	687	37,366,970	163,525,376	200,892,346	28.73% <sup>(4)</sup>
2017-18	687	37,902,308	170,194,564	208,096,872	3.59
2018-19	686 <sup>(3)</sup>	38,217,876	177,209,479	215,427,355	3.52
2019-20	686	38,562,210	183,110,519	221,672,729	2.90

<sup>(1)</sup> There are a total of 689 parcels within Improvement Area No. 8C, three of which have prepaid their respective Special Tax obligation.

<sup>(2)</sup> Net assessed values as of January 1 of each year from the County Assessor’s Roll.

<sup>(3)</sup> Decrease reflects prepayment of Special Tax obligation.

<sup>(4)</sup> Increase primarily a result of additional development activity within Improvement Area No. 8C.

Sources: Webb Municipal Finance, LLC; County Assessor.

**Effective Tax Rate.** Based on the estimated Fiscal Year 2021-22 Special Tax levy, and Fiscal Year 2019-20 tax rates for all other taxing jurisdictions within Improvement Area No. 8C, the total estimated Fiscal Year 2019-20 average effective tax rate for Developed Property in Improvement Area No. 8C is approximately 2.14% of the Fiscal Year 2019-20 average assessed value for parcels with improvement value.

The following Table A-6 sets forth the estimated total tax obligation of property in Improvement Area No. 8C based on average assessed value of a parcel with a completed home (as provided by the County) in Improvement Area No. 8C.

**TABLE A-6**  
**IMPROVEMENT AREA NO. 8C**  
**ESTIMATED AVERAGE FISCAL YEAR 2019-20 TAX OBLIGATION<sup>(1)</sup>**

Average Home Value <sup>(2)</sup>	\$ 324,292
<i>Ad Valorem</i> Property Taxes:	
Basic Levy (1.0000%)	\$ 3,242.92
Beaumont Unified School B & I (0.07438%)	241.21
MT San Jacinto Comm (0.01320%)	42.81
San Gorgonio Memorial Healthcare District (0.06990%)	226.68
San Gorgonio Pass Water District (0.17750%)	<u>575.62</u>
<b>Total General Property Taxes</b>	<b>\$ 4,329.23</b>
Assessment, Special Taxes & Parcel Charges:	
FLD CNTRL STORMWATER/CLEANWATER	\$ 3.74
CFD 93-1 IA 8C CITY OF BEAUMONT <sup>(3)</sup>	2,205.24
CFD 93-1 IA 8C SRV CITY OF BEAUMONT <sup>(4)</sup>	358.42
SAN GORGONIO HOSPITAL MEASURE D	<u>56.70</u>
<b>Total Assessment Charges</b>	<b>\$ 2,624.10</b>
<b>Average Total Property Tax</b>	<b>\$ 6,953.33</b>
<b>Average Effective Tax Rate</b>	<b>2.14%</b>

(1) Average Fiscal Year 2019-20 tax rates based upon Fiscal Year 2019-20 overlapping taxes and assessment rates.

(2) Average Home Value is based upon average assessed values for Developed Property with improvement value for Fiscal Year 2019-20.

(3) Reflects Improvement Area No. 8C average projected Fiscal Year 2020-21 Special Tax levy for facilities for Developed Property with improvement assessed value.

(4) Reflects Improvement Area No. 8C average projected Fiscal Year 2020-21 special tax levy for services for Developed Property with improvement assessed value.

Source: Webb Municipal Finance, LLC; Assessed value information provided by the County.

**Delinquencies.** Unpaid amounts of the Special Taxes become delinquent after December 10 and April 10 of each Fiscal Year. Table A-7 below summarizes the Special Tax delinquencies within Improvement Area No. 8C for the past five Fiscal Years and as of May 31, 2020.

**TABLE A-7**  
**COMMUNITY FACILITIES DISTRICT NO. 93-1 IA 8C**  
**SPECIAL TAX LEVIES, DELINQUENCIES AND DELINQUENCY RATES**  
**FISCAL YEARS 2015-16 THROUGH FISCAL YEAR 2019-20**

<i>Fiscal Year</i>	<i>Amount Levied</i>	<i>Parcels Levied</i>	<i>Delinquencies Following Fiscal Year End</i>			<i>Delinquencies as of May 31, 2020</i>		
			<i>Parcels Delinquent</i>	<i>Amount Delinquent</i>	<i>Percent Delinquent</i>	<i>Parcels Delinquent</i>	<i>Amount Delinquent</i>	<i>Percent Delinquent</i>
2015-16	\$1,496,612.50	655	3	\$5,913.29	0.40%	0	\$ 0.00	0.00%
2016-17	1,613,148.04	687	2	3,951.96	0.24	0	0.00	0.00
2017-18	1,645,407.94	687	0	0.00	0.00	0	0.00	0.00
2018-19	1,526,980.66	686	2	3,477.84	0.23	1	2,318.56	0.15
2019-20	1,556,768.22	686	N/A	N/A	N/A	6	10,816.11	0.69

Source: Webb Municipal Finance, LLC.

**Local Obligation Coverage.** The following table shows the coverage on the Improvement Area No. 8C Bonds if Special Taxes were levied within Improvement Area No. 8C at the Assigned Special Tax rate and annual Administrative Expenses were \$30,000. The District does not expect to levy the Special Tax at the Assigned Special Tax rate and will levy the amount necessary to pay debt service on the Improvement Area No. 8C Bonds and Administrative Expenses.

Under the Act, under no circumstances may the Special Tax levied against any parcel for which an occupancy permit for private residential use has been issued be increased by more than 10% per fiscal year as a consequence of delinquency or default by the owner of any other parcel or parcels within the Taxing Jurisdiction. Thus, the District may not be able to increase Special Tax levies in future fiscal years by enough to make up for delinquencies for prior fiscal years.

**TABLE A-8**  
**IMPROVEMENT AREA NO. 8C BONDS**  
**LOCAL OBLIGATION COVERAGE TABLE\***

<i>Bond Year Ending September 1</i>	<i>Total Assigned Special Taxes<sup>(1)</sup></i>	<i>Annual Administrative Expenses<sup>(2)</sup></i>	<i>Net Special Tax Revenues</i>	<i>IA No. 8C Bonds Debt Service<sup>(3)</sup></i>	<i>Coverage on IA No. 8C Bonds<sup>(1)(4)</sup></i>
2021	\$1,778,954	\$30,000	\$1,748,954	\$1,482,792	117.95%
2022	1,814,533	30,000	1,784,533	1,513,059	117.94
2023	1,850,824	30,000	1,820,824	1,541,996	118.08
2024	1,887,840	30,000	1,857,840	1,573,559	118.07
2025	1,925,597	30,000	1,895,597	1,607,496	117.92
2026	1,964,109	30,000	1,934,109	1,643,496	117.68
2027	2,003,391	30,000	1,973,391	1,676,309	117.72
2028	2,043,459	30,000	2,013,459	1,714,497	117.44
2029	2,084,328	30,000	2,054,328	1,749,808	117.40
2030	2,126,015	30,000	2,096,015	1,787,184	117.28
2031	2,168,535	30,000	2,138,535	1,821,359	117.41
2032	2,211,906	30,000	2,181,906	1,862,634	117.14
2033	2,256,144	30,000	2,226,144	1,905,059	116.85
2034	2,301,267	30,000	2,271,267	1,904,003	119.29
2035	2,347,292	30,000	2,317,292	1,905,002	121.64
2036	2,394,238	30,000	2,364,238	1,903,540	124.20
2037	2,442,123	30,000	2,412,123	1,903,890	126.69
2038	2,490,965	30,000	2,460,965	1,906,452	129.09
2039	2,540,784	30,000	2,510,784	1,909,250	131.51
2040	2,591,600	30,000	2,561,600	1,904,375	134.51
2041	2,643,432	30,000	2,613,432	1,907,625	137.00
2042	2,696,301	30,000	2,666,301	1,903,500	140.07
2043	2,750,227	30,000	2,720,227	1,977,250	137.58
2044	2,805,231	30,000	2,775,231	1,978,500	140.27
2045	2,861,336	30,000	2,831,336	1,981,000	142.92
2046	2,918,563	30,000	2,888,563	1,979,500	145.92
2047	2,976,934	30,000	2,946,934	1,979,000	148.91
2048	3,036,472	30,000	3,006,472	1,979,250	151.90

\* Preliminary, subject to change.

(1) Reflects estimated annual Assigned Special Taxes for 686 taxable units classified as Developed Property. Special Taxes will be levied only in an amount equal to debt service plus annual Administrative Expenses. Under the Act, under no circumstances will the Special Taxes levied against any Assessor's Parcel of Residential Property within Improvement Area No. 8C for which an occupancy permit for private residential use has been issued be increased by more than ten percent per fiscal year as a consequence of delinquency or default by the owner of any other Assessor's Parcel within the Improvement Area.

(2) Priority Administrative Expenses are equal to \$30,000 per year.

(3) Reflects debt service on the Improvement Area No. 8C Bonds.

(4) Calculated by dividing the Net Special Tax Revenues column by the IA No. 8C Bonds Debt Service column.

Source: Webb Municipal Finance, LLC, except for debt service on the Improvement Area No. 8C Bonds, which was provided by the Underwriter.

### Improvement Area No. 17B

**Location and Description.** Improvement Area No. 17B was formed by the City on November 21, 2006 and is located on north of Oak Valley Parkway, west of Desert Lawn Drive in the north-western portion of the City. Improvement Area No. 17B consists of 390 homes. The Special Tax obligation for two of the 390 homes have been prepaid, leaving 388 taxable parcels within Improvement Area No. 17B. The property in Improvement Area No. 17B is builtout with all homes owned by individuals. Improvement Area No. 17B is part of the master-planned community known as "Oak Valley."

**Assigned Special Taxes.** Table A-9 below sets forth the Special Taxes that are projected to be levied on taxable property within Improvement Area No. 17B in Fiscal Year 2020-21. The Special Taxes in Improvement Area No. 17B may not be levied after Fiscal Year 2050-51. The final maturity of the Improvement Area No. 17B Bonds is September 1, 2042.

**TABLE A-9  
IMPROVEMENT AREA NO. 17B  
PROJECTED ASSIGNED SPECIAL TAXES  
FISCAL YEAR 2019-20**

<i>Tax Class</i>	<i>Description</i>	<i>No. of Units</i>	<i>Assigned Special Tax Per Unit<sup>(1)</sup></i>	<i>Projected Fiscal Year 2020-21 Special Tax Per Unit</i>	<i>Total Projected Fiscal Year 2020-21 Special Tax Levy<sup>(2)</sup></i>	<i>Percent of Total</i>
1	Residential Less than 2,000 sq. ft.	122	\$ 2,355	\$1,556	\$ 189,863	28.71%
2	Residential 2,000 sq. ft. to 2,200 sq. ft.	69	2,523	1,667	115,021	17.39
3	Residential 2,201 sq. ft. to 2,400 sq.ft.	33	2,606	1,722	56,823	8.59
4	Residential 2,401 sq. ft. to 2,600 sq. ft.	21	2,648	1,750	36,746	5.56
5	Residential 2,601 sq. ft. to 2,800 sq. ft.	69	2,690	1,778	122,661	18.55
6	Residential 2,801 sq. ft. to 3,200 sq. ft.	68	2,774	1,833	124,619	18.84
7	Residential 3,201 sq. ft. to 3,600 sq. ft.	2	3,650	2,412	4,823	0.73
8	Residential greater than 3,600 sq. ft.	4	4,090	2,703	10,811	1.63
N/A	Non-Residential Zone A	0	17,911	0	0	0.00
N/A	Non-Residential Zone B	0	13,799	0	0	0.00
<b>Total</b>		<b>388</b>			<b>\$ 661,367</b>	<b>100.00%</b>

<sup>(1)</sup> Special Tax is per acre for Non-Residential Property.

<sup>(2)</sup> Levied in an amount sufficient to cover debt service on the Improvement Area No. 17B Bonds and pay Administrative Expenses of \$30,000.

Source: Webb Municipal Finance, LLC.

For the complete text of the Improvement Area No. 17B Rate and Method, see Appendix D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

**Direct and Overlapping Debt.** The Authority has obtained the assessed values of all of the taxable property in Improvement Area No. 17B, as established by the County Assessor for Fiscal Year 2019-20, which totals \$124,338,523.

Improvement Area No. 17B is included within the boundaries of overlapping local agencies providing governmental services. Some of these local agencies have outstanding bonds, and/or the authority to issue bonds, payable from taxes or assessments. The existing and authorized indebtedness payable from taxes and assessments that may be levied upon the property within Improvement Area No. 17B is shown in Table A-10 below. In addition to current debt, new community facilities districts and/or special assessment districts could be formed in the future encompassing all or a portion of the property within Improvement Area No. 17B; and such districts or the agencies that formed them could issue more bonds and levy additional special taxes or assessments. The assessed value-to-lien ratio of the property within Improvement Area No. 17B, based on the Fiscal Year 2019-20 assessed values and all such estimated direct and overlapping special tax and assessment indebtedness within Improvement Area No. 17B, and assuming that the Improvement Area No. 17B Bonds have been issued to refund the Prior Improvement Area No. 17B Bonds, equals approximately 10.52-to-1\*. This ratio does not include other overlapping debt within Improvement Area No. 17B. Taking that direct and

\* Preliminary, subject to change.

overlapping debt into account, the ratio of the aggregate assessed value of the Taxable Property within Improvement Area No. 17B to the total principal amount of all direct and overlapping debt (including general obligation bonded debt) for Improvement Area No. 17B is approximately 8.22-to-1\*.

**TABLE A-10**  
**IMPROVEMENT AREA NO. 17B**  
**DIRECT AND OVERLAPPING DEBT**

**I. ASSESSED VALUE**

Assessed Valuation<sup>(1)</sup> \$ 124,338,523

**II. LAND SECURED BOND INDEBTEDNESS**

<i>Outstanding Direct and Overlapping Bonded Debt</i>	<i>Type</i>	<i>No. of Parcels</i>	<i>Issued</i>	<i>Outstanding<sup>(2)</sup></i>	<i>% Applicable</i>	<i>Amount Applicable</i>
BEAUMONT CFD 93-1 IA 17B	CFD	388	\$ 12,145,000	\$11,815,000	100.00%	\$ 11,815,000*
<b>TOTAL OUTSTANDING LAND SECURED BONDED DEBT<sup>(3)</sup></b>						<b>\$ 11,815,000*</b>

<i>Authorized and Unissued Direct and Overlapping Bonded Debt</i>	<i>Type</i>	<i>No. of Parcels</i>	<i>Authorized</i>	<i>Unissued<sup>(4)</sup></i>	<i>% Applicable</i>	<i>Amount Applicable</i>
BEAUMONT CFD 93-1 IA 17B	CFD	388	\$ 25,000,000	\$ 0	100.00%	\$ 0
<b>TOTAL UNISSUED LAND SECURED INDEBTEDNESS<sup>(3)</sup></b>						<b>\$ 0</b>

**TOTAL OUTSTANDING AND UNISSUED LAND SECURED INDEBTEDNESS** \$ 11,815,000\*

**III. GENERAL OBLIGATION BOND INDEBTEDNESS**

<i>Outstanding Direct and Overlapping Bonded Debt</i>	<i>Type</i>	<i>No. of Parcels</i>	<i>Issued</i>	<i>Outstanding</i>	<i>% Applicable<sup>(5)</sup></i>	<i>Amount Applicable</i>
Beaumont Unified School B & I (0.074380%)	GO	388	\$ 91,658,583	\$ 82,562,937	1.96843%	\$ 1,625,194
MT San Jacinto Comm (0.01320%)	GO	388	190,000,000	164,385,000	0.13339	219,273
San Gorgonio Memorial Healthcare District (0.06990%)	GO	388	108,000,000	106,565,000	1.38093	1,471,587
San Gorgonio Pass Water Agency (0.17750%) <sup>(6)</sup>	GO	388	0	0	1.27951	0
<b>TOTAL OUTSTANDING GENERAL OBLIGATION BONDED DEBT</b>						<b>\$ 3,316,054</b>

<i>Authorized and Unissued Direct and Overlapping Indebtedness</i>	<i>Type</i>	<i>No. of Parcels</i>	<i>Authorized</i>	<i>Unissued</i>	<i>% Applicable<sup>(5)</sup></i>	<i>Amount Applicable</i>
Beaumont Unified School B & I (0.074380%)	GO	388	\$ 141,000,000	\$ 49,341,417	1.96843%	\$ 971,252
MT San Jacinto Comm (0.01320%)	GO	388	295,000,000	105,000,000	0.13339	140,060
San Gorgonio Memorial Healthcare District (0.06990%)	GO	388	108,000,000	0	1.38093	0
San Gorgonio Pass Water Agency (0.17750%) <sup>(6)</sup>	GO	237	0	0	1.27951	0
<b>TOTAL UNISSUED GENERAL OBLIGATION INDEBTEDNESS</b>						<b>\$ 1,111,311</b>

**TOTAL OUTSTANDING AND UNISSUED GENERAL OBLIGATION INDEBTEDNESS** \$ 4,427,366

**TOTAL OF ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT<sup>(7)</sup>** \$ 15,131,054\*

**TOTAL OF ALL OUTSTANDING AND UNISSUED DIRECT AND OVERLAPPING INDEBTEDNESS** \$ 16,242,366\*

**IV. Ratios to 2019-20 Assessed Valuation**

Outstanding Land Secured Bonded Debt	10.52:1*
Total Outstanding Bonded Debt	8.22:1*

\* Preliminary, subject to change.

(1) Based on Fiscal Year 2019-20 assessed value.

(2) Amount outstanding is equal to the initial principal amount of the Improvement Area No. 17B Bonds.

(3) Additional bonded debt or available bond authorization may exist but is not shown because a tax was not levied for Fiscal Year 2019-20.

(4) Additional Bonds may be issued for refunding purposes only.

(5) Percentage applicable determined by Fiscal Year 2019-20 Equalized Roll Assessed Value information.

Source: Webb Municipal Finance, LLC.

**Value-to-Lien.** Home construction has been completed on all 388 taxable parcels within Improvement Area No. 17B which have been transferred to individual homeowners. Table A-11 below allocates the Special Tax lien and share of the Improvement Area No. 17B Bonds based on the projected Fiscal Year 2020-21 Special Tax levy.

Table A-12 below sets forth the stratification of value-to-liens of the developed parcels within Improvement Area No. 17B based on Fiscal Year 2019-20 assessed value and each parcel's respective share of the principal amount of the Improvement Area No. 17B Bonds (allocated to each parcel based upon its respective share of the total projected Special Tax levy for Fiscal Year 2020-21) and the ratio of the assessed value to its share of the Improvement Area No. 17B Bonds. The ratio of the value of an individual lot within Improvement Area No. 17B to its respective share of the principal amount of the Improvement Area No. 17B Bonds can be expected to vary.

**TABLE A-11**  
**IMPROVEMENT AREA NO. 17B**  
**ESTIMATED VALUE-TO-LIEN RATIOS**  
**ALLOCATED BY PROPERTY OWNER**

<i>Property Owner</i>	<i>Parcels</i>	<i>Projected Fiscal Year 2020-21 Special Tax Levy<sup>(1)</sup></i>	<i>Percent of Projected Fiscal Year 2020-21 Levy</i>	<i>Fiscal Year 2020-21 Assigned Special Tax</i>	<i>Percent of Total Assigned Special Tax</i>	<i>Fiscal Year 2019-20 Assessed Value</i>	<i>Percent of Fiscal Year 2019-20 Assessed Value</i>	<i>Allocation of CFD 93-1 IA 17B 2020 Bonds *</i>	<i>Aggregate Value-to-Lien Ratio<sup>(2)*</sup></i>
Individual Owner	3	\$ 5,028	0.76%	\$ 7,609	0.76%	\$ 1,015,396	0.82%	\$ 89,822	11.30:1
Individual Owner	1	2,703	0.41	4,090	0.41	428,480	0.34	48,283	8.87:1
Individual Owner	1	2,703	0.41	4,090	0.41	422,107	0.34	48,283	8.74:1
Individual Owner	1	2,703	0.41	4,090	0.41	380,942	0.31	48,283	7.89:1
Individual Owner	1	2,703	0.41	4,090	0.41	329,803	0.27	48,283	6.83:1
Individual Owner	1	2,412	0.36	3,650	0.36	397,495	0.32	43,081	9.23:1
Individual Owner	1	2,412	0.36	3,650	0.36	383,007	0.31	43,081	8.89:1
Individual Owner	1	1,833	0.28	2,774	0.28	478,584	0.38	32,739	14.62:1
Individual Owner	1	1,833	0.28	2,774	0.28	441,756	0.36	32,739	13.49:1
Individual Owner	1	1,833	0.28	2,774	0.28	436,340	0.35	32,739	13.33:1
All Others	<u>376</u>	<u>635,207</u>	<u>96.04</u>	<u>961,338</u>	<u>96.04</u>	<u>119,624,613</u>	<u>96.21</u>	<u>11,347,667</u>	<u>10.54:1</u>
<b>Total</b>	<b>388</b>	<b>\$661,367</b>	<b>100.00%</b>	<b>\$1,000,929</b>	<b>100.00%</b>	<b>\$ 124,338,523</b>	<b>100.00%</b>	<b>\$ 11,815,000</b>	<b>10.52:1</b>

\* Preliminary, subject to change.

<sup>(1)</sup> Levied in an amount sufficient to pay debt service for the Improvement Area No. 17B Bonds and Administrative Expenses of \$30,000.

<sup>(2)</sup> Aggregate Value-to-Lien based upon the par amount of the Improvement Area No. 17B Bonds.

Source: Webb Municipal Finance, LLC.

**TABLE A-12**  
**IMPROVEMENT AREA NO. 17B**  
**VALUE-TO-LIEN STRATIFICATION**

<i>Assessed Value-to-Lien<sup>(1)</sup></i>	<i>No. of Parcels</i>	<i>Percent of Total Parcels</i>	<i>Projected Fiscal Year 2020-21 Special Tax Levy<sup>(2)</sup></i>	<i>Percent of Projected Fiscal Year 2020-21 Levy</i>	<i>Fiscal Year 2020-21 Assigned Special Tax</i>	<i>Percent of Assigned Special Tax</i>	<i>Fiscal Year 2019-20 Assessed Value</i>	<i>Percent of Fiscal Year 2019-20 Assessed Value</i>	<i>Allocation of CFD 93-1 IA 17B 2020 Bonds</i>	<i>Aggregate Value-to-Lien</i>
Less than 8.00:1 <sup>(3)</sup>	15	3.87%	\$ 26,881	4.06%	\$ 40,682	4.06%	\$ 3,541,265	2.85%	\$ 480,214	7.37:1
8.00:1 to 9.99:1	117	30.15	198,445	30.01	300,332	30.01	32,674,657	26.28	3,545,128	9.22:1
10.00:1 to 11.99:1	203	52.32	345,265	52.20	522,532	52.20	67,816,589	54.54	6,167,987	10.99:1
Greater than 11.99:1 <sup>(4)</sup>	<u>53</u>	<u>13.66</u>	<u>90,776</u>	<u>13.73</u>	<u>137,383</u>	<u>13.73</u>	<u>20,306,012</u>	<u>16.33</u>	<u>1,621,672</u>	12.52:1
<b>Total</b>	<b>388</b>	<b>100.00%</b>	<b>\$ 661,367</b>	<b>100.00%</b>	<b>\$ 1,000,929</b>	<b>100.00%</b>	<b>\$ 124,338,523</b>	<b>100.00%</b>	<b>\$ 11,815,000</b>	<b>10.52:1</b>

<sup>(1)</sup> Assessed Value-to-Lien based upon par amount of the Improvement Area No. 17B Bonds.

<sup>(2)</sup> Levied in an amount sufficient to pay debt service for the Improvement Area No. 17B Bonds and Administrative Expenses of \$30,000.

<sup>(3)</sup> Lowest estimated Value-to-Lien is 5.56:1.

<sup>(4)</sup> Highest estimated Value-to-Lien is 14.62:1.

Source: Webb Municipal Finance, LLC.

**Historical Assessed Values.** The following table summarizes the historical and current assessed values within Improvement Area No. 17B over the past 5 Fiscal Years.

**TABLE A-13**

**IMPROVEMENT AREA NO. 17B  
HISTORIC ASSESSED VALUE**

<i>Fiscal Year<sup>(1)</sup></i>	<i>Total Parcels</i>	<i>Land Assessed Value</i>	<i>Improvement Assessed Value</i>	<i>Total Property Assessed Value<sup>(2)</sup></i>	<i>Increase/(Decrease) in Property Assessed Value</i>
2015-16	388	\$21,900,107	\$ 87,364,941	\$109,265,048	N/A
2016-17	388	22,282,405	90,950,792	113,233,197	3.63%
2017-18	388	22,551,379	93,919,358	116,470,737	2.86
2018-19	388	22,693,547	97,772,458	120,466,005	3.43
2019-20	388	22,972,007	101,366,516	124,338,523	3.21

<sup>(1)</sup> Webb Municipal Finance, LLC is unable to confirm the accuracy of all data for fiscal years prior to Fiscal Year 2015-16.

<sup>(2)</sup> Net assessed values as of January 1 of each year from the County Assessor’s Roll.

Sources: Webb Municipal Finance, LLC; County Assessor.

**Effective Tax Rate.** Based on the estimated Fiscal Year 2021-22 Special Tax levy, and Fiscal Year 2019-20 tax rates for all other taxing jurisdictions within Improvement Area No. 17B, the total estimated Fiscal Year 2019-20 average effective tax rate for Developed Property in Improvement Area No. 17B is approximately 1.99% of the Fiscal Year 2019-20 average assessed value for parcels with improvement value.

The following Table A-14 sets forth the estimated total tax obligation of property in Improvement Area No. 17B based on average assessed value of a parcel with a completed home (as provided by the County) in Improvement Area No. 17B.

**TABLE A-14**

**COMMUNITY FACILITIES DISTRICT NO. 93-1 IMPROVEMENT AREA 17B  
ESTIMATED AVERAGE FISCAL YEAR 2019-20 TAX OBLIGATION<sup>(1)</sup>  
FOR PARCELS OF DEVELOPED PROPERTY**

Average Home Value <sup>(2)</sup>	\$ 320,460
<i>Ad Valorem</i> Property Taxes:	
Basic Levy (1.0000%)	\$ 3,204.60
Beaumont Unified School B & I (0.07438%)	238.36
MT San Jacinto Comm (0.01320%)	42.30
San Gorgonio Memorial Healthcare District (0.06990%)	224.00
San Gorgonio Pass Water District (0.17750%)	<u>568.82</u>
<b>Total General Property Taxes</b>	<b>\$ 4,278.08</b>
Assessment, Special Taxes & Parcel Charges:	
FLD CNTRL STORMWATER/CLEANWATER	\$ 3.74
CFD 93-1 IA 17B CITY OF BEAUMONT <sup>(3)</sup>	1,704.55
CFD 93-1 IA 17B SRV CITY OF BEAUMONT <sup>(4)</sup>	349.12
SAN GORGONIO HOSPITAL MEASURE D	<u>56.70</u>
<b>Total Assessment Charges</b>	<b>\$ 2,114.11</b>
<b>Average Total Property Tax</b>	<b>\$ 6,392.19</b>
<b>Average Effective Tax Rate</b>	<b>1.99%</b>

<sup>(1)</sup> Average Fiscal Year 2019-20 tax rates based upon Fiscal Year 2019-20 overlapping taxes and assessment rates.  
<sup>(2)</sup> Average Home Value is based upon average assessed values for Developed Property with improvement value for Fiscal Year 2019-20.  
<sup>(3)</sup> Reflects Improvement Area No. 8C average projected Fiscal Year 2020-21 Special Tax levy for facilities for Developed Property with improvement assessed value.  
<sup>(4)</sup> Reflects Improvement Area No. 8C average projected Fiscal Year 2020-21 special tax levy for services for Developed Property with improvement assessed value.  
 Source: Webb Municipal Finance, LLC; Assessed value information provided by the County.

**Delinquencies.** Unpaid amounts of the Special Taxes become delinquent after December 10 and April 10 of each Fiscal Year. Table A-15 below summarizes the Special Tax delinquencies within Improvement Area No. 17B for the past five Fiscal Years and as of May 31, 2020.

**TABLE A-15  
CITY OF BEAUMONT  
COMMUNITY FACILITIES DISTRICT NO. 93-1 IA 17B  
SPECIAL TAX LEVIES, DELINQUENCIES AND DELINQUENCY RATES  
FISCAL YEARS 2015-16 THROUGH FISCAL YEAR 2019-20**

<i>Fiscal Year</i>	<i>Amount Levied</i>	<i>Parcels Levied</i>	<i>Delinquencies Following Fiscal Year End</i>			<i>Delinquencies as of May 31, 2020</i>		
			<i>Parcels Delinquent</i>	<i>Amount Delinquent</i>	<i>Percent Delinquent</i>	<i>Parcels Delinquent</i>	<i>Amount Delinquent</i>	<i>Percent Delinquent</i>
2015-16	\$906,569.14	388	3	\$5,787.82	0.64%	0	\$ 0.00	0.00%
2016-17	924,700.12	388	3	5,124.64	0.55	1	1,281.16	0.14
2017-18	893,942.30	388	3	3,528.86	0.39	1	1,238.55	0.14
2018-19	866,334.06	388	4	8,951.38	1.03	0	0.00	0.00
2019-20 <sup>(1)</sup>	872,183.76	388	N/A	N/A	N/A	9	14,382.92	1.65

Source: Webb Municipal Finance, LLC.

**Local Obligation Coverage.** The following table shows the coverage on the Improvement Area No. 17B Bonds if Special Taxes were levied within Improvement Area No. 17B at the Assigned Special Tax rate and annual Administrative Expenses were \$30,000. The District does not expect to levy the Special Tax at the Assigned Special Tax rate and will levy the amount necessary to pay debt service on the Improvement Area No. 17B Bonds and Administrative Expenses.

Under the Act, under no circumstances may the Special Tax levied against any parcel for which an occupancy permit for private residential use has been issued be increased by more than 10% per fiscal year as a consequence of delinquency or default by the owner of any other parcel or parcels within the Taxing Jurisdiction. Thus, the District may not be able to increase Special Tax levies in future fiscal years by enough to make up for delinquencies for prior fiscal years.

**TABLE A-16**  
**IMPROVEMENT AREA NO. 17B BONDS**  
**LOCAL OBLIGATION COVERAGE TABLE**

<i>Bond Year Ending September 1</i>	<i>Total Assigned Special Taxes<sup>(1)</sup></i>	<i>Annual Administrative Expenses<sup>(2)</sup></i>	<i>Net Special Tax Revenues</i>	<i>IA No. 17B Bonds Debt Service</i>	<i>Coverage on IA No. 17B Bonds<sup>(1)(3)</sup></i>
2021	\$1,020,947	\$30,000	\$ 990,947	\$ 631,367	156.95%
2022	1,041,366	30,000	1,011,366	650,063	155.58
2023	1,062,194	30,000	1,032,194	667,188	154.71
2024	1,083,438	30,000	1,053,438	683,375	154.15
2025	1,105,106	30,000	1,075,106	698,625	153.89
2026	1,127,208	30,000	1,097,208	717,938	152.83
2027	1,149,753	30,000	1,119,753	741,125	151.09
2028	1,172,748	30,000	1,142,748	758,000	150.76
2029	1,196,203	30,000	1,166,203	778,750	149.75
2030	1,220,127	30,000	1,190,127	803,188	148.18
2031	1,244,529	30,000	1,214,529	821,125	147.91
2032	1,269,420	30,000	1,239,420	837,750	147.95
2033	1,294,808	30,000	1,264,808	858,063	147.40
2034	1,320,704	30,000	1,290,704	881,875	146.36
2035	1,347,118	30,000	1,317,118	904,000	145.70
2036	1,374,061	30,000	1,344,061	924,438	145.39
2037	1,401,542	30,000	1,371,542	948,188	144.65
2038	1,429,573	30,000	1,399,573	975,063	143.54
2039	1,458,164	30,000	1,428,164	999,875	142.83
2040	1,487,328	30,000	1,457,328	1,027,625	141.82
2041	1,517,074	30,000	1,487,074	1,028,125	144.64
2042	1,547,416	30,000	1,517,416	1,032,313	146.99

<sup>(1)</sup> Reflects estimated annual Assigned Special Taxes for 146 units classified as Developed Property. Special Taxes will be levied only in an amount equal to 110% of debt service plus annual Administrative Expenses. Under the Act, under no circumstances will the Special Taxes levied against any Assessor's Parcel of Residential Property within Improvement Area No. 17B for which an occupancy permit for private residential use has been issued be increased by more than ten percent per fiscal year as a consequence of delinquency or default by the owner of any other Assessor's Parcel within the Improvement Area.

<sup>(2)</sup> Priority Administrative Expenses are equal to \$30,000 per year.

<sup>(3)</sup> Calculated by dividing the Net Special Tax Revenues column by the IA No. 17B Bonds Debt Service column.

Source: Webb Municipal Finance, LLC, except for debt service on the Improvement Area No. 17B Bonds, which was provided by the Underwriter.

**APPENDIX B****SUMMARY OF PRINCIPAL DOCUMENTS**

*The following is a brief summary of certain provisions of the Indenture governing the terms of the Bonds and the form of Local Obligation Bond Indenture which is being separately executed by the District (on behalf of the Improvement Areas), each governing the terms of the Local Obligations. This summary includes only the provisions of the documents not already summarized in the Official Statement and does not purport to be complete and is qualified in its entirety by reference to said documents.*

[TO COME]

**APPENDIX C**

**DEMOGRAPHIC INFORMATION REGARDING THE COUNTY OF RIVERSIDE  
AND THE CITY OF BEAUMONT**

*The Bonds are not obligations of the City of Beaumont (the “City”) or the County of Riverside (the “County”) and do not represent a lien or charge against any funds or property of the City or the County. The following information is provided only to give prospective investors an overview of the general economic condition of the City, the County and the State of California (the “State”).*

[TO COME]

**APPENDIX D**

**RATES AND METHODS OF APPORTIONMENT  
OF SPECIAL TAXES FOR  
THE TAXING JURISDICTIONS**

---

**AMENDED AND RESTATED  
RATE AND METHOD OF APPORTIONMENT FOR  
IMPROVEMENT AREA NO. 8C (SUNDANCE) OF  
COMMUNITY FACILITIES DISTRICT NO. 93-1  
OF THE CITY OF BEAUMONT**

A Special Tax as hereinafter defined shall be levied on and collected in Improvement Area No. 8C (“IA No. 8C”) of Community Facilities District No. 93-1 of the City of Beaumont (“CFD No. 93-1”) each Fiscal Year, in an amount determined by the City Council of the City of Beaumont through the application of the appropriate Special Tax for “Developed Property,” “Final Map Property,” and “Undeveloped Property,” as described below. All of the real property in IA No. 8C of CFD No. 93-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

**SECTION A  
DEFINITIONS**

The terms hereinafter set forth have the following meanings:

“**Acre or Acreage**” means the land area of an Assessor’s Parcel as shown on an Assessor’s Parcel Map, or if the land area is not shown on art Assessor’s Parcel Map, the land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map. The square footage of an Assessor’s Parcel is equal to the Acreage multiplied by 43,560.

“**Act**” means the Mello-Roos Communities Facilities Act of 1982 as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means any ordinary and necessary expense incurred by the City to carry out the administration of IA No. 8C of CFD No. 93-1 related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes including the expenses of collecting delinquencies, the administration of Bonds, the payment of salaries and benefits of any City employee whose duties are directly related to the administration of IA No. 8C, and costs otherwise incurred in order to carry out the authorized purposes of IA No. 8C.

“**Assessor’s Parcel**” means a lot or parcel of land designated on an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number within the boundaries of CFD No. 93-1.

“**Assessor’s Parcel Map**” means an official map of the Assessor of the County designating parcels by Assessor’s Parcel Number.

“**Assessor’s Parcel Number**” means that number assigned to an Assessor’s Parcel by the County for purposes of identification.

“**Assigned Special Tax for Facilities**” means the Special Tax of that name described in Section D below.

“**Backup Special Tax for Facilities**” means the Special Tax of that name described in Section E below.

“**Bonds**” means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which Special Taxes for Facilities have been pledged.

“**Building Permit**” means a permit for new construction for a residential dwelling or non-residential structure. For purposes of this definition, “Building Permit” shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for human habitation.

“**Building Square Footage**” or “**BSF**” means the square footage of assessable internal living space, exclusive of garages or other structures not used as living space, as determined by reference to the building permit application for such Assessor’s Parcel.

“**Calendar Year**” means the period commencing January 1 of any year and ending the following December 31.

“**CFD Administrator**” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“**CFD No. 93-1**” means Community Facilities District No. 93-1 established by the City under the Act.

“**City**” means the City of Beaumont.

“**City Council**” means the City Council of the City, acting as the Legislative Body of CFD No. 93-1, or its designee.

“**Consumer Price Index**” means the index published monthly by the U.S. Department of Labor, Bureau of Labor Statistics for all urban consumers in the Los Angeles-Riverside-Orange County area.

“**County**” means the County of Riverside.

“**Developed Property**” means all Assessor’s Parcels that: (i) were issued Building Permits on or before June 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied, and (ii) were created on or before the January 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied, and that each such Assessor’s Parcel is associated with a Lot, as reasonably determined by the City.

“**Exempt Property**” means all Assessor’s Parcels designated as being exempt from Special Tax as determined in Section J.

“**Final Map**” means a subdivision of property evidenced by the recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) or the recordation of a condominium plan pursuant to California Civil Code 1352 that creates individual lots for which Building Permits may be issued without further subdivision.

“**Final Map Property**” means all Assessor’s Parcels: (i) that are included in a Final Map that was recorded prior to the January 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied, and (ii) for which a Building Permit was not issued prior to the June 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied.

“**Fiscal Year**” means the period commencing on July 1 of any year and ending the following June 30.

“**Improvement Area No 8C**” or “**IA No. 8C**” means Improvement Area No. 8C as depicted on the boundary map of CFD No. 93-1.

**“Lot”** means an individual legal lot created by a Final Map, identified by an Assessor’s Parcel Number for which a Building Permit could be issued.

**“Maximum Special Tax”** means the Maximum Special Tax for Facilities and Maximum Special Tax for Services.

**“Maximum Special Tax for Facilities”** means the maximum Special Tax, determined in accordance with Section C that can be levied by CFD No. 93-1 in any Fiscal Year on any Assessor’s Parcel.

**“Maximum Special Tax for Services”** means the maximum Special Tax, determined in accordance with Section C that can be levied by CFD No. 93-1 in any Fiscal Year on any Assessor’s Parcel.

**“Non-Residential Property”** means all Assessor’s Parcels of Developed Property for which a Building Permit was issued for any type of non-residential use.

**“Operating Fund”** means a fund that shall be maintained for IA No. 8C of CFD No. 93-1 for any Fiscal Year to pay for the actual costs of maintenance, repair, and replacement of the Service Area, and the Administrative Expenses.

**“Operating Fund Balance”** means the amount of funds in the Operating Fund at the end of the preceding Fiscal Year.

**“Partial Prepayment Amount”** means the amount required to prepay a portion of the Special Tax for Facilities obligation for an Assessor’s Parcel, as described in Section H.

**“Prepayment Amount”** means the amount required to prepay the Special Tax for Facilities obligation in full for an Assessor’s Parcel, as described in Section G.

**“Proportionately”** means that (i) the ratio of the actual Special Tax for Facilities levy to the applicable Assigned Special Tax for Facilities is equal for all applicable Assessor’s Parcels and (ii) the ratio of the actual Special Tax for Services levy to the applicable Maximum Special Tax for Services is equal for all applicable Assessor’s Parcels. In case of Developed Property subject to the apportionment of the Special Tax for Facilities under step four of Section F, “Proportionately” in step four means that the quotient of (a) the actual Special Tax for Facilities levy less the Assigned Special Tax for Facilities divided by (b) the Backup Special Tax for Facilities less the Assigned Special Tax for Facilities, is equal for all applicable Assessor’s Parcels.

**“Residential Property”** means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing one or more residential dwelling units.

**“Service Area”** means the landscape parkways, neighborhood park, easements and green belts within the boundaries of IA No. 8C and the City of Beaumont, and IA No. 8C’s fair share of storm drain and flood control facilities.

**“Special Tax”** means Special Tax for Facilities and Special Tax for Services.

**“Special Tax for Facilities”** means any of the special taxes authorized to be levied by CFD No. 93-1 pursuant to the Act to fund the Special Tax Requirement for Facilities.

**“Special Tax for Services”** means any of the special taxes authorized to be levied by CFD No. 93-1 pursuant to the Act to fund the Special Tax Requirement for Services.

**“Special Tax Requirement”** means Special Tax Requirement for Facilities and Special Tax Requirement for Services.

“**Special Tax Requirement for Facilities**” means the amount required in any Fiscal Year for IA No. 8C to pay: (i) the debt service or the periodic costs on all outstanding Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses, (iii) the costs associated with the release of funds from an escrow account, (iv) any amount required to establish or replenish any reserve funds established in association with the Bonds, and (v) the collection or accumulation of funds for the acquisition or construction of facilities authorized by IA No. 8C provided that the inclusion of such amount does not cause an increase in the levy of Special Tax for Facilities on Final Map Property or Undeveloped Property, less (vi) any amount available to pay debt service or other periodic costs on the Bonds pursuant to any applicable bond indenture, fiscal agent agreement, or trust agreement.

“**Special Tax Requirement for Services**” means the amount determined in any Fiscal Year for IA No. 8C equal to (i) the budgeted costs of the maintenance, repair and replacement of the Service Area which have been accepted and maintained or are reasonably expected to be accepted and maintained during the current Fiscal Year, (ii) Administrative Expenses, and (iii) anticipated delinquent Special Taxes for Services based on the delinquency rate in IA No. 8C for the previous Fiscal Year, less (iv) the Operating Fund Balance.

“**Taxable Property**” means all Assessor’s Parcels within CFD No. 93-1 which are not Exempt Property.

“**Undeveloped Property**” means all Assessor’s Parcels of Taxable Property which are not Developed Property or Final Map Property.

“**Zone A**” means a specific geographic area as depicted in Attachment No. 2 attached hereto.

“**Zone B**” means a specific geographic area as depicted in Attachment No. 2 attached hereto.

## SECTION B CLASSIFICATION OF ASSESSOR’S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2006-2007, each Assessor’s Parcel within IA No. 8C shall be classified as Taxable Property or Exempt Property. In addition, each Assessor’s Parcel of Taxable Property shall be further classified as Developed Property, Final Map Property or Undeveloped Property. Lastly, each Assessor’s Parcel of Developed Property shall further be classified as Residential Property or Non Residential Property.

## SECTION C MAXIMUM SPECIAL TAXES

### 1. Developed Property

- a. The Maximum Special Tax for Facilities for each Assessor’s Parcel of Residential Property that is classified as Developed Property in any Fiscal Year shall be the amount determined by the greater of (i) the application of the Assigned Special Tax for Facilities in Table 1 or (ii) the application of the Backup Special Tax for Facilities. The Maximum Special Tax for Facilities for each Assessor’s Parcel of Non-Residential Property that is classified as Developed Property in any Fiscal Year shall be the Assigned Special Tax for Facilities in Table 1 of Section D.
- b. Prior to the issuance of Bonds, the Assigned Special Tax for Facilities on Developed Property set forth in Table 1 and the Assigned Special Tax for Facilities on Final Map Property and Undeveloped Property set forth in Section D.2 may be reduced in accordance with, and subject to the conditions set forth in this paragraph. If it is reasonably determined by the CFD Administrator that the overlapping debt burden (as defined in the Statement of Goals and Policies for the Use of the Mello-Roos Community Facilities Act of 1982 adopted by the City

Council, the “Goals and Policies”) calculated pursuant to the Goals and Policies exceeds the City’s maximum level objective set forth in such document, the Maximum Special Tax for Facilities on Developed Property may be reduced (by modifying Table 1) to the amount necessary to satisfy the City’s objective with respect to the maximum overlapping debt burden level with the written consent of the CFD Administrator. In order to reduce the Maximum Special Tax for Facilities on Developed Property it may be necessary to reduce the Maximum Special Tax for Facilities for Final Map Property and Undeveloped Property. The reductions permitted pursuant to this paragraph shall be reflected in an amended Notice of Special Tax Lien which the City shall cause to be recorded by executing a certificate in substantially the form attached hereto as Attachment No. 1.

- c. The Maximum Special Tax for Services for each Assessor’s Parcel of Residential Property that is classified as Developed Property for Fiscal Year 2006-2007 shall be \$265.90 per dwelling unit. The Maximum Special Tax for Services for each Assessor’s Parcel of Non-Residential Property that is classified as Developed Property for Fiscal Year 2006-2007 shall be \$1,649 per Acre. On each July 1, commencing July 1, 2007, the Maximum Special Tax for Services for the prior Fiscal Year shall be adjusted by an amount equal to the percentage change in the Consumer Price Index for the Calendar Year ending in December of the prior Fiscal Year.

**2. Final Map Property**

- a. The Maximum Special Tax for Facilities for each Assessor’s Parcel classified as Final Map Property shall be the Assigned Special Tax for Facilities in Section D.
- b. The Maximum Special Tax for Services for each Assessor’s Parcel classified as Final Map Property in Fiscal Year 2006-2007 shall be \$1,649 per Acre. On each July 1, commencing July 1, 2007, the Maximum Special Tax for Services for the prior Fiscal Year shall be adjusted by an amount equal to the percentage change in the Consumer Price Index for the Calendar Year ending in December of the prior Fiscal Year.

**3. Undeveloped Property**

The Maximum Special Tax for Facilities for each Assessor’s Parcel classified as Undeveloped Property shall be the Assigned Special Tax for Facilities in Section D.

**SECTION D  
ASSIGNED SPECIAL TAX FOR FACILITIES**

**1. Developed Property**

Each Fiscal Year, each Assessor’s Parcel of Developed Property shall be subject to an Assigned Special Tax for Facilities. The Assigned Special Tax for Facilities applicable to an Assessor’s Parcel of Developed Property within Zone A and Zone B for any Fiscal Year shall be determined pursuant to Table 1 below.

**TABLE 1  
ASSIGNED SPECIAL TAX RATES FOR FACILITIES FOR DEVELOPED PROPERTY**

Land Use Type	Building Square Footage	Assigned Special Tax for Facilities for Fiscal Year 2006-2007
Residential Property	Less than 1,901	\$1,558 per dwelling unit
Residential Property	1,901 – 2,150	\$1,684 per dwelling unit
Residential Property	2,151 – 2,650	\$2,007 per dwelling unit
Residential Property	2,651 – 2,900	\$2,186 per dwelling unit
Residential Property	2,901 – 3,150	\$2,231 per dwelling unit
Residential Property	3,151 – 3,650	\$2,318 per dwelling unit
Residential Property	Greater than 3,650	\$2,583 per dwelling unit
Non-Residential Zone A	N/A	\$12,592 per Acre
Non-Residential Zone B	N/A	\$19,933 per Acre

**2. Final Map Property and Undeveloped Property**

Each Fiscal Year, each Assessor’s Parcel of Final Map Property and Undeveloped Property shall be subject to an Assigned Special Tax for Facilities. The Assigned Special Tax for Facilities for an Assessor’s Parcel classified as Final Map Property or Undeveloped Property for Fiscal Year 2006-2007 shall be \$12,592 per Acre for Zone A and \$19,933 per Acre for Zone B.

**3. Increase in the Assigned Special Tax for Facilities**

On each July 1, commencing on July 1, 2007, the Assigned Special Tax for Facilities for each Assessor’s Parcel of Developed Property, Final Map Property, and Undeveloped Property shall be increased by two percent (2.00%) of the amount in effect in the prior Fiscal Year.

**SECTION E  
BACKUP SPECIAL TAXES FOR FACILITIES**

Each Fiscal Year, each Assessor’s Parcel of Developed Property classified as Residential Property shall be subject to a Backup Special Tax for Facilities. In each Fiscal Year, the Backup Special Tax for Facilities rate for Developed Property classified as Residential Property within a Final Map shall be the rate per Lot calculated according to the following formula:

$$B = \frac{R \times A}{L}$$

The terms above have the following meanings:

- B = Backup Special Tax for Facilities per Lot in each Fiscal Year
- R = Maximum Special Tax for Facilities rate per Acre for Undeveloped Property for the applicable Fiscal Year
- A = Acreage of Developed Property classified or to be classified as Residential Property in such Final Map.
- L = Lots in the Final Man which are classified or to be classified as Residential Property.

Each July 1, commencing on July 1, 2007, the Backup Special Tax for each Assessor’s Parcel shall be increased by two percent (2.00%) of the amount in effect in the prior Fiscal Year.

Notwithstanding the foregoing, if all or any portion of the Final Map(s) described in the preceding paragraph is subsequently changed or modified, then the Backup Special Tax for Facilities for each Assessor's Parcel of Developed Property classified or to be classified as Residential Property in such Final Map area that is changed or modified shall be a rate per square foot of Acreage calculated as follows:

1. Determine the total Backup Special Tax for Facilities anticipated to apply to the changed or modified Final Map area prior to the change or modification.
2. The result of paragraph 1 above shall be divided by the Acreage of Developed Property classified or to be classified as Residential Property which is ultimately expected to exist in such changed or modified Final Map area, as reasonably determined by the City.
3. The result of paragraph 2 above shall be divided by 43,560. The result is the Backup Special Tax for Facilities per square foot of Acreage which shall be applicable to Assessor's Parcels of Developed Property classified as Residential Property in such changed or modified Final Map area for all remaining Fiscal Years in which the Special Tax for Facilities may be levied.

**SECTION F**  
**METHOD OF APPORTIONMENT OF THE SPECIAL TAX FOR FACILITIES AND THE**  
**SPECIAL TAX FOR SERVICES**

1. Commencing Fiscal Year 2006-2007 and for each subsequent Fiscal Year, the City Council shall levy a Special Tax for Facilities on all Taxable Property within IA No. 8C until the amount of Special Tax for Facilities equals the Special Tax Requirement for Facilities in accordance with the following steps:
  - Step One: The Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax for Facilities rates in Table 1 as needed to satisfy the Special Tax Requirement for Facilities.
  - Step Two: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first step has been completed, the Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Final Map Property, at up to 100% of the Assigned Special Tax for Facilities applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Facilities.
  - Step Three: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the First two steps have been completed, the Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property, excluding any Undeveloped Property pursuant to Section J, at up to 100% of the Assigned Special Tax for Facilities applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Facilities.
  - Step Four: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then for each Assessor's Parcel of Developed Property whose Maximum Special Tax for Facilities is the Backup Special Tax for Facilities shall be increased Proportionately from the Assigned Special Tax for Facilities up to 100% of the Backup Special Tax for Facilities as needed to satisfy the Special Tax Requirement for Facilities.
  - Step Five: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first four steps have been completed, the Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property classified

as Undeveloped Property pursuant to Section J at up to 100% of the Assigned Special Tax for Facilities applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Facilities.

2. Commencing Fiscal Year 2006-2007 and for each subsequent Fiscal Year, the City Council shall levy a Special Tax for Services on all Taxable Property within IA No. 8C until the amount of Special Tax for Services equals the Special Tax Requirement for Services in accordance with the following steps:

**Step One:** The Maximum Special Tax for Services shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax for Services as needed to satisfy the Special Tax Requirement for Services.

**Step Two:** If additional moneys are needed to satisfy the Special Tax Requirement for Services after the first step has been completed, the Maximum Special Tax for Services shall be levied Proportionately on each Assessor's Parcel of Final Map Property, at up to 100% of the Maximum Special Tax for Services applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Services.

Under no circumstances will the Special Tax for Facilities or the Special Tax for Services levied against any Assessor's Parcel used as a private residence be increased as a consequence of delinquency or default by the owner of any other Assessor's Parcel or Parcels within CFD No. 93-1 by more than ten (10) percent of the Special Tax that would be levied in that Fiscal Year, if there were no delinquencies, pursuant to California Government Code Section 53321(d), as in effect on the date of formation of CFD No. 93-1.

## SECTION G PREPAYMENT OF SPECIAL TAX FOR FACILITIES

The following definitions apply to this Section G:

**“CFD Public Facilities”** means \$19,200,000 expressed in 2007 dollars, which shall increase by the Construction Inflation Index on January 1, 2008, and on each January 1 thereafter, or such lower number as (i) shall be determined by the City as sufficient to provide the public facilities under the authorized bonding program for CFD No. 93-1, or (ii) shall be determined by the City Council concurrently with a covenant that it will not issue any more Bonds to be supported by Special Taxes levied under this Rate and Method of Apportionment.

**“Construction Fund”** means an account specifically identified in the Indenture or functionally equivalent to hold funds which are currently available for expenditure to acquire or construct public facilities eligible under CFD No. 93-1.

**“Construction Inflation Index”** means the annual percentage change in the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the Calendar Year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the City that is reasonably comparable to the Engineering News-Record Building Cost Index for the City of Los Angeles.

**“Future Facilities Costs”** means the CFD Public Facilities minus public facility costs available to be funded through existing construction or escrow accounts or funded by the Outstanding Bonds, and minus public facility costs funded by interest earnings on the Construction Fund actually earned prior to the date of prepayment.

“**Outstanding Bonds**” means all previously issued bonds issued and secured by the levy of Special Tax for Facilities which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year, excluding bonds to be redeemed at a later date with the proceeds of prior prepayments of the Maximum Special Tax for Facilities.

The Special Tax for Facilities obligation of an Assessor’s Parcel of Developed Property, an Assessor’s Parcel of Final Map Property or Undeveloped Property for which a Building Permit has been issued or an Assessor’s Parcel of Undeveloped Property that is classified as Undeveloped Property pursuant to Section J may be prepaid in full, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcel at the time the Special Tax for Facilities obligation would be prepaid. The Prepayment Amount for an Assessor’s Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor’s Parcel intending to prepay the Special Tax for Facilities obligation shall provide the City with written notice of intent to prepay, and within 5 days of receipt of such notice, the City shall notify such owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by CFD No. 93-1 in calculating the proper amount of a prepayment. Within 15 days of receipt of such non-refundable deposit, the City shall notify such owner of the prepayment amount of such Assessor’s Parcel.

The Prepayment Amount for each applicable Assessor’s Parcel shall be calculated according to the following formula (capitalized terms defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance
plus	Administrative Fee
less	<u>Reserve Fund Credit</u>
equals	Prepayment Amount

As of the date of prepayment, the Prepayment Amount shall be calculated as follows:

1. For Assessor’s Parcels of Developed Property, compute the Assigned Special Taxes for Facilities and the Backup Special Taxes for Facilities applicable to the Assessor’s Parcel. For Assessor’s Parcels of Final Map Property or Undeveloped Property, excluding any Undeveloped Property pursuant to Section J, compute the Assigned Special Tax for Facilities and the Backup Special Tax for Facilities applicable to the Assessor’s Parcel as though it was already designated as Developed Property based upon the Building Permit issued or to be issued for that Assessor’s Parcel. For Assessor’s Parcels classified as Undeveloped Property pursuant to Section J, compute the Assigned Special Tax for Facilities.
2. For each Assessor’s Parcel of Developed Property, Final Map Property, Undeveloped Property, or Undeveloped Property pursuant to Section J to be prepaid, (a) divide the Assigned Special Tax for Facilities computed pursuant to paragraph 1 for such Assessor’s Parcel by the sum of the estimated Assigned Special Tax for Facilities applicable to all Assessor’s Parcels of Taxable Property at buildout, as reasonably determined by the City, and (b) divide the Backup Special Tax for Facilities computed pursuant to paragraph 1 for such Assessor’s Parcel by the sum of the estimated Backup Special Tax for Facilities applicable to all Assessor’s Parcels of Taxable Property at buildout, as reasonably determined by the City.

3. Multiply the larger quotient computed pursuant to paragraph 2(a) or 2(b) by Outstanding Bonds. The product shall be the “Bond Redemption Amount.”
4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed with the proceeds of the Bond Redemption Amount. This product is the “Redemption Premium.”
5. Compute the Future Facilities Cost.
6. Multiply the larger quotient computed pursuant to paragraph 2 (a) or 2 (b) by the amount determined pursuant to paragraph 5 to determine the Future Facilities Cost to be prepaid (the “Future Facilities Amount”).
7. Compute the amount needed to pay interest on the Bond Redemption Amount to be redeemed with the proceeds of the Prepayment Amount until the earliest call date for the Outstanding Bonds.
8. Estimate the amount of interest earnings to be derived from the reinvestment of the Bond Redemption Amount plus the Redemption Premium until the earliest call date for the Outstanding Bonds.
9. Subtract the amount computed pursuant to paragraph 8 from the amount computed pursuant to paragraph 7. This difference is the “Defeasance.”
10. Estimate the administrative fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption. This amount is the “Administrative Fee.”
11. Calculate the “Reserve Fund Credit” as the lesser of (a) the expected reduction in the applicable reserve requirements, if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirements in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the applicable reserve funds on the prepayment date, Notwithstanding the foregoing, if the reserve fund requirement is satisfied by a surety bond or other instrument at the time of the prepayment, then no Reserve Fund Credit shall be given. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than 0.
12. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Future Facilities Amount, the Defeasance, and the Administrative Fee, less the Reserve Fund Credit.

With respect to the Special Tax for Facilities obligation that is prepaid pursuant to this Section G, the City Council shall indicate in the records of CFD No. 93-1 that there has been a prepayment of the Special Tax for Facilities obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Special Tax for Facilities obligation and the release of the Special Tax for Facilities lien on such Assessor’s Parcel, and the obligation of such Assessor’s Parcel to pay such Special Taxes for Facilities shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Special Tax for Facilities that may be levied on Taxable Property, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

**SECTION H  
PARTIAL PREPAYMENT OF SPECIAL TAX FOR FACILITIES**

The Special Tax for Facilities obligation of an Assessor’s Parcel of Developed Property or an Assessor’s Parcel of Undeveloped Property for which a Building Permit has been issued and will be classified as Developed Property in the next Fiscal Year, as calculated in this Section H below, may be partially prepaid, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcel at the time the Special Tax for Facilities obligation would be prepaid.

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = ((P_G - A) \times F) + A$$

The terms above have the following meanings:

- PP = the Partial Prepayment Amount.
- P<sub>G</sub> = the Prepayment Amount calculated according to Section G.
- F = the percent by which the owner of the Assessor’s Parcel is partially prepaying the Special Tax for Facilities obligation.
- A = the Administrative Fee calculated according to Section G.10.

With respect to any Assessor’s Parcel that is partially prepaid, the City Council shall indicate in the records of CFD No. 93-1 that there has been a partial prepayment of the Special Tax for Facilities obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such partial prepayment of the Special Tax for Facilities obligation, to indicate the partial prepayment of the Special Tax for Facilities obligation and the partial release of the Special Tax for Facilities lien on such Assessor’s Parcel, and the obligation of such Assessor’s Parcel to pay such prepaid portion of the Special Tax for Facilities shall cease.

**MANDATORY PARTIAL PREPAYMENT:** Prior to the close of escrow for the first transfer of title of any Developed Parcel after the date on which a Certificate of Occupancy for such Parcel was issued by the City, the Maximum Special Tax shall be subject to mandatory partial prepayment in a amount necessary to bring the Total Property Tax Burden for the then-current Fiscal Year to an amount less than or equal to 2% of the sale price of the Parcel. The amount required shall be due and payable upon transfer of title. No prepayment shall be required if the Total Property Tax Burden is not in excess of the 2% limit. The Builder shall notify the City in writing of the mandatory partial prepayment requirement at least 30 days prior to close of escrow. The City shall calculate and determine the prepayment amount using the methodology for a partial prepayment herein, such that the partial prepayment shall be in the exact percentage required for a Total Property Tax Burden not in excess of the 2% limit.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Special Tax for Facilities that may be levied on Taxable Property after such partial prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

**SECTION I  
TERMINATION OF SPECIAL TAX**

For each Fiscal Year that any Bonds are outstanding the Special Tax for Facilities shall be levied on all Assessors' Parcels subject to the Special Tax for Facilities. If any delinquent Special Tax for Facilities remain uncollected prior to or after all Bonds are retired, the Special Tax for Facilities may be levied to the extent necessary to reimburse CFD No. 93-1 for uncollected Special Tax for Facilities associated with the levy of such Special Tax for Facilities, but not later than the 2050-2051 Fiscal Year. The Special Tax for Services shall be levied as long as it is needed to meet the Special Tax Requirement for Services, as determined at the sole discretion of the City Council.

**SECTION J  
EXEMPTIONS**

The City shall classify as Exempt Property (i) Assessor's Parcels owned by the State of California, Federal or other local governments, (ii) Assessor's Parcels which are used as places of worship and are exempt from *ad valorem* property taxes because they are owned by a religious organization, (iii) Assessor's Parcels used exclusively by a homeowner's association, or (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, provided that no such classification would reduce the sum of all Taxable Property to less than 87.34 Acres for Zone A and 9.23 Acres for Zone B. Notwithstanding the above, the City Council shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of all Taxable Property to less than 87.34 Acres for Zone A and 9.23 Acres for Zone B. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than 87.34 Acres for Zone A and 9.23 Acres for Zone B will continue to be classified as Undeveloped Property, and will continue to be subject to Special Taxes accordingly.

**SECTION K  
APPEALS**

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the City Council not later than twelve months after having paid the first installment of the Special Tax that is disputed. A representative(s) of CFD No. 93-1 shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the representative's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy), but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s).

The City Council may interpret this IA No. 8C and the levy of Special Taxes for purposes of clarifying any ambiguity and make determinations relative to the annual administration of the Special Tax and any landowner or resident appeals. Any decision of the City Council shall be binding as to all persons.

**SECTION L  
MANNER OF COLLECTION**

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes, provided, however, that CFD No. 93-1 may collect the Special Tax at a different time or in a different manner if necessary to meet its financial obligations.

**RATE AND METHOD OF APPORTIONMENT FOR  
IMPROVEMENT AREA NO. 17B (TOURNAMENT HILLS) OF  
COMMUNITY FACILITIES DISTRICT NO. 93-1  
OF THE CITY OF BEAUMONT**

A Special Tax as hereinafter defined shall be levied on and collected in Improvement Area No. 17B (“IA No. 17B”) of Community Facilities District No. 93-1 of the City of Beaumont (“CFD No. 93-1”) each Fiscal Year, in an amount determined by the City Council of the City of Beaumont through the application of the appropriate Special Tax for “Developed Property,” “Final Map Property,” and “Undeveloped Property,” as described below. All of the real property in IA No. 17B of CFD No. 93-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

**SECTION A  
DEFINITIONS**

The terms hereinafter set forth have the following meanings:

“**Acre or Acreage**” means the land area of an Assessor’s Parcel as shown on an Assessor’s Parcel Map, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map. The square footage of an Assessor’s Parcel is equal to the Acreage multiplied by 43,560.

“**Act**” means the Mello-Roos Communities Facilities Act of 1982 as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means any ordinary and necessary expense incurred by the City to carry out the administration of IA No. 17B of CFD No. 93-1 related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes including the expenses of collecting delinquencies, the administration of Bonds, the payment of salaries and benefits of any City employee whose duties are directly related to the administration of IA No. 17B, and costs otherwise incurred in order to carry out the authorized purposes of IA No. 17B.

“**Assessor’s Parcel**” means a lot or parcel of land designated on an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number within the boundaries of CFD No. 93-1.

“**Assessor’s Parcel Map**” means an official map of the Assessor of the County designating parcels by Assessor’s Parcel Number.

“**Assessor’s Parcel Number**” means that number assigned to an Assessor’s Parcel by the County for purposes of identification.

“**Assigned Special Tax for Facilities**” means the Special Tax of that name described in Section D below.

“**Backup Special Tax for Facilities**” means the Special Tax of that name described in Section E below.

“**Bonds**” means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which Special Taxes for Facilities have been pledged.

“**Building Permit**” means a permit for new construction for a residential dwelling or non-residential structure. For purposes of this definition, “Building Permit” shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for human habitation.

**“Building Square Footage” or “BSF”** means the square footage of assessable internal living space, exclusive of garages or other structures not used as living space, as determined by reference to the building permit application for such Assessor’s Parcel.

**“Calendar Year”** means the period commencing January 1 of any year and ending the following December 31.

**“CFD Administrator”** means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**“CFD No. 93-1”** means Community Facilities District No. 93-1 established by the City under the Act.

**“City”** means the City of Beaumont.

**“City Council”** means the City Council of the City, acting as the Legislative Body of CFD No. 93-1, or its designee.

**“Consumer Price Index”** means the index published monthly by the U.S. Department of Labor, Bureau of Labor Statistics for all urban consumers in the Los Angeles-Riverside-Orange County area.

**“County”** means the County of Riverside.

**“Developed Property”** means all Assessor’s Parcels that: (i) were issued Building Permits on or before June 1st preceding the Fiscal Year in which the Special Tax is being levied, and (ii) were created on or before the January 1st preceding the Fiscal Year in which the Special Tax is being levied, and that each such Assessor’s Parcel is associated with a Lot, as reasonably determined by the City.

**“Exempt Property”** means all Assessor’s Parcels designated as being exempt from Special Tax as determined in Section J.

**“Final Map”** means a subdivision of property evidenced by the recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) or the recordation of a condominium plan pursuant to California Civil Code 1352 that creates individual lots for which Building Permits may be issued without further subdivision.

**“Final Map Property”** means all Assessor’s Parcels: (i) that are included in a Final Map that was recorded prior to the June 1st preceding the Fiscal Year in which the Special Tax is being levied, and (ii) for which a Building Permit was not issued prior to the June 1st preceding the Fiscal Year in which the Special Tax is being levied.

**“Fiscal Year”** means the period commencing on July 1 of any year and ending the following June 30.

**“Improvement Area No. 17B” or “IA No. 17B”** means Improvement Area No. 17B as depicted on the boundary map of CFD No. 93-1.

**“Lot”** means an individual legal lot created by a Final Map, identified by an Assessor’s Parcel Number for which a Building Permit could be issued.

**“Maximum Special Tax”** means the Maximum Special Tax for Facilities and Maximum Special Tax for Services.

**“Maximum Special Tax for Facilities”** means the maximum Special Tax, determined in accordance with Section C that can be levied by CFD No. 93-1 in any Fiscal Year on any Assessor’s Parcel.

**“Maximum Special Tax for Services”** means the maximum Special Tax, determined in accordance with Section C that can be levied by CFD No. 93-1 in any Fiscal Year on any Assessor’s Parcel.

**“Non-Residential Property”** means all Assessor’s Parcels of Developed Property for which a Building Permit was issued for any type of non-residential use.

**“Operating Fund”** means a fund that shall be maintained for IA No. 17B of CFD No. 93-1 for any Fiscal Year to pay for the actual costs of maintenance, repair, and replacement of the Service Area, and the Administrative Expenses.

**“Operating Fund Balance”** means the amount of funds in the Operating Fund at the end of the preceding Fiscal Year.

**“Partial Prepayment Amount”** means the amount required to prepay a portion of the Special Tax for Facilities obligation for an Assessor’s Parcel, as described in Section H.

**“Prepayment Amount”** means the amount required to prepay the Special Tax for Facilities obligation in full for an Assessor’s Parcel, as described in Section G.

**“Proportionately”** means that (i) the ratio of the actual Special Tax for Facilities levy to the applicable Assigned Special Tax for Facilities is equal for all applicable Assessor’s Parcels and (ii) the ratio of the actual Special Tax for Services levy to the applicable Maximum Special Tax for Services is equal for all applicable Assessor’s Parcels. In case of Developed Property subject to the apportionment of the Special Tax for Facilities under step four of Section F, “Proportionately” in step four means that the quotient of (a) the actual Special Tax for Facilities levy less the Assigned Special Tax for Facilities divided by (b) the Backup Special Tax for Facilities less the Assigned Special Tax for Facilities, is equal for all applicable Assessor’s Parcels.

**“Residential Property”** means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing one or more residential dwelling units.

**“Service Area”** means the landscape parkways, neighborhood and City parks, easements and green belts within the boundaries of IA No. 17B and the City of Beaumont, and IA No. 17B’s fair share of storm drain and flood control facilities.

**“Special Tax”** means Special Tax for Facilities and Special Tax for Services.

**“Special Tax for Facilities”** means any of the special taxes authorized to be levied by CFD No. 93-1 pursuant to the Act to fund the Special Tax Requirement for Facilities.

**“Special Tax for Services”** means any of the special taxes authorized to be levied by CFD No. 93-1 pursuant to the Act to fund the Special Tax Requirement for Services.

**“Special Tax Requirement”** means Special Tax Requirement for Facilities and Special Tax Requirement for Services.

**“Special Tax Requirement for Facilities”** means the amount required in any Fiscal Year for IA No. 17B to pay: (i) the debt service or the periodic costs on all outstanding Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses, (iii) the costs associated with the release of funds from an escrow account, (iv) any amount required to establish or replenish any reserve funds established in association with the Bonds, and (v) the collection or accumulation of funds for the acquisition or construction of facilities authorized by IA No. 17B provided that the inclusion of such amount does not cause an increase in the levy of Special Tax for Facilities on Final Map Property or Undeveloped Property, less

(vi) any amount available to pay debt service or other periodic costs on the Bonds pursuant to any applicable bond indenture, fiscal agent agreement, or trust agreement.

**“Special Tax Requirement for Services”** means the amount determined in any Fiscal Year for IA No. 17B equal to (i) the budgeted costs of the maintenance, repair and replacement of the Service Area which have been accepted and maintained or are reasonably expected to be accepted and maintained during the current Fiscal Year, (ii) Administrative Expenses, and (iii) anticipated delinquent Special Taxes for Services based on the delinquency rate in IA No. 17B for the previous Fiscal Year, less (iv) the Operating Fund Balance.

**“Taxable Property”** means all Assessor’s Parcels within CFD No. 93-1 which are not Exempt Property.

**“Undeveloped Property”** means all Assessor’s Parcels of Taxable Property which are not Developed Property or Final Map Property.

**“Zone A”** means a specific geographic area designated as planning area 7, tract no. 31288-1, and as depicted on the Proposed Boundary Map.

**“Zone B”** means a specific geographic area designated as planning areas 8, 9, and 14, tracts 31288-2, -3, and -4, and as depicted on the Proposed Boundary Map.

## SECTION B CLASSIFICATION OF ASSESSOR’S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2006-2007, each Assessor’s Parcel within IA No. 17B shall be classified as Taxable Property or Exempt Property. In addition, each Assessor’s Parcel of Taxable Property shall be further classified as Developed Property, Final Map Property or Undeveloped Property. Lastly, each Assessor’s Parcel of Developed Property shall further be classified as Residential Property or Non Residential Property.

## SECTION C MAXIMUM SPECIAL TAXES

### 1. Developed Property

- a. The Maximum Special Tax for Facilities for each Assessor’s Parcel of Residential Property that is classified as Developed Property in any Fiscal Year shall be the amount determined by the greater of (i) the application of the Assigned Special Tax for Facilities in Table 1 or (ii) the application of the Backup Special Tax for Facilities. The Maximum Special Tax for Facilities for each Assessor’s Parcel of Non-Residential Property that is classified as Developed Property in any Fiscal Year shall be the Assigned Special Tax for Facilities in Table 1 of Section D.
- b. Prior to the issuance of Bonds, the Assigned Special Tax for Facilities on Developed Property set forth in Table 1 and the Assigned Special Tax for Facilities on Final Map Property and Undeveloped Property set forth in Section D.2 may be reduced in accordance with, and subject to the conditions set forth in this paragraph. If it is reasonably determined by the CFD Administrator that the overlapping debt burden (as defined in the Statement of Goals and Policies for the Use of the Mello-Roos Community Facilities Act of 1982 adopted by the City Council, the “Goals and Policies”) calculated pursuant to the Goals and Policies exceeds the City’s maximum level objective set forth in such document, the Maximum Special Tax for Facilities on Developed Property may be reduced (by modifying Table 1) to the amount necessary to satisfy the City’s objective with respect to the maximum overlapping debt burden level with the written consent of the CFD Administrator. In order to reduce the

Maximum Special Tax for Facilities on Developed Property it may be necessary to reduce the Maximum Special Tax for Facilities for Final Map Property and Undeveloped Property. The reductions permitted pursuant to this paragraph shall be reflected in an amended Notice of Special Tax Lien which the City shall cause to be recorded by executing a certificate in substantially the form attached hereto as Attachment No. 1.

- c. The Maximum Special Tax for Services for each Assessor's Parcel of Residential Property that is classified as Developed Property for Fiscal Year 2006-2007 shall be \$259 per dwelling unit. The Maximum Special Tax for Services for each Assessor's Parcel of Non-Residential Property that is classified as Developed Property for Fiscal Year 2006-2007 shall be \$1,638 per Acre. On each July 1, commencing July 1, 2007, the Maximum Special Tax for Services for the prior Fiscal Year shall be adjusted by an amount equal to the percentage change in the Consumer Price Index for the Calendar Year ending in December of the prior Fiscal Year.

**2. Final Map Property**

- a. The Maximum Special Tax for Facilities for each Assessor's Parcel classified as Final Map Property shall be the Assigned Special Tax for Facilities in Section D.
- b. The Maximum Special Tax for Services for each Assessor's Parcel classified as Final Map Property in Fiscal Year 2006-2007 shall be \$1,638 per Acre. On each July 1, commencing July 1, 2007, the Maximum Special Tax for Services for the prior Fiscal Year shall be adjusted by an amount equal to the percentage change in the Consumer Price Index for the Calendar Year ending in December of the prior Fiscal Year.

**3. Undeveloped Property**

The Maximum Special Tax for Facilities for each Assessor's Parcel classified as Undeveloped Property shall be the Assigned Special Tax for Facilities in Section D.

**SECTION D  
ASSIGNED SPECIAL TAX FOR FACILITIES**

**1. Developed Property**

Each Fiscal Year, each Assessor's Parcel of Developed Property shall be subject to an Assigned Special Tax for Facilities. The Assigned Special Tax for Facilities applicable to an Assessor's Parcel of Developed Property within Zone A and Zone B for any Fiscal Year shall be determined pursuant to Table 1 below.

**TABLE 1**

**ASSIGNED SPECIAL TAX RATES FOR FACILITIES FOR DEVELOPED PROPERTY**

<b>Land Use Type</b>	<b>Building Square Footage</b>	<b>Assigned Special Tax for Facilities for Fiscal Year 2006-2007</b>
Residential Property	Less than 2,000	\$1,785 per dwelling unit
Residential Property	2,000 – 2,200	\$1,912 per dwelling unit
Residential Property	2,201 – 2,400	\$1,975 per dwelling unit
Residential Property	2,401 – 2,600	\$2,007 per dwelling unit
Residential Property	2,601 – 2,800	\$2,039 per dwelling unit
Residential Property	2,801 – 3,200	\$2,102 per dwelling unit
Residential Property	3,201 – 3,600	\$2,766 per dwelling unit
Residential Property	Greater than 3,600	\$3,100 per dwelling unit
Non-Residential Zone A	N/A	\$13,574 per Acre
Non-Residential Zone B	N/A	\$10,458 per Acre

**2. Final Map Property and Undeveloped Property**

Each Fiscal Year, each Assessor’s Parcel of Final Map Property and Undeveloped Property shall be subject to an Assigned Special Tax for Facilities. The Assigned Special Tax for Facilities for an Assessor’s Parcel classified as Final Map Property or Undeveloped Property for Fiscal Year 2006-2007 shall be \$13,574 per Acre for Zone A and \$10,458 per Acre for Zone B.

**3. Increase in the Assigned Special Tax for Facilities**

On each July 1, commencing on July 1, 2007, the Assigned Special Tax for Facilities for each Assessor’s Parcel of Developed Property, Non Residential Property, Final Map Property, and Undeveloped Property shall be increased by two percent (2.00%) of the amount in effect in the prior Fiscal Year.

**SECTION E  
BACKUP SPECIAL TAXES FOR FACILITIES**

Each Fiscal Year, each Assessor’s Parcel of Developed Property classified as Residential Property shall be subject to a Backup Special Tax for Facilities. In each Fiscal Year, the Backup Special Tax for Facilities rate for Developed Property classified as Residential Property within a Final Map shall be the rate per Lot calculated according to the following formula:

$$B = \frac{R \times A}{L}$$

The terms above have the following meanings:

B = Backup Special Tax for Facilities per Lot in each Fiscal Year

R = Maximum Special Tax for Facilities rate per Acre for Undeveloped Property for the applicable Fiscal Year

A = Acreage of Developed Property classified or to be classified as Residential Property in such Final Map.

L = Lots in the Final Map which are classified or to be classified as Residential Property.

Each July 1, commencing on July 1, 2007, the Backup Special Tax for each Assessor's Parcel shall be increased by two percent (2.00%) of the amount in effect in the prior Fiscal Year.

Notwithstanding the foregoing, if all or any portion of the Final Map(s) described in the preceding paragraph is subsequently changed or modified, then the Backup Special Tax for Facilities for each Assessor's Parcel of Developed Property classified or to be classified as Residential Property in such Final Map area that is changed or modified shall be a rate per square foot of Acreage calculated as follows:

1. Determine the total Backup Special Tax for Facilities anticipated to apply to the changed or modified Final Map area prior to the change or modification.
2. The result of paragraph 1 above shall be divided by the Acreage of Developed Property classified or to be classified as Residential Property which is ultimately expected to exist in such changed or modified Final Map area, as reasonably determined by the City.
3. The result of paragraph 2 above shall be divided by 43,560. The result is the Backup

Special Tax for Facilities per square foot of Acreage which shall be applicable to Assessor's Parcels of Developed Property classified as Residential Property in such changed or modified Final Map area for all remaining Fiscal Years in which the Special Tax for Facilities may be levied.

**SECTION F  
METHOD OF APPORTIONMENT OF THE SPECIAL TAX FOR FACILITIES AND  
THE SPECIAL TAX FOR SERVICES**

1. Commencing Fiscal Year 2006-2007 and for each subsequent Fiscal Year, the City Council shall levy a Special Tax for Facilities on all Taxable Property within IA No. 17B until the amount of Special Tax for Facilities equals the Special Tax Requirement for Facilities in accordance with the following steps:

Step One: The Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax for Facilities rates in Table 1 as needed to satisfy the Special Tax Requirement for Facilities.

Step Two: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first step has been completed, the Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Final Map Property, at up to 100% of the Assigned Special Tax for Facilities applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Facilities.

Step Three: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first two steps have been completed, the Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property, excluding any Undeveloped Property pursuant to Section J, at up to 100% of the Assigned Special Tax for Facilities applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Facilities.

Step Four: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then for each Assessor's Parcel of Developed Property whose Maximum Special Tax for Facilities is the Backup Special Tax for Facilities shall be increased Proportionately from the Assigned Special Tax for Facilities up to 100% of the Backup Special Tax for Facilities as needed to satisfy the Special Tax Requirement for Facilities.

Step Five: If additional moneys are needed to satisfy the Special Tax Requirement for Facilities after the first four steps have been completed, the Special Tax for Facilities shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property classified as Undeveloped Property pursuant to Section J at up to 100% of the Assigned Special Tax for Facilities applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Facilities.

2. Commencing Fiscal Year 2006-2007 and for each subsequent Fiscal Year, the City Council shall levy a Special Tax for Services on all Taxable Property within IA No. 17B until the amount of Special Tax for Services equals the Special Tax Requirement for Services in accordance with the following steps:

Step One: The Maximum Special Tax for Services shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax for Services as needed to satisfy the Special Tax Requirement for Services.

Step Two: If additional moneys are needed to satisfy the Special Tax Requirement for Services after the first step has been completed, the Maximum Special Tax for Services shall be levied Proportionately on each Assessor's Parcel of Final Map Property, at up to 100% of the Maximum Special Tax for Services applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement for Services.

Under no circumstances will the Special Tax for Facilities or the Special Tax for Services levied against any Assessor's Parcel used as a private residence be increased as a consequence of delinquency or default by the owner of any other Assessor's Parcel or Parcels within CFD No. 93-1 by more than ten percent(10%) of the Special Tax that would be levied in that Fiscal Year, if there were no delinquencies, pursuant to California Government Code Section 53321(d), as in effect on the date of formation of CFD No. 93-1.

## SECTION G PREPAYMENT OF SPECIAL TAX FOR FACILITIES

The following definitions apply to this Section G:

**"CFD Public Facilities"** means \$12,00,000 expressed in 2006 dollars, which shall increase by the Construction Inflation Index on January 1, 2007, and on each January 1 thereafter, or such lower number as (i) shall be determined by the City as sufficient to provide the public facilities under the authorized bonding program for CFD No. 93-1, or (ii) shall be determined by the City Council concurrently with a covenant that it will not issue any more Bonds to be supported by Special Taxes levied under this Rate and Method of Apportionment.

**"Construction Fund"** means an account specifically identified in the Indenture or functionally equivalent to hold funds which are currently available for expenditure to acquire or construct public facilities eligible under CFD No. 93-1.

**"Construction Inflation Index"** means the annual percentage change in the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the Calendar Year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the City that is reasonably comparable to the Engineering News-Record Building Cost Index for the City of Los Angeles.

**"Future Facilities Costs"** means the CFD Public Facilities minus public facility costs available to be funded through existing construction or escrow accounts or funded by the Outstanding Bonds, and minus public

facility costs funded by interest earnings on the Construction Fund actually earned prior to the date of prepayment.

“**Outstanding Bonds**” means all previously issued bonds issued and secured by the levy of Special Tax for Facilities which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year, excluding bonds to be redeemed at a later date with the proceeds of prior prepayments of the Maximum Special Tax for Facilities.

The Special Tax for Facilities obligation of an Assessor’s Parcel of Developed Property, an Assessor’s Parcel of Final Map Property or Undeveloped Property for which a Building Permit has been issued or an Assessor’s Parcel of Undeveloped Property that is classified as Undeveloped Property pursuant to Section J may be prepaid in full, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcel at the time the Special Tax for Facilities obligation would be prepaid. The Prepayment Amount for an Assessor’s Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor’s Parcel intending to prepay the Special Tax for Facilities obligation shall provide the City with written notice of intent to prepay, and within 5 days of receipt of such notice, the City shall notify such owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by CFD No. 93-1 in calculating the proper amount of a prepayment. Within 15 days of receipt of such non-refundable deposit, the City shall notify such owner of the prepayment amount of such Assessor’s Parcel.

The Prepayment Amount for each applicable Assessor’s Parcel shall be calculated according to the following formula (capitalized terms defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance
plus	Administrative Fee
less	<u>Reserve Fund Credit</u>
equals	Prepayment Amount

As of the date of prepayment, the Prepayment Amount shall be calculated as follows:

1. For Assessor’s Parcels of Developed Property, compute the Assigned Special Taxes for Facilities and the Backup Special Taxes for Facilities applicable to the Assessor’s Parcel. For Assessor’s Parcels of Final Map Property or Undeveloped Property, excluding any Undeveloped Property pursuant to Section J, compute the Assigned Special Tax for Facilities and the Backup Special Tax for Facilities applicable to the Assessor’s Parcel as though it was already designated as Developed Property based upon the Building Permit issued or to be issued for that Assessor’s Parcel. For Assessor’s Parcels classified as Undeveloped Property pursuant to Section J, compute the Assigned Special Tax for Facilities.
2. For each Assessor’s Parcel of Developed Property, Final Map Property, Undeveloped Property, or Undeveloped Property pursuant to Section J to be prepaid, (a) divide the Assigned Special Tax for Facilities computed pursuant to paragraph 1 for such Assessor’s Parcel by the sum of the estimated Assigned Special Tax for Facilities applicable to all Assessor’s Parcels of Taxable Property at buildout, as reasonably determined by the City, and (b) divide the Backup Special Tax for Facilities computed pursuant to paragraph 1 for such Assessor’s Parcel by the sum of the estimated Backup Special Tax for Facilities applicable to all Assessor’s Parcels of Taxable Property at buildout, as reasonably determined by the City.

3. Multiply the larger quotient computed pursuant to paragraph 2(a) or 2(b) by Outstanding Bonds. The product shall be the “Bond Redemption Amount.”
4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed with the proceeds of the Bond Redemption Amount. This product is the “Redemption Premium.”
5. Compute the Future Facilities Cost.
6. Multiply the larger quotient computed pursuant to paragraph 2 (a) or 2 (b) by the amount determined pursuant to paragraph 5 to determine the Future Facilities Cost to be prepaid (the “Future Facilities Amount”).
7. Compute the amount needed to pay interest on the Bond Redemption Amount to be redeemed with the proceeds of the Prepayment Amount until the earliest call date for the Outstanding Bonds.
8. Estimate the amount of interest earnings to be derived from the reinvestment of the Bond Redemption Amount plus the Redemption Premium until the earliest call date for the Outstanding Bonds.
9. Subtract the amount computed pursuant to paragraph 8 from the amount computed pursuant to paragraph 7. This difference is the “Defeasance.”
10. Estimate the administrative fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption. This amount is the “Administrative Fee.”
11. Calculate the “Reserve Fund Credit” as the lesser of: (a) the expected reduction in the applicable reserve requirements, if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirements in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the applicable reserve funds on the prepayment date. Notwithstanding the foregoing, if the reserve fund requirement is satisfied by a surety bond or other instrument at the time of the prepayment, then no Reserve Fund Credit shall be given. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than 0.
12. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Future Facilities Amount, the Defeasance, and the Administrative Fee, less the Reserve Fund Credit.

With respect to the Special Tax for Facilities obligation that is prepaid pursuant to this Section G, the City Council shall indicate in the records of CFD No. 93-1 that there has been a prepayment of the Special Tax for Facilities obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Special Tax for Facilities obligation and the release of the Special Tax for Facilities lien on such Assessor’s Parcel, and the obligation of such Assessor’s Parcel to pay such Special Taxes for Facilities shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Special Tax for Facilities that may be levied on Taxable Property, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

**SECTION H  
PARTIAL PREPAYMENT OF SPECIAL TAX FOR FACILITIES**

The Special Tax for Facilities obligation of an Assessor’s Parcel of Developed Property or an Assessor’s Parcel of Undeveloped Property for which a Building Permit has been issued and will be classified as Developed Property in the next Fiscal Year, as calculated in this Section H below, may be partially prepaid, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcel at the time the Special Tax for Facilities obligation would be prepaid.

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = ((P_G - A) \times F) + A$$

The terms above have the following meanings:

- PP = the Partial Prepayment Amount.
- P<sub>G</sub> = the Prepayment Amount calculated according to Section G.
- F = the percent by which the owner of the Assessor’s Parcel is partially prepaying the Special Tax for Facilities obligation.
- A = the Administrative Fee calculated according to Section G.10.

With respect to any Assessor’s Parcel that is partially prepaid, the City Council shall indicate in the records of CFD No. 93-1 that there has been a partial prepayment of the Special Tax for Facilities obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such partial prepayment of the Special Tax for Facilities obligation, to indicate the partial prepayment of the Special Tax for Facilities obligation and the partial release of the Special Tax for Facilities lien on such Assessor’s Parcel, and the obligation of such Assessor’s Parcel to pay such prepaid portion of the Special Tax for Facilities for shall cease.

**MANDATORY PARTIAL PREPAYMENT:** Prior to the close of escrow for the first transfer of title of any Developed Parcel after the date on which a Certificate of Occupancy for such Parcel was issued by the City, the Maximum Special Tax shall be subject to mandatory partial prepayment in a amount necessary to bring the Total Property Tax Burden for the then-current Fiscal Year to an amount less than or equal to 2% of the sale price of the Parcel. The amount required shall be due and payable upon transfer of title. No prepayment shall be required if the Total Property Tax Burden is not in excess of the 2% limit The Builder shall notify the City in writing of the mandatory partial prepayment requirement at least 30 days prior to close of escrow. The City shall calculate and determine the prepayment amount using the methodology for a partial prepayment herein, such that the partial prepayment shall be in the exact percentage required for a Total Property Tax Burden not in excess of the 2% limit

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Special Tax for Facilities that may be levied on Taxable Property after such partial prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

**SECTION I  
TERMINATION OF SPECIAL TAX**

For each Fiscal Year that any Bonds are outstanding the Special Tax for Facilities shall be levied on all Assessors’ Parcels subject to the Special Tax for Facilities. If any delinquent Special Tax for Facilities remain uncollected prior to or after all Bonds are retired, the Special Tax for Facilities may be levied to the extent necessary to reimburse CFD No. 93-1 for uncollected Special Tax for Facilities associated with the levy of such Special Taxes for Facilities, but not later than the 2050-2051 Fiscal Year. The Special Tax for Services

shall be levied as long as it is needed to meet the Special Tax Requirement for Services, as determined at the sole discretion of the City Council.

**SECTION J  
EXEMPTIONS**

The City shall classify as Exempt Property (i) Assessor’s Parcels owned by the State of California, Federal or other local governments, (ii) Assessor’s Parcels which are used as places of worship and are exempt from *ad valorem* property taxes because they are owned by a religious organization, (iii) Assessor’s Parcels used exclusively by a homeowner’s association, or (iv) Assessor’s Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, provided that no such classification would reduce the sum of all Taxable Property to less than 17.48 Acres for Zone A and 55.54 Acres for Zone B. Notwithstanding the above, the City Council shall not classify an Assessor’s Parcel as Exempt Property if such classification would reduce the sum of all Taxable Property to less than 17.48 Acres for Zone A and 55.54 Acres for Zone B. Assessor’s Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than 17.48 Acres for Zone A and 55.54 Acres for Zone B will continue to be classified as Undeveloped Property, and will continue to be subject to Special Taxes accordingly.

**SECTION K  
APPEALS**

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the City Council not later than twelve months after having paid the first installment of the Special Tax that is disputed. A representative(s) of CFD No. 93-1 shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the representative’s decision requires that the Special Tax for an Assessor’s Parcel be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy), but an adjustment shall be made to the Special Tax on that Assessor’s Parcel in the subsequent Fiscal Year(s).

The City Council may interpret this IA No. 17B and the levy of Special Taxes for the purposes of clarifying any ambiguity and make determinations relative to the annual administration of the Special Tax and any landowner or resident appeals. Any decision of the City Council shall be binding as to all persons.

**SECTION L  
MANNER OF COLLECTION**

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 93-1 may collect the Special Tax at a different time or in a different manner if necessary to meet its financial obligations.

**Attachment No. 1**

**CITY OF BEAUMONT AND CFD NO. 93-1 IMPROVEMENT AREA 17B  
CERTIFICATE**

1. Pursuant to Section \_\_\_\_ of the Rate and Method of Apportionment of Special Tax (the "RMA"), the City of Beaumont (the "City") and Community Facilities District No. 93-1 Improvement Area 17B of the City of Beaumont ("CFD No. 93-1 IA 17B") hereby agree to a reduction in the Maximum Special Tax for Facilities for Developed Property:
  - (a) The information in Table 1 relating to the Maximum Special Tax for Facilities for Developed Property and/or Undeveloped Property within CFD No. 93-1 IA 17B shall be modified as follows:
 

*[insert Table 1 showing effective change to special tax rates and/or insert change to special tax rates for Undeveloped Property]*
2. Table 1 may only be modified prior to the issuance of Bonds.
3. Upon execution of the Certificate by the City and CFD No. 93-1 IA 17B the City shall cause an amended Notice of Special Tax Lien to be recorded reflecting the modifications set forth herein.

By execution hereof, the undersigned acknowledges, on behalf of the City of Beaumont and CFD No. 93-1 IA 17B, receipt of this Certificate and modification of the RMA as set forth in this Certificate.

CITY OF BEAUMONT

By: \_\_\_\_\_ Date: \_\_\_\_\_  
CFD Administrator

COMMUNITY FACILITIES DISTRICT NO. 93-1 IMPROVEMENT AREA 17B OF THE  
CITY OF BEAUMONT

By: \_\_\_\_\_ Date: \_\_\_\_\_

**APPENDIX E**  
**FORM OF BOND COUNSEL OPINION**

[TO COME]

**APPENDIX F**  
**FORM OF CONTINUING DISCLOSURE AGREEMENT**

[TO COME]

## APPENDIX G

### DTC AND THE BOOK-ENTRY-ONLY SYSTEM

*The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, premium, if any, accreted value and interest on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC to the Authority which the Authority believes to be reliable, but the Authority and the Underwriters do not and cannot make any independent representations concerning these matters and do not take responsibility for the accuracy or completeness thereof. Neither the DTC, Direct Participants, Indirect Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.*

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each annual maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited through the facilities of DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com). Such website is not incorporated herein by such reference.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Bond Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered to DTC.

**APPENDIX H**  
**SPECIMEN MUNICIPAL BOND INSURANCE POLICY**

**APPENDIX I**  
**SECURITIES AND EXCHANGE COMMISSION ORDER**

\$ \_\_\_\_\_  
**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY**  
**LOCAL AGENCY REFUNDING BONDS**  
**SERIES 2020A (FEDERALLY TAXABLE)**

**BOND PURCHASE AGREEMENT**

\_\_\_\_\_, 2020

Beaumont Public Improvement Authority  
 550 East 6<sup>th</sup> Street  
 Beaumont, California 92223

City of Beaumont Community Facilities District No. 93-1  
 550 East 6<sup>th</sup> Street  
 Beaumont, California 92223

Ladies and Gentlemen:

The undersigned, Stifel, Nicolaus & Company, Incorporated, as underwriter (the “**Underwriter**”), offers to enter into this Bond Purchase Agreement (this “**Purchase Agreement**”) with the Beaumont Public Improvement Authority (the “**Authority**”) and the City of Beaumont Community Facilities District No. 93-1 (the “**District**”), which Purchase Agreement will be binding upon the Authority, the District and the Underwriter upon the acceptance hereof by the Authority and the District. This offer is made subject to its acceptance by the Authority and the City of Beaumont (the “**City**”), for itself and on behalf of the District, by execution of this Purchase Agreement and its delivery hereof to the Underwriter on or before 11:59 p.m., California time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the Authority and the District at any time prior to the acceptance hereof by the Authority and the District. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Indenture of Trust, dated as of July 1, 2020 (the “**Indenture**”), by and between the Authority and Wilmington Trust, National Association, as trustee (the “**Trustee**”).

Each of the Authority and the District acknowledges and agrees that: (i) the purchase and sale of the Bonds (as defined below) pursuant to this Purchase Agreement is an arm’s-length commercial transaction among the Authority, the District, and the Underwriter; (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Authority or the District; (iii) the Underwriter has not assumed a fiduciary responsibility in favor of the Authority or the District with respect to: (A) the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Authority or the District on other matters), or (B) any other obligation to the Authority or the District except the obligations expressly set forth in this Purchase Agreement; and (iv) the Underwriter has financial interests that differ from those of the Authority and the District and the Authority and the District have consulted with their own legal and financial advisors to the extent they deemed appropriate in connection with the offering of the Bonds. Nothing in the foregoing paragraph is intended to limit the Underwriter’s obligations of fair dealing under MSRB Rule G-17 of the Municipal Securities Rulemaking Board (the “**MSRB**”).

The Authority acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the MSRB

and acknowledges that it has engaged Urban Futures, Inc. as its municipal advisor (as defined in Securities and Exchange Commission Rule 15Ba1) (the “**Municipal Advisor**”) and will rely solely on the Municipal Advisor for financial advice with respect to the Bonds.

**1. Purchase and Sale.**

(a) **Bonds.** Upon the terms and conditions and upon the basis of representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the Authority for offering to the public, and the Authority hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of \$\_\_\_\_\_ aggregate principal amount of the Beaumont Public Improvement Authority Local Agency Refunding Bonds, Series 2020A (Federally Taxable) (the “**Bonds**”), at an aggregate purchase price of \$\_\_\_\_\_ (constituting the aggregate principal amount of the Bonds, less an Underwriter’s discount of \$\_\_\_\_\_). The Bonds shall be dated the Closing Date (as defined herein) and shall have the maturities and bear interest at the rates *per annum* as set forth in Appendix A-1 attached hereto.

(b) **Local Obligations.** Upon the terms and conditions and upon the basis of representations, warranties, and agreements hereinafter set forth:

(i) the Authority hereby agrees to purchase from the District and the District agrees to sell to the Authority all (but not less than all) of \$\_\_\_\_\_ aggregate principal amount of the City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 8C) 2020 Special Tax Refunding Bonds (the “**Improvement Area No. 8C Special Tax Refunding Bonds**”), at an aggregate purchase price of \$\_\_\_\_\_ (constituting the aggregate principal amount of the Improvement Area No. 8C Special Tax Refunding Bonds, less a purchase discount of \$\_\_\_\_\_), and

(ii) the Authority hereby agrees to purchase from the District and the District agrees to sell to the Authority all (but not less than all) of \$\_\_\_\_\_ aggregate principal amount of the City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 17B) 2020 Special Tax Refunding Bonds (the “**Improvement Area No. 17B Special Tax Refunding Bonds**”), at an aggregate purchase price of \$\_\_\_\_\_ (constituting the aggregate principal amount of the Improvement Area No. 17B Special Tax Refunding Bonds, less a purchase discount of \$\_\_\_\_\_).

The Improvement Area No. 8C Special Tax Refunding Bonds and the Improvement Area No. 17B Special Tax Refunding Bonds are collectively referred to herein as the “Local Obligations.”

Each of the Local Obligations shall be dated the Closing Date and shall have the maturities and bear interest at the rates *per annum* as set forth in Appendices A-2 and A-3, respectively, attached hereto.

Payment for and delivery of the Bonds and the Local Obligations, and the other actions contemplated hereby, shall take place on \_\_\_\_\_, 2020, or such other date as may be agreed to between the Authority and the Underwriter (the “**Closing Date**”). The agreement of the Underwriter to purchase the Bonds is contingent upon the Authority purchasing from the District all of the Local

Obligations and the Authority, the City, and the District satisfying all of their respective obligations hereunder.

**2. Authorization and Purpose.** The Authority was formed pursuant to Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the “**JPA Act**”), and is authorized pursuant to Article 4 of the JPA Act (the “**Bond Law**”) to borrow money for the purpose of financing the acquisition of bonds, notes, and other obligations of the District to provide financing or refinancing for public capital improvements of the District. The Bonds shall be substantially in the form described in and shall be issued and secured under the provisions of, the Indenture. The Bonds shall be described in the Indenture and the Official Statement dated the date hereof relating to the Bonds (which, together with all appendices attached thereto and such amendments or supplements thereto that shall be approved by the Underwriter and the Authority, is hereinafter called the “**Official Statement**”).

The Local Obligations are being issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “**Act**”), a resolution of the City, acting as the legislative body of the District, adopted on \_\_\_\_\_, 2020 (the “**CFD Authorizing Resolution**”) and two separate Bond Indentures, each dated as of July 1, 2020 (collectively, the “**Local Obligation Bond Indentures**”), each by and between the District and Wilmington Trust, National Association, as trustee (the “**District Trustee**”).

The Improvement Area No. 8C Special Tax Refunding Bonds are being issued by the District to refund the outstanding City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2012 Series A (Improvement Area No. 8C) (the “**Prior Improvement Area No. 8C Bonds**”). The Improvement Area No. 8C Special Tax Refunding Bonds are payable from Special Taxes levied on taxable property in Improvement Area No. 8C of the District (“**Improvement Area No. 8C**”).

The refunding of the Prior Improvement Area No. 8C Bonds will cause a simultaneous refunding of the Beaumont Financing Authority’s 2012 Local Agency Revenue Bonds, Series A (Improvement Area No. 8C) (the “**Prior 2012 Authority Bonds**”).

The Improvement Area No. 17B Special Tax Refunding Bonds are being issued by the District to refund the outstanding City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2011 Series A and 2011 Series B (Improvement Area No. 17B) ) (the “**Prior Improvement Area No. 17B Bonds**,” and with the Prior Improvement Area No. 8C Bonds, the “**Prior Bonds**”). The Improvement Area No. 17B Special Tax Refunding Bonds are payable from Special Taxes levied on taxable property in Improvement Area No. 17B of the District (“**Improvement Area No. 17B**”).

The refunding of the Prior Improvement Area No. 17B Bonds will cause a simultaneous refunding of the Beaumont Financing Authority’s 2011 Local Agency Revenue Bonds, Series A (Improvement Area No. 17B) (the “**Prior 2011 Authority Bonds**”).

Improvement Area No. 8C and Improvement Area No. 17B are collectively referred to as the “**Taxing Jurisdictions**.”

Each of the Local Obligations are payable from the revenues generated by a special tax to be levied on the taxable real property within the related Taxing Jurisdiction (the “**Special Taxes**”).

pursuant to the applicable rate and method of apportionment of such Taxing Jurisdiction (together, the “**RMA**s”).

The net proceeds of the Local Obligations, along with other available funds, will be used to (i) make deposits into two separate escrow funds to be held by Wilmington Trust, National Association, as escrow agent (the “**Escrow Agent**”) pursuant to two separate Escrow Agreements, each dated as of July 1, 2020 (collectively, the “**Escrow Agreements**”) for the purpose of redeeming the Prior Bonds; (ii) purchase a municipal bond insurance policy (the “**Policy**”) issued by \_\_\_\_\_ (the “**Insurer**”) for the purpose of paying the principal of and interest on the Bonds when due; (iii) purchase a reserve policy issued by the Insurer to be credited to the Reserve Fund for the Bonds (the “**Reserve Policy**”); and (iv) pay the costs of issuing the Bonds.

This Purchase Agreement, the Local Obligation Bond Indentures, the Local Obligations, and the Escrow Agreements are collectively referred to herein as the “**CFD Documents**.”

This Purchase Agreement, the Indenture, the Escrow Agreement, the Bonds, and the Continuing Disclosure Agreement, dated as of the Closing Date (the “**Authority Continuing Disclosure Agreement**”), by and between the Authority and Webb Municipal Finance, LLC, as dissemination agent, are collectively referred to herein as the “**Authority Documents**.”

**3. Public Offering.** The Underwriter agrees to make a *bona fide* public offering of all the Bonds initially at the public offering prices (or yields) set forth on Appendix A-1 attached hereto and by this reference incorporated herein. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds subject to Section 11 herein. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

**4. Delivery of Official Statement.** As soon as practicable, and no later than seven business days after its acceptance hereof, the Authority shall deliver to the Underwriter (i) one copy of the Official Statement, manually executed on behalf of the Authority by an authorized officer, and (ii) such reasonable number of certified or conformed copies of the Official Statement as the undersigned may request in order to comply with Rule 15c2-12 of the Securities and Exchange Commission (“**Rule 15c2-12**”), applicable Municipal Securities Rulemaking Board rules, and other regulatory requirements relating to the issuance and sale of the Bonds.

The Authority and the District hereby authorize the use of the Official Statement in connection with the public offering and sale of the Bonds. The Authority and the District also consent to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement of the Authority, dated \_\_\_\_\_, 2020, relating to the Bonds (which, together with all appendices thereto, is herein called the “**Preliminary Official Statement**”) in connection with the public offering of the Bonds. The Authority and the District, hereby ratify the use by the Underwriter of the Preliminary Official Statement, the Authority Documents, and any other documents or contracts to which the Authority or the District is a party, including this Purchase Agreement, and all information contained therein, and all other documents, certificates, and statements furnished by the Authority or the District to the Underwriter in connection with the transactions contemplated by this Purchase Agreement, or in connection with the offer and sale of the Bonds by the Underwriter.

Each of the Authority and the District represents that it has deemed the Preliminary Official Statement to be “final” as of its date within the meaning of Rule 15c2-12, except for the omission of

no more than the following information: the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, redemption provisions, and delivery dates, ratings, and any other matters permitted to be omitted under Rule 15c2-12, as evidenced by the execution by the Authority and the District, of certificates substantially in the forms of Appendix J and Appendix K, respectively, hereto. It is an express condition of the offer of the Underwriter made hereby that the Authority and the District deliver the Official Statement, in a form deemed by the Authority and the District, to be final, within seven business days of the date hereof; and the delivery of an Official Statement executed by an authorized representative of the Authority shall conclusively establish that the Authority and the District, deems the document so delivered to be final. A failure of the Authority or the District to comply with the requirements of the preceding sentence shall entitle the Underwriter to rescind its offer hereunder.

**5. Authority Representations, Warranties, and Covenants.** The Authority represents, warrants, and covenants to the Underwriter and the District that:

(a) Due Organization, Existence, and Authority of Authority. The Authority is a joint exercise of powers authority, duly organized and existing under the Constitution and laws of the State of California (the “**State**”), including the JPA Act, with full right, power, and authority to (i) enter into the Authority Documents, (ii) adopt, on \_\_\_\_\_, 2020, a resolution of authorization (the “**Authority Resolution**”) authorizing the issuance of the Bonds and entry into the Authority Documents and the taking of all other actions on the part of the Authority relating thereto (the “**Authority Proceedings**”), (iii) issue, sell, and deliver the Bonds to the Underwriter as provided herein, and (iv) carry out and consummate the transactions on its part contemplated by the Authority Documents, the Authority Resolution, and the Official Statement.

(b) Due Authorization and Approval of Authority. By all necessary official action of the Authority, the Authority has duly authorized and approved the execution and delivery by the Authority of, and the performance by the Authority of the obligations on its part contained in, the Authority Documents, and has approved the use by the Underwriter of the Preliminary Official Statement and the Official Statement and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified, or rescinded. When executed and delivered by the parties thereto, the Bonds and the other Authority Documents will constitute the legally valid and binding obligations of the Authority enforceable against the Authority in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles relating to or affecting creditors’ rights generally. To the best of the Authority’s knowledge, the Authority has complied, and will at the Closing be in compliance in all respects, with the terms of the Authority Documents that are applicable to the Authority.

(c) Official Statement Accurate. The information in the Preliminary Official Statement (as of its date) and in the Official Statement (exclusive of information with respect to DTC, the book-entry only system, the City, the District, the CFD Authorizing Resolution, the CFD Proceedings (as defined herein), the CFD Documents described therein, and the RMAs) is, and at all times subsequent to the date of the Official Statement up to and including the Closing Date will be, true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not

misleading. Prior to and upon delivery of the Bonds and up to and including 25 days after the End of the Underwriting Period (as defined in Section 5(d) below), the Official Statement will be amended and supplemented, at the expense of the Authority or the District, so as to contain no misstatement of any material fact or omission of any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading.

(d) Amendments and Supplements to Official Statement. Prior to and upon delivery of the Bonds and up to and including 25 days after the End of the Underwriting Period, the Authority will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The Authority will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise materially affecting the use of the Official Statement in connection with the offering, sale, or distribution of the Bonds. As used herein, the term “**End of the Underwriting Period**” means the later of such time as (i) the Bonds are delivered to the Underwriter, or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the End of the Underwriting Period shall be deemed to be the date of the Closing (as defined herein). Any notice delivered pursuant to this provision shall be written notice delivered to the Authority, the City, and the District at or prior to the Closing, and shall specify a date (other than the date of Closing) to be deemed the “End of the Underwriting Period.”

(e) No Breach or Default. As of the time of acceptance hereof and as of the Closing, except as otherwise disclosed in the Official Statement, the Authority is not, and as of the time of the Closing the Authority will not be, in breach of or in default under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement, or other instrument to which the Authority is a party or is otherwise subject; and to the Authority’s knowledge, no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default, or event could have an adverse effect on the Authority’s ability to perform its obligations under the Bonds or the Authority Documents; and, as of such times, except as disclosed in the Official Statement, the authorization, execution, and delivery of the Bonds and the other Authority Documents and compliance by the Authority with the provisions of each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement, or other instrument to which the Authority (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound; nor will any such authorization, execution, delivery, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation, or instrument, except as may be provided by the Authority Documents.

(f) No Litigation. At the time of acceptance hereof there is and as of the Closing there will be no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, government agency, public board, or body (collectively and individually, an “**Action**”) pending (notice of which has been served on the Authority) or, to the best knowledge of the Authority, threatened, in which any such Action (i) in any way questions the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices, (ii) affects, contests, or seeks to prohibit, restrain, or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of Revenues or any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the Authority Documents or the consummation of the transactions on the part of the Authority contemplated thereby, (iii) contests the exclusion of the interest on the Bonds from federal or state income taxation or contests the powers of the Authority that may result in any material adverse change relating to the financial condition of the Authority, or (iv) contests the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserts that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and as of the time of acceptance hereof there is and as of the Closing there will be no known basis for any action, suit, proceeding, inquiry, or investigation of the nature described in clauses (i) through (iv) of this sentence.

(g) Further Cooperation: Blue Sky. The Authority will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriter and at the expense of the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Bonds for offer and sale under the “blue sky” or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate, and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds, provided; however, that the Authority will not be required to execute a special or general consent to service of process or qualify as a foreign corporation in connection with any such qualification in any jurisdiction.

(h) Bonds Issued Per Indenture. The Bonds and the other Authority Documents conform as to form and tenor to the descriptions thereof contained in the Official Statement. The Bonds, when issued, executed, and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding limited obligations of the Authority, entitled to the benefits of the Indenture. The Indenture creates a valid pledge of the moneys in certain funds and accounts established pursuant to the Indenture, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

(i) Consents and Approvals. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency, or commission having jurisdiction in the matters that are required by Closing for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the Authority of, its obligations in connection with the Authority Documents have been duly obtained or made and are in full force and effect.

(j) No Other Obligations. Between the date of this Purchase Agreement and the Closing Date, the Authority will not offer or issue any bonds, notes, or other obligations for borrowed money not previously disclosed to the Underwriter.

(k) No Transfer Taxes. The issuance and sale of the Bonds is not subject to any transfer or other documentary stamp taxes of the State or any political subdivision thereof.

(l) Certificates. Any certificate signed by any authorized officer of the Authority and delivered to the Underwriter in connection with the issuance and sale of the Bonds shall be deemed to be a representation and covenant by the Authority to the Underwriter as to the statements made therein.

(m) Covenants and Cooperation. The Authority will faithfully perform and abide by all of its covenants and undertakings contained in the Authority Resolution and the Authority Documents, as the same may be amended from time to time, until such time as the Bonds have been paid in full or moneys have been set aside in an amount sufficient to pay all then outstanding Bonds at maturity or to the date of redemption if redeemed prior to maturity, plus unpaid interest thereon and premium, if any.

(n) Bond Proceeds. The Authority will apply the proceeds of the Bonds in accordance with the Indenture and as described in the Preliminary Official Statement and Official Statement

(o) Continuing Disclosure. The Authority will undertake, pursuant to the Authority Continuing Disclosure Agreement, to provide annual reports and notices of certain events to certain information repositories. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement. The Authority will promptly prepare and distribute, or cause to be prepared and distributed, all documents or reports as required now or in the future to be prepared and distributed pursuant to the Authority Continuing Disclosure Agreement. Except as disclosed in the Preliminary Official Statement, in the past five years, the Authority has never failed to comply, in any material respects, with any continuing disclosure undertaking previously entered into pursuant to the provisions of Rule 15c2-12.

**6. *District Representations, Warranties, and Covenants.*** The District represents, warrants, and covenants to the Authority and the Underwriter that:

(a) Due Organization, Existence, and Authority of the District. The District is a community facilities district duly organized and validly existing under the Act. The District has, and at the Closing Date will have, the requisite legal right, power, and authority (i) to enter into the CFD Documents (ii) to adopt the CFD Authorizing Resolution, and to take all other actions on the part of the District relating thereto (collectively, the “**CFD Proceedings**”), (iii) to levy the Special Taxes, and (iv) to carry out and consummate the transactions on its part contemplated by the CFD Documents, the CFD Authorizing Resolution and the Official Statement.

The Special Taxes have been duly and lawfully authorized and may be levied under the Act and, pursuant to the Act, the Special Taxes constitute a valid and legally binding lien on the properties upon which they have been levied.

(b) Due Authorization and Approval of CFD Documents. By all necessary official action, the City has, as the legislative body of the District, duly authorized and approved the adoption or execution and delivery by the District of, and the performance by the District of the obligations on each of their respective parts contained in, the CFD Authorizing Resolution and the CFD Documents, and has approved the use by the Underwriter of the Preliminary Official Statement and the Official Statement and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified, or rescinded. When executed and delivered by the parties thereto, the CFD Documents will constitute the legal, valid, and binding obligations of the District enforceable against the District in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles relating to or affecting creditors' rights generally. The District has complied and will at the Closing Date be in compliance in all respects, with the terms of the CFD Authorizing Resolution and the CFD Documents.

(c) Official Statement Accurate. The information with respect to the District, the Taxing Jurisdictions, the Local Obligations, the CFD Authorizing Resolution, the Act, the RMAs, the CFD Proceedings, and the CFD Documents in the Preliminary Official Statement (as of its date) and in the Official Statement is, and at all times subsequent to the date of the Official Statement up to and including the Closing Date will be, true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(d) No Breach or Default. As of the time of acceptance hereof and as of the Closing Date, except as otherwise disclosed in the Official Statement, the District is not, nor will it be, in breach of or in default under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement, or other instrument to which the District is a party or is otherwise subject, and no event has occurred and is continuing that, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default, or event could have an adverse effect on the ability of the District to perform its respective obligations under the CFD Authorizing Resolution or the CFD Documents and, as of such times, except as disclosed in the Official Statement, the authorization, execution, and delivery of the CFD Documents and compliance by the District with the provisions of each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement, or other instrument to which the District (or any of their respective officers) is subject, or by which it or any of its properties are bound, nor will any such authorization, execution, delivery, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation, or instrument, except as may be provided by the CFD Authorizing Resolution or the CFD Documents.

(e) No Litigation. At the time of acceptance hereof and as of the Closing Date, there is and will be no Action pending with respect to which the District has been served with

process or, to the best knowledge of the District, threatened, in which any such Action (i) questions the creation, organization, existence, authority, or powers of the District or the titles of the officers of the City or the District to their respective offices, (ii) affects, contests, or seeks to prohibit, restrain, or enjoin the issuance, sale, or delivery of any of the Local Obligations, the lien, the levy, or the collection of the Special Taxes, or the payment or collection of any amounts pledged or to be pledged to pay principal of, premium, if any, or interest on the Local Obligations, or in any way contests or affects the validity of the CFD Authorizing Resolution, or the CFD Documents or the consummation of the transactions on the part of the City or the District contemplated thereby or by the Official Statement, or contests the exclusion of the interest on the Local Obligations from federal or state income taxation, (iii) may result in any material adverse change relating to the financial condition of the City, or (iv) contests the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserts that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and as of the time of acceptance hereof and as of the Closing Date, to the knowledge of the officer of the City executing this Purchase Agreement for the City and on behalf of the District, there is no basis for any action, suit, proceeding, inquiry, or investigation of the nature described in clauses (i) through (iv) of this sentence.

(f) Consents and Approvals. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency, or commission having jurisdiction in the matters that are required by Closing Date that would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City or the District of its obligations in connection with the CFD Authorizing Resolution or the CFD Documents have been duly obtained or made and are in full force and effect.

(g) No Other Obligations. Between the date of this Purchase Agreement and the Closing Date, the District will not offer or issue any bonds, notes, or other obligations for borrowed money not previously disclosed to the Underwriter.

(h) No Transfer Taxes. The issuance and sale of the Local Obligations are not subject to any transfer or other documentary stamp taxes of the State or any political subdivision thereof.

(i) Certificates. Any certificate signed by any authorized officer of the City, on behalf of the District, and delivered to the Underwriter in connection with the issuance and sale of the Bonds or the Local Obligations shall be deemed to be a representation and covenant by the District to the Underwriter as to the statements made therein.

(j) Covenants and Cooperation. The District will faithfully perform and abide by all of its covenants and undertakings contained in the CFD Authorizing Resolution and the CFD Documents, as the same may be amended from time to time, until such time as the Local Obligations have been paid in full or moneys have been set aside in an amount sufficient to pay all then outstanding Local Obligations at maturity or to the date of redemption if redeemed prior to maturity, plus unpaid interest thereon and premium, if any.

(k) Public Debt. Except as disclosed in the Official Statement, to the best of the City's knowledge and without investigation of any kind, no other public debt secured by the Special Taxes or any other tax or assessment levied by the District on the land in the Taxing Jurisdictions is in the process of being authorized and no assessment districts or community facilities districts have been or are in the process of being formed by the City that include any portion of the land within the Taxing Jurisdictions. All outstanding debt and all authorized but unissued debt of the City that is applicable to the property within the Taxing Jurisdictions is accurately described in the Official Statement.

(l) Local Obligation Proceeds. The District will apply the proceeds of the Local Obligations in accordance with the Local Obligation Bond Indentures and the Escrow Agreements, as applicable.

(m) Continuing Disclosure. In the past five years, except as otherwise disclosed in the Official Statement, neither the City nor the District has ever failed to comply, in any material respects, with any continuing disclosure undertaking previously entered into pursuant to the provisions of Rule 15c2-12.

**7. The Closing.** At 10:00 a.m., California time, on the Closing Date, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the Authority and the Underwriter, (i) the Authority will deliver the Bonds in definitive form in New York, New York, or such other place as the Authority and the Underwriter shall mutually agree upon, and (ii) the District will deliver the closing documents hereinafter mentioned at the offices of Stradling Yocca Carlson & Rauth, a Professional Corporation ("**Bond Counsel**"), Newport Beach, California, or another place to be mutually agreed upon by the Authority and the Underwriter. The Underwriter will accept delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof in federal funds payable to the order of the Authority or its designee. These payments and deliveries, together with the delivery of the aforementioned documents, are herein called the "**Closing.**" The Bonds will be delivered in such denominations and deposited in the account or accounts specified by the Underwriter pursuant to written notice delivered not later than five business days prior to the Closing. The Bonds will be made available to the Underwriter for inspection and packaging not less than 72 hours prior to the Closing.

**8. Closing Conditions.** The Underwriter has entered into this Purchase Agreement in reliance upon the representations and covenants herein and the performance by the Authority and the District of their respective obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter's obligations under this Purchase Agreement are and shall be subject to the following additional conditions:

(a) Bring-Down Representations. The representations and covenants of the Authority and the District contained herein shall be true and correct at the date hereof and at the time of the Closing, as if made on the Closing Date.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing, (i) the Authority Documents and the CFD Documents shall be in full force and effect and shall not have been amended, modified, or supplemented except with the written consent of the Underwriter, (ii) there shall be in full force and effect such resolutions, including the Authority Resolution and the CFD Authorizing Resolution (collectively, the "**Resolutions**"), as, in the opinion of Bond Counsel, shall be necessary in connection with the

transactions on the part of the Authority, the City, or the District contemplated by the Official Statement, the Authority Documents, and the CFD Documents, (iii) the Authority or the District shall perform or have performed their respective obligations required or specified in the Authority Documents or the CFD Documents, as applicable, to be performed at or prior to Closing, and (iv) the Official Statement shall not have been supplemented or amended except as otherwise may have been agreed to in writing by the Underwriter.

(c) No Default. At the time of the Closing, no default shall have occurred or be existing under this Purchase Agreement, the Resolutions, the Authority Documents, or the CFD Documents, and none of the Authority and the District shall be in default in the payment of principal or interest on any of its bonded indebtedness which default shall adversely impact the ability of the Authority to make payment on the Bonds or the District to make payments on the Local Obligations.

(d) Closing Documents. At or prior to the Closing, the Underwriter shall have received each of the documents required under Section 9 below.

(e) Termination Events. The Underwriter shall have the right to terminate this Purchase Agreement, without liability therefor, by written notification to the Authority and the District if at any time at or prior to the Closing:

(i) Legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the State or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed, the effect of any or all of which would be to alter, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Bonds, or the interest on the Bonds as described in the Official Statement, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated herein; or

(ii) Legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering, or sale of obligations of the general character of the Bonds, as

contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect; or

(iii) Any state Blue Sky or securities commission or other governmental agency or body shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto; or

(iv) A general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction; or

(v) The declaration of a general banking moratorium by federal, New York or State authorities, or the general suspension of trading by the New York Stock Exchange, any national securities exchange, or any governmental authority securities exchange or a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

(vi) Establishment of any new restrictions in securities materially affecting the free market for securities of the same nature as the Bonds (including the imposition of any limitations on interest rates) or the charge to the net capital requirements of the Underwriter established by the New York Stock Exchange, the Securities and Exchange Commission, any other Federal or state agency or the Congress of the United States, or by Executive Order; or

(vii) The occurrence of an adverse event in the affairs of the Authority which, in the opinion of the Underwriter, materially impairs the investment quality of the Bonds; or

(viii) Any amendment to the federal or California Constitution or action by any federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Authority, its property, income or securities (or interest thereon), or the Authority to issue the Bonds and pledge the Revenues as contemplated by the Indenture and the Official Statement; or

(ix) There shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis; or

(x) There shall have occurred since the date of this Purchase Agreement any materially adverse change in the affairs or financial position, results of operations or condition, financial or otherwise, of the Authority, other than changes in the ordinary course of business or activity or in the normal operation of the Authority, except as described in the Official Statement; or

(xi) Any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or the Official Statement, or results in the Preliminary Official Statement or the Official Statement containing any untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(xii) Any proceeding shall have been commenced or be threatened in writing by the SEC against the Authority or the suspension by the SEC of trading in the outstanding securities of the Authority; or

(xiii) An Action shall have occurred as set forth in Section 5(f) and Section 6(e) which, in the reasonable professional judgment of the Underwriter, requires the preparation and publication of a supplement or amendment to the Official Statement; or

(xiv) Any rating of the Bonds or other obligations of the Insurer by a national rating agency shall have been withdrawn or downgraded or placed on negative outlook or negative watch; or

(xv) Any rating of the Bonds or other obligations of the Authority by a national rating agency shall have been withdrawn or downgraded or placed on negative outlook or negative watch.

**9. Closing Documents.** At or prior to the Closing, the Underwriter shall receive the following documents:

(a) Bond Counsel Opinions. With respect to the Bonds, an approving opinion of Bond Counsel, dated the Closing Date and substantially in the form included as Appendix E to the Official Statement, and, with respect to each of the Local Obligations, an approving opinion of Bond Counsel, dated the Closing Date, substantially in the same form as the foregoing opinion, together with a letter or letters from such counsel, dated the Closing Date and addressed to the Underwriter and the Trustee, to the effect that such opinions addressed to the Authority or the District, as applicable, may be relied upon by the Underwriter and the Trustee to the same extent as if they were addressed to the Underwriter and the Trustee;

(b) Supplemental Opinion. One or more supplemental opinions of Bond Counsel, dated the Closing Date and addressed to the Underwriter, in form and substance acceptable to counsel for the Underwriter to the following effect:

(i) the Authority Documents have been duly authorized, executed, and delivered by the Authority and constitute legal, valid, and binding obligations of the Authority enforceable against the Authority in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting enforcement of creditors' rights, or by the application of equitable principles if equitable remedies are sought;

(ii) the CFD Documents have been duly authorized, executed, and delivered by the District, and constitute legal, valid, and binding obligations of the District, enforceable against the District, in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting enforcement of creditor's rights, or by the application of equitable principles if equitable remedies are sought;

(iii) the Bonds conform as to form and tenor to the descriptions thereof contained under the caption "THE BONDS" in the Official Statement, and the statements contained in the Official Statement under the captions "INTRODUCTION," "THE BONDS," "SECURITY FOR THE BONDS," "LEGAL MATTERS – Tax Matters," "APPENDIX B – SUMMARY OF PRINCIPAL DOCUMENTS," and "APPENDIX E – FORM OF BOND COUNSEL OPINION," insofar as such statements purport to summarize certain provisions of the JPA Act, the Bond Law, the Act, the Bonds, the Authority Documents, the Authority Resolution, the Authority Proceedings, the Local Obligations, the CFD Documents, the CFD Authorizing Resolution, the CFD Proceedings, or applicable provisions of the United States Internal Revenue Code of 1986, as amended are accurate in all material respects; and

(iv) none of the Bonds and the Local Obligations are subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(c) Defeasance Opinions. With respect to each respective series of Prior Authority Bonds, a defeasance opinion of Bond Counsel, dated the Closing Date, in form and substance acceptable to the Underwriter and its counsel;

(d) Opinion of Counsel to Authority. An opinion of City Attorney, as counsel to the Authority, dated the Closing Date and addressed to the Underwriter, the Trustee and the Authority, substantially in the form of Appendix B hereto;

(e) Opinion of City Attorney. An opinion of the City Attorney, as counsel to the District, dated the Closing Date and addressed to the Underwriter, the Trustee and the Authority, substantially in the form of Appendix C hereto;

(f) Opinion of Counsel to Trustee. One or more opinions of counsel to the Trustee, all dated the Closing Date and addressed to the Underwriter, substantially in the form of Appendix D hereto;

(g) Opinion of Counsel to Escrow Agent. One or more opinions of counsel to the Escrow Agent, all dated the Closing Date and addressed to the Underwriter, substantially in the form of opinion of counsel to the Trustee;

(h) Opinion of Counsel to Underwriter. An opinion of Kutak Rock LLP, Irvine, California, as counsel to the Underwriter ("**Underwriter's Counsel**"), dated the Closing Date and addressed to the Underwriter, concerning such matters as the Underwriter may request;

(i) Certificates of Authority. (i) A certificate of the Authority, dated the date of the Preliminary Official Statement, signed by a duly authorized representative of the Authority, substantially in the form of Appendix J hereto; and (ii) a certificate of the Authority, dated the Closing Date, signed by a duly authorized representative of the Authority, substantially in the form of Appendix E hereto;

(j) Certificates of District. (i) A certificate of the District, dated the date of the Preliminary Official Statement, signed by a duly authorized representative of the District, substantially in the form of Appendix K hereto; and (ii) a certificate of the District, dated the Closing Date, signed by a duly authorized representative of the District, substantially in the form of Appendix F hereto;

(k) Closing Certificate of the Trustee. A certificate of the Trustee, dated the Closing Date, substantially in the form of Appendix G hereto;

(l) Closing Certificate of the Escrow Agent. A certificate of the Escrow Agent, dated the Closing Date, substantially in the form of the certificate of the Trustee;

(m) Closing Certificate of Special Tax Consultant. A certificate of Webb Municipal Finance, LLC, as Special Tax Consultant (the “**Special Tax Consultant**”), dated the Closing Date, substantially in the form of Appendix H hereto;

(n) Closing Certificate of Municipal Advisor. A certificate of the Municipal Advisor, dated the Closing Date, substantially in the form of Appendix I hereto;

(o) Negative Assurance Letter of Disclosure Counsel to Authority. A letter from Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as disclosure counsel to the Authority, dated the Closing Date and addressed to the Underwriter, in form and substance acceptable to counsel for the Underwriter to the effect that, without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of their participation in conferences with representatives of the Authority, the District, the Special Tax Consultant and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Official Statement as of its date and as of the Closing Date contained or contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no view be expressed with respect to: (i) the expressions of opinion, the assumptions, the projections, estimates and forecasts, the charts, the financial statements or other financial, numerical, economic, demographic or statistical data, or assessed valuations contained in the Official Statement; (ii) any CUSIP numbers or information relating thereto; (iii) any information with respect to The Depository Trust Company and its book-entry system; (iv) any information contained in the appendices to the Official Statement (except Appendix A); (v) any information incorporated by reference into the Official Statement; (vi) any information with respect to the underwriter or underwriting matters with respect to the Bonds, including but not limited to information under the caption “MISCELLANEOUS - Underwriting”; and (vii) information under the caption “LEGAL MATTERS - Absence Of Litigation”);

(p) CDIAC Statements. A copy of the filings made for the Bonds and each series of Local Obligations with the California Debt and Investment Advisory Commission in accordance with Sections 8855 and 53583, as applicable, of the California Government Code;

(q) Authority and CFD Documents. Fully executed copies of each of the Authority Documents and the CFD Documents;

(r) Official Statement. One copy of the Official Statement manually executed on behalf of the Authority by an authorized officer, and such reasonable number of certified or conformed copies of the foregoing as the Underwriter may request in order to comply with Rule 15c2-12, applicable Municipal Securities Rulemaking Board rules, and other regulatory requirements relating to the issuance and sale of the Bonds;

(s) Authority Resolutions. Copies certified by the Secretary of the Authority of each Resolution of the Authority relating to the Authority Documents, the transactions contemplated thereby, or the issuance of the Bonds and the Local Obligations;

(t) District Resolutions. Copies certified by the City Clerk of the City of each Resolution of the City or the District relating to the CFD Documents, the transactions contemplated thereby, or the issuance of the Bonds and the Local Obligations;

(u) Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing in connection with the Bonds and each series of Local Obligations;

(v) Verification Letters. One or more letters addressed to the Authority, the City, and the District, dated on or before the Closing Date, from Causey, Demgen & Moore, P.C. (the “**Verification Agent**”), relating to the sufficiency of moneys and securities deposited into the Escrow Funds to pay, when due, the principal, whether at maturity or upon prior prepayment, interest and prepayment premium requirements of the Prior Bonds, the Prior 2011 Authority Bonds and the Prior 2012 Authority Bonds;

(w) Additional Documents. Such additional legal opinions, certificates, instruments, and other documents as the Underwriter or its counsel may reasonably deem necessary; and

(x) Transcripts. Two (2) transcripts containing the documents listed in this Section, together with any other documents relating to the authorization and issuance of the Bonds.

If the Authority or the City shall be unable to satisfy the conditions contained in this Purchase Agreement, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and none of the Underwriter, the Authority, or the City shall be under further obligation hereunder, except as further set forth in Section 10 hereof.

## **10. *Costs and Expenses.***

(a) The Underwriter shall be under no obligation to pay, and the Authority or the District shall pay or cause to be paid from any legally available funds, the following expenses

incident to the issuance of the Bonds and performance of the obligations of the Authority and the District hereunder: (i) the costs of the preparation and printing of the Bonds and the Local Obligations; (ii) the fees and disbursements of Bond Counsel and Disclosure Counsel; (iii) the cost of preparation, printing, and mailing of the Preliminary Official Statement and Official Statement and any supplements and amendments thereto, including a reasonable number of copies thereof for distribution by the Underwriter; and (v) the fees and disbursements of accountants, advisers, and any other experts or consultants retained by the Authority or the District, including the fees and expenses of Trustee and the Escrow Agent and their respective counsels, the Municipal Advisor, the Special Tax Consultant and the Verification Agent.

(b) The Underwriter shall pay the following expenses: (i) all advertising expenses in connection with the public offering of the Bonds; (ii) the CDIAC fee; (iii) the CUSIP Bureau fee; (iv) the fees and disbursements of Underwriter's Counsel; and (v) all other expenses incurred by the Underwriter in connection with its public offering and distribution of the Bonds, except as noted in Section 10(a) above. Any meals in connection with or adjacent to meetings, rating agency presentations, pricing activities or other transaction-related activities shall be considered an expense of the transaction and included in the expense component of the Underwriter's discount.

**11. Notices.** Any notice or other communication to be given to the Authority, the City, or the District under this Purchase Agreement may be given by delivering the same in writing to such entities at 550 East 6<sup>th</sup> Street, Beaumont, California 92223, Attention: Executive Director. Any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Stifel, Nicolaus & Company, Incorporated 515 South Figueroa Street, Suite 1800, Los Angeles CA 90071; Attention: Public Finance.

**12. Entire Agreement.** This Agreement is made solely for the benefit of the Authority, the District, and the Underwriter (including their respective successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties, and agreements of the Authority and the District contained in this Purchase Agreement shall remain operative and in full force and effect regardless of (i) any investigations made by or on behalf of the Underwriter, or (ii) delivery of any payment for the Bonds pursuant to this Purchase Agreement. The agreements contained in this Section and in Section 13 shall survive any termination of this Purchase Agreement.

**13. Survival of Representations and Warranties.** All representations and warranties of the parties made in, pursuant to, or in connection with this Purchase Agreement shall survive the execution and delivery of this Purchase Agreement, notwithstanding any investigation by the parties. All statements contained in any certificate, instrument, or other writing delivered by a party to this Purchase Agreement or in connection with the transactions contemplated by this Purchase Agreement constitute representations and warranties by such party under this Purchase Agreement.

**14. No Assignment.** The rights and obligations created by this Purchase Agreement shall not be subject to assignment by the Underwriter, the Authority, the City, or the District without the prior written consent of the other parties hereto.

**15. Severability.** In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

**16. Governing Law.** The validity, interpretation and performance of this Purchase Agreement shall be governed by the laws of the State of California.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

17. **Counterparts.** This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

**STIFEL, NICOLAUS & COMPANY, INCORPORATED**

By: \_\_\_\_\_  
Authorized Representative

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

**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY**

By: \_\_\_\_\_  
Authorized Officer

Time of Execution: \_\_\_\_\_ p.m. California time

**CITY OF BEAUMONT COMMUNITY FACILITIES  
DISTRICT NO. 93-1**

By: \_\_\_\_\_  
Authorized Officer

Time of Execution: \_\_\_\_\_ p.m. California time

**APPENDIX A-1**

\$ \_\_\_\_\_  
**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY  
LOCAL AGENCY REFUNDING BONDS  
SERIES 2020A (FEDERALLY TAXABLE)**

<u>Maturity (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
20__				
20__				

<sup>(1)</sup> Insured Bond.

<sup>(C)</sup> Priced to optional call at [par] on September 1, 20\_\_.

**APPENDIX A-2**

**City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 8C) 2020  
Special Tax Refunding Bonds**

<u>Maturity (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
20__				
20__				

<sup>(1)</sup> Insured Bond.

<sup>(C)</sup> Priced to optional call at [par] on September 1, 20\_\_.

**APPENDIX A-3**

**City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 17B) 2020  
Special Tax Refunding Bonds**

<u>Maturity (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
20__				
20__				

<sup>(1)</sup> Insured Bond.

<sup>(C)</sup> Priced to optional call at [par] on September 1, 20\_\_.

**APPENDIX B**

**FORM OF OPINION OF COUNSEL TO AUTHORITY**

[LETTERHEAD OF COUNSEL TO AUTHORITY]

[Closing Date]

Stifel, Nicolaus & Company, Incorporated  
Los Angeles, California

Wilmington Trust, National Association  
Costa Mesa, California

Beaumont Public Improvement Authority  
Beaumont, California

Re: Beaumont Public Improvement Authority  
Local Agency Refunding Bonds, Series 2020A (Federally Taxable)

City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 8C)  
2020 Special Tax Refunding Bonds

City of Beaumont Community Facilities District No. 93-1 (Improvement Area No.  
17B) 2020 Special Tax Refunding Bonds

Ladies and Gentlemen:

We have acted as general counsel to the Beaumont Public Improvement Authority (the “Authority”) in connection with the issuance by the Authority of its Local Agency Refunding Bonds, Series 2020A (Federally Taxable) (the “Bonds”). This opinion is provided pursuant to Section 9(d) of that certain Bond Purchase Agreement, dated \_\_\_\_\_, 2020 (the “Purchase Agreement”), by and among the Authority, City of Beaumont Community Facilities District No. 93-1 (the “District”), and Stifel, Nicolaus & Company, Incorporated, as underwriter. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Purchase Agreement.

1. The Authority is duly organized and validly existing as a joint powers authority under the laws of the State of California, with full legal power and authority to enter into the Authority Documents and to carry out the transactions contemplated under the Authority Documents.

2. The Authority Resolution was duly adopted at a meeting of the Board of Directors of the Authority, which meeting was called and held pursuant to law and with all public notice required by law and at which a *quorum* was present and acting throughout and the Authority Resolution is in full force and effect and has not been modified, amended, or rescinded as of the date hereof.

3. The Authority has full right and lawful authority to execute and deliver the Authority Documents and the Official Statement; the Authority Documents and the Official Statement have been duly authorized, executed, and delivered by the Authority and the Authority Documents are legal, valid, and binding obligations of the Authority, enforceable in accordance with their respective terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization,

moratorium, and other similar laws relating to or limiting creditors' rights generally and by the principles of equity if equitable remedies are sought.

4. The execution and delivery of the Authority Documents and the Official Statement and compliance by the Authority with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument applicable to or binding upon the Authority, or any existing law, regulation, court order, or consent decree to which the Authority is subject.

5. The Official Statement has been duly authorized by the Board of Directors of the Authority and executed on its behalf by an authorized officer of the Authority.

6. Except as stated in the Official Statement, there is no action, suit, proceeding, inquiry, or investigation before or by any court, public board, or body pending with respect to which the Authority has been served with process or, to our knowledge, threatened, wherein an unfavorable decision, ruling, or finding would: (a) affect the creation, organization, existence, or powers of the Authority, or the titles of its members and officers to their respective offices; (b) enjoin or restrain the issuance, sale, and delivery of the Bonds, the collection of the Revenues or the pledge thereof; (c) in any way question or affect any of the rights, powers, duties, or obligations of the Authority with respect to the Revenues or the moneys and assets pledged or to be pledged to pay the principal of, premium, if any, or interest on the Bonds; (d) in any way question or affect any authority for the issuance of the Bonds or the validity or enforceability of the Bonds; or (e) in any way question or affect the Authority Documents or the transactions contemplated by the Authority Documents, the Official Statement, or any activity regarding the Bonds.

Very truly yours,

**APPENDIX C**

**FORM OF OPINION OF CITY ATTORNEY**

[LETTERHEAD OF CITY ATTORNEY]

[Closing Date]

Stifel, Nicolaus & Company, Incorporated  
Los Angeles, California

Wilmington Trust, National Association  
Costa Mesa, California

Beaumont Public Improvement Authority  
Beaumont, California

Re: Beaumont Public Improvement Authority  
Local Agency Refunding Bonds, Series 2020A (Federally Taxable)

City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 8C) 2020 Special Tax Refunding Bonds

City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 17B) 2020 Special Tax Refunding Bonds

Ladies and Gentlemen:

I am City Attorney for the City of Beaumont, California (the “City”) and have acted in such capacity on behalf of City of Beaumont Community Facilities District No. 93-1 (the “District”) in connection with (i) the issuance by the Beaumont Public Improvement Authority (the “Authority”) of its Local Agency Refunding Bonds, Series 2020A (Federally Taxable), and (ii) the issuance by the District of its 2020 Special Tax Refunding Bonds captioned above (collectively, the “Local Obligations”). This opinion is provided pursuant to Section 9(e) of that certain Bond Purchase Agreement, dated \_\_\_\_\_, 2020 (the “Purchase Agreement”), by and among the Authority, the District, and Stifel, Nicolaus & Company, Incorporated, as underwriter. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Purchase Agreement.

1. The District is duly organized and validly existing as a community facilities district under and by virtue of the laws of the State of California, with full legal power and authority to enter into the CFD Documents and to carry out the transactions contemplated under the CFD Documents.

2. The resolutions adopted by the City Council of the City (the “City Council”) approving the execution and delivery of the Local Obligations and the CFD Documents, were duly adopted at meetings of the City Council, which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout; and such resolutions are in full force and effect and have not been modified, amended, or rescinded as of the date hereof.

3. The Special Tax levied by District for each Taxing Jurisdiction constitutes a valid and legally binding lien on the properties upon which it has been levied.

4. The District has full right and lawful authority to execute and deliver the CFD Documents; the CFD Documents have been duly authorized, executed, and delivered by the District and the CFD Documents are legal, valid, and binding obligations of the District, enforceable in accordance with their respective terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws relating to or limiting creditors' rights generally and by the principles of equity if equitable remedies are sought.

5. The execution and delivery of the CFD Documents and compliance by the District with the provisions thereof, under the circumstances contemplated thereby, does not and will not in any material respect conflict with or constitute on the part of the District a breach of or default under any agreement or other instrument applicable to or binding upon the District, or any existing law, regulation, court order, or consent decree to which the District is subject.

6. Except as stated in the Official Statement, there is no action, suit, proceeding, inquiry, or investigation before or by any court, public board, or body pending with respect to which the District has been served with process or, to my knowledge, threatened, wherein an unfavorable decision, ruling, or finding would: (a) affect the creation, organization, existence, or powers of the District, or the titles of their respective officers or the City Council members to their respective offices; (b) enjoin or restrain the issuance, sale, and delivery of the Local Obligations, the lien, the levy, and the collection of the Special Taxes, or the pledge thereof; (c) in any way question or affect any of the rights, powers, duties, or obligations of the District with respect to the Special Taxes or the moneys and assets pledged or to be pledged to pay the principal of, premium, if any, or interest on the Local Obligations; (d) in any way question or affect any authority for the issuance of the Local Obligations, the validity or enforceability of the Local Obligations, or the CFD Documents; or (e) in any way question or affect the transactions contemplated by the CFD Documents or the Official Statement.

7. Without having undertaken to determine independently the accuracy, completeness, or fairness of the information in the Official Statement with respect to the City, the District, the Act, the CFD Authorizing Resolution, the CFD Proceedings, the RMAs, the Prior Bonds, the Local Obligations, the Local Obligation Bond Indentures, and the Escrow Agreements, nothing has come to my attention as of the date of the Closing that would lead me to believe that such information (excluding therefrom any financial or statistical data and forecasts included therein, as to which no opinion is expressed) contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Respectfully submitted,

## APPENDIX D

### FORM OF OPINION OF COUNSEL TO THE TRUSTEE

#### [LETTERHEAD OF TRUSTEE'S COUNSEL]

[Closing Date]

Stifel, Nicolaus & Company, Incorporated  
Los Angeles, California

Beaumont Public Improvement Authority  
Beaumont, California

Re: Beaumont Public Improvement Authority  
Local Agency Refunding Bonds, Series 2020A (Federally Taxable)

Ladies and Gentlemen:

I am a counsel to Wilmington Trust, National Association (“Wilmington Trust”) and I am delivering this opinion in connection with the execution and delivery of that certain (i) Indenture of Trust dated as of July 1, 2020, by and between the Beaumont Public Improvement Authority and Wilmington Trust, as trustee, and (ii) five separate Bond Indentures, each dated as of July 1, 2020, by and between the City of Beaumont Community Facilities District No. 93-1 and Wilmington Trust, as trustee (collectively, the “Agreements”). All capitalized terms used herein not otherwise defined shall be as defined in the Agreements.

In rendering the opinions set forth below, I have examined the originals, or copies certified to my satisfaction, of such agreements (including, without limitation, the Agreements), certificates and other statements of government officials and corporate officers of Wilmington Trust, documents and other papers as I deemed relevant and necessary as a basis for such opinion and have relied as to factual matters on representations, warranties and other statements therein. With respect to parties other than Wilmington Trust, in such examination, I have assumed the authenticity of all documents submitted to me as originals, the genuineness of all signatures, the legal capacity of natural persons and the conformity to the originals of all documents submitted to me as copies. In my examination of documents (including, without limitation, the Agreements) executed by parties other than Wilmington Trust, I have also assumed that, if the opinions set forth in paragraphs (1) through (4) below referred to such parties and such documents, such opinions would be true and correct with respect to such parties and such documents.

The opinions expressed herein are limited to the laws of the State of California and the Federal law of the United States, and I do not express any opinion herein concerning any other law.

Based upon the foregoing, I am of the opinion that:

(1) Wilmington Trust is a national banking association duly organized and validly existing under the laws of the jurisdiction of its organization and has the corporate power to execute and deliver the Agreements and any other documentation relating to the Agreements, and to perform its obligations under the Agreements.

(2) The execution and delivery by Wilmington Trust of the Agreements and any other documentation relating to the Agreements, and its performance of its obligations under the Agreements, have been and are as of the date hereof duly authorized by all necessary corporate action.

(3) No approval, authorization or other action by, or filing with, any governmental body or regulatory authority (which has not been obtained) is required in connection with the due execution, delivery and performance by Wilmington Trust of the Agreements.

(4) The Agreements have been duly executed and delivered and constitute the valid and legally binding obligations of Wilmington Trust enforceable against it in accordance with their terms except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought as a proceeding in equity or at law).

Respectfully submitted,

**APPENDIX E**

**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY  
LOCAL AGENCY REFUNDING BONDS  
SERIES 2020A (FEDERALLY TAXABLE)**

**CLOSING CERTIFICATE OF AUTHORITY**

The undersigned, \_\_\_\_\_, Executive Director of the Beaumont Public Improvement Authority (the “Authority”), hereby certifies the following in connection with the issuance and sale of the Bonds and the Local Obligations:

1. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Bond Purchase Agreement, dated \_\_\_\_\_, 2020 (the “Purchase Agreement”), by and among the Authority, City of Beaumont Community Facilities District No. 93-1 (the “District”), and Stifel, Nicolaus & Company, Incorporated, as underwriter for the Bonds.

2. The representations and warranties of the Authority contained in the Purchase Agreement are true and correct in all material respects on and as of the Closing Date as if made on the Closing Date.

3. The Authority Proceedings are in full force and effect and have not been amended, modified, or supplemented.

4. The Authority has complied with all agreements and covenants, and satisfied all conditions, on its part to be complied with or satisfied under the Purchase Agreement at or prior to the Closing.

5. Nothing has come to the attention of the Authority that would lead it to believe that the information in the Official Statement (exclusive of information with respect to DTC, the book-entry only system, the City, the District, the CFD Authorizing Resolution, the CFD Proceedings, the Prior Bonds, the Local Obligations, the RMAs, the Local Obligation Bond Indentures, and the Escrow Agreements) contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstance under which they were made, not misleading.

6. No authorization, approval, consent, or other order of any governmental entity or regulatory authority having jurisdiction over the activities of the Authority that has not been obtained is or will be required for the valid authorization, execution, and delivery of the Authority Documents or the issuance of the Bonds by the Authority or the performance by the Authority of its obligations under the Authority Documents.

Dated: [Closing Date]

**BEAUMONT PUBLIC IMPROVEMENT  
AUTHORITY**

By: \_\_\_\_\_

**APPENDIX F**

**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY  
LOCAL AGENCY REFUNDING BONDS  
SERIES 2020A (FEDERALLY TAXABLE)**

**CLOSING CERTIFICATE OF THE DISTRICT**

The undersigned, on behalf of the City of Beaumont Community Facilities District No. 93-1 (the "District"), hereby makes the following certifications pursuant to Section 9(j) of the Bond Purchase Agreement, dated \_\_\_\_\_, 2020 (the "Purchase Agreement"), by and among Beaumont Public Improvement Authority, the District, and Stifel, Nicolaus & Company, Incorporated, as underwriter. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Purchase Agreement.

1. I am a duly authorized officer of the City and as such I am familiar with the facts herein certified and authorized and qualified to certify the same.

2. The representations and warranties of the District contained in the Purchase Agreement are true and correct in all material respects on and as of the Closing Date as if made on the Closing Date.

3. The District has complied with all agreements and covenants, and satisfied all conditions, on its part to be complied with or satisfied under the Purchase Agreement at or prior to the Closing.

4. The CFD Proceedings are in full force and effect and have not been amended, modified, or supplemented.

5. The District has complied with all agreements and covenants, and satisfied all conditions, on its part to be complied with or satisfied under the Purchase Agreement at or prior to the Closing.

6. With respect to the discussion in the Official Statement, insofar as such discussion purports to summarize information concerning the City, the District, the Taxing Jurisdictions, the Act, the Local Obligations, the CFD Proceedings, the CFD Authorizing Resolution, the Prior Bonds, and the CFD Documents, nothing has come to the attention of the District that would leave it to believe that such discussion contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

7. No authorization, approval, consent, or other order of any governmental entity or regulatory authority having jurisdiction over the activities of the City or the District that has not been obtained is or will be required for the valid authorization, execution, and delivery of the CFD Documents by the District, the issuance of the Local Obligations, or the performance by the District, of its respective obligations under the CFD Documents.

Dated: [Closing Date]

City of Beaumont Community Facilities District  
No. 93-1

By: \_\_\_\_\_

**APPENDIX G****BEAUMONT PUBLIC IMPROVEMENT AUTHORITY  
LOCAL AGENCY REFUNDING BONDS  
SERIES 2020A (FEDERALLY TAXABLE)****CLOSING CERTIFICATE OF  
WILMINGTON TRUST, NATIONAL ASSOCIATION**

The undersigned, on behalf of and Wilmington Trust, National Association (“Wilmington Trust”), as Trustee under the Indenture and the Local Obligation Bond Indentures, hereby makes the following certifications pursuant to Section 9(k) of the Bond Purchase Agreement, dated \_\_\_\_\_, 2020 (the “Purchase Agreement”), by and among the Authority, the District, and Stifel, Nicolaus & Company, Incorporated, as underwriter. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Purchase Agreement.

1. I am a duly authorized officer of Wilmington Trust and as such I am familiar with the facts herein certified and authorized and qualified to certify the same.

2. Wilmington Trust has been duly organized and is validly existing and in good standing as a national banking association under the laws of the United States, with full corporate power to undertake its obligations under each of the Indenture and the Local Obligation Bond Indentures (collectively, the “Agreements”).

3. Wilmington Trust has duly authorized, executed, and delivered each of the Agreements and by all proper corporate action has authorized the acceptance of its respective obligations thereunder.

4. The Bonds have been validly authenticated and delivered by Wilmington Trust in accordance with the terms of the Indenture, and each series of the Local Obligations have been validly authenticated and delivered by Wilmington Trust in accordance with the terms of the respective Local Obligation Bond Indentures.

5. Pursuant to the Indenture, Wilmington Trust will apply the proceeds from the Bonds to the purposes specified in the Indenture.

6. Pursuant to the respective Local Obligation Bond Indentures, Wilmington Trust will apply the proceeds from the Local Obligations to the purposes specified in the respective Local Obligation Bond Indentures.

7. No authorization, approval, consent, or other order of any governmental entity or regulatory authority having jurisdiction over the banking and trust activities of Wilmington Trust that has not been obtained is or will be required for the valid authorization, execution, and delivery of the Agreements by Wilmington Trust or the performance by Wilmington Trust of its obligations under the Agreements.

8. To Wilmington Trust’s knowledge, the execution and delivery by Wilmington Trust of the Agreements, and compliance with the respective provisions thereof, will not conflict with or constitute a breach of or default under, Wilmington Trust’s duties or obligations under any law,

administrative regulation, court decree, resolution, articles of association, bylaws, material agreement, or material instrument applicable to or binding upon Wilmington Trust.

9. Wilmington Trust is duly authorized to accept the obligations created by the Agreements and to authenticate the Bonds pursuant to the terms of the Indenture and each series of the Local Obligations pursuant to the terms of the respective Local Obligation Bond Indentures, and Wilmington Trust has authenticated and delivered the Bonds in accordance with the terms of the Indenture and the Local Obligations in accordance with the terms of the respective Local Obligation Bond Indentures.

Dated: [Closing Date]

WILMINGTON TRUST, NATIONAL  
ASSOCIATION, as trustee and fiscal agent

By: \_\_\_\_\_  
Authorized Signatory

**APPENDIX H**

**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY  
LOCAL AGENCY REFUNDING BONDS  
SERIES 2020A (FEDERALLY TAXABLE)**

**CLOSING CERTIFICATE OF SPECIAL TAX CONSULTANT**

The undersigned, on behalf of Webb Municipal Finance, LLC (the “Special Tax Consultant”), hereby makes the following certifications pursuant to Section 9(m) of the Bond Purchase Agreement, dated \_\_\_\_\_, 2020 (the “Purchase Agreement”), by and among the Beaumont Public Improvement Authority, City of Beaumont Community Facilities District No. 93-1 (the “District”), and Stifel, Nicolaus & Company, Incorporated, as underwriter. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Purchase Agreement or the Official Statement related to the above-captioned bonds (the “Bonds”).

1. The undersigned is an authorized representative of the Special Tax Consultant and as such is familiar with the facts herein certified and is authorized and qualified to certify the same.

2. The Special Tax Consultant assisted the District in the administration of the RMAs, each as set forth in Appendix D to the Official Statement for the Bonds.

3. If the Improvement Area No. 8C Special Tax is levied and collected against the property within Improvement Area No. 8C in accordance with the Improvement Area No. 8C Rate and Method of Apportionment, such Improvement Area No. 8C Special Tax will annually yield sufficient revenue to make timely payments of the principal of and interest on the Improvement Area No. 8C Special Tax Refunding Bonds and to pay annual administrative expenses of the District related to the levy and collection of the Improvement Area No. 8C Special Tax.

4. If the Improvement Area No. 17B Special Tax is levied and collected against the property within Improvement Area No. 17B in accordance with the Improvement Area No. 17B Rate and Method of Apportionment, such Improvement Area No. 17B Special Tax will annually yield sufficient revenue to make timely payments of the principal of and interest on the Improvement Area No. 17B Special Tax Refunding Bonds and to pay annual administrative expenses of the District related to the levy and collection of the Improvement Area No. 17B Special Tax.

5. All information supplied by the Special Tax Consultant for use in the Official Statement, including without limitation, the information in Appendix D is true and correct in all material respects, and, as of the date of the Official Statement and as of the date hereof, the information contained in the Official Statement relating to the District, the Special Taxes, the RMAs, and any other data or information provided by the Special Tax Consultant and included in the Official Statement, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

Dated: [Closing Date]

WEBB MUNICIPAL FINANCE, LLC

By: \_\_\_\_\_  
Authorized Signatory

**APPENDIX I**

**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY  
LOCAL AGENCY REFUNDING BONDS  
SERIES 2020A (FEDERALLY TAXABLE)**

**CLOSING CERTIFICATE OF MUNICIPAL ADVISOR**

The undersigned, on behalf of Urban Futures, Inc. (the “Municipal Advisor”), hereby makes the following certifications pursuant to Section 9(n) the Bond Purchase Agreement, dated \_\_\_\_\_, 2020 (the “Purchase Agreement”), by and among the Beaumont Public Improvement Authority, the City of Beaumont Community Facilities District No. 93-1 (the “District”), and Stifel, Nicolaus & Company, Incorporated, as underwriter. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Purchase Agreement.

1. The undersigned is an authorized officer of the Municipal Advisor, which acted as municipal advisor to the Authority and the City in connection with the issuance and sale of the Bonds and the Local Obligations, and as such is familiar with the facts herein certified and authorized and qualified to certify the same.

2. To the best of my knowledge, the Official Statement for the Bonds does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Dated: [Closing Date]

URBAN FUTURES, INC.

By: \_\_\_\_\_  
Authorized Signatory

**APPENDIX J**

**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY  
LOCAL AGENCY REFUNDING BONDS  
SERIES 2020A (FEDERALLY TAXABLE)**

**CERTIFICATE OF AUTHORITY REGARDING  
PRELIMINARY OFFICIAL STATEMENT**

The undersigned hereby certifies and represents that he/she is the \_\_\_\_\_ of the Beaumont Public Improvement Authority (the “Authority”), and as such is duly authorized to execute and deliver this Certificate and further certifies and reconfirms on behalf of the Authority as follows:

1. This Certificate is delivered in connection with the offering and sale of the Beaumont Public Improvement Authority Local Agency Refunding Bonds, Series 2020A (Federally Taxable) (the “Bonds”), in order to enable the underwriter of the Bonds to comply with Rule 15c2-12, promulgated under the Securities Exchange Act of 1934 (the “Rule 15c2-12”).

2. In connection with the offering and sale of the Bonds there has been prepared a Preliminary Official Statement, dated \_\_\_\_\_, 2020, setting forth information concerning the Authority, the Bonds, City of Beaumont Community Facilities District No. 93-1, and other matters (the “Preliminary Official Statement”).

3. As used herein, “Permitted Omissions” shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, redemption provisions, delivery dates, ratings, and other terms of the Bonds depending on such matters, all with respect to the Bonds, and any other matters permitted under Rule 15c2-12.

4. The Preliminary Official Statement is, except for the Permitted Omissions, deemed final as of its date within the meaning of Rule 15c2-12.

Dated: [POS Date]

**BEAUMONT PUBLIC IMPROVEMENT  
AUTHORITY**

By: \_\_\_\_\_

**APPENDIX K**

**BEAUMONT PUBLIC IMPROVEMENT AUTHORITY  
LOCAL AGENCY REFUNDING BONDS  
SERIES 2020A (FEDERALLY TAXABLE)**

**CERTIFICATE OF CITY REGARDING  
PRELIMINARY OFFICIAL STATEMENT**

The undersigned hereby certifies and represents that he/she is the \_\_\_\_\_ of the City of Beaumont, California, and as such is duly authorized to execute and deliver this Certificate and further certifies and reconfirms on behalf of the City of Beaumont Community Facilities District No. 93-1 (the "District") as follows:

1. This Certificate is delivered in connection with the offering and sale of the Beaumont Public Improvement Authority Local Agency Refunding Bonds, Series 2020A (Federally Taxable) (the "Bonds"), in order to enable the underwriter of the Bonds to comply with Rule 15c2-12, promulgated under the Securities Exchange Act of 1934 (the "Rule 15c2-12").

2. In connection with the offering and sale of the Bonds there has been prepared a Preliminary Official Statement, dated \_\_\_\_\_, 2020, setting forth information concerning the Bonds, the District, and other matters (the "Preliminary Official Statement").

3. As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, redemption provisions, delivery dates, ratings, and other terms of the Bonds depending on such matters, all with respect to the Bonds, and any other matters permitted under Rule 15c2-12.

4. The Preliminary Official Statement is, except for the Permitted Omissions, deemed final as of its date within the meaning of Rule 15c2-12.

Dated: [POS Date]

City of Beaumont Community Facilities District  
No. 93-1

By: \_\_\_\_\_

## CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (“Disclosure Agreement”), dated as of July 1, 2020, is executed and delivered by the BEAUMONT PUBLIC IMPROVEMENT AUTHORITY (the “Issuer”), and WEBB MUNICIPAL FINANCE, LLC, as Dissemination Agent (the “Dissemination Agent”) in connection with the issuance of \$\_\_\_\_\_ aggregate principal amount the Beaumont Public Improvement Authority Local Agency Refunding Bonds, Series 2020A (Federally Taxable) (the “Bonds”). The Bonds are being issued pursuant to an Indenture of Trust, dated as of July 1, 2020 (the “Indenture”), by and between Wilmington Trust, National Association, as trustee (the “Trustee”), and the Issuer. The proceeds of the Bonds will be used to acquire the District Bonds (as defined below). The Issuer and the Dissemination Agent covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer for the benefit of the Owners and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income purposes.

“Disclosure Representative” shall mean the Executive Director of the Issuer, or his or her designee, or such other officer or employee as the Issuer shall designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” shall mean WEBB Municipal Finance, LLC, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee and the Issuer a written acceptance of such designation.

“District” shall mean the City of Beaumont Community Facilities District No. 93-1.

“District Bonds” shall mean, collectively, the following:

- (c) City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 8C) 2020 Special Tax Refunding Bonds, and
- (b) City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 17B) 2020 Special Tax Refunding Bonds.

“EMMA” shall mean the Electronic Municipal Market Access system of the MSRB.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 and any successor entity designated under the Rule as the repository for filings made pursuant to Section 15B(b)(2) of the Securities Exchange Act of 1934.

“Owners” shall mean the registered owners of the Bonds as set forth in the registration books maintained by the Trustee.

“Participating Underwriter” shall mean the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Repository” shall mean the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, which can be found at [www.emma.msrb.org](http://www.emma.msrb.org), any other repository of disclosure information that may be designated by the Securities and Exchange Commission in the future.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of California.

### Section 3. Provision of Annual Reports.

(a) The Issuer shall, or upon written direction shall cause the Dissemination Agent to, not later than the April 1 following the end of the Issuer’s Fiscal Year (June 30) commencing with the report due by April 1, 2021, provide to the Repository, in an electronic format and accompanied by identifying information as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer and the District, if any exist, may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer’s or the District’s fiscal year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 5(a). The Issuer shall provide a written certification with each Annual Report furnished to the Dissemination Agent and the Trustee to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent and Trustee may conclusively rely upon such certification of the Issuer and shall have no duty or obligation to review such Annual Report.

(b) Not later than (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the Repository, the Issuer shall provide the Annual Report to the Dissemination Agent. If by fifteen (15) Business Days prior to such date, the Dissemination Agent

has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer to inquire if the Issuer is in compliance with subsection (a).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the Repository by the date required in subsection (a), the Dissemination Agent in a timely manner shall send a notice to the Municipal Securities Rulemaking Board in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) determine each year prior to date for providing the Annual Report the name and address of the Repository; and

(ii) file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided and listing the Repository(ies) to which it was provided.

Section 4. Content of Annual Reports. The Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the City for the prior fiscal year, if any have been prepared and which, if prepared, shall be prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City is preparing audited financial statements and such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the audited financial statements may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if such audited financial statements are not available by the date required for filing the Annual Report.

(b) The Annual Report shall contain or incorporate by reference the following:

(i) the principal amount of the Bonds and each series of District Bonds outstanding as of the September 2 preceding the filing of the Annual Report;

(ii) the balance in each fund under the Indenture and the Reserve Requirement as of the September 30 preceding the filing of the Annual Report;

(iii) any changes to the Rates and Methods of Apportionment of the Special Taxes approved or submitted to the qualified electors for approval prior to the filing of the Annual Report and a description of any parcels for which the Special Taxes have been prepaid in the Fiscal Year for which the Annual Report is being prepared;

(iv) an update of the estimated assessed value-to-lien ratio for such Improvement Area substantially in the form of Tables A-3 and A-11 in the Official Statement based upon the most recent Special Tax levy preceding the date of the Annual Report and on the assessed values of property for the current fiscal year; provided, however that in such updates, value to lien by ownership need not be shown;

(v) the status of any foreclosure actions being pursued by the District with respect to delinquent Special Taxes;

(vi) an update by Improvement Area similar to Tables A-17 and A-15 of the total Special Taxes levied and collected in the most recent prior fiscal year and the current fiscal year, and the total Special Taxes that remain unpaid for the prior fiscal year in which Special Taxes were levied and the number of delinquent parcels in each Improvement Area;

(vii) any changes with respect to the inclusion or exclusion of the District in the County's Teeter Plan; and

(viii) any information not already included under (i) through (vii) above that the Issuer is required to file in its annual report to the California Debt and Investment Advisory Commission pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended.

In addition to any of the information expressly required to be provide under paragraphs (a) or (b) of this Section, the Issuer shall provide such further information, if any, as may be necessary to make the specifically required statements set forth in clauses (i) to (viii), in the light of the circumstances under which they were made, not misleading.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the Repository. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so included by reference.

#### Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause the Dissemination Agent to give, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) business days after the event:

1. principal and interest payment delinquencies;
2. unscheduled draws on debt service reserves reflecting financial difficulties;
3. unscheduled draws on credit enhancements reflecting financial difficulties;
4. substitution of credit or liquidity providers, or their failure to perform;
5. adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB);
6. tender offers;
7. defeasances;
8. ratings changes;
9. bankruptcy, insolvency, receivership or similar proceedings; and

Note: for the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in paragraph 5(a)(5) above, notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. the consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
3. appointment of a successor or additional trustee or the change of the name of a trustee;
4. nonpayment related defaults;
5. modifications to the rights of Owners of the Bonds;
6. bond calls;
7. release, substitution or sale of property securing repayment of the Bonds; and
8. incurrence of a financial obligation of the obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(c) In the event of the occurrence of a Listed Event under Section 5(b) above, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the Issuer determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the Issuer shall file, or cause the Dissemination Agent to file, a notice of such occurrence with the Repository in a timely manner not more than 10 business days after the event.

(e) The Issuer hereby agrees that the undertaking set forth in this Disclosure Agreement is the responsibility of the Issuer and that the Dissemination Agent, if other than the Issuer, shall not be responsible for determining whether the Issuer's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

(f) For purposes of the events identified in subparagraphs (a)(10) and (b)(8) under this Section 5, the term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule and a continuing disclosure undertaking has been entered into.

Section 6. Format for Filings with the MSRB. Any report or filing with the MSRB pursuant to this Disclosure Agreement must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(a).

Section 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent. The initial Dissemination Agent shall be WEBB Municipal Finance, LLC. The Dissemination Agent may resign by providing thirty (30) days written notice to the Issuer and the Trustee.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver related to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking hereunder, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment related to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(f), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, the Trustee at the written direction of any Participating Underwriter or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, or any Owner or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Agreement, but only to the extent funds have been provided to it or it has been otherwise indemnified to its satisfaction from any cost, liability, expense or additional charges of the Trustee whatsoever, including, without limitation, fees and expenses of its attorney. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Issuer agrees to indemnify and save the Dissemination Agent and its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.



Section 16. Governing Law. This Disclosure Agreement shall be construed and governed in accordance with the laws of the State of California.

BEAUMONT PUBLIC IMPROVEMENT  
AUTHORITY

By: \_\_\_\_\_  
Executive Director

WEBB MUNICIPAL FINANCE, LLC, as  
Dissemination Agent

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: BEAUMONT PUBLIC IMPROVEMENT AUTHORITY

Name of Bond Issue: \$\_\_\_\_\_ BEAUMONT PUBLIC IMPROVEMENT AUTHORITY  
LOCAL AGENCY REFUNDING BONDS, SERIES 2020A (FEDERALLY  
TAXABLE)

Date of Issuance: \_\_\_\_\_, 2020

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated as of July 1, 2020, by and between the Issuer and Webb Municipal Finance, LLC, as dissemination agent. The Issuer anticipated that the Annual Report will be filed by \_\_\_\_\_.

Dated: [DISSEMINATION AGENT],  
as Dissemination Agent on behalf of ISSUER

### GOOD FAITH ESTIMATES – AUTHORITY BONDS

The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the District by the Municipal Advisor and the Underwriter.

Principal Amount. Based on the District's financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds to be sold is \$17,135,000 (the "Estimated Principal Amount"). Assuming that the Estimated Principal Amount is sold and based on market interest rates prevailing at the time of preparation of these good faith estimates by the Municipal Advisor and the Underwriter, the following good faith estimates are provided:

- (a) True Interest Cost of the Bonds. The true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 3.84%.
- (b) Finance Charge of the Bonds. The finance charge of the Bonds, which means the sum of all fees and charges paid to third parties, consists of \$688,071 to be paid from proceeds of the Bonds, of which \$257,556 is for costs of issuance and \$199,965 is discount to be paid to the Underwriter as the purchaser of the Bonds, and an estimated \$230,550 of fees paid to third parties.
- (c) Amount of Proceeds to be Received. The amount of proceeds expected to be received by the District for sale of the Bonds, less the finance charge of the Bonds paid from Bond proceeds described in (b) above, is estimated to be \$16,446,929.
- (d) Total Payment Amount. The total payment amount, which means the sum total of all payments the District will make to pay debt service on the Bonds, plus the finance charge for the Bonds as described in (b) above not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$26,944,720.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the District based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the District.

### GOOD FAITH ESTIMATES – IMPROVEMENT AREA 8C

The good faith estimates set forth herein are provided with respect to the IA8C Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the District by the Municipal Advisor and the Underwriter.

Principal Amount. Based on the District’s financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the IA8C Bonds to be sold is \$5,535,000 (the “Estimated Principal Amount”). Assuming that the Estimated Principal Amount is sold and based on market interest rates prevailing at the time of preparation of these good faith estimates by the Municipal Advisor and the Underwriter, the following good faith estimates are provided:

- (a) True Interest Cost of the IA8C Bonds. The true interest cost of the IA8C Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the IA8C Bonds, is 3.93%.
- (b) Finance Charge of the IA8C Bonds. The finance charge of the IA8C Bonds, which means the sum of all fees and charges paid to third parties, consists of \$223,938 to be paid from proceeds of the IA8C Bonds, of which \$84,871 is for costs of issuance and \$64,593 is discount to be paid to the Underwriter as the purchaser of the IA8C Bonds, and an estimated \$74,473 of fees paid to third parties.
- (c) Amount of Proceeds to be Received. The amount of proceeds expected to be received by the District for sale of the IA8C Bonds, less the finance charge of the IA8C Bonds paid from Bond proceeds described in (b) above, is estimated to be \$5,311,062.
- (d) Total Payment Amount. The total payment amount, which means the sum total of all payments the District will make to pay debt service on the IA8C Bonds, plus the finance charge for the IA8C Bonds as described in (b) above not paid with the proceeds of the IA8C Bonds, calculated to the final maturity of the Bonds, is \$9,102,919.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the IA8C Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the IA8C Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of IA8C Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the IA8C Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the IA8C Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District’s financing plan, or a combination of such factors. The actual date of sale of the IA8C Bonds and the actual principal amount of IA8C Bonds sold will be determined by the District based on the timing of the need for proceeds of the IA8C Bonds and other factors. The actual interest rates borne by the IA8C Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the IA8C Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the District.

### GOOD FAITH ESTIMATES – IMPROVEMENT AREA 17B

The good faith estimates set forth herein are provided with respect to the IA17B Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the District by the Municipal Advisor and the Underwriter.

Principal Amount. Based on the District’s financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the IA17B Bonds to be sold is \$11,600,000 (the “Estimated Principal Amount”). Assuming that the Estimated Principal Amount is sold and based on market interest rates prevailing at the time of preparation of these good faith estimates by the Municipal Advisor and the Underwriter, the following good faith estimates are provided:

- (a) True Interest Cost of the IA17B Bonds. The true interest cost of the IA17B Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the IA17B Bonds, is 3.80%.
- (b) Finance Charge of the IA17B Bonds. The finance charge of the IA17B Bonds, which means the sum of all fees and charges paid to third parties, consists of \$464,133 to be paid from proceeds of the IA17B Bonds, of which \$172,684 is for costs of issuance and \$135,372 is discount to be paid to the Underwriter as the purchaser of the IA17B Bonds, and an estimated \$156,077 of fees paid to third parties.
- (c) Amount of Proceeds to be Received. The amount of proceeds expected to be received by the District for sale of the IA17B Bonds, less the finance charge of the IA17B Bonds paid from Bond proceeds described in (b) above, is estimated to be \$11,135,867.
- (d) Total Payment Amount. The total payment amount, which means the sum total of all payments the District will make to pay debt service on the IA17B Bonds, plus the finance charge for the IA17B Bonds as described in (b) above not paid with the proceeds of the IA17B Bonds, calculated to the final maturity of the Bonds, is \$17,841,801.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the IA17B Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the IA17B Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of IA17B Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the IA17B Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the IA17B Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District’s financing plan, or a combination of such factors. The actual date of sale of the IA17B Bonds and the actual principal amount of IA17B Bonds sold will be determined by the District based on the timing of the need for proceeds of the IA17B Bonds and other factors. The actual interest rates borne by the IA17B Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the IA17B Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the District.



## Staff Report

**TO:** City Council

**FROM:** Jeff Mohlenkamp, Finance Director

**DATE:** July 21, 2020

**SUBJECT:** **Annual Resolution Directing the Riverside County Auditor-Controller to Place the Levy of Special Taxes for the City's Community Facilities Districts on the Fiscal Year 2020-2021 County Tax Roll**

---

### Background and Analysis:

Beaumont is required to direct the Riverside County Auditor-Controller to place its levy of special taxes for the Community Facilities Districts (CFDs) on the County tax roll. For FY2020-21 this must occur prior to August 10, 2020. The resolutions before Council are required to complete the annual enrollment and collection of the City's Community Facilities District ("CFD") special taxes needed to meet all financial and contractual obligations.

Staff has prepared the Fiscal Year 2020-21 Special Levy for the City's various improvement areas ("IA") of CFD No. 93-1, CFD Nos. 2016-1, 2016-2, 2016-3, 2016-4, 2018-1 and 2019-1. The calculations incorporate various assumptions as applicable for each IA or CFD, including:

1. The expected annual debt service costs;
2. The expected costs of providing services such as the landscaping, maintenance, and lighting of City-owned parks, parkways, streets, roads, and open space;
3. The expected costs of providing public safety services such as police, fire, and ambulance and paramedic services;
4. The expected administrative costs; and
5. The collection of funds for future facilities.

Over the past several years the City has implemented measures to reduce special tax rates for all applicable IAs of CFD No. 93-1. The City's developing CFDs, for which the final series of bonds has not been issued, are not yet eligible for a reduction. The reduction in special tax rates has been accomplished through two forms i) bond refinancing, and ii) bond issuances to fully bond CFDs/IAs.

Approval of the following resolutions establishes the levy of all IAs/CFDs listed in the attached Exhibit A and authorizes the County of Riverside to place the levy upon the property tax roll for Fiscal Year 2020-21. Detailed parcel calculations will be provided to the County of Riverside to levy and collect such special taxes on behalf of the City.

The Fiscal Year 2020-21 projected total CFD levy will show an increase over FY 2019-20 primarily as the result of building permits being issued and increased development within the City.

Final series of bonds were issued for two (2) CFDs (IA 8F & CFD 2016-4). Both are now considered fully bonded and are eligible for reductions. Cumulatively, the reductions will result in a levy of \$102,964 in total special taxes.

In addition, two IAs (IA 8C and 17B) have outstanding bonds that are being refunded. The successful bond refundings are expected to result in a reduction of special taxes that will be realized in FY 2020-21.

As mentioned, some IAs/CFDs have seen an increase in their levies for FY2020-21. These IAs/CFDs are developing and had additional parcels added as a result of the issuance of building permits for new construction, or the IA was not eligible for reduction and the special tax escalated annually per the requirements of the RMA and/or debt service requirements for bonds outstanding. Staff will continue to make all efforts possible to continue to reduce the special tax rates in future years for all eligible IAs/CFDs.

Multiple resolutions are provided for individual consideration. This will allow individual City Council members to recuse themselves for consideration of those IAs/CFDs for which they own property.

**Fiscal Impact:**

The fiscal impact on the City's general fund is indirect, as the administration and maintenance portions of assessments collected are the funding source for the administration of the CFD processes and maintenance of the various applicable geographic regions.

**Recommended Action:**

Waive the full reading and adopt by title only "A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities

Districts No. 93-1, 2016-1, 2016-2, 2016-3, 2016-4, 2018-1 & 2019-1 and Directing the County Auditor to Collect the Same on the Tax Rolls (93-1, 2016-1, 2016-2, 2016-3, 2016-4, 2018-1 & 2019-1)”

Waive the full reading and adopt by title only “A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities Districts No. 93-1 (IA 18) and Directing the County Auditor to Collect the Same on the Tax Rolls (IA 18)”

Waive the full reading and adopt by title only “A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities Districts No. 93-1 (IA 14 & 14A) and Directing the County Auditor to Collect the Same on the Tax Rolls (IA 14 & 14A)”

Waive the full reading and adopt by title only “A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities Districts No. 93-1 (IA 9) and Directing the County Auditor to Collect the Same on the Tax Rolls (IA 9)”

Waive the full reading and adopt by title only “A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities Districts No. 93-1 (IA 17A) and Directing the County Auditor to Collect the Same on the Tax Rolls (IA 17A)”

**Attachments:**

- A. Resolution for Annual Levy 2020 (Balance)
- B. Resolution for Annual Levy 2020 (Carroll recusal – IAs 14, 14A)
- C. Resolution for Annual Levy 2020 (Martinez recusal – IA 9)
- D. Resolution for Annual Levy 2020 (Santos recusal – IA 17A)
- E. Resolution for Annual Levy 2020 (White recusal – IA 18)
- F. Summary of CFD Special Tax Enrollment

**RESOLUTION NO. 2020-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BEAUMONT, CALIFORNIA, LEVYING THE SPECIAL TAX IN  
COMMUNITY FACILITIES DISTRICTS NO. 93-1, 2016-1, 2016-2, 2016-3,  
2016-4, 2018-1 & 2019-1 AND DIRECTING THE COUNTY AUDITOR TO  
COLLECT THE SAME ON THE TAX ROLLS  
(93-1, 2016-1, 2016-2, 2016-3, 2016-4, 2018-1 & 2019-1)**

**WHEREAS**, The City Council (the "City Council") of the City of Beaumont is the legislative body of Community Facilities Districts No. 93-1, 2016-1, 2016-2, 2016-3, 2016-4, 2018-1 and 2019-1 (collectively or individually "District"), which District was established pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

**WHEREAS**, on June 29, 1993 the City Council adopted Resolution 1993-13 establishing the District, including separate improvement areas therein (each an Improvement Area, and collectively, the "Improvement Area") and providing for the Special Tax within each such Improvement Area; and

**WHEREAS**, on August 11, 1993 the City Council enacted **Ordinance No. 721** in accordance with Section 53340 of the Act authorizing the levy of the Special Tax on the property located within **Improvement Areas No's. 1 thru 7 (including 6A and 6B) and 10 thru 12** of the District. (Fund Code 68-2109 thru 68-2130); and

**WHEREAS**, on January 18, 2005 the City Council adopted **Ordinance No. 873** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 6A1**. (Fund Code 68-2088 & 68-2183); and

**WHEREAS**, on May 3, 2005 the City Council adopted **Ordinance No's. 882** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 7B**. (Fund Code 68-2139 & 68-2095); and

**WHEREAS**, on May 3, 2005 the City Council adopted **Ordinance No's. 883** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 7C**. (Fund Code 68-2094 & 68-2146); and

**WHEREAS**, on May 3, 2005 the City Council adopted **Ordinance No's. 884** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 7D**. (Fund Code 68-2179 & 68-2180); and

**WHEREAS**, on December 16, 2014, the City Council adopted **Ordinance No. 1053** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 7A1**. (Fund Code 68-1811 & 68-1812); and

**WHEREAS**, on February 19, 2002 the City Council adopted **Ordinance No. 825** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area No. 8**. (Fund Code 68-2127 & 68-2129); and

**WHEREAS**, on November 2, 2004 the City Council adopted **Ordinance No. 871** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 8A**. (Fund Code 68-2136 & 68-2101); and

**WHEREAS**, on June 6, 2006 the City Council adopted **Ordinance No. 896** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 8B**. (Fund Code 68-2140 & 68-2102); and

**WHEREAS**, on June 6, 2006 the City Council adopted **Ordinance No. 897** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 8C**. (Fund Code 68-2141 & 68-2149); and

**WHEREAS**, on May 1, 2007 the City Council adopted **Ordinance No. 913** amending Ordinance 897 in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 8C**. (Fund Code 68-2141 & 68-2149); and

**WHEREAS**, on August 21, 2007, the City Council adopted **Ordinance No. 915** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 8D**. (Fund Code 68-2147 & 68-2150); and

**WHEREAS**, on July 21, 2015 the City Council adopted **Ordinance No. 1056** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 8E**. (Fund Code 68-2104 & 68-2161); and

**WHEREAS**, on July 21, 2015 the City Council adopted **Ordinance No. 1057** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 8F**. (Fund Code 68-2162 & 68-2163); and

**WHEREAS**, on May 22, 1995 the City Council adopted **Ordinance No. 752** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area No. 13**. (Fund Code 68-2120); and

**WHEREAS**, on November 5, 2002 the City Council adopted **Ordinance No. 836** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 14B**. (Fund Code 68-2182); and

**WHEREAS**, on May 21, 2002 the City Council adopted **Ordinance No. 830** in accordance with Section 53340 of the Act authorizing the levy of the Special Tax on the property located within **Improvement Area No. 15**. (Fund Code 68-2128); and

**WHEREAS**, on July 20, 2004 the City Council adopted **Ordinance No. 868** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on

the property located within **Improvement Area 16**. (Fund Code 60-2093 & 68-2134); and

**WHEREAS**, on December 5, 2006 the City Council adopted **Ordinance No. 905** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 17B**. (Fund Code 68-2089 & 68-2142); and

**WHEREAS**, on August 7, 2012, the City Council adopted **Ordinance No. 1022** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 17C**. (Fund Code 68-2098 & 68-2144); and

**WHEREAS**, on December 7, 2004 the City Council adopted **Ordinance No. 872** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 19A**. (Fund Code 68-2096 & 68-2135); and

**WHEREAS**, on December 7, 2004 the City Council adopted **Ordinance No. 872** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 19C**. (Fund Code 68-2099 & 68-2137); and

**WHEREAS**, on December 20, 2005 the City Council adopted **Ordinance No. 889** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 20**. (Fund Code 68-2091 & 68-2143); and

**WHEREAS**, on August 15, 2006 the City Council adopted **Ordinance No. 899** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 23**. (Fund Code 68-2138); and

**WHEREAS**, on June 7, 2016, the City Council adopted **Ordinance No. 1073** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **CFD 2016-1** (Fund Code 68-1818 & 68-1819); and

**WHEREAS**, on February 21, 2017, the City Council adopted **Ordinance No. 1081** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **CFD 2016-2** (Fund Code 68-0043, 68-0045 & 68-0046); and

**WHEREAS**, on February 21, 2017, the City Council adopted **Ordinance No. 1082** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **CFD 2016-3** (Fund Code 68-0204, 68-0205 & 68-0206); and

**WHEREAS**, on February 21, 2017, the City Council adopted **Ordinance No. 1083** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **CFD 2016-4** (Fund Code 68-0047, 68-0048 & 68-0049).

**WHEREAS**, on September 18, 2018, the City Council adopted **Ordinance No. 1103** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **CFD 2018-1** (Fund Code 68-0208).

**WHEREAS**, on March 5, 2019, the City Council adopted **Ordinance No. 1105** in

accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **CFD 2019-1** (Fund Code 68-0209, 68-0210 & 68-0211).

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Beaumont as follows:

**Section 1:** The preceding recitals are true and correct.

**Section 2:** The City of Beaumont hereby determined to Levy the Special Taxes in the Fiscal Year 2020-2021 (and each subsequent Fiscal Year) in Improvement Area No's. 1-7 (including 6A and 6B), 10-12, 6A1, 7B, 7C, 7D, 7A1, 8, 8A-F, 13, 14B, 15, 16, 17A-C, 19A, 19C, 20, and 23 of CFD 93-1 and CFDs 2016-1, 2016-2, 2016-3, 2016-4, 2018-1 & 2019-1 and to each parcel therein, as provided in the schedule of Special Taxes, a copy of which has been presented to the City Council and lodged with the City Clerk.

**Section 3:** The rate of each Special Tax utilized in the preparation of the Report does not exceed the amount previously authorized by Ordinance and is not in excess of that approved by the qualified electors of the applicable Districts and Improvement Areas.

**Section 4:** As to a District and/or an Improvement Area, the proceeds of the Special Tax shall be used to pay, in whole or in part and as applicable, the costs of the following for the subject Fiscal Year as provided in the City of Beaumont Community Facilities District No. 93-1 Indenture of Trusts and the City of Beaumont CFDs 2016-1, 2016-2, 2016-3, 2016-4, 2018-1 & 2019-1 Indenture of Trust (collectively the "Indenture of Trust"):

- A. The Administrative costs and other incidental expenses of the applicable District and/or Improvement Area; and
- B. The Interest scheduled for collection on the outstanding bonded indebtedness related to the applicable District and/or Improvement Area; and
- C. The principal scheduled for collection on the outstanding bonded indebtedness related to the applicable District and/or Improvement Area; and
- D. The sinking payments scheduled for collection on the outstanding bonded indebtedness relating to the applicable District and/or Improvement Area; and
- E. Amounts, if any, needed to replenish the applicable Reserve Account of the Bond Fund to the level of the Reserve Requirement; and
- F. Amounts, if any, required to bring the amount on deposit in the Rebate Fund to the required level; and
- G. Amounts for approved services.

**Section 5:** The Auditor-Controller of the County of Riverside is hereby directed to apply to each real property statement for each parcel in such County in the applicable District and/or Improvement Area for the Fiscal Year listing the Special Tax due opposite each parcel of land affected, in a line item designated "CFD Special Tax," or any other suitable designation, in accordance with this Resolution.

**Section 6:** All Special Taxes collected will be paid to the trustee for deposit in the applicable Special Tax fund upon receipt by the City of Beaumont from the Auditor- Controller pursuant to the terms of the Indenture of Trust.

**Section 7:** The Auditor-Controller shall, at the close of the tax collection period, promptly render to the Director a detailed report showing the amounts of Special Tax installments, penalties, interest, and fees collected, and from which properties collected. Any expenses to be paid to the Auditor-Controller for carrying out the forgoing responsibilities shall be in accordance with a contract, if any, entered into between the District and the Auditor-Controller, pursuant to Section 29304 of the Government Code of the State of California or as otherwise provided by law.

**Section 8:** This resolution shall take effect immediately upon its passage and adoption.

**MOVED, PASSED, and ADOPTED** this 21st day of July, 2020, by the following vote:

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

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
Nicole Wheelwright, Deputy City Clerk

\_\_\_\_\_  
Julio Martinez III, Mayor

**APPROVED AS TO FORM:**

\_\_\_\_\_  
John Pinkney, City Attorney

**RESOLUTION NO. 2020-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BEAUMONT, CALIFORNIA, LEVYING THE SPECIAL TAX IN  
COMMUNITY FACILITIES DISTRICT NO. 93-1 (IA 14 & 14A) AND  
DIRECTING THE COUNTY AUDITOR TO COLLECT THE SAME ON  
THE TAX ROLLS  
(IA 14 & 14A)**

**WHEREAS**, Councilmember Nancy Carroll and Mayor Pro-Tem Rey Santos have recused themselves from any participation related to this Resolution;

**WHEREAS**, The City Council (the "City Council") of the City of Beaumont is the legislative body of Community Facilities District No. 93-1 ("District"), which District was established pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

**WHEREAS**, on June 29, 1993, the City Council adopted Resolution 1993-13 establishing the District, including separate improvement areas therein including Improvement Area 14 and 14A (singly or collectively "Improvement Area") and providing for the Special Tax within each such Improvement Area; and

**WHEREAS**, on January 11, 2000, the City Council adopted **Ordinance No. 800** in accordance the Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area No. 14**. (Fund Code 68-2122 & 68-2125); and

**WHEREAS**, on November 5, 2002, the City Council adopted **Ordinance No. 836** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 14A**. (Fund Code 68-2181).

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Beaumont as follows:

**Section 1:** The preceding recitals are true and correct.

**Section 2:** The City of Beaumont hereby determined to Levy the Special Taxes in the Fiscal Year 2020-2021 (and each subsequent Fiscal Year) in Improvement Area Nos. 14 and 14A and to each parcel therein, as provided in the schedule of Special Taxes, a copy of which has been presented to the City Council and lodged with the City Clerk.

**Section 3:** The rate of each Special Tax utilized in the preparation of the Report does not exceed the amount previously authorized by Ordinance and is not in excess of that approved by the qualified electors of the applicable Districts and Improvement Areas.

**Section 4:** As to the District and/or an Improvement Area, the proceeds of the Special Tax shall be used to pay, in whole or in part and as applicable, the costs of the

following for the subject Fiscal Year as provided in the City of Beaumont Community Facilities District No. 93-1 Indenture of Trusts (the "Indenture of Trust"):

- A. The Administrative costs and other incidental expenses of the Improvement Area and/or District; and
- B. The Interest scheduled for collection on the outstanding bonded indebtedness related to the applicable Improvement Area and/or District; and
- C. The principal scheduled for collection on the outstanding bonded indebtedness related to the applicable Improvement Area and/or District; and
- D. The sinking payments scheduled for collection on the outstanding bonded indebtedness relating to the applicable Improvement Area and/or District; and
- E. Amounts, if any, needed to replenish the applicable Reserve Account of the Bond Fund to the level of the Reserve Requirement; and
- F. Amounts, if any, required to bring the amount on deposit in the Rebate Fund to the required level; and
- G. Amounts for approved services.

**Section 5:** The Auditor-Controller of the County of Riverside is hereby directed to apply to each real property statement for each parcel in such County in the applicable Improvement Areas of the District for the Fiscal Year listing the Special Tax due opposite each parcel of land affected, in a line item designated "CFD Special Tax," or any other suitable designation, in accordance with this Resolution.

**Section 6:** All Special Taxes collected will be paid to the trustee for deposit in the applicable Special Tax fund upon receipt by the City of Beaumont from the Auditor- Controller pursuant to the terms of the Indenture of Trust.

**Section 7:** The Auditor-Controller shall, at the close of the tax collection period, promptly render to the Director a detailed report showing the amounts of Special Tax installments, penalties, interest, and fees collected, and from which properties collected. Any expenses to be paid to the Auditor-Controller for carrying out the forgoing responsibilities shall be in accordance with a contract, if any, entered into between the District and the Auditor-Controller, pursuant to Section 29304 of the Government Code of the State of California or as otherwise provided by law.

**Section 8:** This resolution shall take effect immediately upon its passage and adoption.

**MOVED, PASSED, and ADOPTED** this 21<sup>st</sup> day of July, 2020, by the following vote:

- AYES:**
- NOES:**
- ABSTAIN:**
- ABSENT:**
- RECUSED:**

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
Nicole Wheelwright, Deputy City Clerk

\_\_\_\_\_  
Rey Santos, Mayor

**RESOLUTION NO. 2020-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BEAUMONT, CALIFORNIA, LEVYING THE SPECIAL TAX IN  
COMMUNITY FACILITIES DISTRICT NO. 93-1 (IA 9) AND DIRECTING  
THE COUNTY AUDITOR TO COLLECT THE SAME ON THE TAX  
ROLLS  
(IA 9)**

**WHEREAS**, Council Member Julio Martinez recused himself from any participation in this Resolution;

**WHEREAS**, The City Council (the "City Council") of the City of Beaumont is the legislative body of Community Facilities District No. 93-1 ("District"), which district was established pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

**WHEREAS**, on June 29, 1993 the City Council adopted Resolution 1993-13 establishing the District, including separate improvement areas therein (the "Improvement Areas") and providing for the Special Tax within such Improvement Area; and

**WHEREAS**, on August 11, 1993, the City Council enacted **Ordinance No. 721** in accordance with Section 53340 of the Act authorizing the levy of the Special Tax on the property located within **Improvement Area No. 9** of the District ("Improvement Area"). (Fund Code (68-2116 & 68-2124).

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Beaumont as follows:

**Section 1:** The preceding recitals are true and correct.

**Section 2:** The City of Beaumont hereby determines to Levy the Special Taxes in the Fiscal Year 2020-2021 (and each subsequent Fiscal Year) in Improvement Area No. 9 and to each parcel therein, as provided in the schedule of Special Taxes, a copy of which has been presented to the City Council and lodged with the City Clerk.

**Section 3:** The rate of each Special Tax utilized in the preparation of the Report does not exceed the amount previously authorized by Ordinance and is not in excess of that approved by the qualified electors of the District and Improvement Area.

**Section 4:** As to the District and/or Improvement Area, the proceeds of the Special Tax shall be used to pay, in whole or in part and as applicable, the costs of the following for the subject Fiscal Year as provided in the City of Beaumont Community Facilities District No. 93-1 Indenture of Trusts ("Indenture of Trust"):

- A. The Administrative costs and other incidental expenses of the Improvement Area and/or District; and

- B. The Interest scheduled for collection on the outstanding bonded indebtedness related to the Improvement Area and/or District; and
- C. The principal scheduled for collection on the outstanding bonded indebtedness related to the Improvement Area and/or District; and
- D. The sinking payments scheduled for collection on the outstanding bonded indebtedness relating to the Improvement Area and/or District; and
- E. Amounts, if any, needed to replenish the applicable Reserve Account of the Bond Fund to the level of the Reserve Requirement; and
- F. Amounts, if any, required to bring the amount on deposit in the Rebate Fund to the required level; and
- G. Amounts for approved services.

**Section 5:** The Auditor-Controller of the County of Riverside is hereby directed to apply to each real property statement for each parcel in such County in the applicable Improvement Area of the District for the Fiscal Year listing the Special Tax due opposite each parcel of land affected, in a line item designated "CFD Special Tax," or any other suitable designation, in accordance with this Resolution.

**Section 6:** All Special Taxes collected will be paid to the trustee for deposit in the applicable Special Tax fund upon receipt by the City of Beaumont from the Auditor- Controller pursuant to the terms of the Indenture of Trust.

**Section 7:** The Auditor-Controller shall, at the close of the tax collection period, promptly render to the Director a detailed report showing the amounts of Special Tax installments, penalties, interest, and fees collected, and from which properties collected. Any expenses to be paid to the Auditor-Controller for carrying out the forgoing responsibilities shall be in accordance with a contract, if any, entered into between the District and the Auditor-Controller, pursuant to Section 29304 of the Government Code of the State of California or as otherwise provided by law.

**Section 8:** This resolution shall take effect immediately upon its passage and adoption.

**MOVED, PASSED, and ADOPTED** this 21<sup>st</sup> day of July, 2020, by the following vote:

- AYES:**
- NOES:**
- ABSTAIN:**
- ABSENT:**
- RECUSED: MARTINEZ**

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
Nicole Wheelwright, Deputy City Clerk

\_\_\_\_\_  
Rey Santos, Mayor

**RESOLUTION NO. 2020 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BEAUMONT, CALIFORNIA, LEVYING THE SPECIAL TAX IN  
COMMUNITY FACILITIES DISTRICT NO. 93-1 (IA 17A) AND  
DIRECTING THE COUNTY AUDITOR TO COLLECT THE SAME ON  
THE TAX ROLLS  
(IA 17A)**

**WHEREAS**, Mayor Rey Santos has recused himself from any participation related to this Resolution;

**WHEREAS**, The City Council (the "City Council") of the City of Beaumont is the legislative body of Community Facilities District No. 93-1 ("District"), which District was established pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

**WHEREAS**, on June 29, 1993 the City Council adopted Resolution 1993-13 establishing the District, including separate improvement areas therein including Improvement Area 17A (the "Improvement Area") and providing for the Special Tax within such Improvement Area; and

**WHEREAS**, on November 18, 2004 the City Council adopted **Ordinance No. 851** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 17A**. (Fund Code 68-2090 & 68-2131).

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Beaumont as follows:

**Section 1:** The preceding recitals are true and correct.

**Section 2:** The City of Beaumont hereby determined to Levy the Special Taxes in the Fiscal Year 2020-2021 (and each subsequent Fiscal Year) in Improvement Area No. 17A and to each parcel therein, as provided in the schedule of Special Taxes, a copy of which has been presented to the City Council and lodged with the City Clerk.

**Section 3:** The rate of each Special Tax utilized in the preparation of the Report does not exceed the amount previously authorized by Ordinance and is not in excess of that approved by the qualified electors of the applicable District and Improvement Areas.

**Section 4:** As to the District and/or an Improvement Area, the proceeds of the Special Tax shall be used to pay, in whole or in part as applicable, the costs of the following for the subject Fiscal Year as provided in the City of Beaumont Community Facilities District No. 93-1 Indenture of Trusts (the "Indenture of Trust"):

- A. The Administrative costs and other incidental expenses of the Improvement Area and/or District; and

- B. The Interest scheduled for collection on the outstanding bonded indebtedness related to the applicable Improvement Area and/or District; and
- C. The principal scheduled for collection on the outstanding bonded indebtedness related to the applicable Improvement Area and/or District; and
- D. The sinking payments scheduled for collection on the outstanding bonded indebtedness relating to the applicable Improvement Area and/or District; and
- E. Amounts, if any, needed to replenish the applicable Reserve Account of the Bond Fund to the level of the Reserve Requirement; and
- F. Amounts, if any, required to bring the amount on deposit in the Rebate Fund to the required level; and
- G. Amounts for approved services.

**Section 5:** The Auditor-Controller of the County of Riverside is hereby directed to apply to each real property statement for each parcel in such County in the applicable Improvement Area of the District for the Fiscal Year listing the Special Tax due opposite each parcel of land affected, in a line item designated "CFD Special Tax," or any other suitable designation, in accordance with this Resolution.

**Section 6:** All Special Taxes collected will be paid to the trustee for deposit in the applicable Special Tax fund upon receipt by the City of Beaumont from the Auditor- Controller pursuant to the terms of the Indenture of Trust.

**Section 7:** The Auditor-Controller shall, at the close of the tax collection period, promptly render to the Director a detailed report showing the amounts of Special Tax installments, penalties, interest, and fees collected, and from which properties collected. Any expenses to be paid to the Auditor-Controller for carrying out the forgoing responsibilities shall be in accordance with a contract, if any, entered into between the District and the Auditor-Controller, pursuant to Section 29304 of the Government Code of the State of California or as otherwise provided by law.

**Section 8:** This resolution shall take effect immediately upon its passage and adoption.

**MOVED, PASSED, and ADOPTED** this 21<sup>st</sup> day of July 2020, by the following vote:

- AYES:**
- NOES:**
- ABSTAIN:**
- ABSENT:**
- RECUSED: SANTOS**

**ATTEST:**

**APPROVED:**

---

Nicole Wheelwright, Deputy City Clerk

---

Mike Lara, Mayor Pro Tem

**RESOLUTION NO. 2020-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BEAUMONT, CALIFORNIA, LEVYING THE SPECIAL TAX IN  
COMMUNITY FACILITIES DISTRICT NO. 93-1 (IA 18) AND  
DIRECTING THE COUNTY AUDITOR TO COLLECT THE SAME ON  
THE TAX ROLLS  
(IA 18)**

**WHEREAS**, Council Member Lloyd White has recused himself from any participation related to this Resolution;

**WHEREAS**, The City Council (the "City Council") of the City of Beaumont is the legislative body of Community Facilities District No. 93-1 ("District"), which District was established pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

**WHEREAS**, on June 29, 1993 the City Council adopted Resolution 1993-13 establishing the District, including separate improvement areas therein including Improvement Area 18 (the "Improvement Area") and providing for the Special Tax within such Improvement Area; and

**WHEREAS**, on February 3, 2004 the City Council adopted **Ordinance No. 853** in accordance with Section 53340 of the Act authorizing the levy of Special Tax on the property located within **Improvement Area 18**. (Fund Code 68-2097 & 68-2132).

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Beaumont as follows:

**Section 1:** The preceding recitals are true and correct.

**Section 2:** The City of Beaumont hereby determined to Levy the Special Taxes in the Fiscal Year 2020-2021 (and each subsequent Fiscal Year) in Improvement Area No. 18 and to each parcel therein, as provided in the schedule of Special Taxes, a copy of which has been presented to the City Council and lodged with the City Clerk.

**Section 3:** The rate of each Special Tax utilized in the preparation of the Report does not exceed the amount previously authorized by Ordinance and is not in excess of that approved by the qualified electors of the applicable District and Improvement Areas.

**Section 4:** As to the District and/or an Improvement Area, the proceeds of the Special Tax shall be used to pay, in whole or in part as applicable, the costs of the following for the subject Fiscal Year as provided in the City of Beaumont Community Facilities District No. 93-1 Indenture of Trusts (the "Indenture of Trust"):

- A. The Administrative costs and other incidental expenses of the Improvement Area and/or District; and

- B. The Interest scheduled for collection on the outstanding bonded indebtedness related to the applicable Improvement Area and/or District; and
- C. The principal scheduled for collection on the outstanding bonded indebtedness related to the applicable Improvement Area and/or District; and
- D. The sinking payments scheduled for collection on the outstanding bonded indebtedness relating to the applicable Improvement Area and/or District; and
- E. Amounts, if any, needed to replenish the applicable Reserve Account of the Bond Fund to the level of the Reserve Requirement; and
- F. Amounts, if any, required to bring the amount on deposit in the Rebate Fund to the required level; and
- G. Amounts for approved services.

**Section 5:** The Auditor-Controller of the County of Riverside is hereby directed to apply to each real property statement for each parcel in such County in the applicable Improvement Area of the District for the Fiscal Year listing the Special Tax due opposite each parcel of land affected, in a line item designated "CFD Special Tax," or any other suitable designation, in accordance with this Resolution.

**Section 6:** All Special Taxes collected will be paid to the trustee for deposit in the applicable Special Tax fund upon receipt by the City of Beaumont from the Auditor- Controller pursuant to the terms of the Indenture of Trust.

**Section 7:** The Auditor-Controller shall, at the close of the tax collection period, promptly render to the Director a detailed report showing the amounts of Special Tax installments, penalties, interest, and fees collected, and from which properties collected. Any expenses to be paid to the Auditor-Controller for carrying out the forgoing responsibilities shall be in accordance with a contract, if any, entered into between the District and the Auditor-Controller, pursuant to Section 29304 of the Government Code of the State of California or as otherwise provided by law.

**Section 8:** This resolution shall take effect immediately upon its passage and adoption.

**MOVED, PASSED, and ADOPTED** this 21<sup>st</sup> day of July, 2020, by the following vote:

- AYES:**
- NOES:**
- ABSTAIN:**
- ABSENT:**
- RECUSED: WHITE**

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
Nicole Wheelwright, Deputy City Clerk

\_\_\_\_\_  
Rey Santos, Mayor

**EXHIBIT A**  
**SUMMARY OF CFD SPECIAL TAX ENROLLMENT**  
**FISCAL YEAR 2020-2021**

<b>Fund Number</b>	<b>District Name</b>	<b>Parcels (for FY 20-21)</b>	<b>FY 2019-20 Levy</b>	<b>Proposed FY 2020-21 Levy</b>
68-2109	CFD No. 93-1 IA 1	79	\$192,273	\$195,279
68-2110	CFD No. 93-1 IA 2	1	\$31,638	\$32,271
68-2111	CFD No. 93-1 IA 3	511	\$236,491	\$242,400
68-2123	CFD No. 93-1 IA 3 SERVICE	511	\$180,547	\$186,025
68-2112	CFD No. 93-1 IA 4	2	\$312,716	\$318,023
68-2113	CFD No. 93-1 IA 5	987	\$282,061	\$286,738
68-2114	CFD No. 93-1 IA 6A	2	\$6,987	\$7,127
68-2183	CFD No. 93-1 IA 6A1	954	\$2,369,700	\$2,369,707
68-2088	CFD No. 93-1 IA 6A1 SERVICE	954	\$323,311	\$333,166
68-2115	CFD No. 93-1 IA 6B	11	\$38,746	\$38,735
68-1811	CFD No. 93-1 IA 7A1	485	\$704,371	\$704,200
68-1812	CFD No. 93-1 IA 7A1 SERVICE	537	\$181,957	\$187,475
68-2139	CFD No. 93-1 IA 7B	236	\$328,723	\$329,150
68-2095	CFD No. 93-1 IA 7B SERVICE	283	\$95,892	\$98,800
68-2146	CFD No. 93-1 IA 7C	318	\$139,922	\$138,800
68-2094	CFD No. 93-1 IA 7C SERVICE	391	\$130,453	\$134,410
68-2179	CFD No. 93-1 IA 7D	296	\$238,030	\$234,000
68-2180	CFD No. 93-1 IA 7D SERVICE	296	\$100,385	\$103,434
68-2127	CFD No. 93-1 IA 8	944	\$667,623	\$663,405
68-2129	CFD No. 93-1 IA 8 SERVICE	946	\$328,981	\$338,964
68-2136	CFD No. 93-1 IA 8A	408	\$511,885	\$513,308
68-2101	CFD No. 93-1 IA 8A SERVICE	178	\$62,072	\$63,955
68-2140	CFD No. 93-1 IA 8B	192	\$450,984	\$452,713
68-2102	CFD No. 93-1 IA 8B SERVICE	192	\$66,774	\$68,799
68-2141	CFD No. 93-1 IA 8C	686	\$1,556,768	\$1,587,409
68-2149	CFD No. 93-1 IA 8C SERVICE	689	\$239,676	\$246,954
68-2147	CFD No. 93-1 IA 8D	279	\$445,889	\$454,166
68-2150	CFD No. 93-1 IA 8D SERVICE	279	\$97,053	\$100,000
68-2104	CFD No. 93-1 IA 8E	372	\$665,995	\$659,950
68-2161	CFD No. 93-1 IA 8E SERVICE	372	\$135,081	\$139,176
68-2162	CFD No. 93-1 IA 8F	294	\$309,561	\$680,571
68-2163	CFD No. 93-1 IA 8F SERVICE	294	\$51,200	\$109,994
68-2116	CFD No. 93-1 IA 9	69	\$57,873	\$61,200
68-2124	CFD No. 93-1 IA 9 SERVICE	69	\$14,772	\$15,219
68-2117	CFD No. 93-1 IA 10	146	\$168,247	\$167,200
68-2126	CFD No. 93-1 IA 10 SERVICE	147	\$31,470	\$32,424
68-2118	CFD No. 93-1 IA 11	140	\$109,203	\$115,650
68-2121	CFD No. 93-1 IA 11 SERVICE	140	\$32,284	\$33,264

68-2119	CFD No. 93-1 IA 12	106	\$114,363	\$115,650
68-2130	CFD No. 93-1 IA 12 SERVICE	108	\$37,558	\$38,698
68-2120	CFD No. 93-1 IA 13	107	\$40,564	\$41,794
68-2122	CFD No. 93-1 IA 14	1901	\$634,391	\$635,790
68-2181	CFD No. 93-1 IA 14A	1253	\$1,125,024	\$1,126,104
68-2182	CFD No. 93-1 IA 14B	310	\$306,348	\$305,785
68-2125	CFD No. 93-1 IA 14 SERVICE	1941	\$610,136	\$628,635
68-2128	CFD No. 93-1 IA 15	71	\$26,114	\$26,906
68-2134	CFD No. 93-1 IA 16	240	\$595,566	\$592,194
68-2093	CFD No. 93-1 IA 16 SERVICE	241	\$81,660	\$84,137
68-2131	CFD No. 93-1 IA 17A	485	\$845,111	\$862,925
68-2090	CFD No. 93-1 IA 17A SERVICE	488	\$165,354	\$170,369
68-2142	CFD No. 93-1 IA 17B	388	\$872,184	\$887,188
68-2089	CFD No. 93-1 IA 17B SERVICE	390	\$132,148	\$136,158
68-2144	CFD No. 93-1 IA 17C	215	\$462,223	\$471,025
68-2098	CFD No. 93-1 IA 17C SERVICE	216	\$76,563	\$78,885
68-2132	CFD No. 93-1 IA 18	193	\$410,517	\$414,613
68-2097	CFD No. 93-1 IA 18 SERVICE	194	\$65,735	\$67,728
68-2135	CFD No. 93-1 IA 19A	542	\$1,530,244	\$1,527,475
68-2096	CFD No. 93-1 IA 19A SERVICE	585	\$199,848	\$205,915
68-2137	CFD No. 93-1 IA 19C	668	\$1,832,292	\$1,805,084
68-2099	CFD No. 93-1 IA 19C SERVICE	669	\$228,544	\$235,483
68-2143	CFD No. 93-1 IA 20	106	\$283,457	\$289,634
68-2091	CFD No. 93-1 IA 20 SERVICE	106	\$36,212	\$37,311
68-2138	CFD No. 93-1 IA 23	65	\$25,511	\$26,285
68-1818	CFD No. 2016-1	372	\$575,722	\$576,588
68-1819	CFD No. 2016-1 SERVICE	372	\$118,947	\$129,885
68-0045	CFD No. 2016-2	523	\$664,597	\$669,500
68-0043	CFD No. 2016-2 SERVICE	523	\$172,833	\$190,072
68-0046	CFD No. 2016-2 PUBLIC SERVICE	523	\$226,351	\$253,678
68-0204	CFD No. 2016-3	124	\$100,822	\$207,685
68-0205	CFD No. 2016-3 SERVICE	124	\$5,104	\$10,691
68-0206	CFD No. 2016-3 PUBLIC SERVICE	124	\$28,178	\$60,146
68-0047	CFD No. 2016-4	346	\$300,818	\$300,818
68-0049	CFD No. 2016-4 SERVICE	346	\$26,019	\$26,811
68-0048	CFD No. 2016-4 PUBLIC SERVICE	346	\$159,831	\$167,826
68-0208	CFD No. 2018-1 PUBLIC SERVICE	253	\$83,160	\$122,730
68-0209	CFD No. 2019-1	118	\$0	\$160,920
68-0210	CFD No. 2019-1 SERVICE	118	\$0	\$27,963
68-0211	CFD No. 2019-1 PUBLIC SERVICE	118	\$0	\$57,242
<b>Total</b>		<b>29,608</b>	<b>\$25,097,640</b>	<b>\$26,218,385</b>

Attachment



## Staff Report

**TO:** City Council  
**FROM:** Sean Thuilliez, Chief of Police  
**DATE:** July 21, 2020  
**SUBJECT:** Analysis of Use of Force Policies of the Beaumont Police Department

---

### Background and Analysis:

On Monday June 15, 2020, the California Attorney General (AG) issued a press release calling for broad police reforms. Within this document were nine specific recommendations for police departments to use to evaluate and amend their use of force policies. Omitted from this press release were the two landmark use of force and training bills passed in California – AB392 and SB230. These two pieces of legislation further advanced the national standard that California law enforcement continues to set in the arenas of training, use of force, and transparency in policing.

The following areas were identified by the AG – intervention, chokeholds and carotid restraints, de-escalation, proportionality, verbal warnings, moving vehicles, deadly force as last resort, comprehensive reporting, and canine use. This report focuses on comparing the AG’s recommendations to the policies of the Beaumont Police Department (BPD).

### ***Intervention***

The AG summarizes as, “... all agencies should have a policy requiring officers to intervene to stop another officer from using excessive or unnecessary force.” BPD policy states, “*Policy 300.2.1 DUTY TO INTERCEDE - Any officer present and observing another officer using force that is clearly beyond that which is objectively reasonable under the circumstances shall, when in a position to do so, intercede to prevent the use of unreasonable force. An officer who observes another employee use force that exceeds the degree of force permitted by law should promptly report these observations to a supervisor.*”

### ***Ban Chokeholds and Carotid Restraints***

The AG summarizes as, “All agencies should have a policy prohibiting the use of chokeholds, strangleholds, carotid restraints, or other restraints, or body positioning that

is designed to, or which may foreseeably result in, the cutting off of blood or oxygen to the person.”

BPD policy states, “*Policy 303.3.4 Carotid Control Hold – This policy has been removed from BPD policy.*”

### **De-escalation**

The AG summarizes as, “... all agencies should require officers to de-escalate situations, when possible, before using force.”

BPD Policy states, “*Policy 466.6 De-Escalation – Officers should consider that taking no action or passively monitoring the situation may be the most reasonable response to a mental health crisis. Once it is determined that a situation is a mental health crisis and immediate safety concerns have been addressed, responding members should be aware of the following considerations and should generally,*” and

“*Policy 308.9 Kinetic Energy Projectile Guidelines – This department is committed to reducing the potential for violent confrontations. Kinetic energy projectiles, when used properly, are less likely to result in death or serious physical injury and can be used in an attempt to de-escalate a potentially deadly situation.*”

### **Proportionality**

The AG summarizes as, “All agencies should provide express guidance on proportionality to ensure officers understand the relationship that should exist between the force they use, and the threat presented in a particular situation. The guidance may include adopting a spectrum, chart, chart, or matrix, which can take the form of a graphical representation.”

BPD Policy states, “*Policy 300.4 Deadly Force Applications – If an objectively reasonable officer would consider it safe and feasible to do so under the totality of the circumstances, officers should evaluate the use of other reasonably available resources and techniques when determining whether to use deadly force. The use of deadly force is only justified in the following circumstances (Penal Code § 835a). Refer to attached policy for further restrictions on the use of deadly force.*”

### **Verbal Warnings**

The AG summarizes as, “All agencies should require officers to give verbal warning, when feasible, before using force, whether lethal or less-lethal.”

BPD Policy states, “*Policy 308.9.2 Control Devices – Control devices may be used when a decision has been made to control, restrain or arrest a subject who is violent or*

*who demonstrates the intent to be violent, and the use of the device appears reasonable under the circumstances. When reasonable, a verbal warning and opportunity to comply should precede the use of these devices.”*

### ***Moving Vehicles***

The AG summarizes as, “... all agencies should prohibit officers from discharging a firearm at the operator or occupant of a moving vehicle unless the operator or occupant poses an imminent threat of death or serious bodily injury to the public or officer. All agencies should also prohibit officers from discharging a firearm from their moving vehicle, providing only for exceptions that require such actions to end an imminent threat to human life.”

BPD policy states, “*Policy 300.4.1 Shooting At Or From Moving Vehicles – Shots fired at or from a moving vehicle are rarely effective. Officers should move out of the path of an approaching vehicle instead of discharging their firearm at the vehicle or any of its occupants. An officer should only discharge a firearm at a moving vehicle or its occupants when the officer reasonably believes there are no other reasonable means available to avert the threat of the vehicle, or if deadly force other than the vehicle is directed at the officer or others. Officers should not shoot at any part of a vehicle in an attempt to disable the vehicle.*”

### ***Deadly Force as Last Resort***

The AG summarizes as, “... consistent with the core concepts of de-escalation, necessity, and proportionality, all agencies should require that deadly force be used only as a last resort when feasible alternatives have been exhausted or are not feasible to protect the safety of the public and police officers.”

BPD policy states, “*Policy 300.2 Use of Force – The use of force by law enforcement personnel is a matter of critical concern, both to the public and to the law enforcement community. Officers are involved on a daily basis in numerous and varied interactions and, when warranted, may use reasonable force in carrying out their duties. Officers must have an understanding of, and true appreciation for, their authority and limitations. This is especially true with respect to overcoming resistance while engaged in the performance of law enforcement duties. The Department recognizes and respects the value of all human life and dignity without prejudice to anyone. Vesting officers with the authority to use reasonable force and to protect the public welfare requires monitoring, evaluation and a careful balancing of all interests,*” and

*“Policy 300.3.2 Factors Used to Determine the Reasonableness of Force – When determining whether to apply force and evaluating whether an officer has used*

*reasonable force, a number of factors should be taken into consideration, as time and circumstances permit.”*

### **Comprehensive Reporting**

The AG summarizes as, “... all agencies should create a general order dedicated to use of force reporting and investigations, requiring comprehensive reporting that includes both uses of force and threats of force.”

*BPD policy states, “Policy 300.5 Reporting the Use of Force – Any use of force by a member of this department shall be documented promptly, completely and accurately in an appropriate report, depending on the nature of the incident. The officer should articulate the factors perceived and why he/she believed the use of force was reasonable under the circumstances. To collect data for purposes of training, resource allocation, analysis and related purposes, the Department may require the completion of additional report forms, as specified in department policy, procedure or law.”*

### **Canine Use**

The AG summarizes as, “... all agencies should discontinue the use of ‘find and bite’ and ‘bite and hold’ techniques and instead implement ‘find and bark’ or ‘circle and bark’ techniques, where canines are trained and deployed to alert by barking, rather than biting a suspect as a first response, and then circling and barking until the handler takes control.”

BPD Policy - Currently the BPD does not deploy handler protection canines or police service dogs (PSD)s. However, the Department is not in agreement with the AG recommendation based on current case law; the courts have opined on many cases that the use of police dogs does not constitute deadly force, further stating that the use of police dogs trained in the “bite and hold” technique generally does not constitute deadly force.

### **Fiscal Impact:**

None

### **Recommended Action:**

Receive and file.



## Staff Report

**TO:** Mayor and City Council Members  
**FROM:** Sean Thuilliez, Chief of Police  
**DATE:** July 21, 2020  
**SUBJECT:** Purchase of Three Ford Explorer Police Interceptors and One Ford Escape for the Police Department

---

### Background and Analysis:

The Beaumont Police Department requests the purchase of four new vehicles, two patrol vehicles, one administrative vehicle and one civilian vehicle. The acquisition of these vehicles was approved by the City Council in the FY 20/21 budget.

The Beaumont Police Department requested a quote from the dealership where the vehicles from the past two budget cycles have been purchased. This dealership, National Auto Fleet Group, replied with a quote for the purchase of two 2021 Ford Police Utility AWD Interceptors, one 2021 Ford Police Utility AWD Admin Unit, and one 2020 Ford Escape.

National Auto Fleet Group specializes in police vehicles by preparing them with wiring and spotlights prior to being outfitted with emergency equipment. They also give fleet rates for government agencies and deliver the vehicles to the designated place.

The installation of all emergency and necessary equipment will cost an additional \$16,173.43 per patrol vehicle, \$5,543.43 for the administrative vehicle, and \$3,125.90 for the civilian vehicle, for a total of \$41,031.70.

Staff is proposing to auction four of its current fleet and replace them with these new purchases. The four vehicles chosen are a 2007 Ford Crown Victoria, a 2008 Chevy Tahoe, a 2012 Ford Fusion, and a 2007 Ford Escape through an auction service utilized by the Police Department for retired vehicles. Retired vehicles are commonly auctioned off in an as-is condition with the City bearing no responsibility when sold. All emergency equipment and graphics are removed prior to auction. The removal of emergency equipment from all four vehicles is estimated at \$870.00. These four vehicles were chosen over others in the fleet based on age, mileage, and maintenance issues.

**Fiscal Impact:**

The fiscal impact to purchase three new Ford Police Interceptors is \$117,775.45. The fiscal impact to purchase one new Ford Escape is \$26,360.46. The approximate initial fiscal impact to remove all emergency equipment from the retired police units is \$870.00. Purchase and installation of all emergency and necessary equipment for all four police vehicles is estimated at \$41,031.70. Total Fiscal Impact: \$186,037.61.

**Recommended Action:**

Authorize staff to retire and auction the listed vehicles from the Police Department fleet at a cost of \$870.00,  
Authorize staff to purchase four Police Vehicles in the total amount of \$144,135.91 from National Auto Fleet Group, and  
Authorize staff to purchase emergency equipment and installation for all vehicles, in the amount not to exceed \$41,031.70 from West Coast Lights and Siren.

**Attachments:**

- A. Quotes from National Auto Fleet Group for the purchase of four new police vehicles.
- B. Quotes from West Coast Lights and Siren for the purchase and installation of vehicle emergency equipment for four vehicles.

# National Auto Fleet Group

Item 13.

A division of Chevrolet of Watsonville  
490 Auto Center Drive, Watsonville, CA 95076  
855 BUY-NJPA 626-457-5590  
855 289-6572 626-457-5593

June 26, 2020

Lieutenant Greg Fagan  
City of Beaumont Police Department  
660 Orange Ave  
Beaumont, Ca 92223  
Delivery Via Email

Dear Lt. Fagan

In response to your inquiry, we are pleased to submit the following for your consideration:

National Auto Fleet Group will sell, service and deliver at Beaumont, new/unused 2021 Ford Police Utility AWD Admin Unit responding to your requirement with the attached specifications for \$36,864.00 plus State Sales Tax, and \$8.75 tire tax (non-taxable). These vehicles are available under the Sourcewell (Formerly Known as NJPA) master vehicle contract# 120716-NAF.

	One Unit MSRP	One Unit	Total Savings	Total Savings
2021 Ford PPV Utility Non Hybrid Admin Unit	44,065.00	36,864.00	16.34%	7,201.00
Sub Total		36,864.00		
Sales Tax	7.75%	2,856.96		
Tire Tax		8.75		
Total		39,729.71		

Delivery 120-180 days ARO  
Terms are net 30 days.

National Auto Fleet Group welcomes the opportunity to assist you in your vehicle requirements.

Kevin Buzzard  
National Law Enforcement Sales Manager  
National Auto Fleet Group  
Wondries Fleet Group  
626-656-8431 O  
714-2641867 C  
562-684-4672 F  
[Buzzard5150@gmail.com](mailto:Buzzard5150@gmail.com)



Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD



**Wondries Fleet Group / National Auto Fleet Group****Prepared By:**

Kevin Buzzard  
Wondries Fleet Group / National Auto Fleet Group  
626-457-5590 OFC  
Buzzard5150@gmail.com

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 11267. Data updated Jun 24, 2020 11:01:00 PM PDT

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD (✔ Complete)

**Selected Model and Options**
**MODEL**

CODE	MODEL
K8A	2021 Ford Police Interceptor Utility AWD

**COLORS**

CODE	DESCRIPTION
YG	Medium Titanium Metallic

**ENGINE**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
99B	Engine: 3.3L V6 Direct-Injection (FFV) -inc: (136-MPH top speed), Note: Deletes regenerative braking and lithium-ion battery pack; adds 250-Amp alternator, replaces H7 AGM battery (800 CCA/80-amp) w/H7 SLI battery (730 CCA/80-amp) and replaces 19-gallon tank w/21.4-gallon "CREDIT"	0.00 lbs	0.00 lbs

**TRANSMISSION**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
44U	Transmission: 10-Speed Automatic (44U)	0.00 lbs	0.00 lbs

**OPTION PACKAGE**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
500A	Order Code 500A	0.00 lbs	0.00 lbs

**AXLE RATIO**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
—	3.73 Axle Ratio (STD)	0.00 lbs	0.00 lbs

**PRIMARY PAINT**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
YG	Medium Titanium Metallic	0.00 lbs	0.00 lbs

**SEAT TYPE**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
F6	Charcoal Black, Unique HD Cloth Front Bucket Seats w/Cloth Rear -inc: driver 6-way power track (fore/aft, up/down, tilt w/manual recline, 2-way manual lumbar) and passenger 2-way manual track (fore/aft, w/manual recline)	0.00 lbs	0.00 lbs

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 11267. Data updated Jun 24, 2020 11:01:00 PM PDT

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD (✔ Complete)

**ADDITIONAL EQUIPMENT - PACKAGE**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
65U	Interior Upgrade Package -inc: Center Floor Console Less Shifter, console and top plate w/2 cup holders, (Maintains column shifter), SYNC 3 Communications & Entertainment System, 911 Assist, VHR, SYNC Services, AppLink, Bluetooth, steering wheel controls, USB port and auxiliary input jack, 1st & 2nd Row Carpet Floor Covering, front and rear floor mats	0.00 lbs	0.00 lbs

**ADDITIONAL EQUIPMENT - MECHANICAL**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
47A	Police Engine Idle Feature -inc: This feature allows you to leave the engine running and prevents your vehicle from unauthorized use when outside of your vehicle, Allows the key to be removed from ignition while vehicle remains idling	0.00 lbs	0.00 lbs
76D	Underbody Deflector Plate -inc: Engine and transmission shield	0.00 lbs	0.00 lbs

**ADDITIONAL EQUIPMENT - EXTERIOR**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
153	Front License Plate Bracket	0.00 lbs	0.00 lbs
59B	Keyed Alike - 1284x	0.00 lbs	0.00 lbs
64E	Wheels: 18" Painted Aluminum -inc: Spare wheel is an 18" conventional (Police) black steel wheel	0.00 lbs	0.00 lbs
86T	Tail Lamp/Police Interceptor Housing Only -inc: Pre-existing holes w/standard twist lock sealed capability (does not include LED strobe) (eliminates need to drill housing assemblies)	0.00 lbs	0.00 lbs
90E	Ballistic Door-Panels (Level III+) -inc: Driver and passenger front-doors	0.00 lbs	0.00 lbs

**ADDITIONAL EQUIPMENT - INTERIOR**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
16C	1st & 2nd Row Carpet Floor Covering -inc: front and rear floor mats	0.00 lbs	0.00 lbs
17T	Switchable Red/White Lighting in Cargo Area -inc: Deletes 3rd row overhead map light	0.00 lbs	0.00 lbs
19V	Rear Camera On-Demand -inc: Allows driver to enable rear camera on-demand	0.00 lbs	0.00 lbs
55F	Remote Keyless Entry Key Fob w/o Key Pad -inc: Does not include PATS, 4-key fobs. Key fobs are not fobbed alike when ordered w/keyed-alike	0.00 lbs	0.00 lbs
60R	Noise Suppression Bonds (Ground Straps)	0.00 lbs	0.00 lbs
76R	Reverse Sensing System	0.00 lbs	0.00 lbs
<b>Options Total</b>		<b>0.00 lbs</b>	<b>0.00 lbs</b>

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 11267, Data updated Jun 24, 2020 11:01:00 PM PDT



## Wondries Fleet Group / National Auto Fleet Group

Kevin Buzzard | 626-457-5590 OFC | Buzzard5150@gmail.com

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD (✔ Complete)

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 11267, Data updated Jun 24, 2020 11:01:00 PM PDT

Jun 26, 2020

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD (✔ Complete)

## Window Sticker

### SUMMARY

[Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD

MSRP:\$40,615.00

Interior:Charcoal Black, Unique HD Cloth Front Bucket Seats w/Cloth Rear

Exterior 1:Medium Titanium Metallic

Exterior 2:No color has been selected.

Engine: 3.3L V6 Direct-Injection (FFV)

Transmission: 10-Speed Automatic (44U)

### OPTIONS

CODE	MODEL	MSRP
K8A	[Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD	\$40,615.00
	<b>OPTIONS</b>	
153	Front License Plate Bracket	\$0.00
16C	1st & 2nd Row Carpet Floor Covering	Inc.
17T	Switchable Red/White Lighting in Cargo Area	\$50.00
19V	Rear Camera On-Demand	\$230.00
44U	Transmission: 10-Speed Automatic (44U)	\$0.00
47A	Police Engine Idle Feature	\$260.00
500A	Order Code 500A	\$0.00
55F	Remote Keyless Entry Key Fob w/o Key Pad	\$340.00
59B	Keyed Alike - 1284x	\$50.00
60R	Noise Suppression Bonds (Ground Straps)	\$100.00
64E	Wheels: 18" Painted Aluminum	\$475.00
65U	Interior Upgrade Package	\$390.00
76D	Underbody Deflector Plate	\$335.00
76R	Reverse Sensing System	\$275.00
86T	Tail Lamp/Police Interceptor Housing Only	\$60.00
90E	Ballistic Door-Panels (Level III+)	\$3,170.00
99B	Engine: 3.3L V6 Direct-Injection (FFV)	(\$3,530.00)
F6	Charcoal Black, Unique HD Cloth Front Bucket Seats w/Cloth Rear	\$0.00
YG	Medium Titanium Metallic	\$0.00
—	3.73 Axle Ratio	\$0.00

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 11267, Data updated Jun 24, 2020 11:01:00 PM PDT

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD (✔ Complete)

<b>SUBTOTAL</b>	<b>\$42,820.00</b>
Adjustments Total	\$0.00
Destination Charge	\$1,245.00
<b>TOTAL PRICE</b>	<b>\$44,065.00</b>

**FUEL ECONOMY**

Est City:N/A

Est Highway:N/A

Est Highway Cruising Range:N/A

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 11267, Data updated Jun 24, 2020 11:01:00 PM PDT

Jun 26, 2020

# National Auto Fleet Group

Item 13.

A division of Chevrolet of Watsonville  
490 Auto Center Drive, Watsonville, CA 95076  
855 BUY-NJPA 626-457-5590  
855 289-6572 626-457-5593

June 25, 2020

Lieutenant Greg Fagan  
City of Beaumont Police Department  
660 Orange Ave  
Beaumont, Ca 92223  
Delivery Via Email

Dear Lt. Fagan

In response to your inquiry, we are pleased to submit the following for your consideration:

National Auto Fleet Group will sell, service and deliver at Beaumont, new/unused 2021 Ford Police Utility AWD responding to your requirement with the attached specifications for \$36,208.00 plus State Sales Tax, and \$8.75 tire tax (non-taxable). These vehicles are available under the Sourcewell (Formerly Known as NJPA) master vehicle contract# 120716-NAF.

	One Unit MSRP	One Unit	Total Savings	2 Units	Total Savings
2021 Ford Utility PPV					
Non Hybrid	43,610.00	36,208.00	16.97%	72,416.00	14,804.00
Sub Total		36,208.00		72,416.00	
Sales Tax	7.75%	2,806.12		5,612.24	
Tire Tax		8.75		17.50	
Total		39,022.87		78,045.74	

Delivery 120-180 days ARO  
Terms are net 30 days.

National Auto Fleet Group welcomes the opportunity to assist you in your vehicle requirements.

Kevin Buzzard  
National Law Enforcement Sales Manager  
National Auto Fleet Group  
Wondries Fleet Group  
626-656-8431 O  
714-2641867 C  
562-684-4672 F  
[Buzzard5150@gmail.com](mailto:Buzzard5150@gmail.com)



Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD



## **Wondries Fleet Group / National Auto Fleet Group**

### **Prepared By:**

Kevin Buzzard

Wondries Fleet Group / National Auto Fleet Group

626-457-5590 OFC

Buzzard5150@gmail.com

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 11267, Data updated Jun 24, 2020 11:01:00 PM PDT

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD (✔ Complete)

**Selected Model and Options**
**MODEL**

CODE	MODEL
K8A	2021 Ford Police Interceptor Utility AWD

**COLORS**

CODE	DESCRIPTION
YZ	Oxford White

**ENGINE**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
99B	Engine: 3.3L V6 Direct-Injection (FFV) -inc: (136-MPH top speed), Note: Deletes regenerative braking and lithium-ion battery pack; adds 250-Amp alternator, replaces H7 AGM battery (800 CCA/80-amp) w/H7 SLI battery (730 CCA/80-amp) and replaces 19-gallon tank w/21.4-gallon *CREDIT*	0.00 lbs	0.00 lbs

**TRANSMISSION**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
44U	Transmission: 10-Speed Automatic (44U)	0.00 lbs	0.00 lbs

**OPTION PACKAGE**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
500A	Order Code 500A	0.00 lbs	0.00 lbs

**AXLE RATIO**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
—	3.73 Axle Ratio (STD)	0.00 lbs	0.00 lbs

**PRIMARY PAINT**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
YZ	Oxford White	0.00 lbs	0.00 lbs

**SEAT TYPE**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
96	Charcoal Black, Unique HD Cloth Front Bucket Seats w/Vinyl Rear -inc: reduced bolsters, driver 6-way power track (fore/aft, up/down, tilt w/manual recline, 2-way manual lumbar), passenger 2-way manual track (fore/aft, w/manual recline) and built-in steel intrusion plates in both driver/passenger seatbacks	0.00 lbs	0.00 lbs

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 11267, Data updated Jun 24, 2020 11:01:00 PM PDT

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD (✔ Complete)

**ADDITIONAL EQUIPMENT - MECHANICAL**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
47A	Police Engine Idle Feature -inc: This feature allows you to leave the engine running and prevents your vehicle from unauthorized use when outside of your vehicle, Allows the key to be removed from ignition while vehicle remains idling	0.00 lbs	0.00 lbs
76D	Underbody Deflector Plate -inc: Engine and transmission shield	0.00 lbs	0.00 lbs

**ADDITIONAL EQUIPMENT - EXTERIOR**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
153	Front License Plate Bracket	0.00 lbs	0.00 lbs
51S	Dual (Driver & Passenger) LED Spot Lamps (Unity)	0.00 lbs	0.00 lbs
59B	Keyed Alike - 1284x	0.00 lbs	0.00 lbs
86T	Tail Lamp/Police Interceptor Housing Only -inc: Pre-existing holes w/standard twist lock sealed capability (does not include LED strobe) (eliminates need to drill housing assemblies)	0.00 lbs	0.00 lbs
90E	Ballistic Door-Panels (Level III+) -inc: Driver and passenger front-doors	0.00 lbs	0.00 lbs

**ADDITIONAL EQUIPMENT - INTERIOR**

CODE	DESCRIPTION	FRONT WEIGHT	REAR WEIGHT
17T	Switchable Red/White Lighting in Cargo Area -inc: Deletes 3rd row overhead map light	0.00 lbs	0.00 lbs
19V	Rear Camera On-Demand -inc: Allows driver to enable rear camera on-demand	0.00 lbs	0.00 lbs
43D	Dark Car Feature -inc: Courtesy lamps disabled when any door is opened	0.00 lbs	0.00 lbs
52P	Hidden Door-Lock Plunger -inc: rear-door controls inoperable (locks, handles and windows), Note: Can manually remove window or door disable plate w/special tool, Note: Locks/windows operable from driver's door switches	0.00 lbs	0.00 lbs
76R	Reverse Sensing System	0.00 lbs	0.00 lbs
85R	Rear Console Plate -inc: Contours through 2nd row; channel for wiring	0.00 lbs	0.00 lbs
87R	Rear View Camera -inc: Displayed in rear view mirror, Note: This option replaces the standard display in the center stack area, Note: Camera can only be displayed in the center stack (std) or the rear view mirror (87R), Electrochromic Rear View Mirror Video is displayed in rear view mirror	0.00 lbs	0.00 lbs

<b>Options Total</b>	<b>0.00 lbs</b>	<b>0.00 lbs</b>
----------------------	-----------------	-----------------

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 11267, Data updated Jun 24, 2020 11:01:00 PM PDT

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD (✔ Complete)

## Window Sticker

### SUMMARY

[Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD

MSRP:\$40,615.00

Interior:Charcoal Black, Unique HD Cloth Front Bucket Seats w/Vinyl Rear

Exterior 1:Oxford White

Exterior 2:No color has been selected.

Engine: 3.3L V6 Direct-Injection (FFV)

Transmission: 10-Speed Automatic (44U)

### OPTIONS

CODE	MODEL	MSRP
K8A	[Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD	\$40,615.00
<b>OPTIONS</b>		
153	Front License Plate Bracket	\$0.00
17T	Switchable Red/White Lighting in Cargo Area	\$50.00
19V	Rear Camera On-Demand	\$230.00
43D	Dark Car Feature	\$25.00
44U	Transmission: 10-Speed Automatic (44U)	\$0.00
47A	Police Engine Idle Feature	\$260.00
500A	Order Code 500A	\$0.00
51S	Dual (Driver & Passenger) LED Spot Lamps (Unity)	\$620.00
52P	Hidden Door-Lock Plunger	\$160.00
59B	Keyed Alike - 1284x	\$50.00
76D	Underbody Deflector Plate	\$335.00
76R	Reverse Sensing System	\$275.00
85R	Rear Console Plate	\$45.00
86T	Tail Lamp/Police Interceptor Housing Only	\$60.00
87R	Rear View Camera	\$0.00
90E	Ballistic Door-Panels (Level III+)	\$3,170.00
96	Charcoal Black, Unique HD Cloth Front Bucket Seats w/Vinyl Rear	\$0.00
99B	Engine: 3.3L V6 Direct-Injection (FFV)	(\$3,530.00)
YZ	Oxford White	\$0.00
—	3.73 Axle Ratio	\$0.00

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 11267, Data updated Jun 24, 2020 11:01:00 PM PDT

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD (✔ Complete)

<b>SUBTOTAL</b>	<b>\$42,365.00</b>
Adjustments Total	\$0.00
Destination Charge	\$1,245.00
<b>TOTAL PRICE</b>	<b>\$43,610.00</b>

**FUEL ECONOMY**

Est City:N/A

Est Highway:N/A

Est Highway Cruising Range:N/A

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 11267, Data updated Jun 24, 2020 11:01:00 PM PDT





# National Auto Fleet Group

A Division of Chevrolet of Watsonville  
 480 Auto Center Drive, Watsonville, CA 95076  
 (855) 269-6572 • (831) 480-8497 Fax  
 Fleet@NationalAutoFleetGroup.com

6/25/2020

Quote ID: **13856**

Order Cut Off Date: **TBA**

Mr Greg Fagan  
 City of Beaumont Police Department  
 660 Orange Ave  
 Beaumont, California, 92223

Dear Greg Fagan,

National Auto Fleet Group is pleased to quote the following vehicle(s) for your consideration.  
**One (1) New/Unused (2020 Ford Escape (U0F) S FWD, )** and delivered to your specified location, each for

	One Unit (MSRP)	One Unit	Total % Savings	Total Savings
Contract Price	\$26,810.00	\$24,363.54	9.125 %	\$2,446.46
Tax (7.7500 %)		\$1,888.17		
Tire fee		\$8.75		
Transportation		\$100.00		
<b>Total</b>		<b>\$26,360.46</b>		

- per the attached specifications. Price includes 2 additional key(s).

This vehicle(s) is available under the **Sourcewell (Formerly Known as NJPA) Contract 120716-NAF**. Please reference this Contract number on all purchase orders to National Auto Fleet Group. Payment terms are Net 20 days after receipt of vehicle.

Thank you in advance for your consideration. Should you have any questions, please do not hesitate to call.

Sincerely,

KEVIN BUZZARD  
 Account Manager  
 Email: BUZZARD5150@GMAIL.COM  
 Office: (714) 264-1867  
 Fax: (831) 480-8497



**GMC**

# QuickQuoteID: 13856

Name  
Mr Greg Fagan

Organization Name  
City of Beaumont Police Department

Address  
660 Orange Ave  
Beaumont California  
92223

Upfit uploaded document  
Description Name:

**There is no attachment**

Configured Total MSRP Price	\$26,810.00
Sourcwell Price	\$23,763.54
Total Savings	\$3,046.46
Total % Savings	11.363 %

**Pricing**

Quantity

1

Keys Per Unit (2 keys comes standard per unit)

2

\$600.00

No. of Service Manuals

Base Price

\$24,363.54

Upfit Price

\$0.00

Tax

Sales Tax Rate, if Non-Exempt

7.7500 %

\$1,888.17

**OR**

Flat Tax Amount

Total Tire Fee

\$8.75

Transportation	\$100.00
Total	\$26,360.46

# Order Cut Off is TBA

**In order to Finalize your Quote, please submit this purchase packet to your governing body for Purchase Order Approval. Once you issue a Purchase Order please send by:**

**Fax: (831) 480-8497**

**Mail: National Auto Fleet Group  
490 Auto Center Drive  
Watsonville, CA 95076**

**Email: [Fleet@NationalAutoFleetGroup.com](mailto:Fleet@NationalAutoFleetGroup.com)**

**We will then send a W-9 if you need one**

**Please contact our main office with any questions:  
1-855-289-6572**

## 2020 Fleet/Non-Retail Ford Escape S FWD

### WINDOW STICKER

2020 Ford Escape S FWD		
CODE	MODEL	MSRP
U0F	2020 Ford Escape S FWD	\$24,885.00
<b>OPTIONS</b>		
996	ENGINE: 1.5L ECOBOOST, -inc: auto start-stop technology (STD)	\$0.00
447	TRANSMISSION: 8-SPEED AUTOMATIC, (STD)	\$0.00
YZ	OXFORD WHITE	\$0.00
—	STANDARD PAINT	\$0.00
VH	DARK EARTH GRAY, CLOTH FRONT BUCKET SEATS, -inc: 6-way manual driver (fore/aft, up/down, recline) and 4-way manual front passenger (fore/aft w/manual recline)	\$0.00
100A	EQUIPMENT GROUP 100A	\$0.00
924	PRIVACY GLASS, -inc: 2nd row side and liftgate	\$275.00
153	FRONT LICENSE PLATE BRACKET, -inc: Standard in states requiring two license plates and optional to all others	\$0.00
50C	FRONT & REAR FLOOR LINERS	\$160.00
60S	REVERSE SENSING SYSTEM	\$245.00
Please note selected options override standard equipment		
<b>SUBTOTAL</b>		<b>\$25,565.00</b>
Advert/ Adjustments		\$0.00
Manufacturer Destination Charge		\$1,245.00
<b>TOTAL PRICE</b>		<b>\$26,810.00</b>
Est City: 27 MPG Est Highway: 33 MPG Est Highway Cruising Range: 485.10 mi		

Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

## Vehicle Configuration Options

ENGINE	
Code	Description
996	ENGINE: 1.5L ECOBOOST, -inc: auto start-stop technology (STD)
TRANSMISSION	
Code	Description
447	TRANSMISSION: 8-SPEED AUTOMATIC, (STD)
PRIMARY PAINT	
Code	Description
YZ	OXFORD WHITE
PAINT SCHEME	
Code	Description
___	STANDARD PAINT
SEAT TYPE	
Code	Description
VH	DARK EARTH GRAY, CLOTH FRONT BUCKET SEATS, -inc: 6-way manual driver (fore/aft, up/down, recline) and 4-way manual front passenger (fore/aft w/manual recline)
OPTION PACKAGE	
Code	Description
100A	EQUIPMENT GROUP 100A
ADDITIONAL EQUIPMENT	
Code	Description
924	PRIVACY GLASS, -inc: 2nd row side and liftgate
153	FRONT LICENSE PLATE BRACKET, -inc: Standard in states requiring two license plates and optional to all others
50C	FRONT & REAR FLOOR LINERS
60S	REVERSE SENSING SYSTEM

**Standard Equipment**

**MECHANICAL**

Engine: 1.5L EcoBoost -inc: auto start-stop technology
Transmission: 8-Speed Automatic
3.52 Axle Ratio
GVWR: TBD
50-State Emissions System
Transmission w/Driver Selectable Mode and Oil Cooler
Front-Wheel Drive
760CCA Maintenance-Free Battery w/Run Down Protection
Gas-Pressurized Shock Absorbers
Front And Rear Anti-Roll Bars
Electric Power-Assist Speed-Sensing Steering
14.7 Gal. Fuel Tank
Quasi-Dual Stainless Steel Exhaust w/Chrome Tailpipe Finisher
Strut Front Suspension w/Coil Springs
Short And Long Arm Rear Suspension w/Coil Springs
4-Wheel Disc Brakes w/4-Wheel ABS, Front Vented Discs, Brake Assist, Hill Hold Control and Electric Parking Brake
Brake Actuated Limited Slip Differential

**EXTERIOR**

Wheels: 17" Steel w/Sparkle Silver-Painted Covers
Tires: 225/65R17 AS BSW -inc: mini spare
Aluminum Spare Wheel
Spare Tire Mounted Inside Under Cargo
Clearcoat Paint
Body-Colored Front Bumper w/Metal-Look Rub Strip/Fascia Accent and Black Bumper Insert
Black Rear Bumper w/Metal-Look Rub Strip/Fascia Accent
Black Bodyside Cladding and Black Wheel Well Trim
Black Side Windows Trim
Black Door Handles
Black Power Side Mirrors w/Manual Folding
Fixed Rear Window w/Fixed Interval Wiper and Defroster
Light Tinted Glass
Speed Sensitive Variable Intermittent Wipers

Fully Galvanized Steel Panels
Lip Spoiler
Black Grille
Liftgate Rear Cargo Access
Tailgate/Rear Door Lock Included w/Power Door Locks
Autolamp Fully Automatic Projector Beam Halogen Auto High-Beam Daytime Running Lights Preference Setting Headlamps w/Delay-Off
LED Brakelights

**ENTERTAINMENT**

Radio: AM/FM Stereo -inc: 6 speakers and speed compensated volume
Radio w/Seek-Scan, Clock, Steering Wheel Controls and Radio Data System
Integrated Roof Antenna
SYNC Communications & Entertainment System -inc: enhanced voice recognition communication, 911 Assist, 4.2" LCD screen in center stack, AppLink and 2 smart charging USB ports
1 LCD Monitor In The Front

**INTERIOR**

Driver Seat
Passenger Seat
60-40 Folding Split-Bench Front Facing Manual Reclining Fold Forward Seatback Cloth Rear Seat w/Manual Fore/Aft
Manual Tilt/Telescoping Steering Column
Gauges -inc: Speedometer, Odometer, Engine Coolant Temp, Tachometer, Trip Odometer and Trip Computer
Power Rear Windows and Fixed 3rd Row Windows
Front Cupholder
Rear Cupholder
Compass
Remote Keyless Entry w/Integrated Key Transmitter, Illuminated Entry, Illuminated Ignition Switch and Panic Button
FordPass Connect -inc: 4G LTE Wi-Fi hotspot that connects up to 10 devices (includes a complimentary trial subscription of 3 months or 3 gigabytes - whichever comes first, Wireless service plan required after trial subscription ends, Visit <a href="http://www.att.com/ford">www.att.com/ford</a> to start complimentary trail and sign up for a wireless service plan), Remote start w/specific time scheduling, lock and unlock, locate parked vehicle and check vehicle status ( service for 1 year from the vehicle sale date as recorded by the dealer)
Cruise Control w/Steering Wheel Controls

Manual Air Conditioning
HVAC -inc: Underseat Ducts and Console Ducts
Glove Box
Driver Foot Rest
Interior Trim -inc: Metal-Look/Piano Black Instrument Panel Insert, Metal-Look Door Panel Insert, Metal-Look Console Insert and Metal-Look Interior Accents
Full Cloth Headliner
Metal-Look Gear Shifter Material
Cloth Front Bucket Seats -inc: 6-way manual driver (fore/aft, up/down, recline) and 4-way manual front passenger (fore/aft w/manual recline)
Day-Night Rearview Mirror
Driver And Passenger Visor Vanity Mirrors
Full Floor Console w/Covered Storage, Mini Overhead Console w/Storage and 3 12V DC Power Outlets
Front And Rear Map Lights
Fade-To-Off Interior Lighting
Full Carpet Floor Covering -inc: Carpet Front And Rear Floor Mats
Carpet Floor Trim
Cargo Area Concealed Storage
Cargo Space Lights
Driver / Passenger And Rear Door Bins
Power 1st Row Windows w/Driver 1-Touch Down
Delayed Accessory Power
Power Door Locks w/Autolock Feature
Systems Monitor
Trip Computer
Outside Temp Gauge
Analog Display
Seats w/Cloth Back Material
Manual Adjustable Front Head Restraints and Manual Adjustable Rear Head Restraints
Front Center Armrest
1 Seatback Storage Pocket
Securilock Anti-Theft Ignition (pats) Engine Immobilizer
3 12V DC Power Outlets
Air Filtration

**SAFETY**

AdvanceTrac w/Roll Stability Control Electronic Stability Control (ESC) And Roll Stability Control (RSC)
ABS And Driveline Traction Control
Side Impact Beams
Dual Stage Driver And Passenger Seat-Mounted Side Airbags
Ford Co-Pilot360 - Blind Spot Information System (BLIS) Blind Spot
Ford Co-Pilot360 - Automatic Emergency Braking (AEB) and Ford Co-Pilot360 - Cross-Traffic Alert
Lane Keeping Alert Lane Keeping Assist
Lane Keeping Alert Lane Departure Warning
Low Tire Pressure Warning
Dual Stage Driver And Passenger Front Airbags
Safety Canopy System Curtain 1st And 2nd Row Airbags
Airbag Occupancy Sensor
Driver Knee Airbag
Mykey System -inc: Top Speed Limiter, Audio Volume Limiter, Early Low Fuel Warning, Programmable Sound Chimes and Beltminder w/Audio Mute
Rear Child Safety Locks
Outboard Front Lap And Shoulder Safety Belts -inc: Rear Center 3 Point, Height Adjusters and Pretensioners
Back-Up Camera

**WEST COAST LIGHTS & SIRENS, INC.**

601 COLUMBIA AVENUE  
 UNIT "B"  
 RIVERSIDE, CA 92507

Phone # 9517799257 trish@wcls.us  
 Fax # 951-779-9256 WCLS.US



**PROPOSAL**

Date	Estimate #
7/2/2020	10272

Name / Address
CITY OF BEAUMONT 660 ORANGE AVENUE BEAUMONT, CA 92223 ATTN: ACCOUNTS PAYABLE

Terms	PROJECT PO
Net 30	

Item	Description	Qty	Cost	Total
	>>TO INSTALL AMBER LIGHTING INTO A 2020 FORD ESCAPE >>ALSO TO INSTALL CUSTOMER SUPPLIED RADIO (NEEDS TO BE SUPPLIED BEFORE THE BUILD)			
80.00/HOUR	LABOR	15	80.00	1,200.00T
ALGT45Z-AMBR2H...	45" ALLEGIANT, AMBER , TAKEDOWNS, ALLEYS,FRONT FLOOD,CLEAR DOMES, 6-BUTTON CONTROLLER	1	1,300.00	1,300.00T
605012	2-CHANNEL RELAY	1	78.00	78.00T
416900-AW	DUAL CORNER LED HEAD W/IN-LINE FLASHER , AMBER /WHITE (FRONT HEADLIGHTS)	2	59.80	119.60T
416910-A	SINGLE COLOR LED W/ INLINE FLASHER, AMBER (REVERSE LIGHTS)	2	59.80	119.60T
MB8U	3/4" HOLE NMO STYLE BRASS MT W/17" RG58U & NO CONNECTOR	1	12.97	12.97T
ANXQW800	806-896 MHZ FIELD TUNABLE WAVE MOBILE ANTENNA	1	5.90	5.90T
JOB MATERIALS	MISC. PARTS, WIRE, ZIP TIES, CLAMPS, FASTENERS, RELAYS, ETC.	1	65.00	65.00T

PROPOSAL IS VALID FOR 30 DAYS

CALIFORNIA CERTIFIED SMALL BUSINESS #49878

NOTE: SALES TAX WILL BE CHARGED ON INSTALLATION LABOR ON A VEHICLE WITH 500 MILES OR LESS OR UNDER 6 MONTHS SINCE REGISTRATION WITH THE DMV

<b>Subtotal</b>	\$2,901.07
<b>Sales Tax (7.75%)</b>	\$224.83
<b>Total</b>	\$3,125.90

**WEST COAST LIGHTS & SIRENS, INC.**

601 COLUMBIA AVENUE  
 UNIT "B"  
 RIVERSIDE, CA 92507

Phone # 9517799257 trish@wcls.us  
 Fax # 951-779-9256 WCLS.US



**PROPOSAL**

Date	Estimate #
7/1/2020	10263

Name / Address
CITY OF BEAUMONT 660 ORANGE AVENUE BEAUMONT, CA 92223 ATTN: ACCOUNTS PAYABLE

Terms	PROJECT PO
Net 30	

Item	Description	Qty	Cost	Total
80.00/HOUR	INSTALLATION LABOR FOR ODOMETER UNDER 500 MILES >>TO INSTALL THE FOLLOWING EMERGENCY EQUIPMENT IN 2020 FORD UTILITY PATROL >>ALSO TO INSTALL CUSTOMER SUPPLIED RADIO AND COMPUTER EQUIPMENT (REQUIRED BEFORE TIME OF BUILD) >>INSTALL REVERSE/ BRAKE BLACKOUT	45	80.00	3,600.00T
VALR44S-SBAD	44" VALOR RED / BLUE FOR BEAUMONT	1	1,875.62	1,875.62T
PF200S17	SIREN/LIGHT CONTROLLER WITH 17 BUTTON CONTROLLER, 100/200 W, OBDII INTEGRATION CAPABILITY, >>INTEGRATED DUAL TONE CAPABILITY<< >>MOUNT CONTROLLER OVERHEAD<<	1	830.00	830.00T
EXPMOD-2	EXPANSION MODULE FOR PATHFINDER & SSP SIRENS (FOR BLACKOUT MODE)	1	357.50	357.50T
OBDKABLE25-2	25-FT OBDII INTERFACE CABLE, FOR USE ON 2020 FORD POLICE INTERCEPTOR UTILITY ( PASSENGER SIDE KICK PANEL )	1	109.38	109.38T
EXPHARDN03	REAR TAILLIGHT CONNECTION WIRE HARNESS FOR USE WITH EXPANSION MODULE, FORD INTERCEPTOR UTILITY 2020	1	85.80	85.80T
ES100C	ES100C SPEAKER W/O BRACKET	2	158.00	316.00T
ESB2-FPIU20ND	ES100 2 BRACKET KIT FPIU20 NO DRILL	1	42.90	42.90T

<b>Subtotal</b>
<b>Sales Tax (7.75%)</b>
<b>Total</b>

**WEST COAST LIGHTS & SIRENS, INC.**

601 COLUMBIA AVENUE  
 UNIT "B"  
 RIVERSIDE, CA 92507

Phone # 9517799257 trish@wcls.us  
 Fax # 951-779-9256 WCLS.US



**PROPOSAL**

Date	Estimate #
7/1/2020	10263

Name / Address
CITY OF BEAUMONT 660 ORANGE AVENUE BEAUMONT, CA 92223 ATTN: ACCOUNTS PAYABLE

Terms	PROJECT PO
Net 30	

Item	Description	Qty	Cost	Total
MPS620U-RW	MICROPULSE ULTRA 6, DUAL-COLOR SURFACE MOUNT, 12-24VDC, RED/WHITE (1 ON TOP BUMPER TUBE AND 1 ON 45 DEGREE, DRIVER SIDE)	2	73.20	146.40T
MPS620U-BW	MICROPULSE ULTRA 6, DUAL-COLOR SURFACE MOUNT, 12-24VDC, BLUE/WHITE (1 ON TOP BUMPER TUBE AND 1 ON 45 DEGREE, PASS. SIDE)	2	73.20	146.40T
416900-RW	(1) DUAL CORNER LED LIGHT HEAD WITH IN-LINE FLASHER, RED/WHITE	1	59.80	59.80T
416900-BW	(1) DUAL CORNER LED LIGHT HEAD WITH IN-LINE FLASHER, BLUE/WHITE	1	59.80	59.80T
MPS620U-BR	MICRO PULSE 620 ULTRA (BLUE/RED) (ON MIRRORS)	2	73.20	146.40T
MPSM6U-SPACRKT	SPACER KIT FOR THE ULTRA MPS LIGHTS	2	14.30	28.60T
MPS620U-BA	MICROPULSE 620 ULTRA, 12 LEDS (BLUE/AMBER) (1 ON WING AND 1 UNDER HATCH, PASS. SIDE)	2	73.20	146.40T
MPS620U-BR	MICROPULSE 620 ULTRA, 12 LEDS (BLUE/RED) (1 ON WING AND 1 UNDER HATCH, DRIVER SIDE)	2	73.20	146.40T
	>>INSTALL ON/OFF SWITCH FOR BOTTOM HATCH LIGHTS<<			
416900-BA	(1) DUAL CORNER LED LIGHT HEAD WITH IN-LINE FLASHER, BLUE/AMBER	2	59.80	119.60T
FHL-TAIL	FLASHER, TAILLIGHT, UNIVERSAL APPLICATIONS , 18" WIRE LEADS	1	44.20	44.20T
TEC23B	MIC EXTENSION CABLE FOR SSP3000B	1	10.00	10.00T
WC-2020-FEH	2020 FRONT END HARNESS	1	70.89	70.89T
WC-PFAC-2020	PATHFINDER ACCESSORY HARNESS REV B2	1	48.95	48.95T

<b>Subtotal</b>
<b>Sales Tax (7.75%)</b>
<b>Total</b>

**WEST COAST LIGHTS & SIRENS, INC.**

601 COLUMBIA AVENUE  
 UNIT "B"  
 RIVERSIDE, CA 92507

Phone # 9517799257 trish@wcls.us  
 Fax # 951-779-9256 WCLS.US



**PROPOSAL**

Date	Estimate #
7/1/2020	10263

Name / Address
CITY OF BEAUMONT 660 ORANGE AVENUE BEAUMONT, CA 92223 ATTN: ACCOUNTS PAYABLE

Terms	PROJECT PO
Net 30	

Item	Description	Qty	Cost	Total
WC-PFOP-2020	PATHFINDER OUTPUT HARNESS REV A2	1	60.01	60.01T
36-2125	PUSH BUMPER ELITE, POLICE INTERCEPTOR UTILITY 2020	1	252.32	252.32T
36-6005F2MP	23.5" LIGHT CHANNEL FOR 2 FEDERAL SIGNAL MICROPULSE ULTRAS	1	31.05	31.05T
C-DMM-3015	SWING UP DEVICE MOUNT FOR 2020 FORD INTERCEPTOR UTILITY VEHICLE	1	352.69	352.69T
C-TCB-7	BASE, TELE, ARTIC, UNVMT	1	100.23	100.23T
C-MD-204	LOW PROFILE TILT SWIVEL MOTION DEVICE	1	58.68	58.68T
C-KBM-202	HAVIS RUGGED KEYBOARD MOUNT AND ADAPTER COMBINATION	1	114.97	114.97T
SHIPPING	SHIPPING OF HAVIS		0.00	0.00
CC-20-UVLP-17	2020 LOW PROFILE CONSOLE >>FP-MXTL2500 (R) >>FP-BCT8	1	313.09	313.09T
AC-INBHG	4" INTERNAL BEVERAGE HOLDER W/GROMMETS	1	35.44	35.44T
AC-ARM MNT	HEIGHT ADJUSTABLE : BOLTS TO CONSOLE	1	118.62	118.62T
TP-E-SL6-US-SS	E-SLIDE U.S. CAGE, RECESSED PANEL, SQUARE HOLE BKT	1	595.98	595.98T
SAB-20-FDUV-BB	2020 FORD UV BIG BOY PARTITION MOUNT (INCLUDED WITH PARTITION)	1	0.00	0.00T
KP-UV20-DAP-SS	2020 FORD UV KICK PANELS WITH FOOT POCKETS	1	131.27	131.27T
WG-FDUV20-SET	2020 FORD UV WINDOW GUARD; VERTICAL WELDED BARS; DRIVER/PASSENGER	1	201.15	201.15T
PS-20-UVEX-OS-R	PLASTIC SEAT WITH OS BELTS, REAR PARTITION, WITH FIRE COMPARTMENT	1	1,285.38	1,285.38T

<b>Subtotal</b>
<b>Sales Tax (7.75%)</b>
<b>Total</b>

**WEST COAST LIGHTS & SIRENS, INC.**

601 COLUMBIA AVENUE  
 UNIT "B"  
 RIVERSIDE, CA 92507

Phone # 9517799257 trish@wcls.us  
 Fax # 951-779-9256 WCLS.US



**PROPOSAL**

Date	Estimate #
7/1/2020	10263

Name / Address
CITY OF BEAUMONT 660 ORANGE AVENUE BEAUMONT, CA 92223 ATTN: ACCOUNTS PAYABLE

Terms	PROJECT PO
Net 30	

Item	Description	Qty	Cost	Total
CP-UV20-CARGO	2020 FORD UV TILT-UP CARGO MOUNT W/GAS SHOCKS	1	523.13	523.13T
AC-UV20-TRAY	2020 FORD UV ELECTRONICS TRAY	1	182.52	182.52T
AC-20-UV-HATCH	2020 PI UTILITY HATCH WINDOW SCREEN; SQUARE-HOLE PUNCHED	1	98.98	98.98T
CP-GB403212-TL	40"W X32" L X12" H WEAPONS BOX W/ T-HANDLE LOCK	1	1,062.50	1,062.50T
SHIPPING	SHIPPING OF TROY PRODUCTS	1	100.00	100.00
OMWV014FB	DUAL GUN RACK W/ ADJUSTABLE AR MOUNT	1	155.00	155.00T
OMWV002FB	BUTT PLATE FOR WEAPON	2	15.50	31.00T
SC-6	XL HANDCUFF STYLE GUN LOCK	1	128.00	128.00T
SC-1	SANTA CRUZ GUN LOCK S-C1 W STANDARD KEY	1	82.21	82.21T
1016B	DUAL USB SOCKET (MOUNTED ON CONSOLE FACEPLATE)	1	18.58	18.58T
1011B	15 AMP 12VOLT DC SOCKET (MOUNTED IN REAR)	1	4.79	4.79T
5028B	FUSE BLOCK ST BLADE 6 WITHOUT GROUND CIRCUIT	1	20.35	20.35T
5026B	FUSE BLOCK STBLADE 12 CIRC W/GND/CVR	1	31.99	31.99T
7189B	150 AMP BREAKER	1	26.32	26.32T
7615B	AUTOMATIC TIMER DISCONNECT (SET 1 HOUR)	1	95.00	95.00T
CBB-BK-S	SEDAN / 2020 UTILITY CIRCUIT BREAKER BRACKET	1	12.00	12.00T
WCLS-2020UTH	2020 UTILITY MICROPULSE HATCH BRACKETS (PAIR)	1	30.50	30.50T
WCLS-OHSSP20UT-...	OVERHEAD FACEPLATE - 2020 UTILITY	1	35.00	35.00T
WCLS-45BBR	45 DEGREE VERTICAL PUSH BUMPER MOUNTS FOR MPS LIGHTS (PAIR)	1	21.00	21.00T
B500	AMEREX 5 POUND FIRE EXTINGUISHER W/O BRACKET	1	86.26	86.26T
860	VEHICLE FIRE EXTINGUISHER BRACKET	1	50.44	50.44T
ANXQWFT120	118-970 MHZ 0 DB FIELD TUNABLE 1/4 WAVE MOBILE ANTENNA	1	8.01	8.01T

<b>Subtotal</b>
<b>Sales Tax (7.75%)</b>
<b>Total</b>

**WEST COAST LIGHTS & SIRENS, INC.**

601 COLUMBIA AVENUE  
 UNIT "B"  
 RIVERSIDE, CA 92507

Phone # 9517799257 trish@wcls.us  
 Fax # 951-779-9256 WCLS.US



**PROPOSAL**

Date	Estimate #
7/1/2020	10263

Name / Address
CITY OF BEAUMONT 660 ORANGE AVENUE BEAUMONT, CA 92223 ATTN: ACCOUNTS PAYABLE

Terms	PROJECT PO
Net 30	

Item	Description	Qty	Cost	Total
ANXQW800	806-896 MHZ FIELD TUNABLE WAVE MOBILE ANTENNA	1	5.90	5.90T
MB8U	3/4" HOLE NMO STYLE BRASS MT W/17" RG58U & NO CONNECTOR	2	10.47	20.94T
JOB MATERIALS	MISC. PARTS, WIRE, ZIP TIES, CLAMPS, FASTENERS, RELAYS, ETC.	1	145.00	145.00T

PROPOSAL IS VALID FOR 30 DAYS

CALIFORNIA CERTIFIED SMALL BUSINESS #49878

NOTE: SALES TAX WILL BE CHARGED ON INSTALLATION LABOR ON A VEHICLE WITH 500 MILES OR LESS OR UNDER 6 MONTHS SINCE REGISTRATION WITH THE DMV

<b>Subtotal</b>	\$15,017.34
<b>Sales Tax (7.75%)</b>	\$1,156.09
<b>Total</b>	\$16,173.43

**WEST COAST LIGHTS & SIRENS, INC.**

601 COLUMBIA AVENUE  
 UNIT "B"  
 RIVERSIDE, CA 92507

Phone # 9517799257 trish@wcls.us  
 Fax # 951-779-9256 WCLS.US



**PROPOSAL**

Date	Estimate #
7/2/2020	10267

Name / Address
CITY OF BEAUMONT 660 ORANGE AVENUE BEAUMONT, CA 92223 ATTN: ACCOUNTS PAYABLE

Terms	PROJECT PO

Item	Description	Qty	Cost	Total
	>>TO INSTALL THE FOLLOWING IN A 2020 FORD UTILITY (ADMIN)<<			
80.00/HOUR	LABOR TO INSTALL THE FOLLOWING	32	80.00	2,560.00T
SIFMS-4020357	2020 UTILITY SPECTRALUX® ILS LOW-PROFILE, SPLIT FRONT HEADLINER – CENTER FOCUSED – RED/WHITE – BLUE/WHITE (INSTALL FLOOD FEATURE ON SEPARATE SWITCH)	1	778.70	778.70T
UM3500K	4 POS. UNDER COVER SWITCH	1	207.64	207.64T
MS4000U	MS4000 UNDERCOVER, 100W AIR HORN WITH REMOTE	1	189.80	189.80T
416900-BW	(1) DUAL HEAD CORNER LED BLUE/WHITE WITH IN-LINE FLASHER (PASS. HEADLIGHT)	1	59.80	59.80T
416900-RW	(1) DUAL CORNER LED LIGHT HEAD WITH IN-LINE FLASHER, RED/WHITE (DR. HEADLIGHT)	1	59.80	59.80T
MPS620U-BR	MICRO PULSE 620 ULTRA (BLUE/RED) (GRILLE LIGHTS)	2	79.30	158.60T
ES100C	ES100C SPEAKER W/O BRACKET	1	162.50	162.50T
ESB-FPIU20	SPEAKER MOUNT FOR 2020 INUT, MOUNTING FOR MPS LIGHTS	1	22.88	22.88T
MPS620U-BR	MICRO PULSE 620 ULTRA (BLUE/RED) (INTERIOR REAR WINDOW LIGHTS)	2	79.30	158.60T
MPSM6-LB	FEDERAL SIGNAL SINGLE L-BRACKETS	2	8.58	17.16T
FHL-TAIL	FLASHER, TAILLIGHT, UNIVERSAL APPLICATIONS, 18" WIRE LEADS	1	49.77	49.77T
416900-BA	(1) DUAL CORNER LED LIGHT HEAD WITH IN-LINE FLASHER, BLUE/AMBER	2	59.80	119.60T

<b>Subtotal</b>
<b>Sales Tax (7.75%)</b>
<b>Total</b>

**WEST COAST LIGHTS & SIRENS, INC.**

601 COLUMBIA AVENUE  
 UNIT "B"  
 RIVERSIDE, CA 92507

Phone # 9517799257 trish@wcls.us  
 Fax # 951-779-9256 WCLS.US



**PROPOSAL**

Date	Estimate #
7/2/2020	10267

Name / Address
CITY OF BEAUMONT 660 ORANGE AVENUE BEAUMONT, CA 92223 ATTN: ACCOUNTS PAYABLE

Terms	PROJECT PO

Item	Description	Qty	Cost	Total
MPS620U-BA	MICROPULSE ULTRA 6, DUAL -COLOR SURFACE MOUNT, 12-24V DC, BLUE/AMBER (INSIDE UPPER HATCH)	2	79.30	158.60T
FABRICATED	FABRICATION-HATCH LIGHT MOUNTS (PAIR)	1	85.00	85.00T
CBB-BK-S	SEDAN / 2020 UTILITY CIRCUIT BREAKER BRACKET	1	12.00	12.00T
7187B	100 AMP THERMAL CIRCUIT BREAKER (SURFACE MOUNT)	1	26.32	26.32T
5032B	FUSE BLOCK STBLADE DUAL 12 W/ GROUND/COVER	1	40.86	40.86T
EVM-IDM308VS	IGNITION DELAY MODULE 30 MIN TO 8HRS - VOLTAGE SENSE	1	54.08	54.08T
90-201	BOSCH 75 AMP RELAY	1	40.00	40.00T
EFBAD-3F	760-960 MHZ EASY FIT COVERT ANT FRAME	1	33.00	33.00T
JOB MATERIALS	FABRICATION OF ELECTRONICS BOARD WITH CARPET	1	45.00	45.00T
JOB MATERIALS	MISC. PARTS, WIRE, ZIP TIES, CLAMPS, FASTENERS, RELAYS, ETC.	1	105.00	105.00T

PROPOSAL IS VALID FOR 30 DAYS

CALIFORNIA CERTIFIED SMALL BUSINESS #49878

NOTE: SALES TAX WILL BE CHARGED ON INSTALLATION LABOR ON A VEHICLE WITH 500 MILES OR LESS OR UNDER 6 MONTHS SINCE REGISTRATION WITH THE DMV

<b>Subtotal</b>	\$5,144.71
<b>Sales Tax (7.75%)</b>	\$398.72
<b>Total</b>	\$5,543.43



## Staff Report

**TO:** City Council  
**FROM:** Jeff Hart, Director of Public Works  
**DATE:** July 21, 2020  
**SUBJECT:** Update on the Highland Springs/I-10 Interchange Project

---

### Background and Analysis:

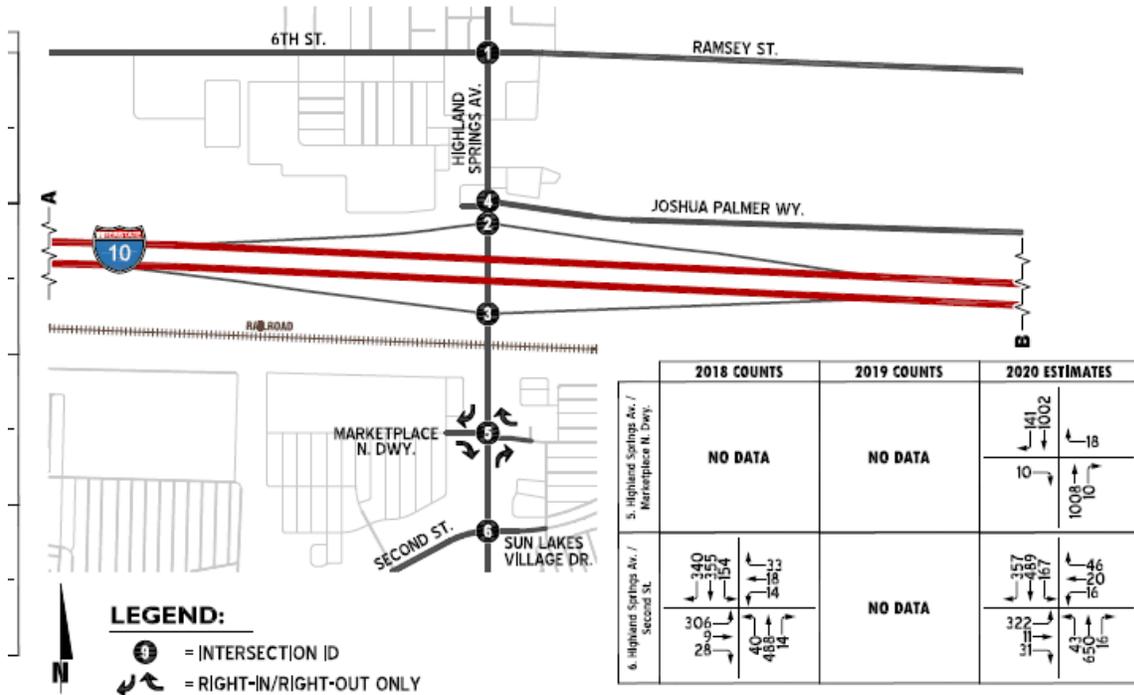
On September 17, 2019, the City Council approved a cooperative agreement between the Riverside County Transportation Commission (RCTC), the City of Banning, and the City of Beaumont for the preparation of a project study report (PSR) for the Highland Springs Interchange (Project). The Project is located adjacent to and within the jurisdictional boundaries of both the City of Banning and the City of Beaumont. Any of the alternatives that are currently being assessed will require improvements in both jurisdictions.

Staff has been actively working with design and traffic consultants for the project as well as staff from the City of Banning, RCTC, and Caltrans to develop the potential four alternatives for the Project moving forward. All four alternatives have been analyzed for level of service (LOS) delays at several key intersections. LOS is a qualitative description of traffic flow based on such factors as speed, travel time, delay, and freedom to maneuver. Six levels are defined from LOS "A", representing completely free-flow conditions, to LOS "F", representing breakdown in flow resulting in stop-and-go conditions. LOS "E" represents operations at or near capacity, an unstable level, where vehicles are operating with the minimum spacing for maintaining uniform flow.

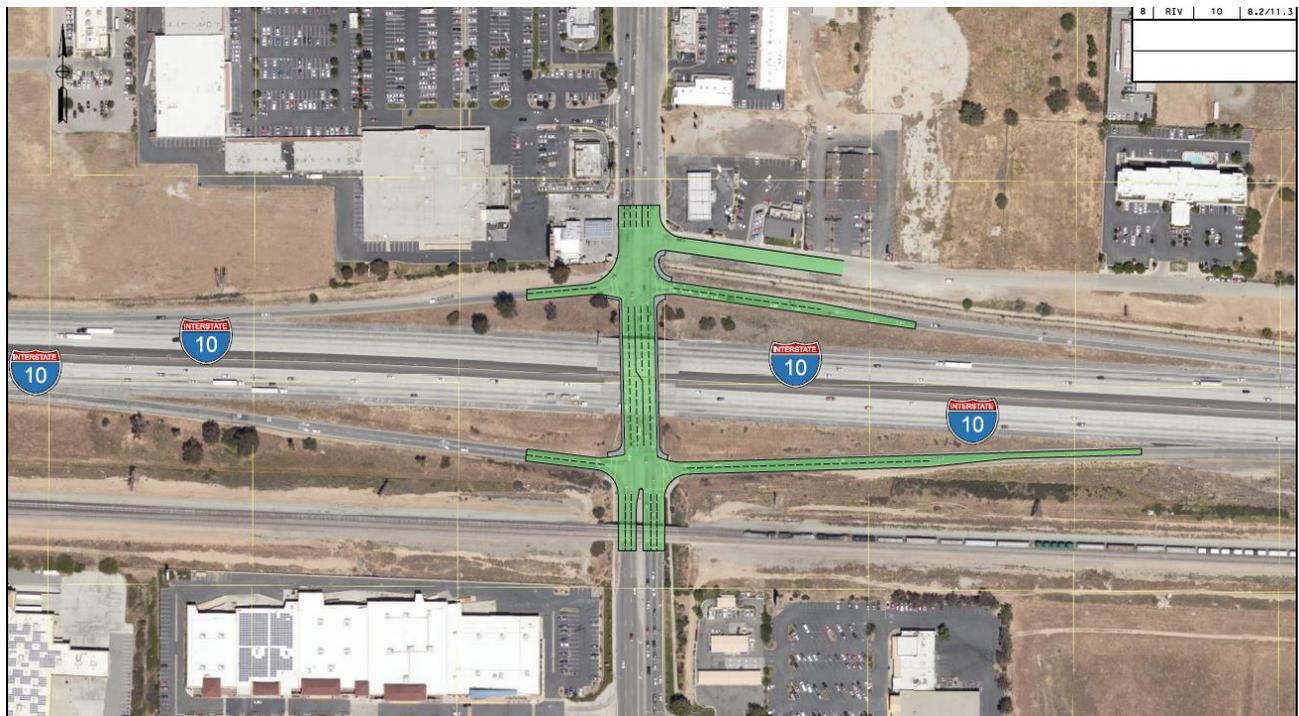
Alternative 1 is for the Project to remain as-is in its current configuration with no improvements planned (i.e. "no-build"). Traffic analysis shows that in this alternative current peak hour delays at several key intersections will substantially increase by the year 2040. The delay at the intersection of Highland Springs/I-10 westbound ramps would increase from 21 seconds in the AM peak hour to 41 seconds by 2040. Delays at the intersections of Highland Springs/I-10 eastbound ramps would increase from 22 seconds in the AM peak hour to 41 seconds by 2040. The following figure shows the intersections that were studied in the draft project Traffic Forecasting and Operational

Analysis (TFOA) report (see Attachment A), as well as a graphic for the existing condition.

Studied Intersections



Alternative 1, No-Build



Alternative 2 would leave the westbound and eastbound on ramps as-is while reconfiguring the off ramps. Two options are currently being studied for Alternative 2, with the difference being the location of the westbound on ramp. Alternative 2, Option A would create a new westbound on ramp approximately  $\frac{1}{4}$  mile east of Highland Springs Avenue, while Option B would create a new westbound on ramp approximately  $\frac{1}{2}$  mile east of Highland Springs (see following graphics). The new westbound off ramp would remain the same for either option. Both options would include a realignment of Joshua Palmer Avenue to align better with the existing westbound on ramp at Highland Springs Avenue. The realignment of Joshua Palmer Avenue will provide for a safer and more efficient operation of the signalized intersection.

Efficiency of Highland Springs Avenue improves significantly in 2040. The delay at the intersection of Highland Springs/I-10 westbound ramps would decrease from 41 seconds in the AM peak hour no build scenario to 11 seconds with the implementation of Alternative 2. Delays at the intersections of Highland Springs/I-10 eastbound ramps would decrease from 41 seconds in the AM peak hour no build scenario to 14 seconds with the implementation of Alternative 2.

#### Alternative 2, East Bound Off Ramp



### Alternative 2, West Bound Ramps (Option A)



### Alternative 2, West Bound Ramps (Option B)



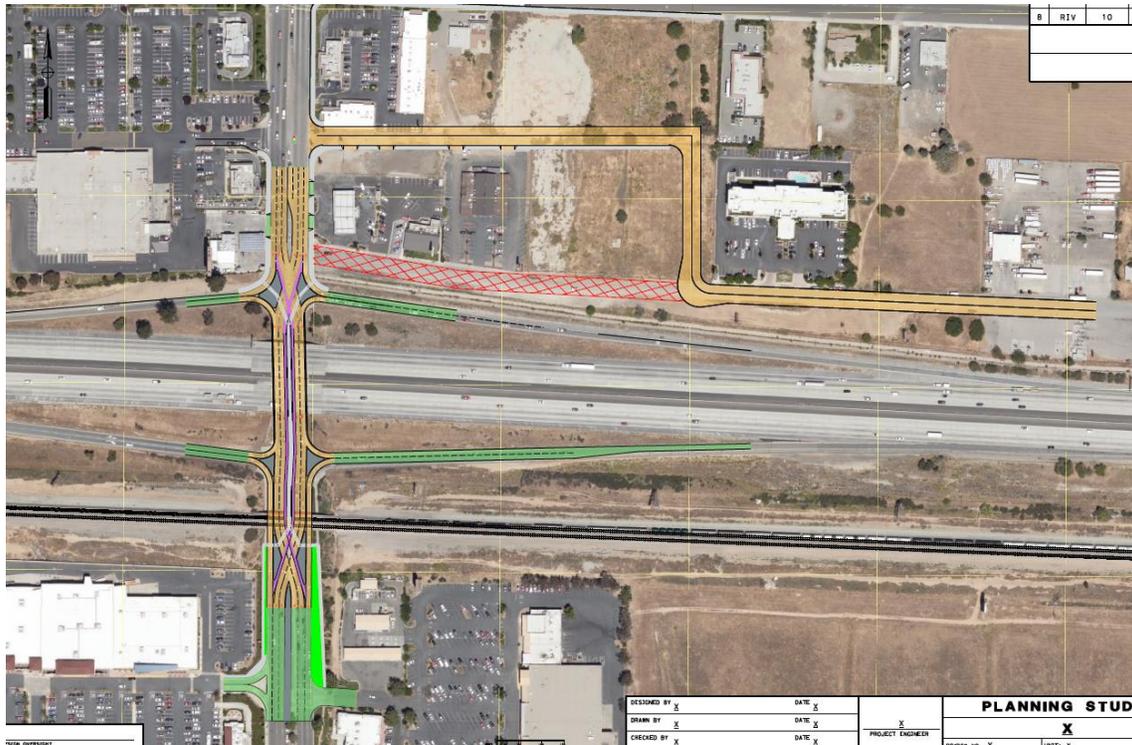
Alternatives 3 and 4 both utilize what is called a diverging diamond interchange. A diverging diamond interchange is an interchange in which the two directions of traffic on the cross street (above or below the freeway) cross to the opposite side on both sides of the bridge at the freeway. For these alternatives, the westbound and eastbound ramps would remain largely the same, with modifications being made at their respective connection points to Highland Springs Avenue. The primary difference between Alternatives 3 and 4 is the point in which northbound and southbound traffic return to their normal operating side of the road. For Alternative 3, traffic switches back to their normal side of the road just south of the I-10 underpass, at the intersection of Highland Springs Avenue and the eastbound ramps (see following graphic).

### Alternative 3



For Alternative 4, traffic switches back to their normal side of the road just south of the railroad underpass (see following graphic).

### Alternative 4



Both Alternatives 3 and 4 would entail a revised alignment of Joshua Palmer Avenue at Highland Springs. The relocation of Joshua Palmer Avenue further north allows for a much more efficient operation of the interchange, and more specifically the intersection of the west bound ramps and I-10.

Efficiency of the interchange in 2040 for Alternatives 3 and 4 also improves greatly versus the no-build scenario. The delays for the I-10 west bound ramps/Highland Springs Avenue intersection would decrease from 41 seconds to 13 seconds in the AM peak hour. Delays for the I-10 east bound ramps/Highland Springs Avenue intersection would decrease from 41 seconds to 14 seconds in the AM peak hour.

As previously stated, the difference between Alternatives 3 and 4 is the point at which traffic returns to their respective normal state of operation. The primary benefit of Alternative 4 is the increased stack length of traffic, primarily under the I-10 undercrossing. LOS remains similar for both Alternatives 3 and 4, but LOS is only one metric for measuring traffic flow and congestions. Stack length can play a significant role in traffic efficiency and Alternative 4 allows for significantly more storage between the westbound ramps/I-10 intersection and the eastbound ramps/I-10 intersections, a significant source of current congestion and only exacerbated by the expected growth by the year 2045. The storage length for Alternative 3 versus Alternative 4 is increased by nearly 200 feet.

### **Next Steps**

- Completion of the PSR – April 2021,
- Project Approval and Environmental Document (PA/ED) – April 2023,
- Plans, Specifications, and Estimates (PS&E) – October 2024, and
- Commence Constructions – February 2025.

### **Fiscal Impact:**

The cost to prepare this staff report is estimated to be \$750.

### **Recommended Action:**

Receive and file the Highland Springs Interchange Update.

**Interstate 10 (I-10) / Highland Springs Ave**  
**Traffic Forecasting and Operational Analysis – Preliminary Scoping Materials**  
**Urban Crossroads, Inc.**  
**(June 10, 2020)**

A preliminary Traffic Forecasting and Operational Analysis (TFOA) has been prepared by Urban Crossroads, Inc to support the design team review of alternatives for the I-10/Highland Springs Ave Improvement project. The TFOA utilizes available 2018 and 2019 peak period traffic counts to estimate 2020 baseline conditions.

The attached Exhibits 1 and 2 show the TFOA study area and 2020 peak hour volume estimates at intersection analysis locations for the Alternative 1 (existing/no build) scenario. The I-10/Highland Springs Ave interchange is affected by the configuration of at-grade intersections, peak hour intersections delays, queuing in the approach lanes, and off-ramp queuing during weekday peak hours.

Exhibits 3 and 4 illustrate the Alternative 2 (hook ramps) interchange configuration, with 2020 peak hour volumes redistributed to potential new interchange features.

Exhibits 5 and 6 depict the reconfiguration of interchange intersections with 2020 peak hour volumes reassigned to the potential Diverging Diamond Interchange (DDI) features incorporated into Alternatives 3 and 4. For Alternative 4, intersection #3 is approximately 200' north of Marketplace North Driveway.

The draft TFOA focuses on the following scenarios utilizing existing and future peak hour volumes:

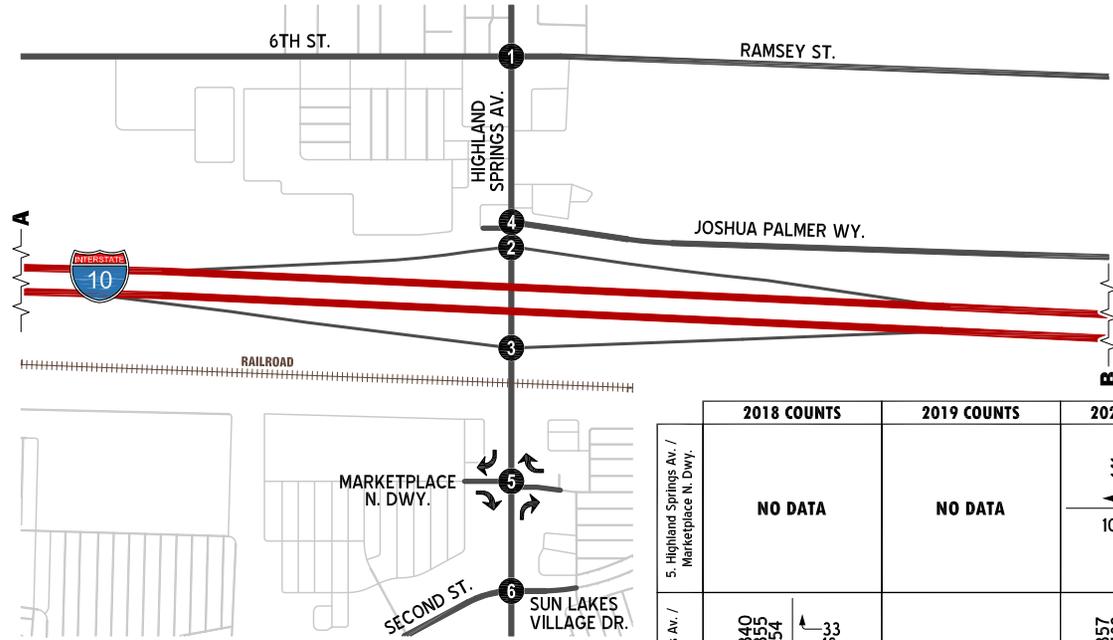
- *Alternative 1 (Existing Lane Geometry) and 2020 AM/PM Traffic Volumes*
- *Alternative 1 (Existing Lane Geometry) and 2040 AM/PM Traffic Volumes*
- *Alternative 1 (Existing Lane Geometry) and Post-2045 AM/PM Traffic Volumes*
- *Alternative 2 (Hook Ramps) Lane Geometry and 2020 AM/PM Traffic Volumes*
- *Alternative 2 (Hook Ramps) Lane Geometry and 2040 AM/PM Traffic Volumes*
- *Alternative 2 (Hook Ramps) Lane Geometry and Post-2045 AM/PM Traffic Volumes*
- *Alternatives 3 and 4 (DDI scenarios) Lane Geometry and 2020 AM/PM Traffic Volumes*
- *Alternatives 3 and 4 (DDI scenarios) Lane Geometry and 2040 AM/PM Traffic Volumes*
- *Alternatives 3 and 4 (DDI scenarios) Lane Geometry and Post-2045 AM/PM Traffic Volumes*

## **FORECASTING AND OPERATIONAL ANALYSIS METHODOLOGIES**

Traffic projections for Horizon Year conditions were derived from the Riverside County Transportation Analysis Model (RivTAM) using accepted procedures for model forecast refinement and smoothing. The traffic forecasts reflect the area-wide growth anticipated between 2020 conditions and Horizon Year 2040 conditions. Post-2045 traffic forecasts are also provided in order to account for further growth between Horizon Year 2040 and buildout of General and Specific Plans in the vicinity.

**EXHIBIT 1: 2020 AM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVE 1 (EXISTING CONFIGURATION)**

	2018 COUNTS	2019 COUNTS	2020 ESTIMATES																																				
1. Highland Springs Av. / 6th St. - Ramsey St.	<table border="1"> <tr><td>70</td><td>147</td></tr> <tr><td>520</td><td>121</td></tr> <tr><td>100</td><td>64</td></tr> <tr><td>178</td><td>102</td></tr> <tr><td>174</td><td>407</td></tr> <tr><td>215</td><td>138</td></tr> </table>	70	147	520	121	100	64	178	102	174	407	215	138	<table border="1"> <tr><td>82</td><td>47</td></tr> <tr><td>639</td><td>149</td></tr> <tr><td>97</td><td>197</td></tr> <tr><td>112</td><td>109</td></tr> <tr><td>174</td><td>435</td></tr> <tr><td>215</td><td>139</td></tr> </table>	82	47	639	149	97	197	112	109	174	435	215	139	<table border="1"> <tr><td>84</td><td>50</td></tr> <tr><td>941</td><td>151</td></tr> <tr><td>110</td><td>199</td></tr> <tr><td>114</td><td>111</td></tr> <tr><td>176</td><td>437</td></tr> <tr><td>217</td><td>159</td></tr> </table>	84	50	941	151	110	199	114	111	176	437	217	159
70	147																																						
520	121																																						
100	64																																						
178	102																																						
174	407																																						
215	138																																						
82	47																																						
639	149																																						
97	197																																						
112	109																																						
174	435																																						
215	139																																						
84	50																																						
941	151																																						
110	199																																						
114	111																																						
176	437																																						
217	159																																						
4. Highland Springs Av. / Joshua Palmer Wy.	<table border="1"> <tr><td>805</td><td>50</td></tr> <tr><td>00</td><td>28</td></tr> <tr><td>724</td><td>28</td></tr> </table>	805	50	00	28	724	28	NO DATA	<table border="1"> <tr><td>1012</td><td>51</td></tr> <tr><td>00</td><td>29</td></tr> <tr><td>800</td><td>29</td></tr> </table>	1012	51	00	29	800	29																								
805	50																																						
00	28																																						
724	28																																						
1012	51																																						
00	29																																						
800	29																																						
2. Highland Springs Av. / I-10 WB Ramps	<table border="1"> <tr><td>270</td><td>143</td></tr> <tr><td>585</td><td>203</td></tr> <tr><td>55</td><td>76</td></tr> <tr><td>261</td><td>274</td></tr> <tr><td>617</td><td>653</td></tr> </table>	270	143	585	203	55	76	261	274	617	653	<table border="1"> <tr><td>326</td><td>143</td></tr> <tr><td>733</td><td>203</td></tr> <tr><td>76</td><td>274</td></tr> <tr><td>617</td><td>653</td></tr> </table>	326	143	733	203	76	274	617	653	<table border="1"> <tr><td>338</td><td>145</td></tr> <tr><td>735</td><td>205</td></tr> <tr><td>76</td><td>276</td></tr> <tr><td>617</td><td>684</td></tr> </table>	338	145	735	205	76	276	617	684										
270	143																																						
585	203																																						
55	76																																						
261	274																																						
617	653																																						
326	143																																						
733	203																																						
76	274																																						
617	653																																						
338	145																																						
735	205																																						
76	276																																						
617	684																																						
3. Highland Springs Av. / I-10 EB Ramps	<table border="1"> <tr><td>606</td><td>196</td></tr> <tr><td>279</td><td>399</td></tr> <tr><td>365</td><td>599</td></tr> <tr><td>221</td><td>221</td></tr> </table>	606	196	279	399	365	599	221	221	<table border="1"> <tr><td>740</td><td>196</td></tr> <tr><td>268</td><td>399</td></tr> <tr><td>399</td><td>659</td></tr> <tr><td>221</td><td>363</td></tr> </table>	740	196	268	399	399	659	221	363	<table border="1"> <tr><td>742</td><td>196</td></tr> <tr><td>299</td><td>401</td></tr> <tr><td>661</td><td>661</td></tr> <tr><td>365</td><td>365</td></tr> </table>	742	196	299	401	661	661	365	365												
606	196																																						
279	399																																						
365	599																																						
221	221																																						
740	196																																						
268	399																																						
399	659																																						
221	363																																						
742	196																																						
299	401																																						
661	661																																						
365	365																																						



**LEGEND:**  
 ① = INTERSECTION ID  
 = RIGHT-IN/RIGHT-OUT ONLY

	2018 COUNTS	2019 COUNTS	2020 ESTIMATES																										
5. Highland Springs Av. / Marketplace N. Dwy.	NO DATA	NO DATA	<table border="1"> <tr><td>141</td><td>18</td></tr> <tr><td>1002</td><td>10</td></tr> <tr><td>10</td><td>1008</td></tr> <tr><td>10</td><td>10</td></tr> </table>	141	18	1002	10	10	1008	10	10																		
141	18																												
1002	10																												
10	1008																												
10	10																												
6. Highland Springs Av. / Second St.	<table border="1"> <tr><td>340</td><td>154</td></tr> <tr><td>355</td><td>33</td></tr> <tr><td>154</td><td>33</td></tr> <tr><td>306</td><td>40</td></tr> <tr><td>280</td><td>488</td></tr> <tr><td>40</td><td>14</td></tr> </table>	340	154	355	33	154	33	306	40	280	488	40	14	NO DATA	<table border="1"> <tr><td>357</td><td>46</td></tr> <tr><td>489</td><td>20</td></tr> <tr><td>167</td><td>16</td></tr> <tr><td>322</td><td>43</td></tr> <tr><td>31</td><td>650</td></tr> <tr><td>43</td><td>20</td></tr> <tr><td>16</td><td>16</td></tr> </table>	357	46	489	20	167	16	322	43	31	650	43	20	16	16
340	154																												
355	33																												
154	33																												
306	40																												
280	488																												
40	14																												
357	46																												
489	20																												
167	16																												
322	43																												
31	650																												
43	20																												
16	16																												

**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**

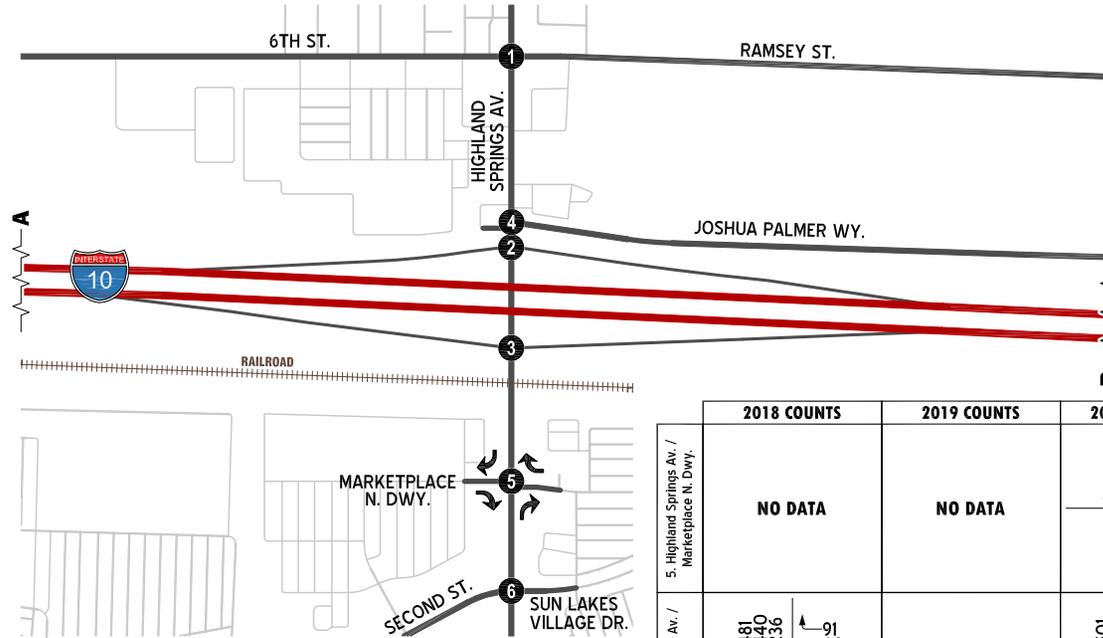
	2018 COUNTS	2019 COUNTS	2020 ESTIMATES														
7. Pennsylvania Av. / I-10 WB Off-Ramp	<table border="1"> <tr><td>293</td><td>174</td></tr> <tr><td>159</td><td>125</td></tr> <tr><td>433</td><td>231</td></tr> </table>	293	174	159	125	433	231	NO DATA	<table border="1"> <tr><td>388</td><td>174</td></tr> <tr><td>231</td><td>125</td></tr> <tr><td>231</td><td>254</td></tr> </table>	388	174	231	125	231	254		
293	174																
159	125																
433	231																
388	174																
231	125																
231	254																
8. Pennsylvania Av. / I-10 EB On-Ramp	<table border="1"> <tr><td>180</td><td>231</td></tr> <tr><td>156</td><td>254</td></tr> <tr><td>159</td><td>231</td></tr> <tr><td>249</td><td>254</td></tr> </table>	180	231	156	254	159	231	249	254	NO DATA	<table border="1"> <tr><td>298</td><td>231</td></tr> <tr><td>215</td><td>254</td></tr> <tr><td>231</td><td>254</td></tr> </table>	298	231	215	254	231	254
180	231																
156	254																
159	231																
249	254																
298	231																
215	254																
231	254																

**SUNSET AV./I-10 INTERCHANGE AREA**

	2010 COUNTS	2018 & 2019 COUNTS	2020 ESTIMATES																								
9. Sunset Av. / I-10 WB Ramps	<table border="1"> <tr><td>168</td><td>199</td></tr> <tr><td>177</td><td>234</td></tr> <tr><td>197</td><td>60</td></tr> <tr><td>40</td><td>66</td></tr> <tr><td>184</td><td>214</td></tr> </table>	168	199	177	234	197	60	40	66	184	214	NO DATA	<table border="1"> <tr><td>199</td><td>199</td></tr> <tr><td>234</td><td>234</td></tr> <tr><td>60</td><td>60</td></tr> <tr><td>66</td><td>66</td></tr> <tr><td>214</td><td>214</td></tr> </table>	199	199	234	234	60	60	66	66	214	214				
168	199																										
177	234																										
197	60																										
40	66																										
184	214																										
199	199																										
234	234																										
60	60																										
66	66																										
214	214																										
10. Sunset Av. / I-10 EB Ramps	<table border="1"> <tr><td>66</td><td>72</td></tr> <tr><td>118</td><td>171</td></tr> <tr><td>144</td><td>173</td></tr> <tr><td>30</td><td>57</td></tr> <tr><td>80</td><td>107</td></tr> <tr><td>6</td><td>14</td></tr> </table>	66	72	118	171	144	173	30	57	80	107	6	14	NO DATA	<table border="1"> <tr><td>72</td><td>72</td></tr> <tr><td>171</td><td>171</td></tr> <tr><td>173</td><td>173</td></tr> <tr><td>57</td><td>57</td></tr> <tr><td>107</td><td>107</td></tr> <tr><td>14</td><td>14</td></tr> </table>	72	72	171	171	173	173	57	57	107	107	14	14
66	72																										
118	171																										
144	173																										
30	57																										
80	107																										
6	14																										
72	72																										
171	171																										
173	173																										
57	57																										
107	107																										
14	14																										

**EXHIBIT 2: 2020 PM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVE 1 (EXISTING CONFIGURATION)**

	2018 COUNTS	2019 COUNTS	2020 ESTIMATES																								
1. Highland Springs Av. / 6th St. - Ramsey St.	<table border="1"> <tr><td>103</td><td>118</td></tr> <tr><td>283</td><td>253</td></tr> <tr><td>419</td><td>513</td></tr> <tr><td>14</td><td>22</td></tr> </table>	103	118	283	253	419	513	14	22	<table border="1"> <tr><td>94</td><td>68</td></tr> <tr><td>195</td><td>180</td></tr> <tr><td>318</td><td>292</td></tr> <tr><td>192</td><td>296</td></tr> </table>	94	68	195	180	318	292	192	296	<table border="1"> <tr><td>105</td><td>97</td></tr> <tr><td>320</td><td>294</td></tr> <tr><td>197</td><td>298</td></tr> <tr><td>209</td><td>202</td></tr> </table>	105	97	320	294	197	298	209	202
103	118																										
283	253																										
419	513																										
14	22																										
94	68																										
195	180																										
318	292																										
192	296																										
105	97																										
320	294																										
197	298																										
209	202																										
4. Highland Springs Av. / Joshua Palmer Wy.	<table border="1"> <tr><td>947</td><td>12</td></tr> <tr><td>000</td><td>52</td></tr> <tr><td>1199</td><td>43</td></tr> </table>	947	12	000	52	1199	43	NO DATA	<table border="1"> <tr><td>1069</td><td>12</td></tr> <tr><td>1253</td><td>44</td></tr> </table>	1069	12	1253	44														
947	12																										
000	52																										
1199	43																										
1069	12																										
1253	44																										
2. Highland Springs Av. / I-10 WB Ramps	<table border="1"> <tr><td>318</td><td>286</td></tr> <tr><td>681</td><td>552</td></tr> <tr><td>323</td><td>956</td></tr> </table>	318	286	681	552	323	956	<table border="1"> <tr><td>292</td><td>292</td></tr> <tr><td>796</td><td>323</td></tr> <tr><td>319</td><td>933</td></tr> </table>	292	292	796	323	319	933	<table border="1"> <tr><td>334</td><td>294</td></tr> <tr><td>798</td><td>359</td></tr> <tr><td>329</td><td>1003</td></tr> </table>	334	294	798	359	329	1003						
318	286																										
681	552																										
323	956																										
292	292																										
796	323																										
319	933																										
334	294																										
798	359																										
329	1003																										
3. Highland Springs Av. / I-10 EB Ramps	<table border="1"> <tr><td>919</td><td>114</td></tr> <tr><td>381</td><td>499</td></tr> <tr><td>898</td><td>401</td></tr> </table>	919	114	381	499	898	401	<table border="1"> <tr><td>1003</td><td>116</td></tr> <tr><td>311</td><td>941</td></tr> <tr><td>522</td><td>475</td></tr> </table>	1003	116	311	941	522	475	<table border="1"> <tr><td>1005</td><td>152</td></tr> <tr><td>389</td><td>943</td></tr> <tr><td>524</td><td>477</td></tr> </table>	1005	152	389	943	524	477						
919	114																										
381	499																										
898	401																										
1003	116																										
311	941																										
522	475																										
1005	152																										
389	943																										
524	477																										



**LEGEND:**  
 ① = INTERSECTION ID  
 ↻ = RIGHT-IN/RIGHT-OUT ONLY

	2018 COUNTS	2019 COUNTS	2020 ESTIMATES																				
5. Highland Springs Av. / Marketplace N. Dwy.	NO DATA	NO DATA	<table border="1"> <tr><td>217</td><td>1312</td></tr> <tr><td>19</td><td>1373</td></tr> <tr><td>47</td><td>10</td></tr> </table>	217	1312	19	1373	47	10														
217	1312																						
19	1373																						
47	10																						
6. Highland Springs Av. / Second St.	<table border="1"> <tr><td>481</td><td>236</td></tr> <tr><td>440</td><td>99</td></tr> <tr><td>627</td><td>510</td></tr> <tr><td>352</td><td>25</td></tr> </table>	481	236	440	99	627	510	352	25	NO DATA	<table border="1"> <tr><td>501</td><td>103</td></tr> <tr><td>579</td><td>67</td></tr> <tr><td>251</td><td>47</td></tr> <tr><td>650</td><td>101</td></tr> <tr><td>352</td><td>630</td></tr> <tr><td>101</td><td>28</td></tr> </table>	501	103	579	67	251	47	650	101	352	630	101	28
481	236																						
440	99																						
627	510																						
352	25																						
501	103																						
579	67																						
251	47																						
650	101																						
352	630																						
101	28																						

**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**

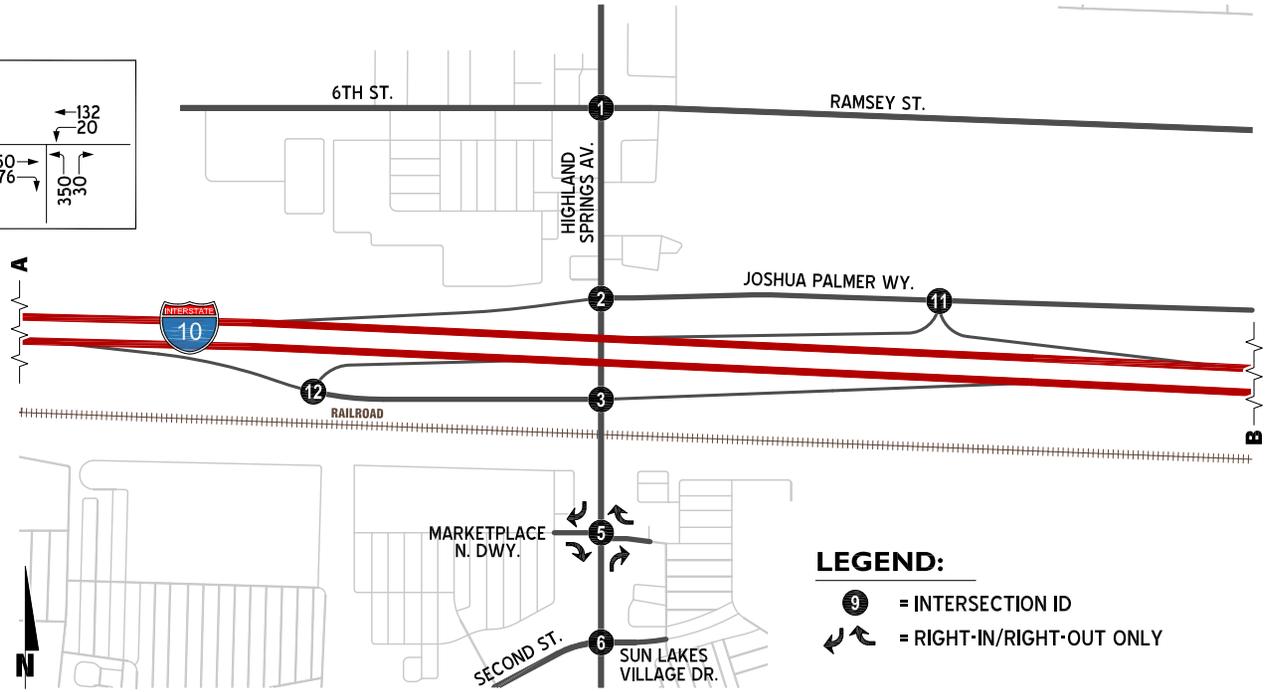
	2018 COUNTS	2019 COUNTS	2020 ESTIMATES										
7. Pennsylvania Av. / I-10 WB Off-Ramp	<table border="1"> <tr><td>488</td><td>218</td></tr> <tr><td>143</td><td>143</td></tr> <tr><td>402</td><td>410</td></tr> </table>	488	218	143	143	402	410	NO DATA	<table border="1"> <tr><td>498</td><td>265</td></tr> <tr><td>225</td><td>410</td></tr> </table>	498	265	225	410
488	218												
143	143												
402	410												
498	265												
225	410												
8. Pennsylvania Av. / I-10 EB On-Ramp	<table border="1"> <tr><td>445</td><td>186</td></tr> <tr><td>402</td><td>141</td></tr> <tr><td>410</td><td>144</td></tr> </table>	445	186	402	141	410	144	NO DATA	<table border="1"> <tr><td>513</td><td>210</td></tr> <tr><td>410</td><td>144</td></tr> </table>	513	210	410	144
445	186												
402	141												
410	144												
513	210												
410	144												

**SUNSET AV./I-10 INTERCHANGE AREA**

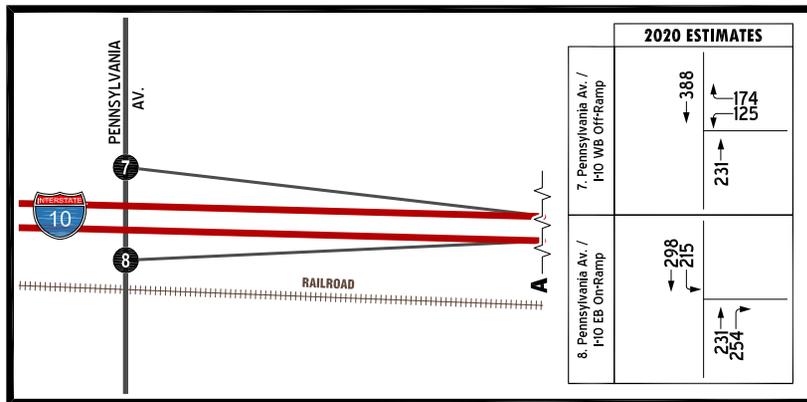
	2010 COUNTS	2018 & 2019 COUNTS	2020 ESTIMATES														
9. Sunset Av. / I-10 WB Ramps	<table border="1"> <tr><td>123</td><td>209</td></tr> <tr><td>38</td><td>276</td></tr> </table>	123	209	38	276	NO DATA	<table border="1"> <tr><td>194</td><td>257</td></tr> <tr><td>70</td><td>369</td></tr> </table>	194	257	70	369						
123	209																
38	276																
194	257																
70	369																
10. Sunset Av. / I-10 EB Ramps	<table border="1"> <tr><td>102</td><td>113</td></tr> <tr><td>222</td><td>92</td></tr> <tr><td>51</td><td>5</td></tr> </table>	102	113	222	92	51	5	NO DATA	<table border="1"> <tr><td>133</td><td>136</td></tr> <tr><td>271</td><td>168</td></tr> <tr><td>5</td><td>25</td></tr> <tr><td>77</td><td>25</td></tr> </table>	133	136	271	168	5	25	77	25
102	113																
222	92																
51	5																
133	136																
271	168																
5	25																
77	25																

### EXHIBIT 3: 2020 AM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVE 2 (HOOK RAMPS)

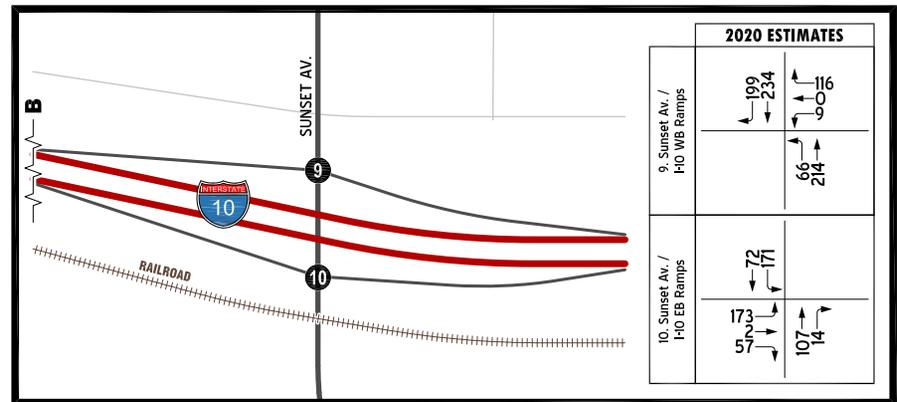
		2020 ESTIMATES													
12. I-10 EB Ramps / Frontage Rd.	700 →	← 198													
1. Highland Springs Av. / 6th St. - Ramsay St.			<table border="1"> <tr> <td>← 84</td> <td>← 641</td> <td>← 151</td> <td>← 50</td> </tr> <tr> <td>← 114</td> <td>← 176</td> <td>← 217</td> <td>← 217</td> </tr> <tr> <td>← 117</td> <td>← 437</td> <td>← 159</td> <td>← 199</td> </tr> </table>	← 84	← 641	← 151	← 50	← 114	← 176	← 217	← 217	← 117	← 437	← 159	← 199
← 84	← 641	← 151	← 50												
← 114	← 176	← 217	← 217												
← 117	← 437	← 159	← 199												
2. Highland Springs Av. / I-10 WB Ramps			<table border="1"> <tr> <td>← 315</td> <td>← 707</td> <td>← 21</td> <td>← 15</td> </tr> <tr> <td>← 205</td> <td>← 45</td> <td>← 233</td> <td>← 233</td> </tr> <tr> <td>← 655</td> <td>← 305</td> <td>← 205</td> <td>← 45</td> </tr> </table>	← 315	← 707	← 21	← 15	← 205	← 45	← 233	← 233	← 655	← 305	← 205	← 45
← 315	← 707	← 21	← 15												
← 205	← 45	← 233	← 233												
← 655	← 305	← 205	← 45												
II. I-10 WB Ramps / Joshua Palmer Wy.			<table border="1"> <tr> <td>← 150</td> <td>← 276</td> <td>← 33</td> <td>← 20</td> </tr> <tr> <td>← 350</td> <td>← 30</td> <td>← 20</td> <td>← 20</td> </tr> </table>	← 150	← 276	← 33	← 20	← 350	← 30	← 20	← 20				
← 150	← 276	← 33	← 20												
← 350	← 30	← 20	← 20												
3. Highland Springs Av. / I-10 EB Ramps			<table border="1"> <tr> <td>← 198</td> <td>← 742</td> <td>← 299</td> <td>← 40</td> </tr> <tr> <td>← 661</td> <td>← 365</td> <td>← 1008</td> <td>← 10</td> </tr> </table>	← 198	← 742	← 299	← 40	← 661	← 365	← 1008	← 10				
← 198	← 742	← 299	← 40												
← 661	← 365	← 1008	← 10												
5. Highland Springs Av. / Marketplace N. Dwy.			<table border="1"> <tr> <td>← 141</td> <td>← 1002</td> <td>← 18</td> <td>← 10</td> </tr> <tr> <td>← 1008</td> <td>← 10</td> <td>← 10</td> <td>← 10</td> </tr> </table>	← 141	← 1002	← 18	← 10	← 1008	← 10	← 10	← 10				
← 141	← 1002	← 18	← 10												
← 1008	← 10	← 10	← 10												
6. Highland Springs Av. / Second St.			<table border="1"> <tr> <td>← 357</td> <td>← 489</td> <td>← 167</td> <td>← 46</td> </tr> <tr> <td>← 322</td> <td>← 51</td> <td>← 43</td> <td>← 650</td> </tr> <tr> <td>← 16</td> <td>← 16</td> <td>← 16</td> <td>← 16</td> </tr> </table>	← 357	← 489	← 167	← 46	← 322	← 51	← 43	← 650	← 16	← 16	← 16	← 16
← 357	← 489	← 167	← 46												
← 322	← 51	← 43	← 650												
← 16	← 16	← 16	← 16												



#### PENNSYLVANIA AV./I-10 INTERCHANGE AREA

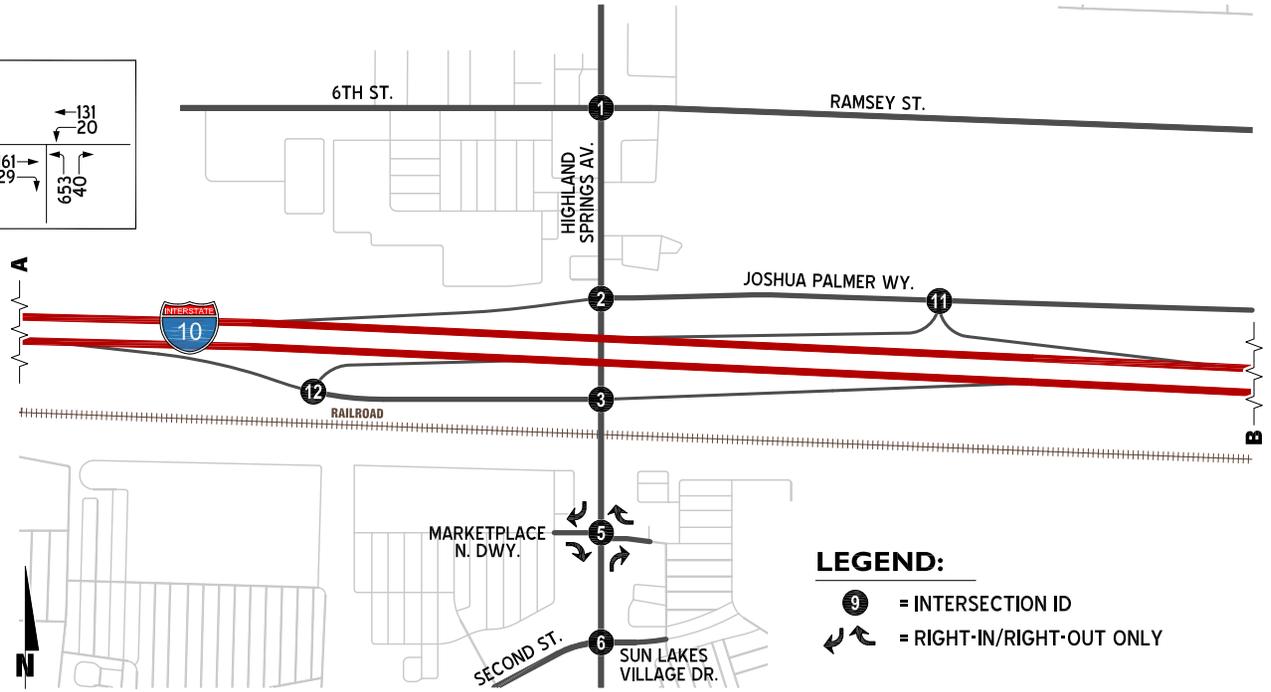


#### SUNSET AV./I-10 INTERCHANGE AREA

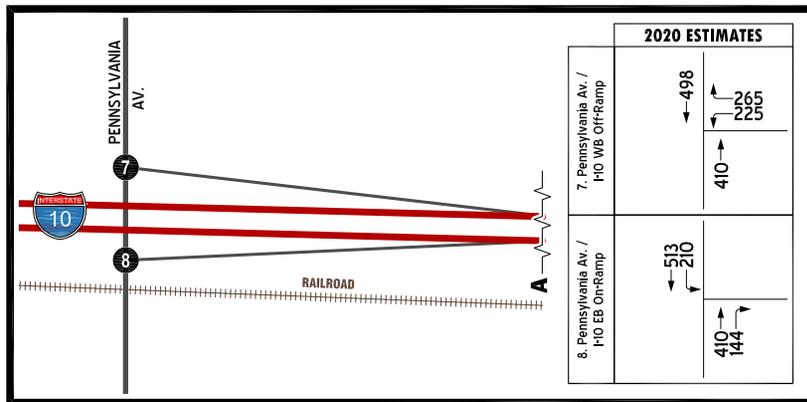


### EXHIBIT 4: 2020 PM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVE 2 (HOOK RAMPS)

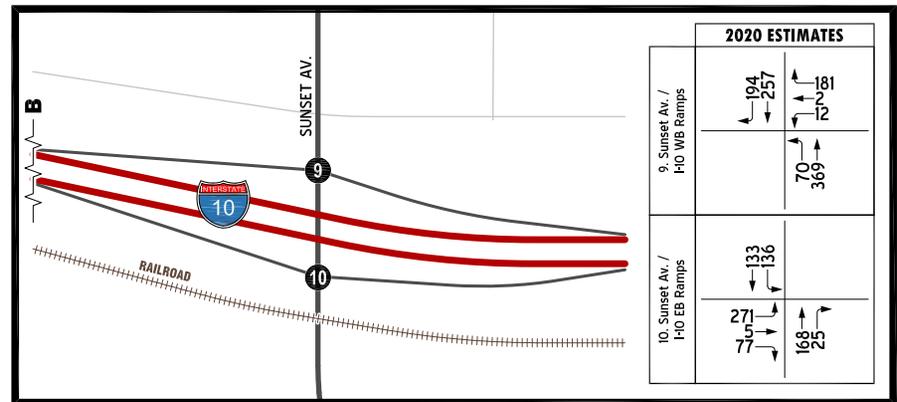
		2020 ESTIMATES																																																	
12. I-10 EB Ramps / Frontage Rd.	914 →	← 152																																																	
6. Highland Springs Av. / Second St.	<table border="1"> <tr><td>501</td><td>←</td><td>103</td></tr> <tr><td>579</td><td>←</td><td>47</td></tr> <tr><td>251</td><td>←</td><td>70</td></tr> <tr><td>650</td><td>←</td><td>28</td></tr> <tr><td>383</td><td>←</td><td>101</td></tr> <tr><td>383</td><td>←</td><td>630</td></tr> </table>	501	←	103	579	←	47	251	←	70	650	←	28	383	←	101	383	←	630	<table border="1"> <tr><td>←</td><td>1373</td><td>←</td><td>10</td></tr> <tr><td>←</td><td>19</td><td>←</td><td>47</td></tr> <tr><td>←</td><td>217</td><td>←</td><td>1312</td></tr> </table>	←	1373	←	10	←	19	←	47	←	217	←	1312	<table border="1"> <tr><td>←</td><td>152</td><td>←</td><td>1005</td></tr> <tr><td>←</td><td>389</td><td>←</td><td>477</td></tr> <tr><td>←</td><td>524</td><td>←</td><td>477</td></tr> </table>	←	152	←	1005	←	389	←	477	←	524	←	477						
501	←	103																																																	
579	←	47																																																	
251	←	70																																																	
650	←	28																																																	
383	←	101																																																	
383	←	630																																																	
←	1373	←	10																																																
←	19	←	47																																																
←	217	←	1312																																																
←	152	←	1005																																																
←	389	←	477																																																
←	524	←	477																																																
5. Highland Springs Av. / Marketplace N. Dwy.																																																			
3. Highland Springs Av. / I-10 EB Ramps																																																			
2. Highland Springs Av. / I-10 WB Ramps	<table border="1"> <tr><td>←</td><td>306</td><td>←</td><td>384</td></tr> <tr><td>←</td><td>373</td><td>←</td><td>384</td></tr> <tr><td>←</td><td>77</td><td>←</td><td>202</td></tr> <tr><td>←</td><td>230</td><td>←</td><td>202</td></tr> <tr><td>←</td><td>320</td><td>←</td><td>209</td></tr> <tr><td>←</td><td>320</td><td>←</td><td>647</td></tr> </table>	←	306	←	384	←	373	←	384	←	77	←	202	←	230	←	202	←	320	←	209	←	320	←	647	<table border="1"> <tr><td>←</td><td>959</td><td>←</td><td>373</td></tr> <tr><td>←</td><td>209</td><td>←</td><td>647</td></tr> <tr><td>←</td><td>209</td><td>←</td><td>202</td></tr> </table>	←	959	←	373	←	209	←	647	←	209	←	202	<table border="1"> <tr><td>←</td><td>161</td><td>←</td><td>231</td></tr> <tr><td>←</td><td>329</td><td>←</td><td>20</td></tr> <tr><td>←</td><td>653</td><td>←</td><td>40</td></tr> </table>	←	161	←	231	←	329	←	20	←	653	←	40
←	306	←	384																																																
←	373	←	384																																																
←	77	←	202																																																
←	230	←	202																																																
←	320	←	209																																																
←	320	←	647																																																
←	959	←	373																																																
←	209	←	647																																																
←	209	←	202																																																
←	161	←	231																																																
←	329	←	20																																																
←	653	←	40																																																
1. Highland Springs Av. / 6th St. - Ramsey St.																																																			
		II. I-10 WB Ramps / Joshua Palmer Wy.																																																	



#### PENNSYLVANIA AV./I-10 INTERCHANGE AREA

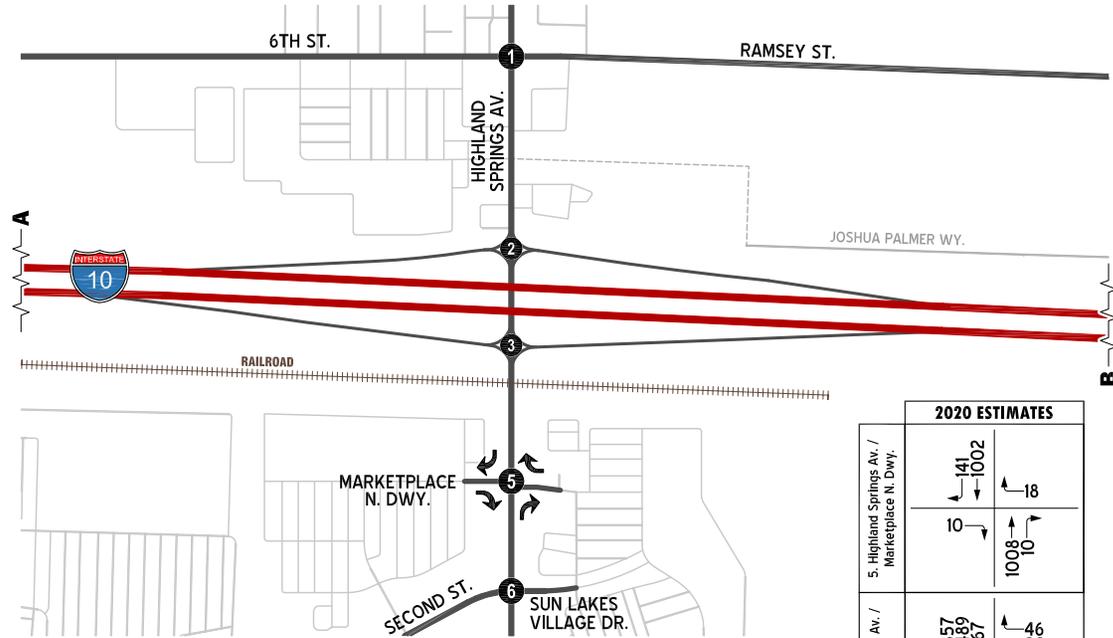


#### SUNSET AV./I-10 INTERCHANGE AREA



**EXHIBIT 5: 2020 AM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVES 3 & 4 (DIVERGING DIAMOND INTERCHANGE)**

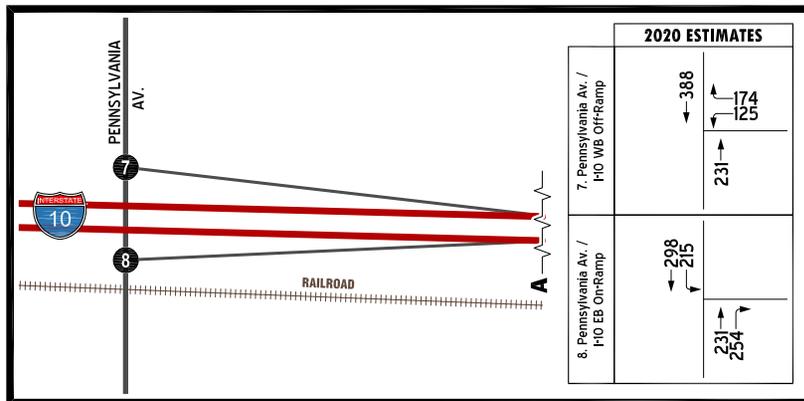
		2020 ESTIMATES	
1. Highland Springs Av. / 6th St. - Ramsey St.		84 110	150 95
		114 176 217	437 156
2. Highland Springs Av. / I-10 WB Ramps		338 735	145 205
		276 684	276 684
3. Highland Springs Av. / I-10 EB Ramps		742 198	742 198
		299 401	299 401
		661 365	661 365



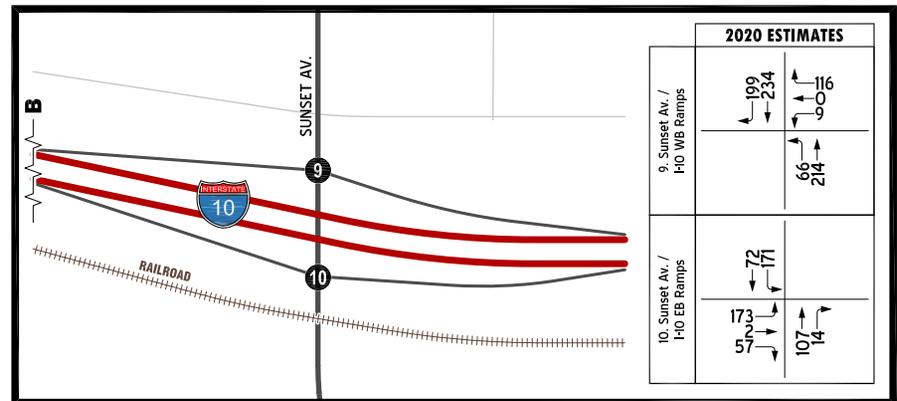
**LEGEND:**  
 ⑨ = INTERSECTION ID  
 = RIGHT-IN/RIGHT-OUT ONLY

		2020 ESTIMATES	
5. Highland Springs Av. / Marketplace N. Dwy.		141 1002	18
		10	1008 10
6. Highland Springs Av. / Second St.		357 289 167	46 20
		322 31	43 650 16

**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**

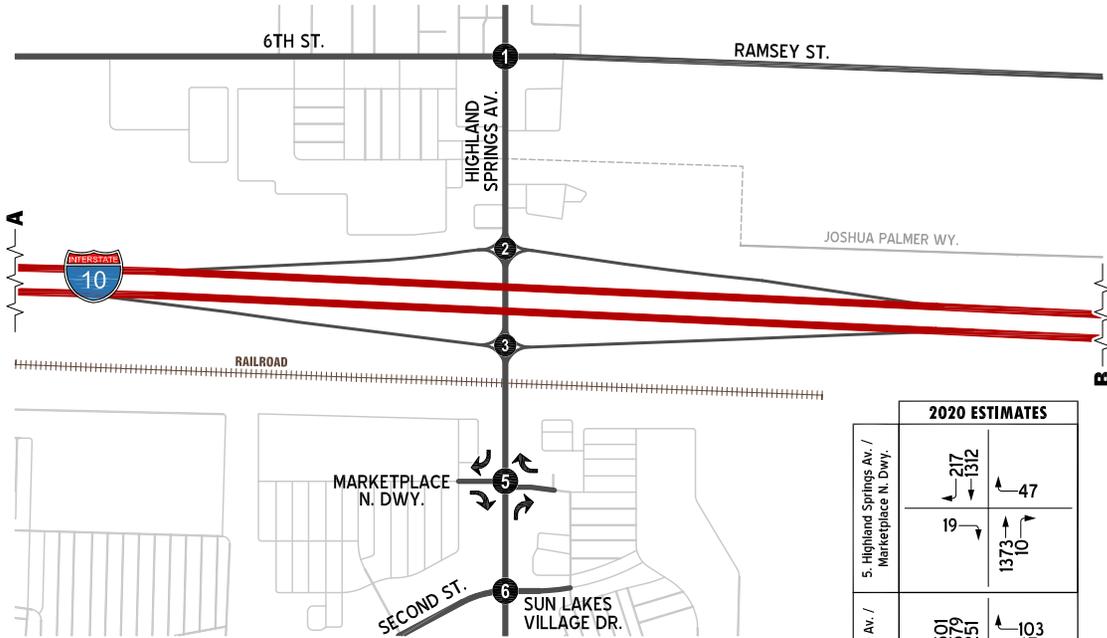


**SUNSET AV./I-10 INTERCHANGE AREA**



**EXHIBIT 6: 2020 PM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVES 3 & 4 (DIVERGING DIAMOND INTERCHANGE)**

		2020 ESTIMATES	
1. Highland Springs Av. / 6th St. - Ramsey St.		105 502 120	97 294 298
2. Highland Springs Av. / I-10 WB Ramps		334 798	294 359
3. Highland Springs Av. / I-10 EB Ramps		329 1003	329 1003
4. Highland Springs Av. / I-10 WB Ramps		334 798	294 359
5. Highland Springs Av. / Marketplace N. Dwy.		389 524	389 524
6. Highland Springs Av. / Second St.		1005 152	1005 152

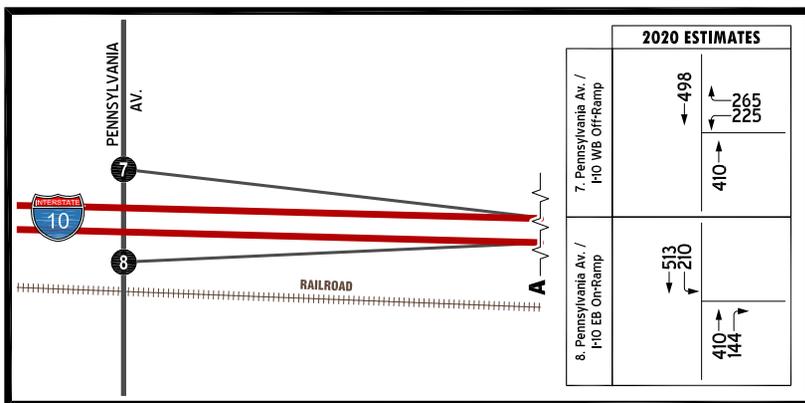


**LEGEND:**

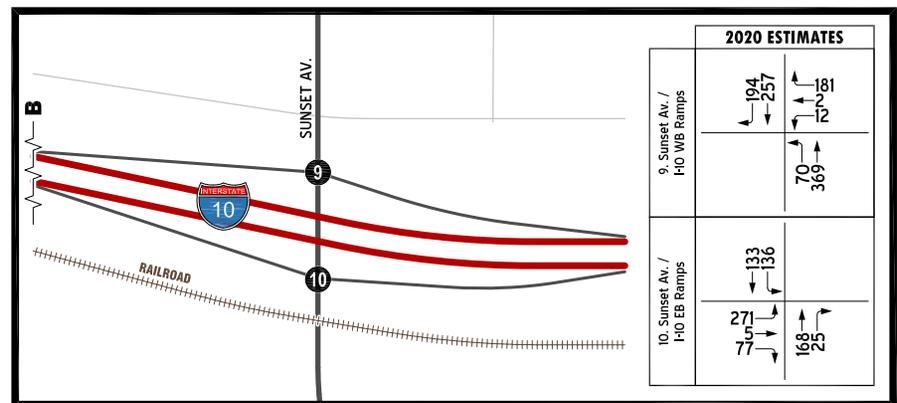
- ⑨ = INTERSECTION ID
- ↔ = RIGHT-IN/RIGHT-OUT ONLY

		2020 ESTIMATES	
5. Highland Springs Av. / Marketplace N. Dwy.		217 1312	47
6. Highland Springs Av. / Second St.		501 579 251	103 67 47

**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**



**SUNSET AV./I-10 INTERCHANGE AREA**



In most instances the traffic model zone structure is not designed to provide accurate turning movements along arterial roadways unless refinement and reasonableness checking is performed. Therefore, the Horizon Year peak hour forecasts were refined using the model derived long-range forecasts along with existing peak hour traffic count data available at each analysis location.

A linear programming algorithm (from NCHRP Report 255) is used to calculate individual turning movements which match the known directional roadway segment forecast volumes derived from RivTAM. This program computes a likely set of intersection turning movements from intersection approach volumes and the initial turning proportions from each approach leg.

Typically, the model growth is prorated and is subsequently added to the existing (base validation) traffic volumes to represent Horizon Year traffic conditions. However, review of the initial model growth indicated negative values for several study area intersections. In an effort to conduct a conservative analysis, reductions to traffic forecasts from either the 2020 volume estimates or available interim year traffic conditions were not permitted as part of this analysis. Instead, additional growth has also been applied on a movement-by-movement basis, where applicable, to estimate reasonable Horizon Year and Post-2045 forecasts.

The future Horizon Year and Post-2045 peak hour turning movements were then reviewed by Urban Crossroads for reasonableness, and in some cases, were adjusted to achieve flow conservation, reasonable growth, and reasonable diversion between parallel routes. Flow conservation checks ensure that traffic flow between two closely spaced intersections, such as two freeway ramp locations, is verified in order to make certain that vehicles leaving one intersection are entering the adjacent intersection and that there is no unexplained loss of vehicles. The result of this traffic forecasting procedure is a series of traffic volumes which are suitable for traffic operations analysis.

For Post-2045 conditions, the Horizon Year 2040 traffic volumes and the following sources have been utilized:

- Traffic Impact Analysis Butterfield Specific Plan (12/2010). Prepared by LSA.
- City of Banning Traffic Circulation (06/2011). General Plan Volumes prepared by LSA.
- Rancho San Geronimo Specific Plan Traffic Impact Analysis (4/2016).  
Prepared by Kunzman Associates, Inc.
- City of Beaumont General Plan Traffic Study (12/2004). Prepared by Urban Crossroads, Inc.
- Final TIA Beaumont General Plan Update and Downtown Specific Plan (12/2019).  
Prepared by Fehr & Peers.

Traffic operations of roadway facilities are described with the term "Level of Service" (LOS). LOS is a qualitative description of traffic flow based on such factors as speed, travel time, delay, and freedom to maneuver. Six levels are defined from LOS "A", representing completely free-flow conditions, to LOS "F", representing breakdown in flow resulting in stop-and-go conditions. LOS "E" represents operations at or near capacity, an unstable level, where vehicles are operating with the minimum spacing for maintaining uniform flow.

LOS delay ranges are summarized in Table A.1. Highway Capacity Manual 6<sup>th</sup> Edition (HCM 6) methodologies are applied to determine average delay values based upon existing, opening year, and design year peak hour traffic volumes.

**TABLE A.1: HCM INTERSECTION DELAY LEVEL OF SERVICE RANGES**

Level of Service (LOS)	Average Vehicle Delay Signalized	Average Vehicle Delay Unsignalized
A	0 - 10.00 seconds	0 - 10.00 seconds
B	10.01 - 20.00 seconds	10.01 - 15.00 seconds
C	20.01 - 35.00 seconds	15.01 - 25.00 seconds
D	35.01 - 55.00 seconds	25.01 - 35.00 seconds
E	55.01 - 80.00 seconds	35.01 - 50.00 seconds
F	Above 80.00 seconds	Above 50.00 seconds

Unsignalized intersections are evaluated using the methodology described in Chapter 20 of the HCM 6. The LOS rating is based on the weighted average control delay expressed in seconds per vehicle (see Table A.2). Note that for locations with volume in excess of capacity, overflow conditions lead to LOS “F” operations.

**TABLE A.2: UNSIGNALIZED INTERSECTION DESCRIPTION OF LOS**

Description	Average Control Delay Per Vehicle (Seconds)	Level of Service, $V/C \leq 1.0$	Level of Service, $V/C > 1.0$
Little or no delays.	0 to 10.00	A	F
Short traffic delays.	10.01 to 15.00	B	F
Average traffic delays.	15.01 to 25.00	C	F
Long traffic delays.	25.01 to 35.00	D	F
Very long traffic delays.	35.01 to 50.00	E	F
Extreme traffic delays with intersection capacity exceeded.	> 50.00	F	F

At two-way or side-street stop-controlled intersections, LOS is calculated for each controlled movement and for the left turn movement from the major street, as well as for the intersection as a whole. For approaches composed of a single lane, the delay is computed as the average of all movements in that lane.

#### PEAK HOUR INTERSECTION OPERATIONS ANALYSIS

The traffic modeling and signal timing optimization software package Synchro plus SimTraffic (Version 10.1 Build 2 Revision 20 (10.1.2.20)) is utilized for analysis of vehicle delays and queues.

Synchro is a macroscopic traffic software program that is based on the signalized intersection capacity analysis as specified in the Chapter 19 of the HCM 6 and the unsignalized intersection capacity analysis as specified in Chapter 20 of the HCM 6.

#### *2040 Volumes*

The attached Exhibits 7 and 8 show the 2040 peak hour volume estimates at intersection analysis locations for the Alternative 1 (existing/no build) scenario.

Exhibits 9 and 10 illustrate the Alternative 2 (hook ramps) interchange configuration, with 2040 peak hour volumes redistributed to potential new interchange features.

Exhibits 11 and 12 depict the reconfiguration of interchange intersections with 2040 peak hour volumes reassigned to the potential Diverging Diamond Interchange (DDI) features incorporated into Alternatives 3 and 4.

#### *Post 2045 Volumes*

The attached Exhibits 13 and 14 show the Post-2045 peak hour volume estimates at intersection analysis locations for the Alternative 1 (existing/no build) scenario.

Exhibits 15 and 16 illustrate the Alternative 2 (hook ramps) interchange configuration, with Post-2045 peak hour volumes redistributed to potential new interchange features.

Exhibits 17 and 18 depict the reconfiguration of interchange intersections with Post-2045 peak hour volumes reassigned to the potential Diverging Diamond Interchange (DDI) features incorporated into Alternatives 3 and 4.

#### *Peak Hour Delays*

Macroscopic level models represent traffic in terms of aggregate measures for each movement at the study intersections. Equations are used to determine measures of effectiveness such as delay and queue length in Synchro.

The level of service (LOS) and capacity analysis performed by Synchro takes into consideration optimization and coordination of signalized intersections within a network.

Years 2020, 2040, and Post-2045 intersection delay results are summarized in the attached Tables 1 through 3. These tables show LOS results at each study area intersection for Alternatives 1 through 4. Traffic operations calculation worksheets for Alternative 1 (existing/no build) are included in Attachment 1.

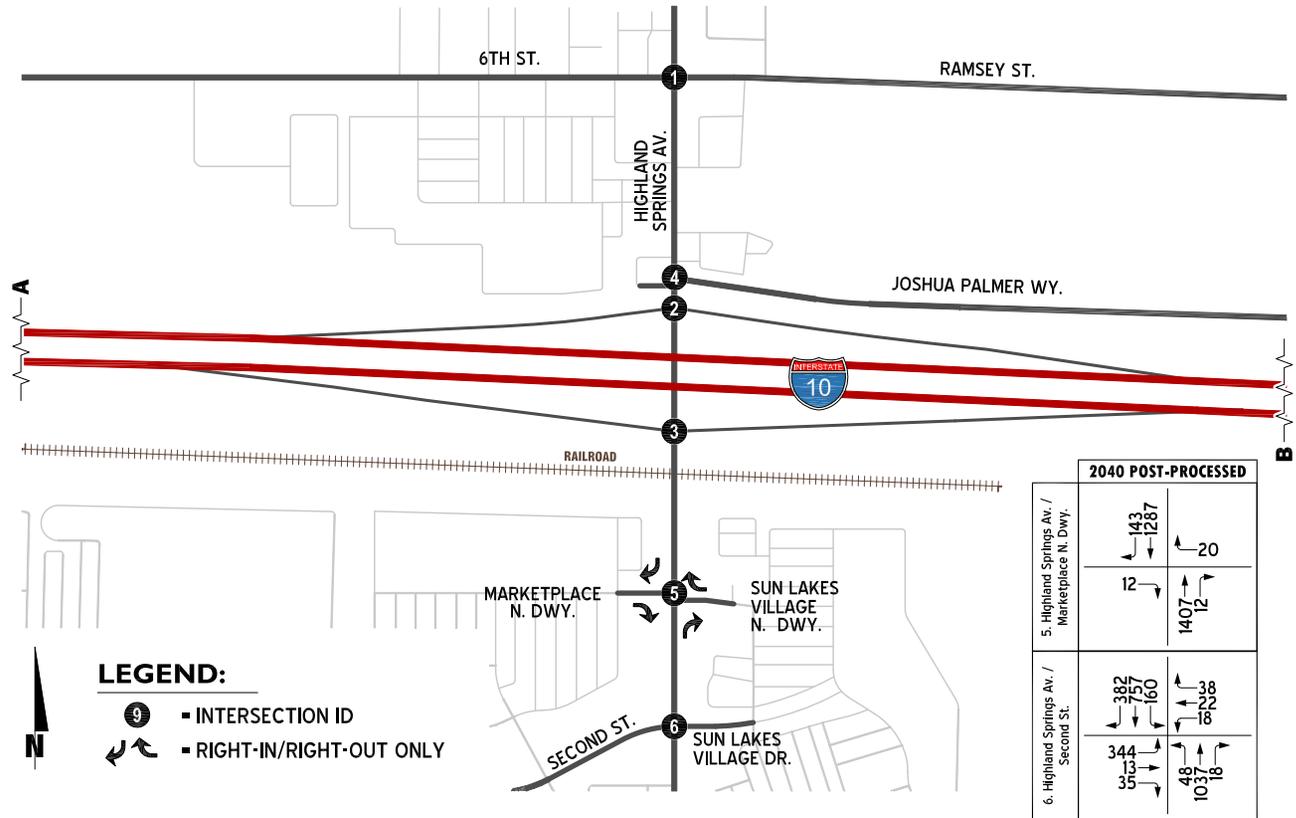
Traffic operations calculation worksheets for Alternative 2 (hook ramps) are provided in Attachment 2. Traffic operations calculation worksheets for Alternatives 3 and 4 (DDI scenarios) are included in Attachment 3.

#### **QUEUING ANALYSIS**

Traffic signal progression analysis has been conducted for 2020, 2040, and Post-2045 conditions with each Alternative, to evaluate vehicular queuing by considering the signal timing and

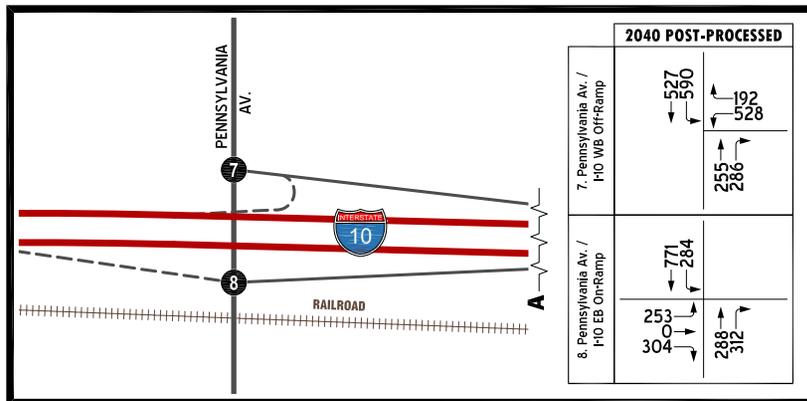
**EXHIBIT 7: 2040 AM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVE 1 (EXISTING CONFIGURATION)**

2040 POST-PROCESSED																	
1. Highland Springs Av. / 6th St. - Ramsey St.	<table border="1"> <tr> <td>← 224</td> <td>→ 992</td> <td>← 2265</td> <td>→ 2265</td> </tr> <tr> <td>← 230</td> <td>→ 992</td> <td>← 2265</td> <td>→ 2265</td> </tr> <tr> <td>← 236</td> <td>→ 992</td> <td>← 2265</td> <td>→ 2265</td> </tr> <tr> <td>← 181</td> <td>→ 134</td> <td>← 755</td> <td>→ 175</td> </tr> </table>	← 224	→ 992	← 2265	→ 2265	← 230	→ 992	← 2265	→ 2265	← 236	→ 992	← 2265	→ 2265	← 181	→ 134	← 755	→ 175
← 224	→ 992	← 2265	→ 2265														
← 230	→ 992	← 2265	→ 2265														
← 236	→ 992	← 2265	→ 2265														
← 181	→ 134	← 755	→ 175														
4. Highland Springs Av. / Joshua Palmer Wy.	<table border="1"> <tr> <td>← 1382</td> <td>→ 18</td> <td>← 55</td> <td>→ 55</td> </tr> <tr> <td>← 1126</td> <td>→ 31</td> <td>← 31</td> <td>→ 1126</td> </tr> </table>	← 1382	→ 18	← 55	→ 55	← 1126	→ 31	← 31	→ 1126								
← 1382	→ 18	← 55	→ 55														
← 1126	→ 31	← 31	→ 1126														
2. Highland Springs Av. / I-10 WB Ramps	<table border="1"> <tr> <td>← 475</td> <td>→ 972</td> <td>← 183</td> <td>→ 313</td> </tr> <tr> <td>← 369</td> <td>→ 974</td> <td>← 183</td> <td>→ 313</td> </tr> </table>	← 475	→ 972	← 183	→ 313	← 369	→ 974	← 183	→ 313								
← 475	→ 972	← 183	→ 313														
← 369	→ 974	← 183	→ 313														
3. Highland Springs Av. / I-10 EB Ramps	<table border="1"> <tr> <td>← 988</td> <td>→ 297</td> <td>← 354</td> <td>→ 442</td> </tr> <tr> <td>← 989</td> <td>→ 438</td> <td>← 354</td> <td>→ 442</td> </tr> </table>	← 988	→ 297	← 354	→ 442	← 989	→ 438	← 354	→ 442								
← 988	→ 297	← 354	→ 442														
← 989	→ 438	← 354	→ 442														

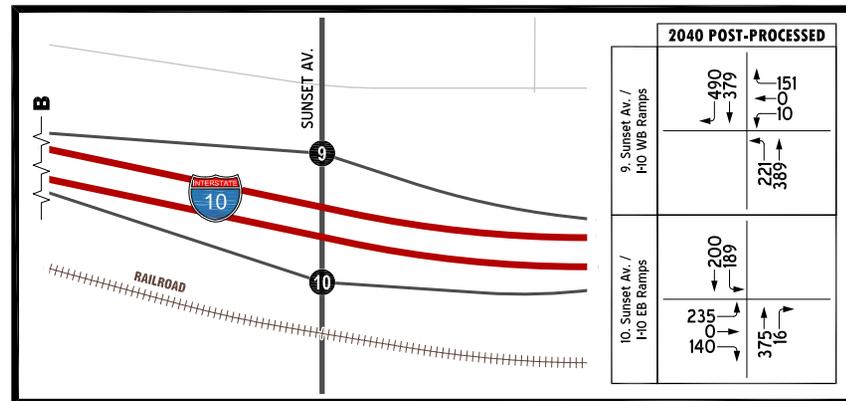


2040 POST-PROCESSED													
5. Highland Springs Av. / Marketplace N. Dwy.	<table border="1"> <tr> <td>← 143</td> <td>→ 1287</td> <td>← 20</td> <td>→ 1407</td> </tr> <tr> <td>← 12</td> <td>→ 1407</td> <td>← 12</td> <td>→ 1407</td> </tr> </table>	← 143	→ 1287	← 20	→ 1407	← 12	→ 1407	← 12	→ 1407				
← 143	→ 1287	← 20	→ 1407										
← 12	→ 1407	← 12	→ 1407										
6. Highland Springs Av. / Second St.	<table border="1"> <tr> <td>← 382</td> <td>→ 757</td> <td>← 160</td> <td>→ 160</td> </tr> <tr> <td>← 344</td> <td>→ 757</td> <td>← 160</td> <td>→ 160</td> </tr> <tr> <td>← 35</td> <td>→ 48</td> <td>← 1037</td> <td>→ 18</td> </tr> </table>	← 382	→ 757	← 160	→ 160	← 344	→ 757	← 160	→ 160	← 35	→ 48	← 1037	→ 18
← 382	→ 757	← 160	→ 160										
← 344	→ 757	← 160	→ 160										
← 35	→ 48	← 1037	→ 18										

**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**

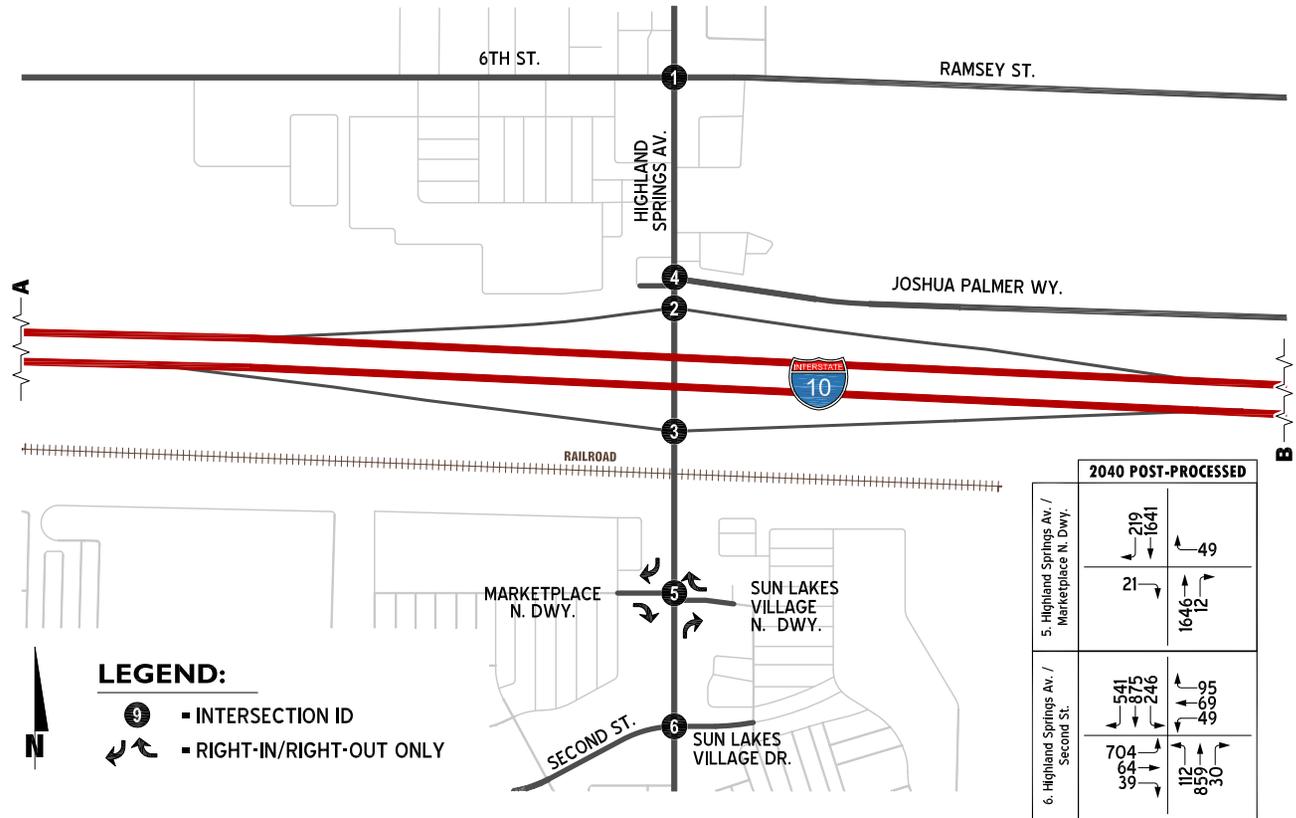


**SUNSET AV./I-10 INTERCHANGE AREA**



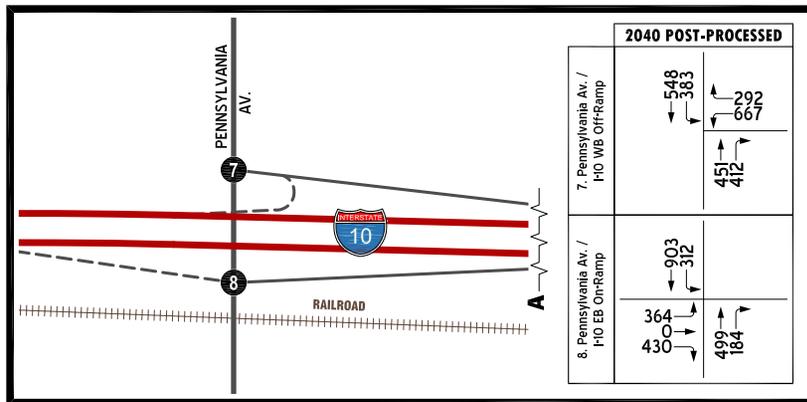
**EXHIBIT 8: 2040 PM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVE 1 (EXISTING CONFIGURATION)**

2040 POST-PROCESSED													
1. Highland Springs Av. / 6th St. - Ramsey St.	<table border="1"> <tr> <td>189</td> <td>864</td> <td>132</td> <td>166</td> <td>828</td> <td>328</td> </tr> <tr> <td>292</td> <td>406</td> <td>240</td> <td>230</td> <td>1069</td> <td>223</td> </tr> </table>	189	864	132	166	828	328	292	406	240	230	1069	223
189	864	132	166	828	328								
292	406	240	230	1069	223								
4. Highland Springs Av. / Joshua Palmer Wy.	<table border="1"> <tr> <td>1470</td> <td>13</td> <td>56</td> <td>57</td> </tr> <tr> <td>1654</td> <td>47</td> <td></td> <td></td> </tr> </table>	1470	13	56	57	1654	47						
1470	13	56	57										
1654	47												
2. Highland Springs Av. / I-10 WB Ramps	<table border="1"> <tr> <td>437</td> <td>1100</td> <td>382</td> <td>397</td> </tr> <tr> <td>350</td> <td>1319</td> <td></td> <td></td> </tr> </table>	437	1100	382	397	350	1319						
437	1100	382	397										
350	1319												
3. Highland Springs Av. / I-10 EB Ramps	<table border="1"> <tr> <td>1283</td> <td>214</td> <td></td> <td></td> </tr> <tr> <td>499</td> <td>577</td> <td>1170</td> <td>525</td> </tr> </table>	1283	214			499	577	1170	525				
1283	214												
499	577	1170	525										

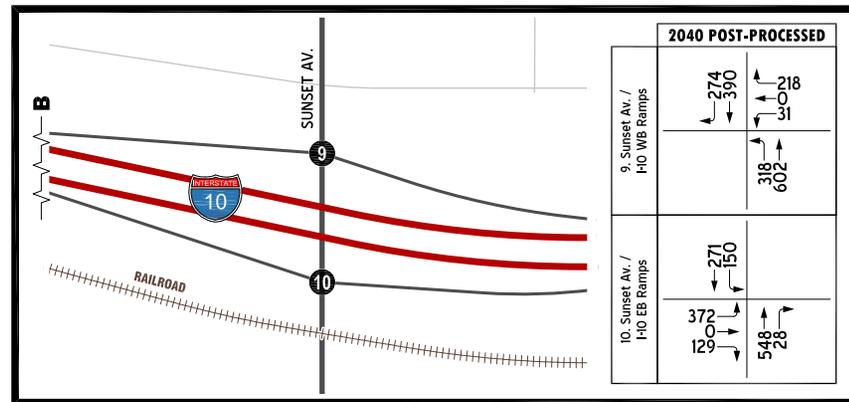


2040 POST-PROCESSED											
5. Highland Springs Av. / Marketplace N. Dwy.	<table border="1"> <tr> <td>219</td> <td>1641</td> <td>49</td> </tr> <tr> <td>21</td> <td>1646</td> <td>12</td> </tr> </table>	219	1641	49	21	1646	12				
219	1641	49									
21	1646	12									
6. Highland Springs Av. / Second St.	<table border="1"> <tr> <td>541</td> <td>875</td> <td>246</td> <td>605</td> <td>605</td> </tr> <tr> <td>704</td> <td>604</td> <td>112</td> <td>859</td> <td>30</td> </tr> </table>	541	875	246	605	605	704	604	112	859	30
541	875	246	605	605							
704	604	112	859	30							

**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**

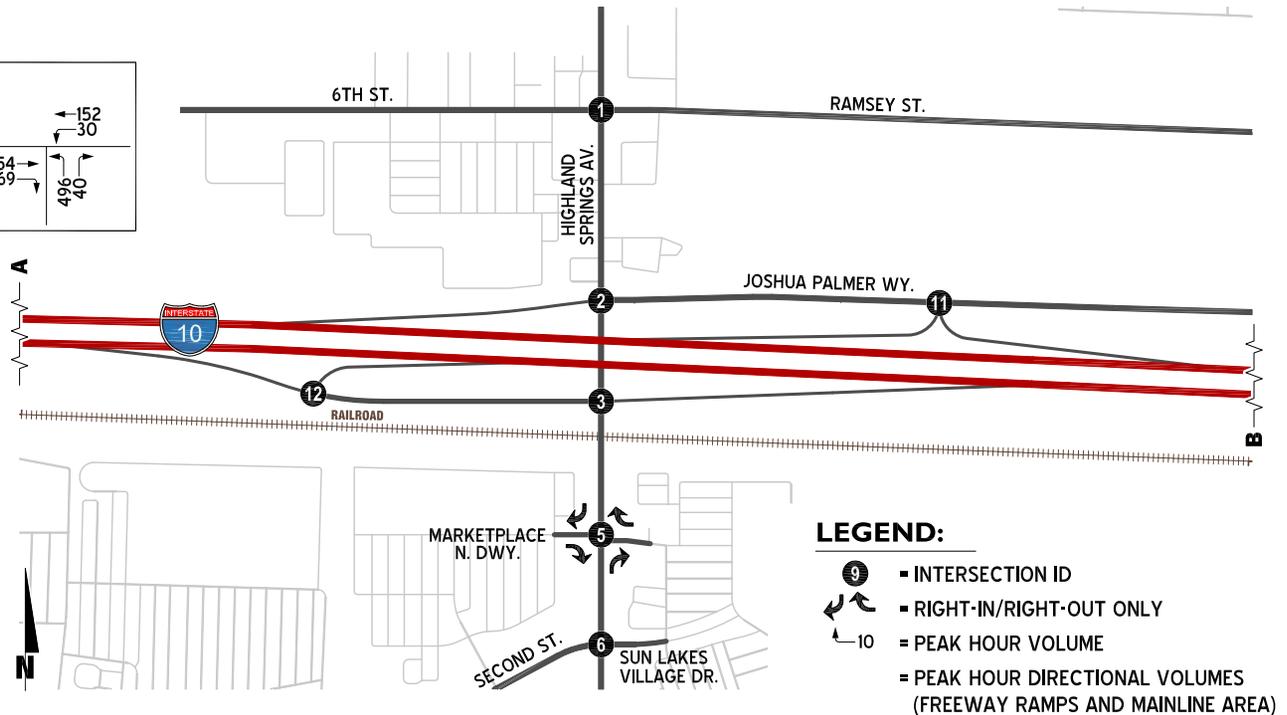


**SUNSET AV./I-10 INTERCHANGE AREA**

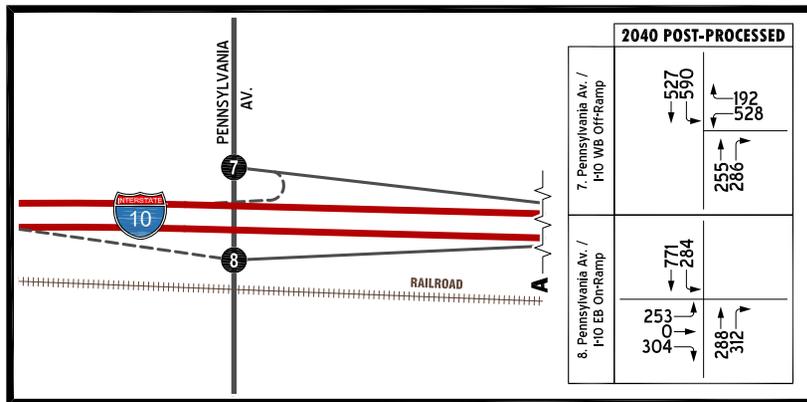


### EXHIBIT 9: 2040 AM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVE 2 (HOOK RAMPS)

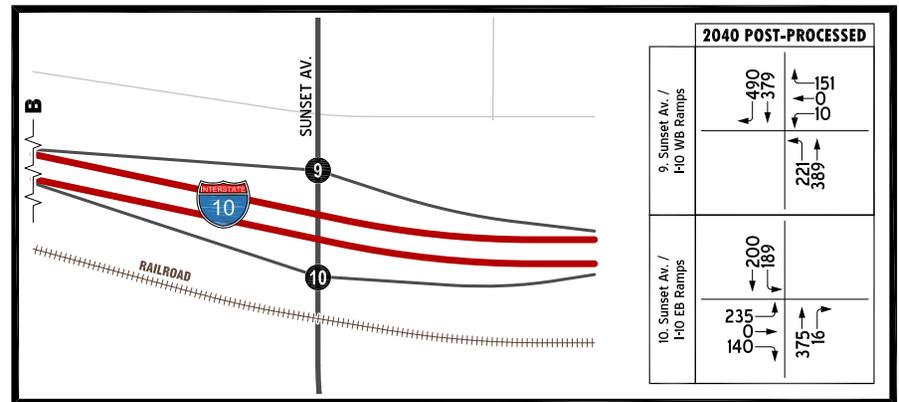
		2040 POST-PROCESSED																			
12. I-10 EB Ramps / Frontage Rd.	797 →	← 297																			
1. Highland Springs Av. / 6th St. - Ramsay St.			<table border="1"> <tr> <td>← 224</td> <td>← 265</td> </tr> <tr> <td>← 992</td> <td>← 292</td> </tr> <tr> <td>← 181</td> <td>← 192</td> </tr> <tr> <td>← 208</td> <td>← 208</td> </tr> <tr> <td>← 266</td> <td>← 266</td> </tr> <tr> <td>← 39</td> <td>← 39</td> </tr> <tr> <td>← 134</td> <td>← 134</td> </tr> <tr> <td>← 755</td> <td>← 755</td> </tr> <tr> <td>← 175</td> <td>← 175</td> </tr> </table>	← 224	← 265	← 992	← 292	← 181	← 192	← 208	← 208	← 266	← 266	← 39	← 39	← 134	← 134	← 755	← 755	← 175	← 175
← 224	← 265																				
← 992	← 292																				
← 181	← 192																				
← 208	← 208																				
← 266	← 266																				
← 39	← 39																				
← 134	← 134																				
← 755	← 755																				
← 175	← 175																				
2. Highland Springs Av. / I-10 WB Ramps			<table border="1"> <tr> <td>← 452</td> <td>← 83</td> </tr> <tr> <td>← 940</td> <td>← 345</td> </tr> <tr> <td>← 23</td> <td>← 23</td> </tr> <tr> <td>← 943</td> <td>← 400</td> </tr> </table>	← 452	← 83	← 940	← 345	← 23	← 23	← 943	← 400										
← 452	← 83																				
← 940	← 345																				
← 23	← 23																				
← 943	← 400																				
3. Highland Springs Av. / I-10 EB Ramps			<table border="1"> <tr> <td>← 297</td> <td>← 988</td> </tr> <tr> <td>← 354</td> <td>← 989</td> </tr> <tr> <td>← 442</td> <td>← 436</td> </tr> </table>	← 297	← 988	← 354	← 989	← 442	← 436												
← 297	← 988																				
← 354	← 989																				
← 442	← 436																				
5. Highland Springs Av. / Marketplace N. Dwy.			<table border="1"> <tr> <td>← 143</td> <td>← 20</td> </tr> <tr> <td>← 1287</td> <td>← 12</td> </tr> <tr> <td>← 12</td> <td>← 1407</td> </tr> <tr> <td>← 12</td> <td>← 12</td> </tr> </table>	← 143	← 20	← 1287	← 12	← 12	← 1407	← 12	← 12										
← 143	← 20																				
← 1287	← 12																				
← 12	← 1407																				
← 12	← 12																				
6. Highland Springs Av. / Second St.			<table border="1"> <tr> <td>← 382</td> <td>← 628</td> </tr> <tr> <td>← 757</td> <td>← 628</td> </tr> <tr> <td>← 160</td> <td>← 160</td> </tr> <tr> <td>← 344</td> <td>← 48</td> </tr> <tr> <td>← 503</td> <td>← 1037</td> </tr> <tr> <td>← 18</td> <td>← 18</td> </tr> </table>	← 382	← 628	← 757	← 628	← 160	← 160	← 344	← 48	← 503	← 1037	← 18	← 18						
← 382	← 628																				
← 757	← 628																				
← 160	← 160																				
← 344	← 48																				
← 503	← 1037																				
← 18	← 18																				
II. I-10 WB Ramps / Joshua Palmer Wy.			<table border="1"> <tr> <td>← 154</td> <td>← 352</td> </tr> <tr> <td>← 369</td> <td>← 30</td> </tr> <tr> <td>← 496</td> <td>← 40</td> </tr> </table>	← 154	← 352	← 369	← 30	← 496	← 40												
← 154	← 352																				
← 369	← 30																				
← 496	← 40																				



#### PENNSYLVANIA AV./I-10 INTERCHANGE AREA

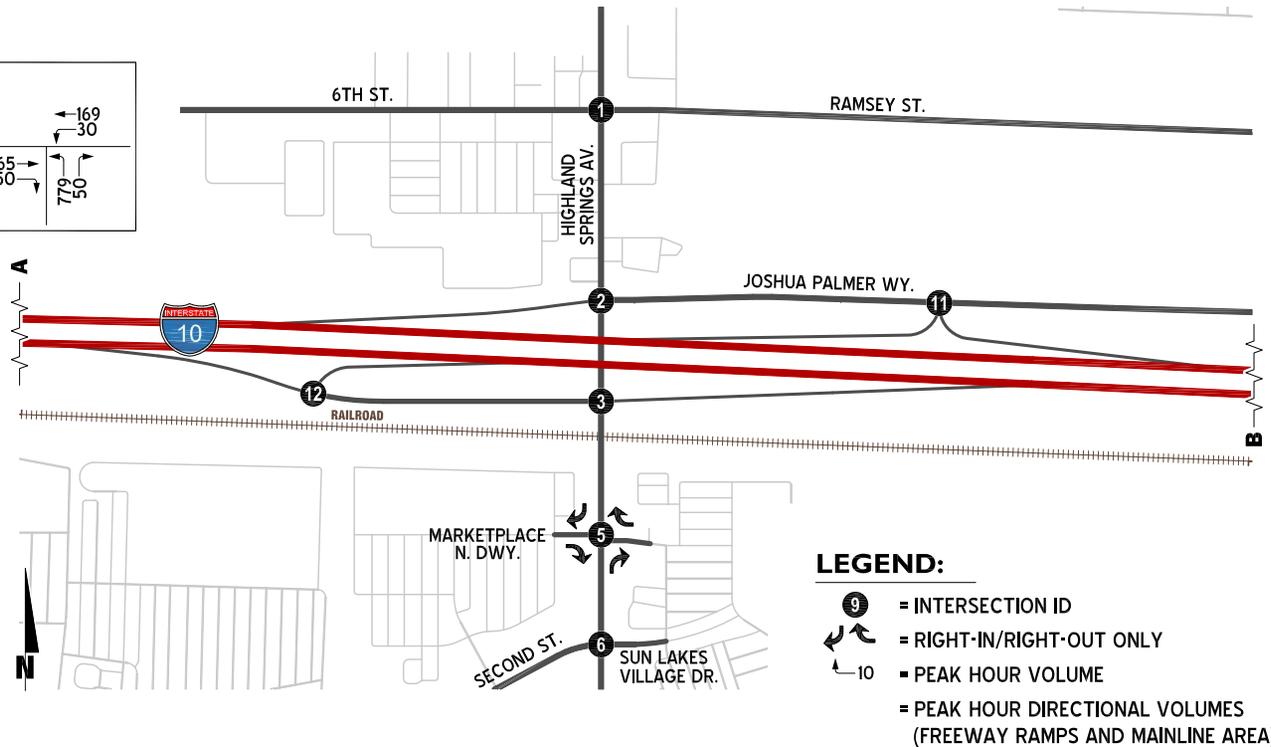


#### SUNSET AV./I-10 INTERCHANGE AREA

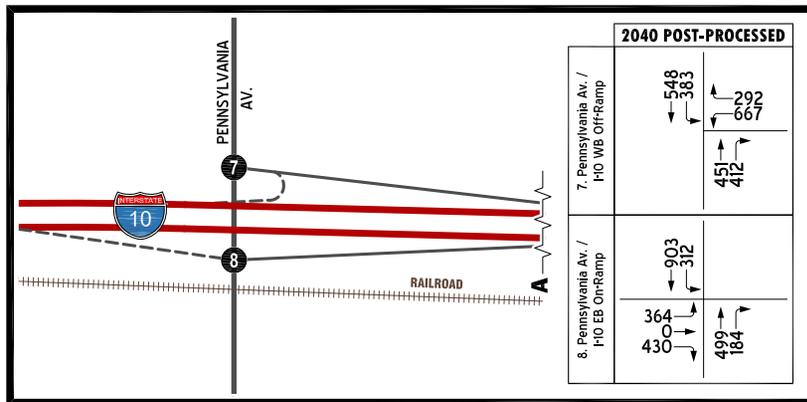


### EXHIBIT 10: 2040 PM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVE 2 (HOOK RAMPS)

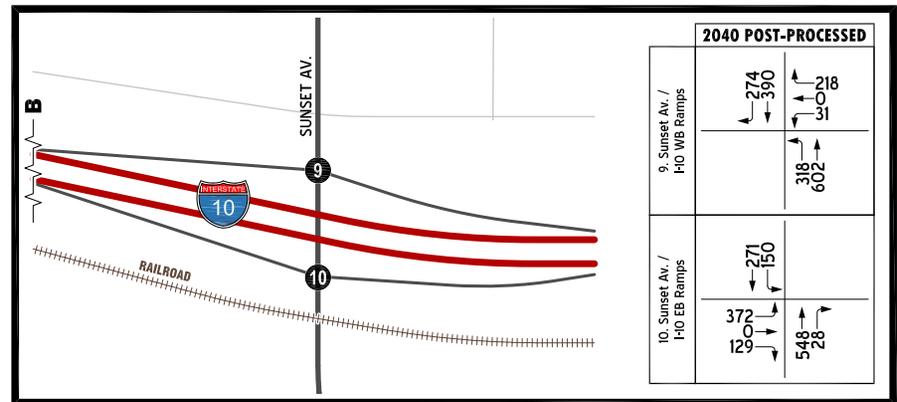
		2040 POST-PROCESSED													
12. I-10 EB Ramps / Frontage Rd.	1077 →	← 214													
1. Highland Springs Av. / 6th St. - Ramsay St.			<table border="1"> <tr> <td>← 189</td> <td>← 864</td> <td>← 166</td> </tr> <tr> <td>← 292</td> <td>← 132</td> <td>← 328</td> </tr> <tr> <td>← 240</td> <td>← 230</td> <td>← 328</td> </tr> <tr> <td>← 1069</td> <td>← 223</td> <td></td> </tr> </table>	← 189	← 864	← 166	← 292	← 132	← 328	← 240	← 230	← 328	← 1069	← 223	
← 189	← 864	← 166													
← 292	← 132	← 328													
← 240	← 230	← 328													
← 1069	← 223														
2. Highland Springs Av. / I-10 WB Ramps			<table border="1"> <tr> <td>← 409</td> <td>← 18</td> <td>← 482</td> </tr> <tr> <td>← 1071</td> <td>← 406</td> <td>← 26</td> </tr> <tr> <td>← 1272</td> <td>← 397</td> <td></td> </tr> </table>	← 409	← 18	← 482	← 1071	← 406	← 26	← 1272	← 397				
← 409	← 18	← 482													
← 1071	← 406	← 26													
← 1272	← 397														
II. I-10 WB Ramps / Joshua Palmer Wy.			<table border="1"> <tr> <td>← 165</td> <td>← 350</td> <td>← 369</td> </tr> <tr> <td>← 779</td> <td>← 50</td> <td></td> </tr> </table>	← 165	← 350	← 369	← 779	← 50							
← 165	← 350	← 369													
← 779	← 50														
3. Highland Springs Av. / I-10 EB Ramps			<table border="1"> <tr> <td>← 214</td> <td>← 1283</td> <td></td> </tr> <tr> <td>← 499</td> <td>← 577</td> <td>← 1170</td> </tr> <tr> <td>← 525</td> <td></td> <td></td> </tr> </table>	← 214	← 1283		← 499	← 577	← 1170	← 525					
← 214	← 1283														
← 499	← 577	← 1170													
← 525															
5. Highland Springs Av. / Marketplace N. Dwy.			<table border="1"> <tr> <td>← 219</td> <td>← 1641</td> <td>← 49</td> </tr> <tr> <td>← 21</td> <td>← 1646</td> <td>← 12</td> </tr> </table>	← 219	← 1641	← 49	← 21	← 1646	← 12						
← 219	← 1641	← 49													
← 21	← 1646	← 12													
6. Highland Springs Av. / Second St.			<table border="1"> <tr> <td>← 541</td> <td>← 875</td> <td>← 246</td> </tr> <tr> <td>← 704</td> <td>← 64</td> <td>← 39</td> </tr> <tr> <td>← 112</td> <td>← 859</td> <td>← 30</td> </tr> </table>	← 541	← 875	← 246	← 704	← 64	← 39	← 112	← 859	← 30			
← 541	← 875	← 246													
← 704	← 64	← 39													
← 112	← 859	← 30													



#### PENNSYLVANIA AV./I-10 INTERCHANGE AREA

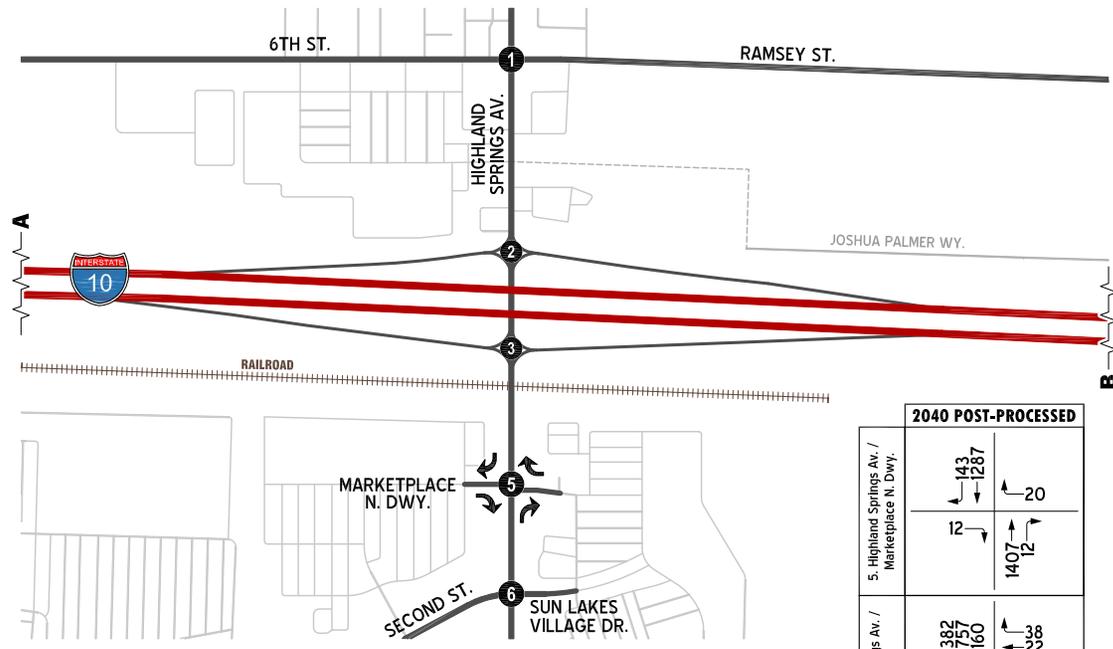


#### SUNSET AV./I-10 INTERCHANGE AREA



**EXHIBIT 11: 2040 AM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVES 3 & 4 (DIVERGING DIAMOND INTERCHANGE)**

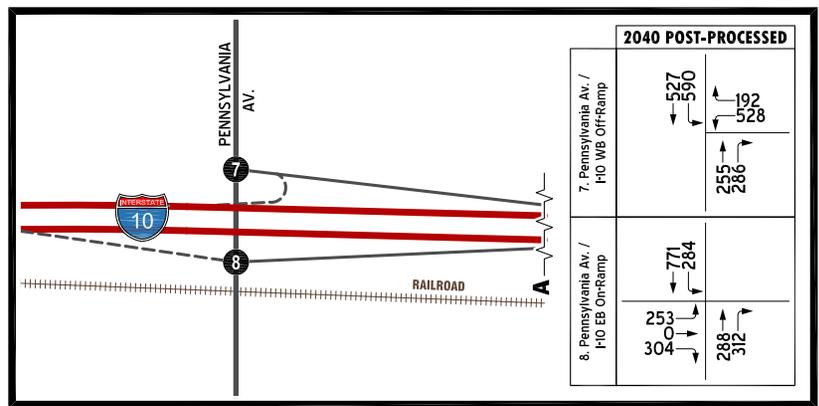
	2040 POST-PROCESSED	
1. Highland Springs Av. / 6th St. - Ramsey St.	224 662 181 208 226 239	205 292 219 134 755 175
2. Highland Springs Av. / I-10 WB Ramps	475 972 183 313 369 974	475 972 183 313 369 974
3. Highland Springs Av. / I-10 EB Ramps	354 442 988 297 989 438	354 442 988 297 988 438
	ALTERNATIVE 3	ALTERNATIVE 4



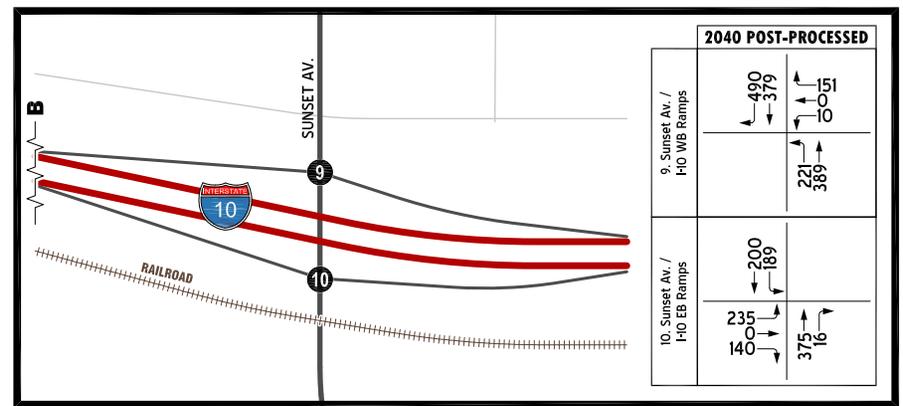
**LEGEND:**  
 ① = INTERSECTION ID  
 ↻ = RIGHT-IN/RIGHT-OUT ONLY

2040 POST-PROCESSED	
5. Highland Springs Av. / Marketplace N. Dwy.	143 1287 20 12 1407 12
6. Highland Springs Av. / Second St.	382 757 160 344 35 48 103 18 238 18

**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**

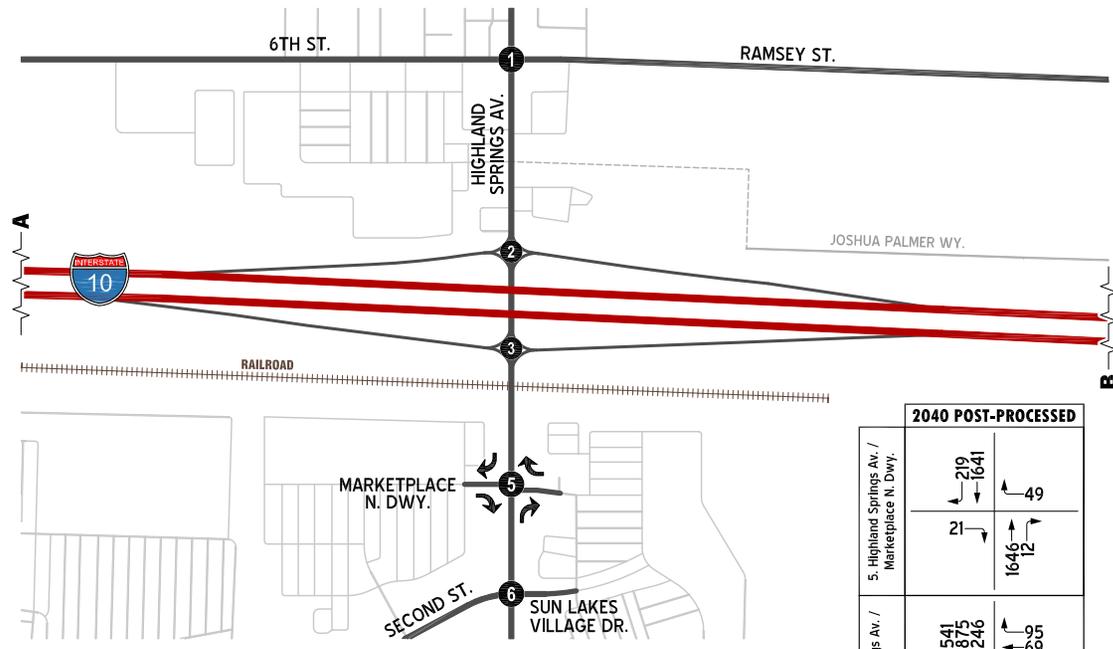


**SUNSET AV./I-10 INTERCHANGE AREA**



**EXHIBIT 12: 2040 PM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVES 3 & 4 (DIVERGING DIAMOND INTERCHANGE)**

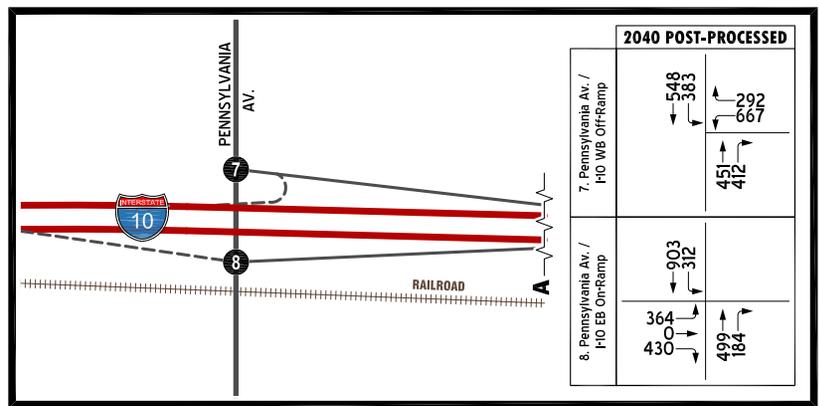
2040 POST-PROCESSED																
1. Highland Springs Av. / 6th St. - Ramsey St.	<table border="1"> <tr> <td>← 189</td> <td>→ 864</td> </tr> <tr> <td>← 166</td> <td>→ 328</td> </tr> <tr> <td>← 328</td> <td>→ 166</td> </tr> <tr> <td>← 240</td> <td>→ 240</td> </tr> <tr> <td>← 292</td> <td>→ 292</td> </tr> <tr> <td>← 230</td> <td>→ 109</td> </tr> <tr> <td>← 223</td> <td>→ 223</td> </tr> </table>	← 189	→ 864	← 166	→ 328	← 328	→ 166	← 240	→ 240	← 292	→ 292	← 230	→ 109	← 223	→ 223	
← 189	→ 864															
← 166	→ 328															
← 328	→ 166															
← 240	→ 240															
← 292	→ 292															
← 230	→ 109															
← 223	→ 223															
2. Highland Springs Av. / I-10 WB Ramps	<table border="1"> <tr> <td>← 437</td> <td>→ 1100</td> </tr> <tr> <td>← 382</td> <td>→ 397</td> </tr> <tr> <td>← 350</td> <td>→ 1319</td> </tr> </table>	← 437	→ 1100	← 382	→ 397	← 350	→ 1319	ALTERNATIVE 3								
← 437	→ 1100															
← 382	→ 397															
← 350	→ 1319															
2. Highland Springs Av. / I-10 WB Ramps	<table border="1"> <tr> <td>← 437</td> <td>→ 1100</td> </tr> <tr> <td>← 382</td> <td>→ 397</td> </tr> <tr> <td>← 350</td> <td>→ 1319</td> </tr> </table>	← 437	→ 1100	← 382	→ 397	← 350	→ 1319	ALTERNATIVE 4								
← 437	→ 1100															
← 382	→ 397															
← 350	→ 1319															
3. Highland Springs Av. / I-10 EB Ramps	<table border="1"> <tr> <td>← 499</td> <td>→ 1283</td> </tr> <tr> <td>← 214</td> <td>→ 577</td> </tr> <tr> <td>← 1170</td> <td>→ 525</td> </tr> </table>	← 499	→ 1283	← 214	→ 577	← 1170	→ 525	ALTERNATIVE 3								
← 499	→ 1283															
← 214	→ 577															
← 1170	→ 525															
3. Highland Springs Av. / I-10 EB Ramps	<table border="1"> <tr> <td>← 499</td> <td>→ 1283</td> </tr> <tr> <td>← 214</td> <td>→ 577</td> </tr> <tr> <td>← 1170</td> <td>→ 525</td> </tr> </table>	← 499	→ 1283	← 214	→ 577	← 1170	→ 525	ALTERNATIVE 4								
← 499	→ 1283															
← 214	→ 577															
← 1170	→ 525															



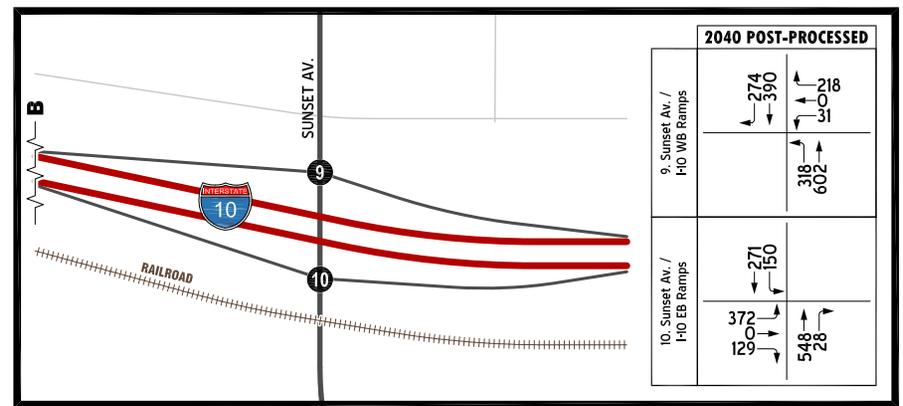
2040 POST-PROCESSED												
5. Highland Springs Av. / Marketplace N. Dwy.	<table border="1"> <tr> <td>← 219</td> <td>→ 1641</td> </tr> <tr> <td>← 49</td> <td>→ 21</td> </tr> <tr> <td>← 1646</td> <td>→ 12</td> </tr> </table>	← 219	→ 1641	← 49	→ 21	← 1646	→ 12					
← 219	→ 1641											
← 49	→ 21											
← 1646	→ 12											
6. Highland Springs Av. / Second St.	<table border="1"> <tr> <td>← 541</td> <td>→ 875</td> </tr> <tr> <td>← 246</td> <td>→ 695</td> </tr> <tr> <td>← 49</td> <td>→ 859</td> </tr> <tr> <td>← 704</td> <td>→ 39</td> </tr> <tr> <td>← 112</td> <td>→ 30</td> </tr> </table>	← 541	→ 875	← 246	→ 695	← 49	→ 859	← 704	→ 39	← 112	→ 30	
← 541	→ 875											
← 246	→ 695											
← 49	→ 859											
← 704	→ 39											
← 112	→ 30											

**LEGEND:**  
 ⑨ = INTERSECTION ID  
 = RIGHT-IN/RIGHT-OUT ONLY

**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**

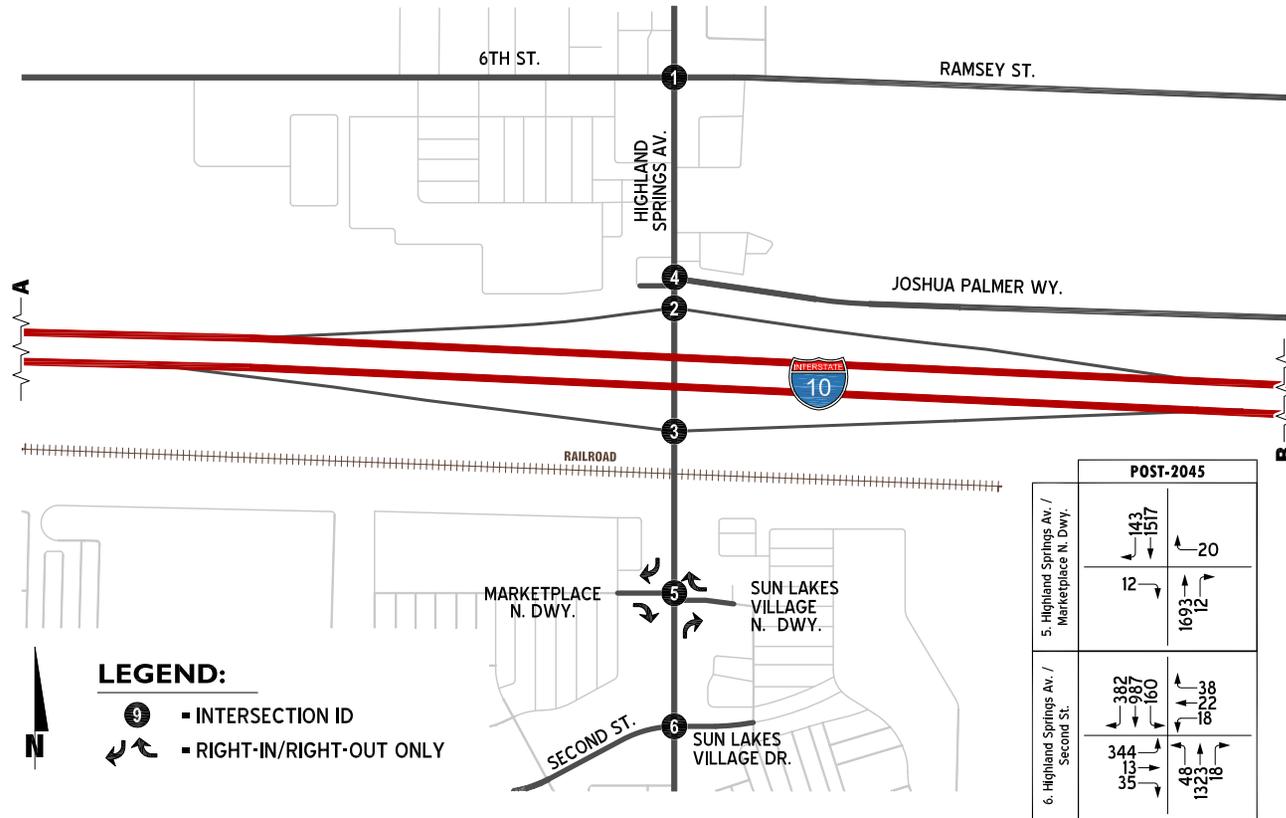


**SUNSET AV./I-10 INTERCHANGE AREA**



### EXHIBIT 13: POST-2045 AM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVE 1 (EXISTING CONFIGURATION)

POST-2045																	
1. Highland Springs Av. / 6th St. - Ramsey St.	<table border="1"> <tr> <td>← 260</td> <td>→ 1816</td> <td>← 619</td> <td>→ 453</td> </tr> <tr> <td>← 272</td> <td>→ 272</td> <td>← 428</td> <td>→ 428</td> </tr> <tr> <td>← 240</td> <td>→ 729</td> <td>← 1129</td> <td>→ 461</td> </tr> <tr> <td>← 306</td> <td>→ 306</td> <td>← 277</td> <td>→ 461</td> </tr> </table>	← 260	→ 1816	← 619	→ 453	← 272	→ 272	← 428	→ 428	← 240	→ 729	← 1129	→ 461	← 306	→ 306	← 277	→ 461
← 260	→ 1816	← 619	→ 453														
← 272	→ 272	← 428	→ 428														
← 240	→ 729	← 1129	→ 461														
← 306	→ 306	← 277	→ 461														
4. Highland Springs Av. / Joshua Palmer Wy.	<table border="1"> <tr> <td>← 2485</td> <td>→ 18</td> <td>← 56</td> <td>→ 55</td> </tr> <tr> <td>← 1833</td> <td>→ 31</td> <td>← 1833</td> <td>→ 31</td> </tr> </table>	← 2485	→ 18	← 56	→ 55	← 1833	→ 31	← 1833	→ 31								
← 2485	→ 18	← 56	→ 55														
← 1833	→ 31	← 1833	→ 31														
2. Highland Springs Av. / I-10 WB Ramps	<table border="1"> <tr> <td>← 1150</td> <td>→ 1400</td> <td>← 461</td> <td>→ 389</td> </tr> <tr> <td>← 583</td> <td>→ 1403</td> <td>← 583</td> <td>→ 1403</td> </tr> </table>	← 1150	→ 1400	← 461	→ 389	← 583	→ 1403	← 583	→ 1403								
← 1150	→ 1400	← 461	→ 389														
← 583	→ 1403	← 583	→ 1403														
3. Highland Springs Av. / I-10 EB Ramps	<table border="1"> <tr> <td>← 1218</td> <td>→ 571</td> <td>← 775</td> <td>→ 44</td> </tr> <tr> <td>← 1211</td> <td>→ 502</td> <td>← 1211</td> <td>→ 502</td> </tr> </table>	← 1218	→ 571	← 775	→ 44	← 1211	→ 502	← 1211	→ 502								
← 1218	→ 571	← 775	→ 44														
← 1211	→ 502	← 1211	→ 502														

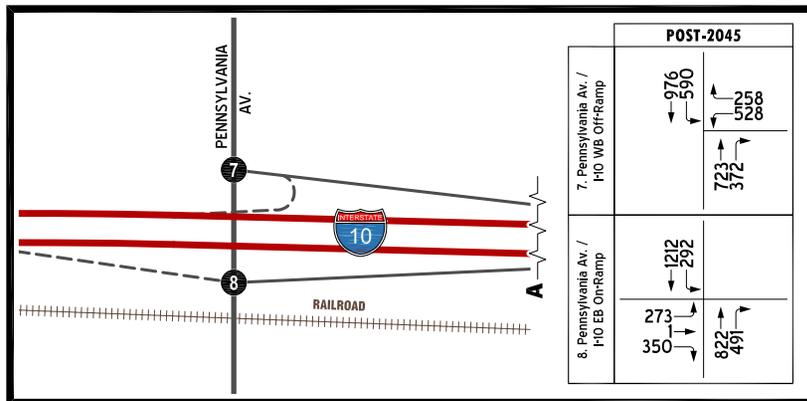


POST-2045													
5. Highland Springs Av. / Marketplace N. Dwy.	<table border="1"> <tr> <td>← 143</td> <td>→ 1517</td> <td>← 20</td> <td>→ 1693</td> </tr> <tr> <td>← 12</td> <td>→ 12</td> <td>← 1693</td> <td>→ 12</td> </tr> </table>	← 143	→ 1517	← 20	→ 1693	← 12	→ 12	← 1693	→ 12				
← 143	→ 1517	← 20	→ 1693										
← 12	→ 12	← 1693	→ 12										
6. Highland Springs Av. / Second St.	<table border="1"> <tr> <td>← 382</td> <td>→ 967</td> <td>← 160</td> <td>→ 1608</td> </tr> <tr> <td>← 344</td> <td>→ 35</td> <td>← 48</td> <td>→ 1323</td> </tr> <tr> <td>← 1323</td> <td>→ 18</td> <td>← 1323</td> <td>→ 18</td> </tr> </table>	← 382	→ 967	← 160	→ 1608	← 344	→ 35	← 48	→ 1323	← 1323	→ 18	← 1323	→ 18
← 382	→ 967	← 160	→ 1608										
← 344	→ 35	← 48	→ 1323										
← 1323	→ 18	← 1323	→ 18										

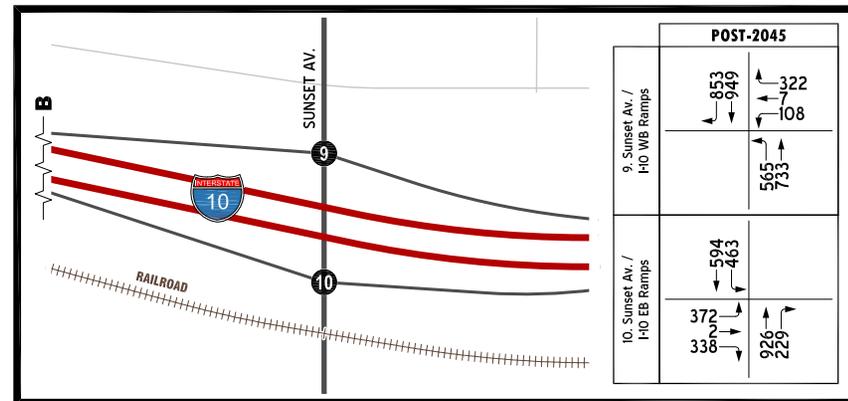
**LEGEND:**

- ⑨ - INTERSECTION ID
- ↔ - RIGHT-IN/RIGHT-OUT ONLY

#### PENNSYLVANIA AV./I-10 INTERCHANGE AREA

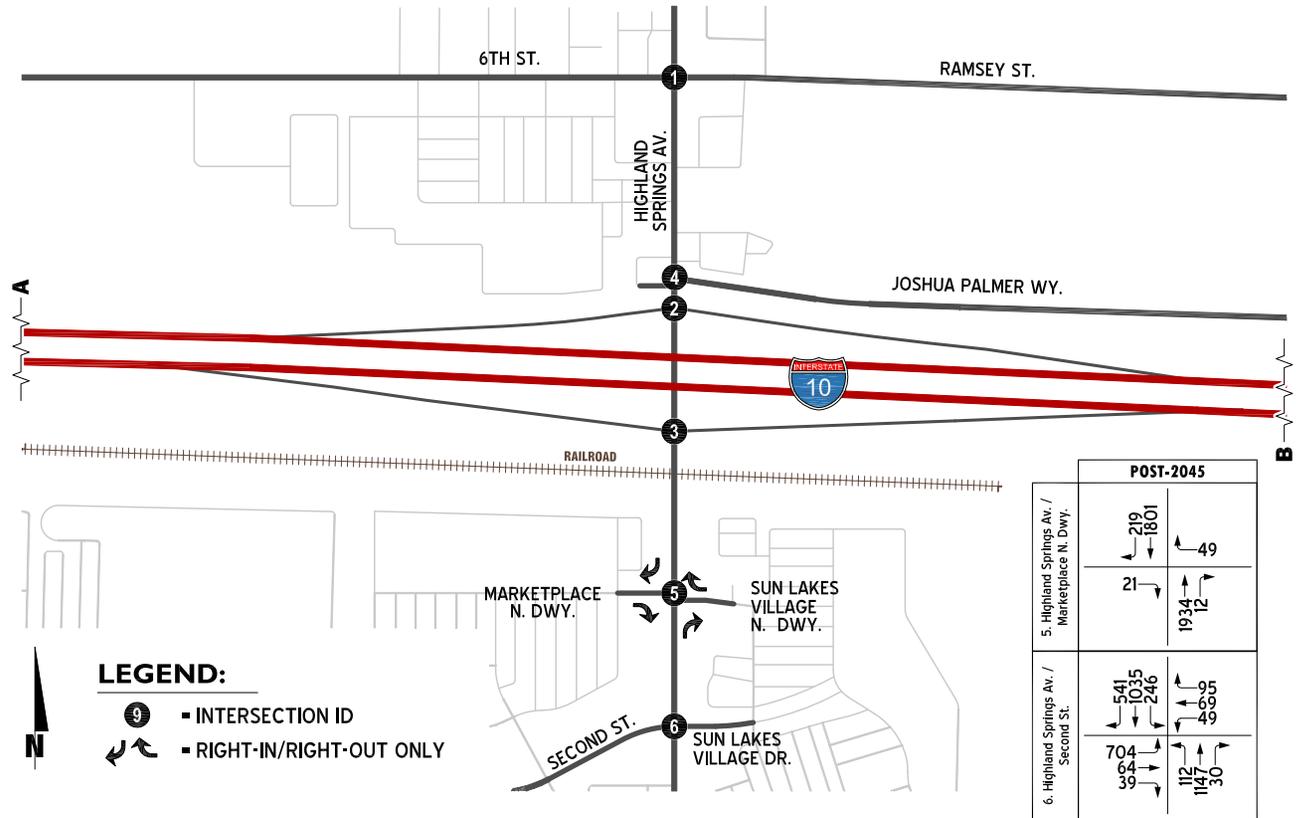


#### SUNSET AV./I-10 INTERCHANGE AREA



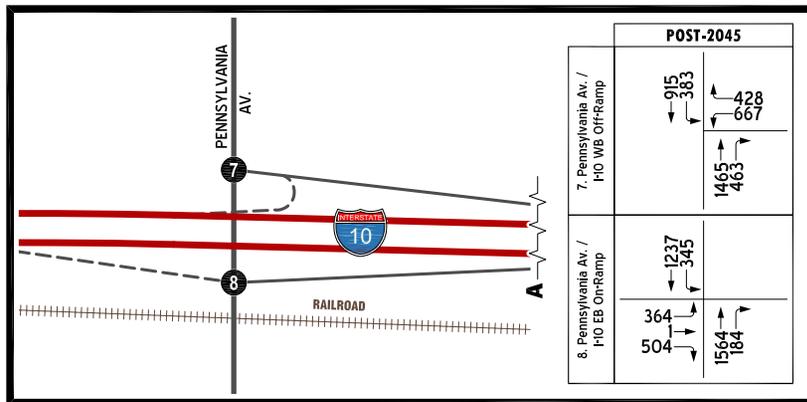
**EXHIBIT 14: POST-2045 PM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVE 1 (EXISTING CONFIGURATION)**

POST-2045																	
1. Highland Springs Av. / 6th St. - Ramsey St.	<table border="1"> <tr> <td>← 189</td> <td>→ 277</td> </tr> <tr> <td>← 1369</td> <td>→ 1120</td> </tr> <tr> <td>← 309</td> <td>→ 577</td> </tr> <tr> <td>← 450</td> <td>→ 1120</td> </tr> <tr> <td>← 397</td> <td>→ 577</td> </tr> <tr> <td>← 394</td> <td>→ 577</td> </tr> <tr> <td>← 512</td> <td>→ 1684</td> </tr> <tr> <td>← 1684</td> <td>→ 596</td> </tr> </table>	← 189	→ 277	← 1369	→ 1120	← 309	→ 577	← 450	→ 1120	← 397	→ 577	← 394	→ 577	← 512	→ 1684	← 1684	→ 596
← 189	→ 277																
← 1369	→ 1120																
← 309	→ 577																
← 450	→ 1120																
← 397	→ 577																
← 394	→ 577																
← 512	→ 1684																
← 1684	→ 596																
4. Highland Springs Av. / Joshua Palmer Wy.	<table border="1"> <tr> <td>← 2107</td> <td>→ 57</td> </tr> <tr> <td>← 13</td> <td>→ 57</td> </tr> <tr> <td>← 2649</td> <td>→ 47</td> </tr> </table>	← 2107	→ 57	← 13	→ 57	← 2649	→ 47										
← 2107	→ 57																
← 13	→ 57																
← 2649	→ 47																
2. Highland Springs Av. / I-10 WB Ramps	<table border="1"> <tr> <td>← 721</td> <td>→ 758</td> </tr> <tr> <td>← 1453</td> <td>→ 556</td> </tr> <tr> <td>← 350</td> <td>→ 1938</td> </tr> </table>	← 721	→ 758	← 1453	→ 556	← 350	→ 1938										
← 721	→ 758																
← 1453	→ 556																
← 350	→ 1938																
3. Highland Springs Av. / I-10 EB Ramps	<table border="1"> <tr> <td>← 1443</td> <td>→ 566</td> </tr> <tr> <td>← 839</td> <td>→ 577</td> </tr> <tr> <td>← 14</td> <td>→ 577</td> </tr> <tr> <td>← 1449</td> <td>→ 534</td> </tr> </table>	← 1443	→ 566	← 839	→ 577	← 14	→ 577	← 1449	→ 534								
← 1443	→ 566																
← 839	→ 577																
← 14	→ 577																
← 1449	→ 534																

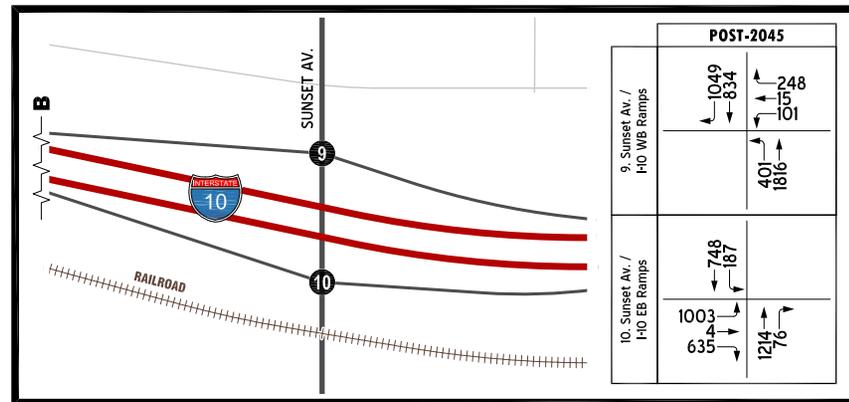


POST-2045													
5. Highland Springs Av. / Marketplace N. Dwy.	<table border="1"> <tr> <td>← 219</td> <td>→ 49</td> </tr> <tr> <td>← 1801</td> <td>→ 12</td> </tr> <tr> <td>← 21</td> <td>→ 1934</td> </tr> </table>	← 219	→ 49	← 1801	→ 12	← 21	→ 1934						
← 219	→ 49												
← 1801	→ 12												
← 21	→ 1934												
6. Highland Springs Av. / Second St.	<table border="1"> <tr> <td>← 541</td> <td>→ 655</td> </tr> <tr> <td>← 1035</td> <td>→ 655</td> </tr> <tr> <td>← 246</td> <td>→ 655</td> </tr> <tr> <td>← 704</td> <td>→ 112</td> </tr> <tr> <td>← 394</td> <td>→ 1147</td> </tr> <tr> <td>← 30</td> <td>→ 30</td> </tr> </table>	← 541	→ 655	← 1035	→ 655	← 246	→ 655	← 704	→ 112	← 394	→ 1147	← 30	→ 30
← 541	→ 655												
← 1035	→ 655												
← 246	→ 655												
← 704	→ 112												
← 394	→ 1147												
← 30	→ 30												

**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**

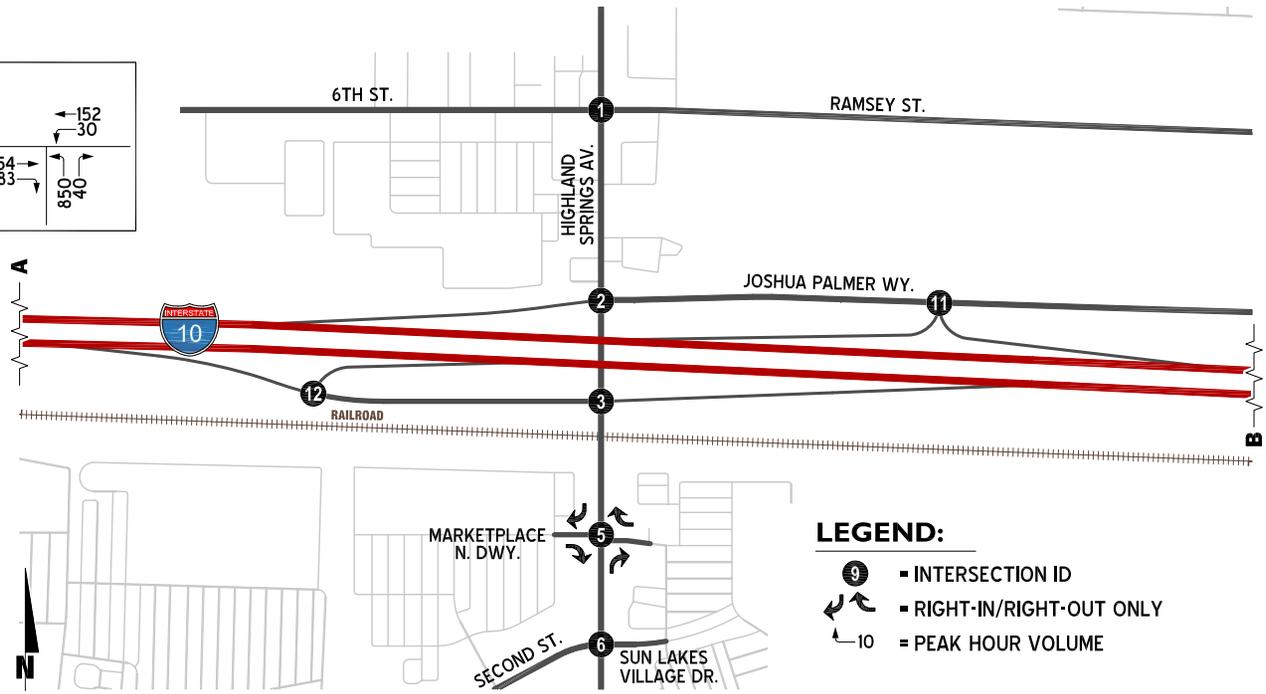


**SUNSET AV./I-10 INTERCHANGE AREA**

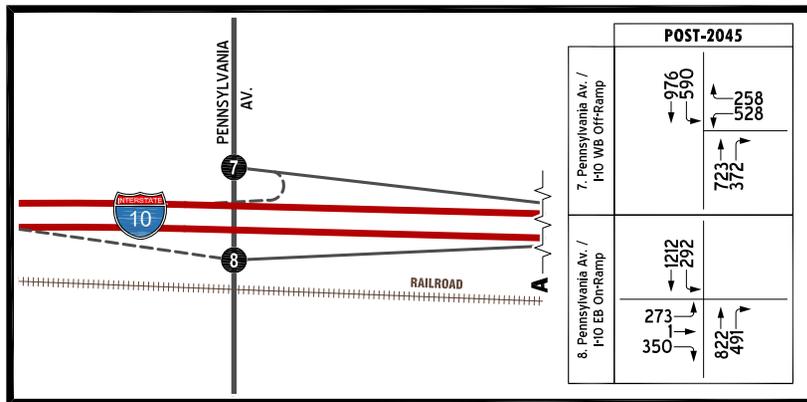


### EXHIBIT 15: POST-2045 AM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVE 2 (HOOK RAMPS)

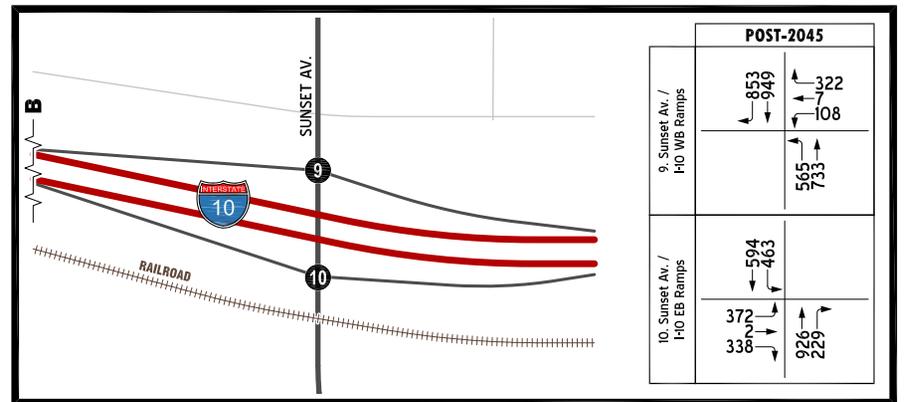
12. I-10 EB Ramps / Frontage Rd.			POST-2045	
		1. Highland Springs Av. / 6th St. - Ramsey St.	260 1816 272	193 615 428
		2. Highland Springs Av. / I-10 WB Ramps	127 1368 23	406 21
		3. Highland Springs Av. / I-10 EB Ramps	571 1218	
		5. Highland Springs Av. / Marketplace N. Dwy.	143 1517	20
		6. Highland Springs Av. / Second St.	382 887 160	628 808
		II. I-10 WB Ramps / Joshua Palmer Wy.	1372 614	554 583 850 40



#### PENNSYLVANIA AV./I-10 INTERCHANGE AREA



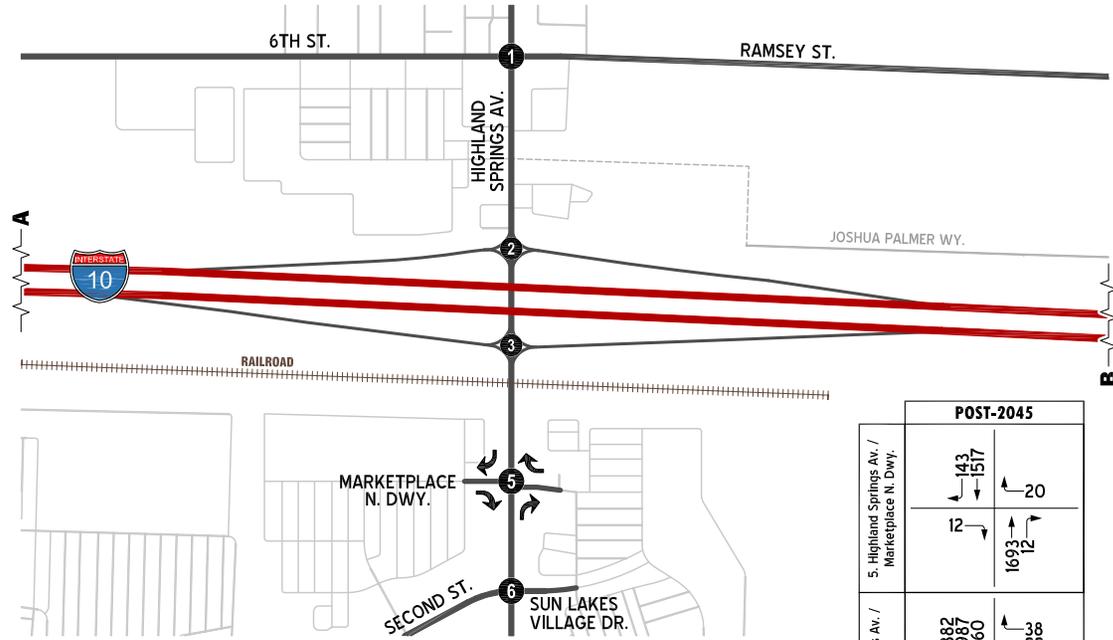
#### SUNSET AV./I-10 INTERCHANGE AREA





**EXHIBIT 17: POST-2045 AM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVES 3 & 4 (DIVERGING DIAMOND INTERCHANGE)**

		POST-2045	
1. Highland Springs Av. / 6th St. - Ramsey St.		260 1816 272	193 153 428
2. Highland Springs Av. / I-10 WB Ramps		240 729 306	277 1129 461
3. Highland Springs Av. / I-10 EB Ramps		775 442	1218 502
		ALTERNATIVE 3	ALTERNATIVE 4
2. Highland Springs Av. / I-10 WB Ramps		583 1403 461 389	583 1403 461 389
3. Highland Springs Av. / I-10 EB Ramps		1218 502 571	1218 502 571

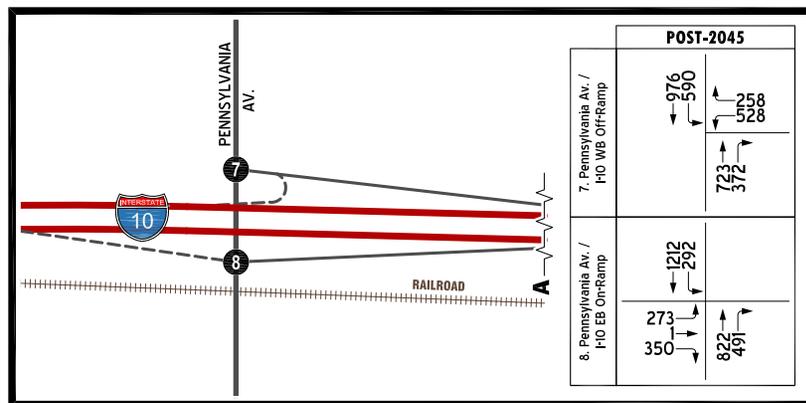


**LEGEND:**

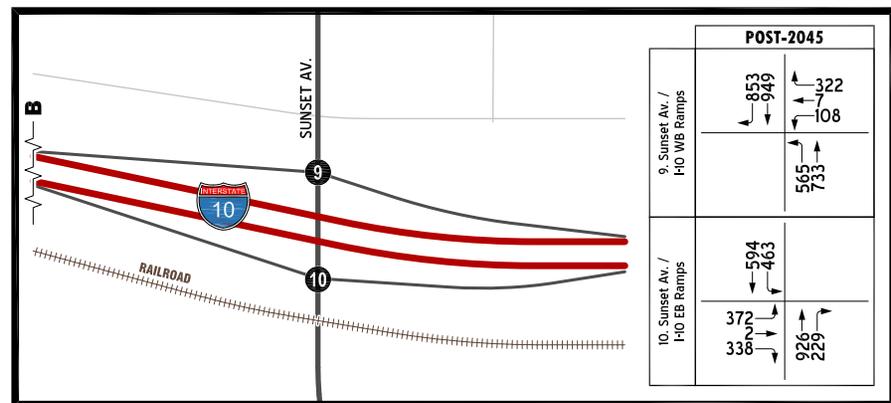
- ⑨ = INTERSECTION ID
- ↔ = RIGHT-IN/RIGHT-OUT ONLY

		POST-2045	
5. Highland Springs Av. / Marketplace N. Dwy.		143 1517 20	
6. Highland Springs Av. / Second St.		382 687 160	382 687 160

**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**

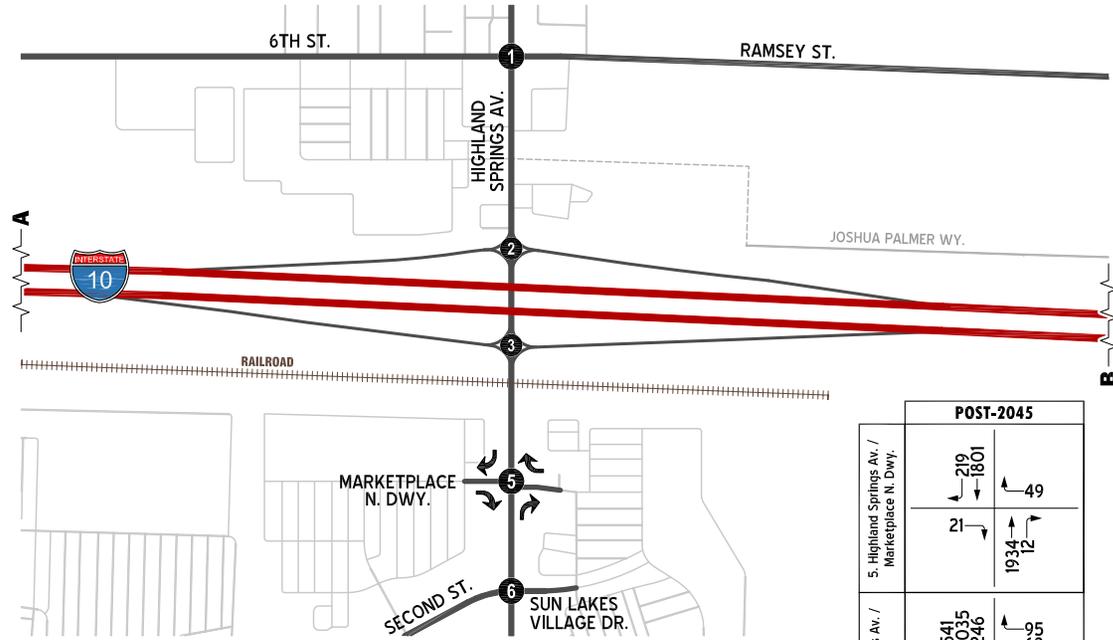


**SUNSET AV./I-10 INTERCHANGE AREA**



**EXHIBIT 18: POST-2045 PM PEAK HOUR INTERSECTION VOLUMES, ALTERNATIVES 3 & 4 (DIVERGING DIAMOND INTERCHANGE)**

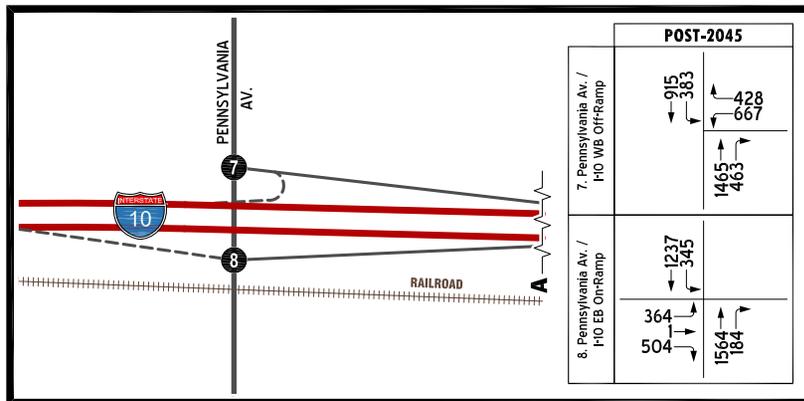
		POST-2045	
1. Highland Springs Av. / 6th St. - Ramsey St.		189 1369 309	277 1120 577
		450 878 394	512 1684 596
		ALTERNATIVE 3	ALTERNATIVE 4
2. Highland Springs Av. / I-10 WB Ramps		721 1453 758 556 350 1938	721 1453 758 556 350 1938
3. Highland Springs Av. / I-10 EB Ramps		839 577 1443 566 1449 534	839 577 1443 566 1449 534



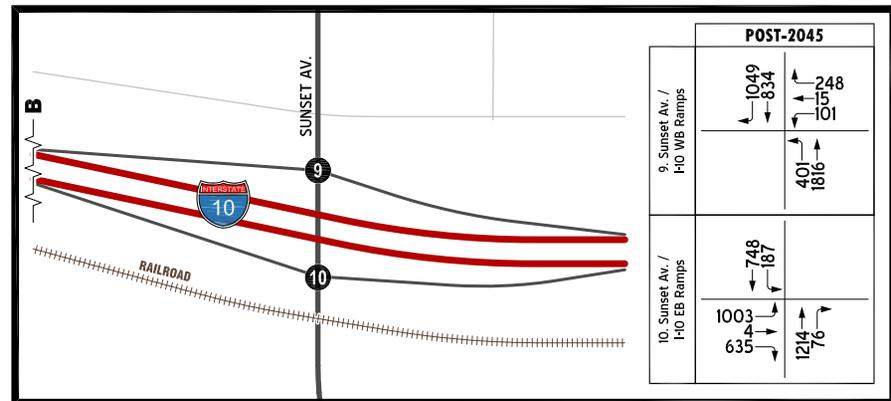
**LEGEND:**  
 ⑨ = INTERSECTION ID  
 = RIGHT-IN/RIGHT-OUT ONLY

		POST-2045	
5. Highland Springs Av. / Marketplace N. Dwy.		219 1801 49	21 1934 12
6. Highland Springs Av. / Second St.		541 1035 246	512 1684 596
		704 364 39	112 1147 30

**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**



**SUNSET AV./I-10 INTERCHANGE AREA**



**TABLE 1: INTERSECTION ANALYSIS FOR 2020 CONDITIONS**

#	Intersection	Traffic Control <sup>3</sup>	Intersection Approach Lanes <sup>1</sup>												Delay <sup>2</sup> (Secs)		Level of Service <sup>2</sup>	
			Northbound			Southbound			Eastbound			Westbound			AM	PM	AM	PM
			L	T	R	L	T	R	L	T	R	L	T	R				
1	Highland Springs Av. / 6th St.-Ramsey St.	TS	1	2	1	1	2	1	1	2	1	1	2	d	26.3	35.0	C	C
2	Highland Springs Av. / I-10 WB Ramps																	
	- Alternative 1 (Existing Configuration)	TS	1	2	0	0	2	1	0	0	0	0.5	0.5	1	20.8	29.7	C	C
	- Alternative 2 (Hook Ramps)	TS	0	2	0	1	2	1	0	0	0	<b>1.5</b>	<b>0.5</b>	<b>1</b>	10.3	13.0	B	B
	- Alternatives 3 & 4 (Diverging Diamond)	TS	0	<u>2</u>	0	0	<u>2</u>	<b>1&gt;&gt;</b>	0	0	0	0	0	0	12.6	13.8	B	B
	▪ I-10 WB Off-Ramp (Right Turns)	<b>CFR</b>	0	<u>2</u>	0	0	<u>2</u>	0	0	0	0	0	<b>1&gt;&gt;</b>	0.0	0.0	A	A	
	▪ I-10 WB Off-Ramp (Left Turns) <sup>4</sup>	<b>CSS</b>	0	<u>2</u>	0	0	<u>2</u>	0	0	0	<b>1</b>	0	0	10.0	13.1	A	B	
3	Highland Springs Av. / I-10 EB Ramps																	
	- Alternative 1 (Existing Configuration)	TS	0	2	1	1	2	0	0.5	0.5	1	0	0	0	21.8	22.7	C	C
	- Alternative 2 (Hook Ramps)	TS	0	2	1	0	2	0	0.5	0.5	1	0	0	0	13.7	15.4	B	B
	- Alternatives 3 & 4 (Diverging Diamond)	TS	0	<u>2</u>	<b>1&gt;&gt;</b>	0	<u>2</u>	0	0	0	0	0	0	0	9.8	14.3	A	B
	▪ I-10 EB Off-Ramp (Right Turns)	<b>CFR</b>	0	<u>2</u>	0	0	<u>2</u>	0	0	0	<b>1&gt;&gt;</b>	0	0	0.0	0.0	A	A	
	▪ I-10 EB Off-Ramp (Left Turns) <sup>4</sup>	<b>CSS</b>	0	<u>2</u>	0	0	<u>2</u>	0	<b>1</b>	0	0	0	0	13.4	29.5	B	D	
4	Highland Springs Av. / Joshua Palmer Wy.																	
	- Existing Lane Configuration	TS	0	2	0	1	2	0	0	1!	0	0	1!	0	7.5	6.2	A	A
	- Alternative Lane Configurations		N/A												-	-	-	-
5	Highland Springs Av. / Marketplace N. Dwy.	CSS	0	3	0	0	3	d	0	0	1	0	0	1	14.0	18.6	B	C
6	Highland Springs Av. / Second St.	TS	1	3	0	1	3	d	2	1!	0	1	1	0	17.8	<b>39.0</b>	B	<b>D</b>
7	Pennsylvania Av. / I-10 WB Off-Ramp	CSS	0	1	0	0	1	0	0	0	0	0	1!	0	18.9	<b>&gt;80</b>	C	<b>F</b>
8	Pennsylvania Av. / I-10 EB On-Ramp	CSS	0	1	0	0.5	0.5	0	0	0	0	0	0	0	9.5	9.8	A	A
9	Sunset Av. / I-10 WB Ramps	TS	1	2	0	0	2	0	0	0	0	0	1!	0	18.7	19.0	B	B
10	Sunset Av. / I-10 EB Ramps	TS	0	2	0	1	2	0	0	1!	0	0	0	0	43.7	36.2	D	D
11	I-10 WB Ramps / Joshua Palmer Wy.																	
	- Alternative 2 Interchange Configuration	<b>TS</b>	<b>1</b>	0	<b>1</b>	0	0	0	0	1	<b>1</b>	<b>1</b>	1	0	11.5	23.0	B	C
12	I-10 EB Ramps / Frontage Rd.																	
	- Alternative 2 Interchange Configuration	UNC	0	0	0	0	0	0	0	<b>1</b>	0	0	0	<b>1</b>	0.0	0.0	A	A

<sup>1</sup> When a right turn is designated, the lane can either be striped or unstriped. To function as a right turn lane there must be sufficient width for right turning vehicles to travel outside the through lanes.  
 L = Left; T = Through; R = Right; 0.5 = Shared Lane; 1! = Shared Left/Through/Right Lane; d = Defacto Right Turn Lane; >> = Free-Right Turn Lane; **1** = Improvement

<sup>2</sup> Per the Highway Capacity Manual 6th Edition (HCM6), overall average intersection delay and level of service are shown for intersections with a traffic signal or all way stop control. For intersections with cross street stop control, the delay and level of service for the worst individual movement (or movements sharing a single lane) are shown. Delay and level of service is calculated using Synchro 10.1 analysis software.  
**BOLD** = LOS does not meet the applicable jurisdictional requirements (i.e., unacceptable LOS).

<sup>3</sup> TS = Traffic Signal; CSS = Cross-street Stop; UNC = Uncontrolled; CFR = Channelized Free Right

<sup>4</sup> Delay is calculated using SimTraffic software.

**TABLE 2: INTERSECTION ANALYSIS FOR 2040 CONDITIONS**

#	Intersection	Traffic Control <sup>3</sup>	Intersection Approach Lanes <sup>1</sup>												Delay <sup>2</sup> (Secs)		Level of Service <sup>2</sup>	
			Northbound			Southbound			Eastbound			Westbound			AM	PM	AM	PM
			L	T	R	L	T	R	L	T	R	L	T	R				
1	Highland Springs Av. / 6th St.-Ramsey St.	TS	1	2	1	1	2	1	1	2	1	1	2	d	35.0	54.6	C	D
2	Highland Springs Av. / I-10 WB Ramps																	
	- Alternative 1 (Existing Configuration)	TS	1	2	0	0	2	1	0	0	0	0.5	0.5	1	40.5	43.4	D	D
	- Alternative 2 (Hook Ramps)	TS	0	2	0	1	2	1	0	0	0	<b>1.5</b>	<b>0.5</b>	<b>1</b>	11.1	17.9	B	B
	- Alternatives 3 & 4 (Diverging Diamond)	TS	0	<u>2</u>	0	0	<u>2</u>	<b>1&gt;&gt;</b>	0	0	0	0	0	0	15.7	23.4	B	C
	▪ I-10 WB Off-Ramp (Right Turns)	<b>CFR</b>	0	<u>2</u>	0	0	<u>2</u>	0	0	0	0	0	<b>1&gt;&gt;</b>	0.0	0.0	A	A	
	▪ I-10 WB Off-Ramp (Left Turns) <sup>4</sup>	<b>CSS</b>	0	<u>2</u>	0	0	<u>2</u>	0	0	0	<b>1</b>	0	0	12.9	16.5	B	C	
3	Highland Springs Av. / I-10 EB Ramps																	
	- Alternative 1 (Existing Configuration)	TS	0	2	1	1	2	0	0.5	0.5	1	0	0	0	41.2	30.8	D	C
	- Alternative 2 (Hook Ramps)	TS	0	2	1	0	2	0	0.5	0.5	1	0	0	0	13.8	18.2	B	B
	- Alternatives 3 & 4 (Diverging Diamond)	TS	0	<u>2</u>	<b>1&gt;&gt;</b>	0	<u>2</u>	0	0	0	0	0	0	0	14.6	23.4	B	C
	▪ I-10 EB Off-Ramp (Right Turns)	<b>CFR</b>	0	<u>2</u>	0	0	<u>2</u>	0	0	<b>1&gt;&gt;</b>	0	0	0	0.0	0.0	A	A	
	▪ I-10 EB Off-Ramp (Left Turns) <sup>4</sup>	<b>CSS</b>	0	<u>2</u>	0	0	<u>2</u>	0	<b>1</b>	0	0	0	0	25.8	<b>49.5</b>	D	E	
4	Highland Springs Av. / Joshua Palmer Wy.																	
	- Existing Lane Configuration	TS	0	2	0	1	2	0	0	1!	0	0	1!	0	8.9	6.6	A	A
	- Alternative Lane Configurations		N/A												-	-	-	-
5	Highland Springs Av. / Marketplace N. Dwy.	CSS	0	3	0	0	3	d	0	0	1	0	0	1	17.7	22.9	C	C
6	Highland Springs Av. / Second St.																	
6	Highland Springs Av. / Second St.	TS	1	3	0	1	3	d	2	1!	0	1	1	0	18.6	42.3	B	D
7	Pennsylvania Av. / I-10 WB Off-Ramp																	
	- With Reconfigured Interchange	<b>TS</b>	0	1	<b>1</b>	<b>1</b>	1	0	0	0	0	<b>1</b>	0	1	50.7	52.9	D	D
8	Pennsylvania Av. / I-10 EB On-Ramp																	
	- With Reconfigured Interchange	<b>TS</b>	0	1	0	<b>1</b>	1	0	<b>1</b>	0	<b>1</b>	0	0	0	35.6	42.6	D	D
9	Sunset Av. / I-10 WB Ramps	TS	1	2	0	0	2	0	0	0	0	0	1!	0	22.3	26.0	C	C
10	Sunset Av. / I-10 EB Ramps	TS	0	2	0	1	2	0	0	1!	0	0	0	0	47.1	38.0	D	D
11	I-10 WB Ramps / Joshua Palmer Wy.																	
	- Alternative 2 Interchange Configuration	<b>TS</b>	<b>1</b>	0	<b>1</b>	0	0	0	0	1	<b>1</b>	<b>1</b>	1	0	13.5	33.6	B	C
12	I-10 EB Ramps / Frontage Rd.																	
	- Alternative 2 Interchange Configuration	UNC	0	0	0	0	0	0	0	<b>1</b>	0	0	0	<b>1</b>	0.0	0.0	A	A

<sup>1</sup> When a right turn is designated, the lane can either be striped or unstriped. To function as a right turn lane there must be sufficient width for right turning vehicles to travel outside the through lanes.

L = Left; T = Through; R = Right; 0.5 = Shared Lane; 1! = Shared Left/Through/Right Lane; d = Defacto Right Turn Lane; >> = Free-Right Turn Lane; **1** = Improvement

<sup>2</sup> Per the Highway Capacity Manual 6th Edition (HCM6), overall average intersection delay and level of service are shown for intersections with a traffic signal or all way stop control. For intersections with cross street stop control, the delay and level of service for the worst individual movement (or movements sharing a single lane) are shown. Delay and level of service is calculated using Synchro 10.1 analysis software.

**BOLD** = LOS does not meet the applicable jurisdictional requirements (i.e., unacceptable LOS).

<sup>3</sup> TS = Traffic Signal; CSS = Cross-street Stop; UNC = Uncontrolled; CFR = Channelized Free Right

<sup>4</sup> Delay is calculated using SimTraffic software.

**TABLE 3: INTERSECTION ANALYSIS FOR POST-2045 CONDITIONS**

(1 of 2)

#	Intersection	Traffic Control <sup>3</sup>	Intersection Approach Lanes <sup>1</sup>												Delay <sup>2</sup> (Secs)		Level of Service <sup>2</sup>	
			Northbound			Southbound			Eastbound			Westbound			AM	PM	AM	PM
			L	T	R	L	T	R	L	T	R	L	T	R				
1	Highland Springs Av. / 6th St.-Ramsey St.																	
	- Without Improvements	TS	1	2	1	1	2	1	1	2	1	1	2	d	<b>187.8</b>	<b>216.2</b>	F	F
	- With Improvements	TS	<u>2</u>	<u>3</u>	<u>1&gt;</u>	<u>2</u>	<u>3</u>	1	<u>2</u>	<u>3</u>	0	<u>2</u>	<u>3</u>	0	50.0	54.4	D	D
2	Highland Springs Av. / I-10 WB Ramps																	
	- <b>Alternative 1 (Existing Configuration)</b>	TS	1	2	0	0	2	1	0	0	0	0.5	0.5	1	<b>133.3</b>	<b>86.5</b>	F	F
	- With Improvements	TS	<u>2</u>	<u>3</u>	0	0	2	1	0	0	0	<u>2</u>	0	<u>2</u>	48.3	17.2	D	B
	- <b>Alternative 2 (Hook Ramps)</b>	TS	0	2	0	1	2	1	0	0	0	<u>1.5</u>	<u>0.5</u>	<u>1</u>	<b>58.9</b>	<b>85.4</b>	E	F
	- With Additional Improvements	TS	0	<u>3</u>	0	1	2	1	0	0	0	<u>1.5</u>	<u>0.5</u>	<u>1</u>	54.4	41.1	D	D
	- <b>Alternatives 3 &amp; 4 (Diverging Diamond)</b>	TS	0	<u>2</u>	0	0	<u>2</u>	<u>1&gt;&gt;</u>	0	0	0	0	0	0	28.0	<b>102.1</b>	C	F
	- With Additional Improvements	TS	0	<u>3</u>	0	0	<u>2</u>	<u>1&gt;&gt;</u>	0	0	0	0	0	0	21.4	27.0	C	C
	▪ I-10 WB Off-Ramp (Right Turns)	<b>CFR</b>	0	<u>2</u>	0	0	<u>2</u>	0	0	0	0	0	0	<u>1&gt;&gt;</u>	0.0	0.0	A	A
- With Additional Improvements	<b>CFR</b>	0	<u>3</u>	0	0	<u>2</u>	0	0	0	0	0	0	<u>1&gt;&gt;</u>	0.0	0.0	A	A	
▪ I-10 WB Off-Ramp (Left Turns) <sup>4</sup>	<b>CSS</b>	0	<u>2</u>	0	0	<u>2</u>	0	0	0	0	<u>1&gt;&gt;</u>	0	0	13.9	<b>75.2</b>	B	F	
- With Additional Improvements <sup>4</sup>	<b>UNC</b>	0	<u>3</u>	0	0	<u>2</u>	0	0	0	0	<u>1&gt;&gt;</u>	0	0	1.0	1.7	A	A	
3	Highland Springs Av. / I-10 EB Ramps																	
	- <b>Alternative 1 (Existing Configuration)</b>	TS	0	2	1	1	2	0	0.5	0.5	1	0	0	0	<b>86.9</b>	<b>110.9</b>	F	F
	- With Improvements	TS	0	<u>3</u>	1	<u>2</u>	2	0	<u>1</u>	1!	1	0	0	0	28.8	30.3	C	C
	- <b>Alternative 2 (Hook Ramps)</b>	TS	0	2	1	0	2	0	0.5	0.5	1	0	0	0	31.5	39.4	C	D
	- <b>Alternatives 3 &amp; 4 (Diverging Diamond)</b>	TS	0	<u>2</u>	<u>1&gt;&gt;</u>	0	<u>2</u>	0	0	0	0	0	0	0	14.2	32.3	B	C
	▪ I-10 EB Off-Ramp (Right Turns)	<b>CFR</b>	0	<u>2</u>	0	0	<u>2</u>	0	0	0	<u>1&gt;&gt;</u>	0	0	0	0.0	0.0	A	A
	▪ I-10 EB Off-Ramp (Left Turns) <sup>4</sup>	<b>CSS</b>	0	<u>2</u>	0	0	<u>2</u>	0	<u>1</u>	0	0	0	0	0	34.3	<b>206.2</b>	D	F
	- With Additional Improvements <sup>4</sup>	<b>UNC</b>	0	<u>2</u>	0	0	<u>2</u>	0	<u>1&gt;&gt;</u>	0	0	0	0	0	19.8	22.3	C	C
4	Highland Springs Av. / Joshua Palmer Wy.																	
	- <b>Existing Lane Configuration</b>	TS	0	2	0	1	2	0	0	1!	0	0	1!	0	31.5	39.1	C	D
	- With City of Banning GPBO Improvements	TS	0	<u>3</u>	0	1	2	0	0	1!	0	0	1!	0	30.1	10.6	C	B
	- <b>Alternative Lane Configurations</b>		N/A												-	-	-	-
5	Highland Springs Av. / Marketplace N. Dwy.	CSS	0	3	0	0	3	d	0	0	1	0	0	1	21.3	24.8	C	C
6	Highland Springs Av. / Second St.	TS	1	3	0	1	3	d	2	1!	0	1	1	0	19.5	43.9	B	D
7	Pennsylvania Av. / I-10 WB Off-Ramp																	
	- With Reconfigured Interchange	<b>TS</b>	0	1	<u>1</u>	<u>1</u>	1	0	0	0	0	<u>1</u>	0	1	<b>90.4</b>	<b>192.4</b>	F	F
	- With Additional Interchange Improvements	<b>TS</b>	0	<u>2</u>	<u>1</u>	<u>1</u>	1	0	0	0	0	<u>1</u>	1!	<u>1</u>	37.6	33.2	D	C
8	Pennsylvania Av. / I-10 EB On-Ramp																	
	- With Reconfigured Interchange	<b>TS</b>	0	1	0	<u>1</u>	1	0	<u>1</u>	0	<u>1</u>	0	0	0	<b>166.4</b>	<b>221.6</b>	F	F
	- With Additional Interchange Improvements	<b>TS</b>	0	<u>2</u>	<u>1</u>	<u>1</u>	<u>2</u>	0	<u>1</u>	<u>1!</u>	<u>1</u>	0	0	0	22.5	46.6	C	D
9	Sunset Av. / I-10 WB Ramps																	
	- Without Improvements	TS	1	2	0	0	2	0	0	0	0	0	1!	0	<b>134.9</b>	<b>86.3</b>	F	F
	- With Improvements	TS	1	2	0	0	2	<u>1&gt;&gt;</u>	0	0	0	0	1!	0	52.5	24.0	D	C

**TABLE 3: INTERSECTION ANALYSIS FOR POST-2045 CONDITIONS**

(2 of 2)

#	Intersection	Traffic Control <sup>3</sup>	Intersection Approach Lanes <sup>1</sup>												Delay <sup>2</sup> (Secs)		Level of Service <sup>2</sup>		
			Northbound			Southbound			Eastbound			Westbound			AM	PM	AM	PM	
			L	T	R	L	T	R	L	T	R	L	T	R					
10	Sunset Av. / I-10 EB Ramps																		
	- Without Improvements	TS	0	2	0	1	2	0	0	1!	0	0	0	0	0	0	98.6	303.9	F
	- With Improvements	TS	0	2	0	1	2	0	<u>1</u>	1!	<u>1</u>	0	0	0	0	39.4	50.9	D	D
11	I-10 WB Ramps / Joshua Palmer Wy.																		
	- <b>Alternative 2 Interchange Configuration</b>	<u>TS</u>	<u>1</u>	0	<u>1</u>	0	0	0	0	1	<u>1</u>	<u>1</u>	1	0	0	73.6	88.3	E	F
	- With Additional Improvements	<u>TS</u>	<u>1</u>	<u>1!</u>	0	0	0	0	0	1	<u>1</u>	<u>1</u>	1	0	19.1	22.4	B	C	
12	I-10 EB Ramps / Frontage Rd.																		
	- <b>Alternative 2 Interchange Configuration</b>	UNC	0	0	0	0	0	0	0	<u>1</u>	0	0	0	<u>1</u>	0.0	0.0	A	A	

<sup>1</sup> When a right turn is designated, the lane can either be striped or unstriped. To function as a right turn lane there must be sufficient width for right turning vehicles to travel outside the through lanes.

L = Left; T = Through; R = Right; 0.5 = Shared Lane; 1! = Shared Left/Through/Right Lane; d = Defacto Right Turn Lane; >> = Free Turn Lane; 1 = Improvement

<sup>2</sup> Per the Highway Capacity Manual 6th Edition (HCM6), overall average intersection delay and level of service are shown for intersections with a traffic signal or all way stop control. For intersections with cross street stop control, the delay and level of service for the worst individual movement (or movements sharing a single lane) are shown. Delay and level of service is calculated using Synchro 10.1 analysis software.

**BOLD** = LOS does not meet the applicable jurisdictional requirements (i.e., unacceptable LOS).

<sup>3</sup> TS = Traffic Signal; CSS = Cross-street Stop; UNC = Uncontrolled; CFR = Channelized Free Right

<sup>4</sup> Delay is calculated using SimTraffic software.

R:\UXR\jobs\12100-12500\12522\Excel\12522-03 - Report.xlsx3

physical spacing of intersections. Tables 4 through 6 summarize the results of the queuing analysis for 2020, 2040, and Post-2045 conditions, respectively.

Table 4 summarizes the longest 95th percentile queue length at each location under 2020 peak hour conditions for Alternatives 1 through 4.

Table 5 summarizes the 95th percentile queue length at each location under 2040 peak hour conditions for Alternatives 1 through 4.

Table 6 summarizes the 95th percentile queue length at each location under Post-2045 peak hour conditions for Alternatives 1 through 4.

HCM and SimTraffic queuing analysis calculation worksheets are included in Attachments 1 to 3.

Based upon both 2020, 2040, and Post-2045 peak hour volumes, Tables 4, 5, and 6 indicate that peak hour left turn queues exceed the storage lengths provided on Highland Springs Avenue between the I-10 ramp intersections for Alternative 1 (existing/no build) conditions. This queue length issue illuminates the existing traffic operational issues at the interchange.

#### **TRAFFIC CONTROLS AND INTERSECTION LANE GEOMETRY**

##### *Alternative 1*

The attached Exhibit 19 shows the intersection traffic control and approach lanes for Alternative 1 (existing/no build).

Exhibit 20 shows the potential additional intersection improvements needed for Post-2045 conditions for Alternative 1 (existing/no build).

##### *Alternative 2*

Exhibit 21 illustrates the Alternative 2 (hook ramps) intersection traffic controls and approach lanes. The alignment of Joshua Palmer Way is proposed to be modified and connect directly opposite the existing westbound on-ramp. This is an important feature because it consolidates/corrects the awkward existing off-set intersection at Joshua Palmer/Highland Springs. The existing WB off-ramp is relocated easterly and intersects Joshua Palmer in a hook ramp configuration. In addition, a new westbound on-ramp is provided from Joshua Palmer Way east of Highland Spring Avenue. The eastbound off-ramp is also reconfigured to provide a new EB on-ramp access west of Highland Springs Avenue.

Exhibit 22 shows potential additional intersection improvements needed for Post-2045 conditions for Alternative 2 (hook ramps).

##### *Alternatives 3 and 4*

Exhibit 23 depicts the intersection traffic controls and approach lanes with the potential Diverging Diamond Interchange (DDI) features incorporated into Alternatives 3 and 4. The DDI is an alternative which significantly reduces the number of vehicle-to-vehicle conflict points compared to a conventional diamond interchange.

**TABLE 4: QUEUING ANALYSIS SUMMARY FOR 2020 CONDITIONS**

ID	Intersection	Turning Movement Lane	Storage Length Provided <sup>2</sup> (feet)	95th Percentile Queue Length <sup>1</sup> Per Lane (feet)	
				AM	PM
<b>ALTERNATIVE 1 (EXISTING CONFIGURATION)</b>					
2	Highland Springs Av. / I-10 WB Ramps	NBL	125	<b>225</b>	<b>220</b>
		WBL/T	500	455	>500
		WBR	350	400	<b>512</b>
3	Highland Springs Av. / I-10 EB Ramps	NBR	440	150	179
		SBL	125	<b>212</b>	<b>187</b>
		EBL/T	500	273	336
		EBR	640	204	304
<b>ALTERNATIVE 2 (HOOK RAMPS)</b>					
2	Highland Springs Av. / I-10 WB Ramps - Joshua Palmer Wy.	SBL	<b>125</b>	35	43
		SBR	<b>150</b>	102	91
		WBL	<b>300</b>	167	128
		WBR	<b>300</b>	211	229
3	Highland Springs Av. / I-10 EB Ramps	NBR	440	136	187
		EBL/T	500	346	417
		EBR	500	289	314
11	I-10 WB Ramps / Joshua Palmer Wy.	NBL	<b>300</b>	106	102
		NBR	<b>300</b>	38	34
		EBR	<b>150</b>	68	97
		WBL	<b>150</b>	34	45
<b>ALTERNATIVE 3 (DIVERGING DIAMOND INTERCHANGE)</b>					
2	Highland Springs Av. / I-10 WB Ramps	NBT	<b>300</b>	127	111
		SBT	<b>300</b>	66	46
		WBL	500	100	117
3	Highland Springs Av. / I-10 EB Ramps	NBT	<b>480</b>	140	198
		SBT	<b>300</b>	160	166
		EBL	500	119	120
<b>ALTERNATIVE 4 (MODIFIED DIVERGING DIAMOND INTERCHANGE)</b>					
2	Highland Springs Av. / I-10 WB Ramps	NBT	<b>525</b>	124	127
		SBT	<b>300</b>	46	46
		WBL	500	110	129
3	Highland Springs Av. / I-10 EB Ramps	NBT	<b>280</b>	189	191
		SBT	<b>525</b>	200	249
		EBL	500	126	121

<sup>1</sup> Queue length calculated using SimTraffic.

**BOLD** = 95th percentile exceeds available storage length.

<sup>2</sup> 100 = Existing; **100** = Proposed length of storage

**TABLE 5: QUEUING ANALYSIS SUMMARY FOR 2040 CONDITIONS**

ID	Intersection	Turning Movement Lane	Storage Length Provided <sup>2</sup> (feet)	95th Percentile Queue Length <sup>1</sup> Per Lane (feet)	
				AM	PM
<b>ALTERNATIVE 1 (EXISTING CONFIGURATION)</b>					
2	Highland Springs Av. / I-10 WB Ramps	NBL	125	<b>202</b>	<b>237</b>
		WBL/T	500	>500	>500
		WBR	350	<b>&gt;500</b>	<b>491</b>
3	Highland Springs Av. / I-10 EB Ramps	NBR	440	<b>460</b>	<b>458</b>
		SBL	125	<b>193</b>	<b>159</b>
		EBL/T	500	338	>500
		EBR	640	217	337
<b>ALTERNATIVE 2 (HOOK RAMPS)</b>					
2	Highland Springs Av. / I-10 WB Ramps - Joshua Palmer Wy.	SBL	<b>125</b>	58	85
		SBR	<b>150</b>	133	144
		WBL	<b>300</b>	165	273
		WBR	<b>300</b>	176	318 <sup>3</sup>
3	Highland Springs Av. / I-10 EB Ramps	NBR	440	273	286
		EBL/T	500	406	>500
		EBR	500	299	285
11	I-10 WB Ramps / Joshua Palmer Wy.	NBL	<b>300</b>	103	114
		NBR	<b>300</b>	38	31
		EBR	<b>150</b>	117	104
		WBL	<b>150</b>	58	57
<b>ALTERNATIVE 3 (DIVERGING DIAMOND INTERCHANGE)</b>					
2	Highland Springs Av. / I-10 WB Ramps	NBT	<b>300</b>	130	135
		SBT	<b>300</b>	46	49
		WBL	500	133	250
3	Highland Springs Av. / I-10 EB Ramps	NBT	<b>480</b>	193	184
		SBT	<b>300</b>	169	183
		EBL	500	206	432
<b>ALTERNATIVE 4 (MODIFIED DIVERGING DIAMOND INTERCHANGE)</b>					
2	Highland Springs Av. / I-10 WB Ramps	NBT	<b>525</b>	186	212
		SBT	<b>300</b>	49	62
		WBL	500	131	173
3	Highland Springs Av. / I-10 EB Ramps	NBT	<b>280</b>	205	179
		SBT	<b>525</b>	220	225
		EBL	500	311	400

<sup>1</sup> Queue length calculated using SimTraffic.

**BOLD** = 95th percentile exceeds available storage length.

<sup>2</sup> 100 = Existing; **100** = Proposed length of storage

<sup>3</sup> Excess in queue can be accommodated within transition lane.

**TABLE 6: QUEUING ANALYSIS SUMMARY FOR POST-2045 CONDITIONS**

ID	Intersection	Turning Movement Lane	Storage Length Provided <sup>2</sup> (feet)	95th Percentile Queue Length <sup>1</sup> Per Lane (feet)	
				AM	PM
<b>ALTERNATIVE 1 (EXISTING CONFIGURATION)</b>					
2	Highland Springs Av. / I-10 WB Ramps	NBL	125	<b>169</b>	<b>209</b>
		WBL	500	176	>500
		WBR	350	<b>438</b>	<b>478</b>
3	Highland Springs Av. / I-10 EB Ramps	NBR	440	318	375
		SBL	125	<b>194</b>	<b>188</b>
		EBL	500	375	400
		EBR	640	322	362
<b>ALTERNATIVE 2 (HOOK RAMPS)</b>					
2	Highland Springs Av. / I-10 WB Ramps - Joshua Palmer Wy.	SBL	<b>125</b>	30	55
		SBR	<b>150</b>	134	130
		WBL	<b>300</b>	309 <sup>3</sup>	252
		WBR	<b>300</b>	337 <sup>3</sup>	272
3	Highland Springs Av. / I-10 EB Ramps	NBR	440	437	145
		EBL/T	500	>500	>500
		EBR	500	349	270
11	I-10 WB Ramps / Joshua Palmer Wy.	NBL	<b>300</b>	82	114
		NBL/R	<b>300</b>	127	31
		EBR	<b>150</b>	108	104
		WBL	<b>150</b>	56	57
<b>ALTERNATIVE 3 (DIVERGING DIAMOND INTERCHANGE)</b>					
2	Highland Springs Av. / I-10 WB Ramps	NBT	<b>300</b>	98	103
		SBT	<b>300</b>	65	64
		WBL	500	21	149
3	Highland Springs Av. / I-10 EB Ramps	NBT	<b>480</b>	184	180
		SBT	<b>300</b>	180	143
		EBL	500	177	175
<b>ALTERNATIVE 4 (MODIFIED DIVERGING DIAMOND INTERCHANGE)</b>					
2	Highland Springs Av. / I-10 WB Ramps	NBT	<b>525</b>	115	115
		SBT	<b>300</b>	51	74
		WBL	500	10	238
3	Highland Springs Av. / I-10 EB Ramps	NBT	<b>280</b>	191	181
		SBT	<b>525</b>	109	229
		EBL	500	279	184

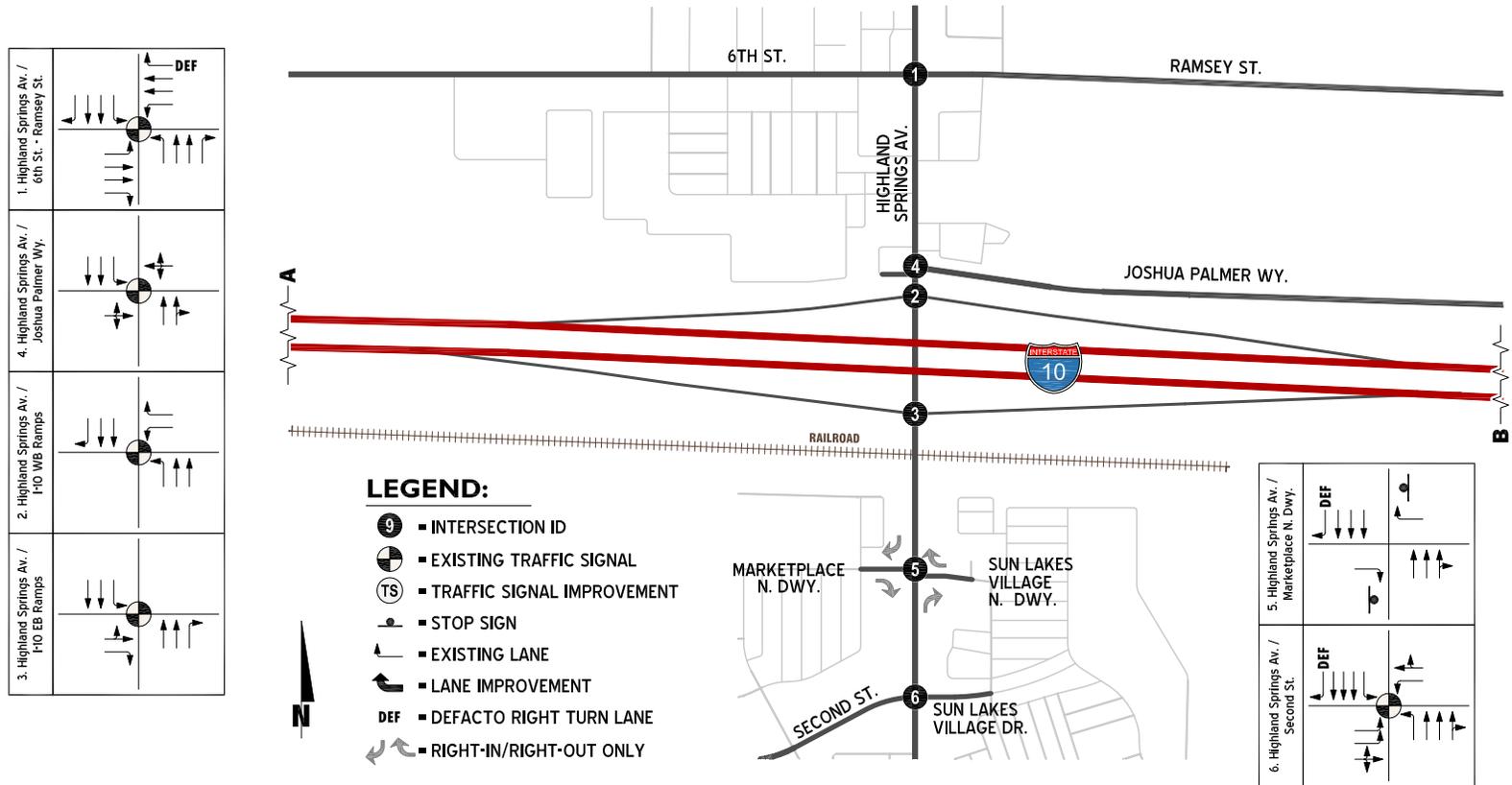
<sup>1</sup> Queue length calculated using SimTraffic.

**BOLD** = 95th percentile exceeds available storage length.

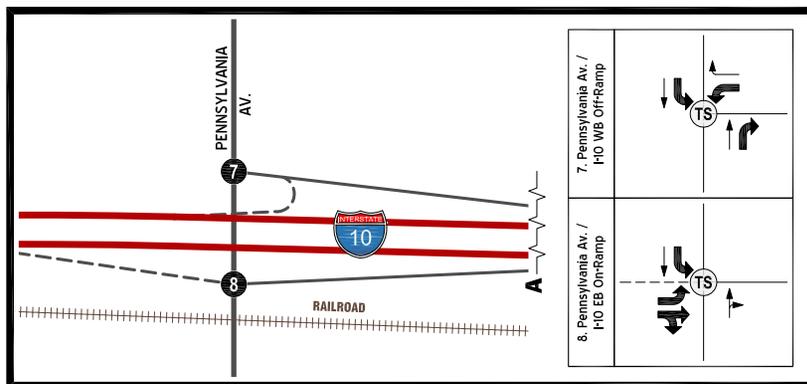
<sup>2</sup> 100 = Existing; **100** = Proposed length of storage

<sup>3</sup> Excess in queue can be accommodated within transition lane.

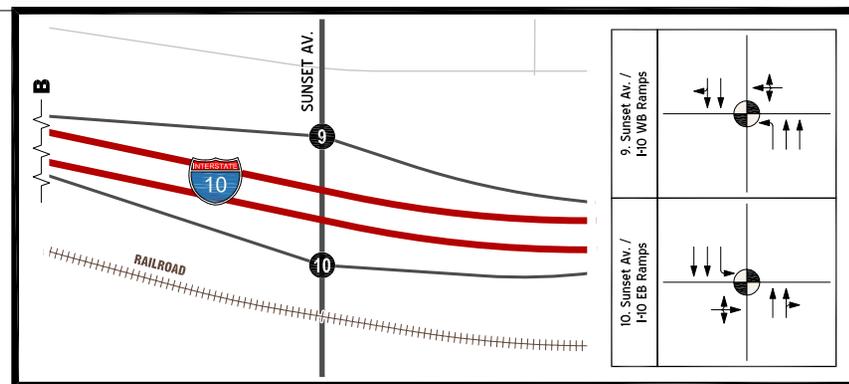
**EXHIBIT 19: ALTERNATIVE 1 (EXISTING CONFIGURATION) INTERSECTION TRAFFIC CONTROLS AND APPROACH LANES**



**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**

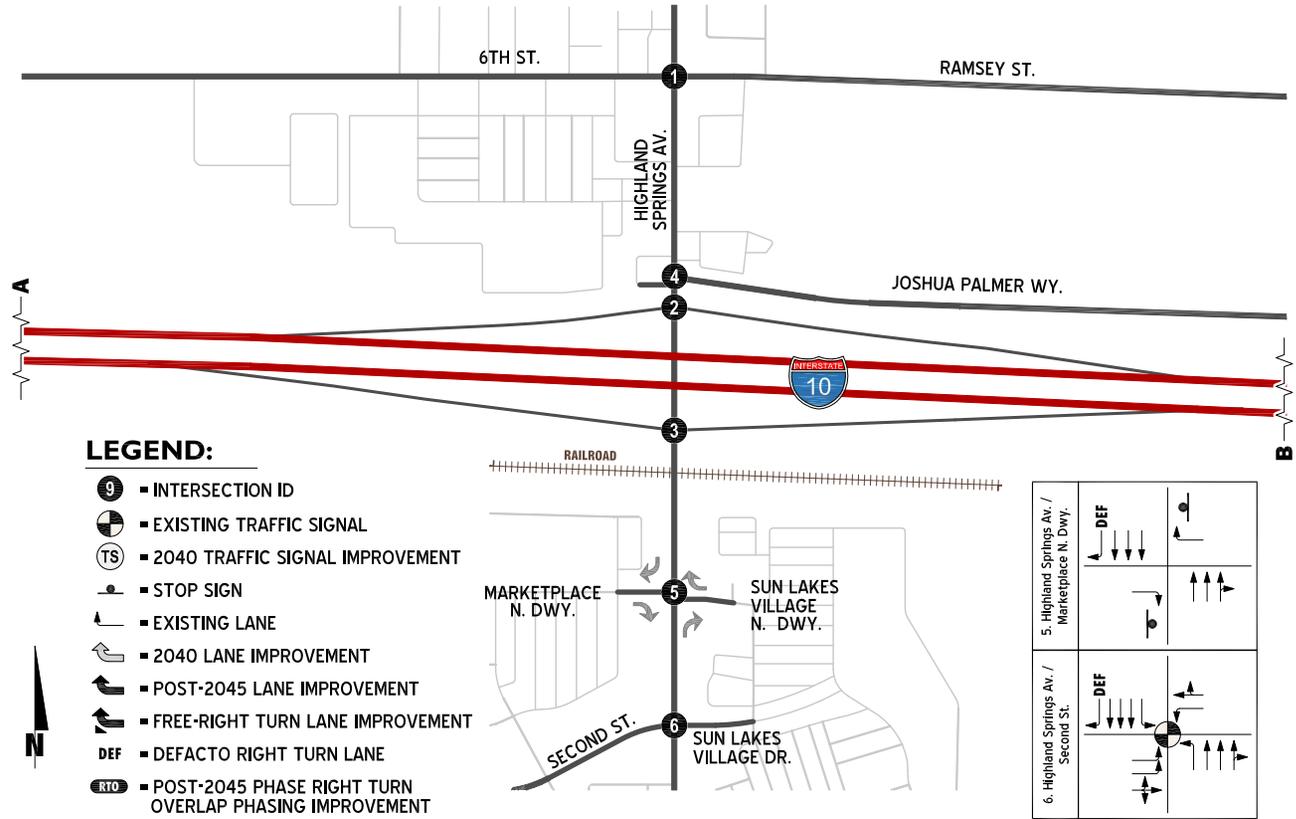


**SUNSET AV./I-10 INTERCHANGE AREA**



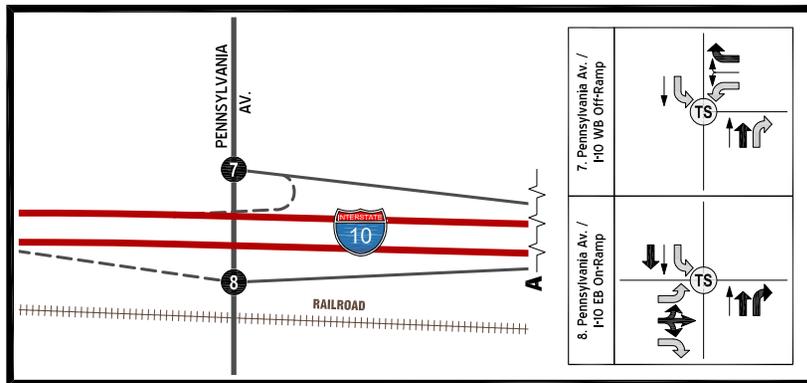
### EXHIBIT 20: ADDITIONAL IMPROVEMENTS NEEDED FOR POST-2045 ALTERNATIVE 1 (EXISTING CONFIGURATION) CONDITIONS

1. Highland Springs Av. / 6th St. - Ramsey St.	
4. Highland Springs Av. / Joshua Palmer Wy.	
2. Highland Springs Av. / I-10 WB Ramps	
3. Highland Springs Av. / I-10 EB Ramps	

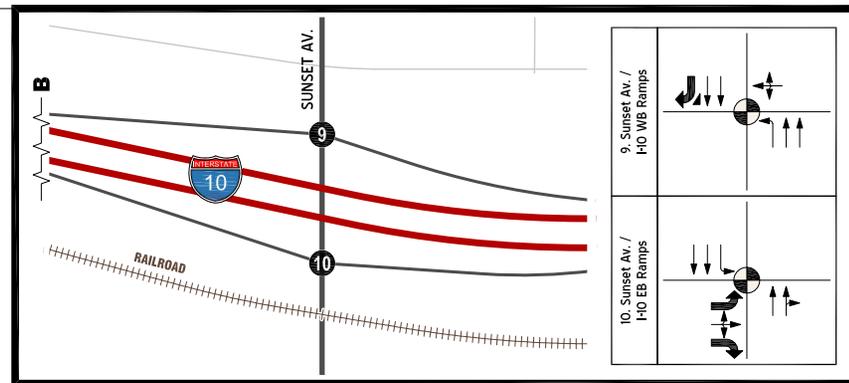


5. Highland Springs Av. / Marketplace N. Dwy.	
6. Highland Springs Av. / Second St.	

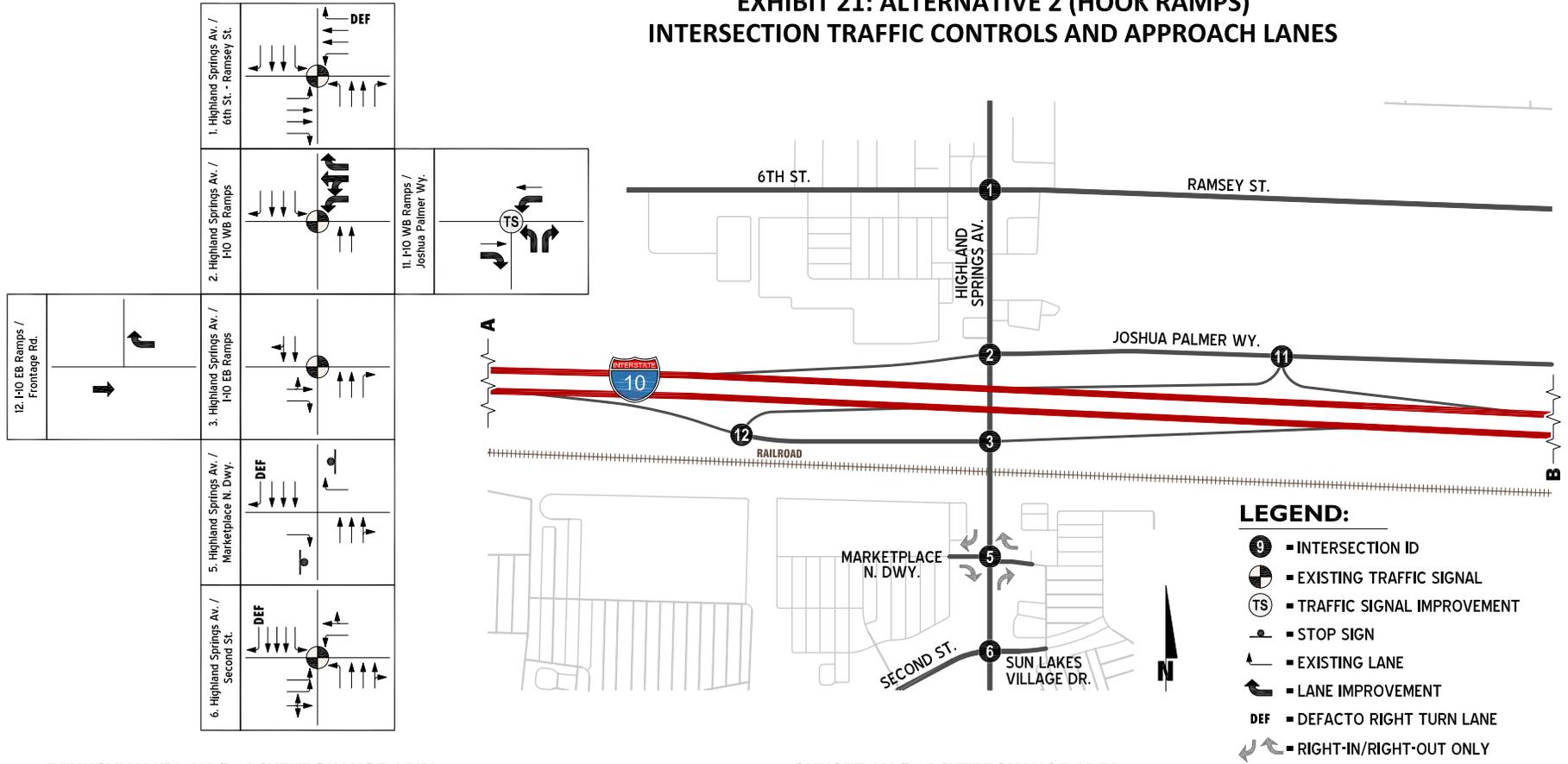
**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**



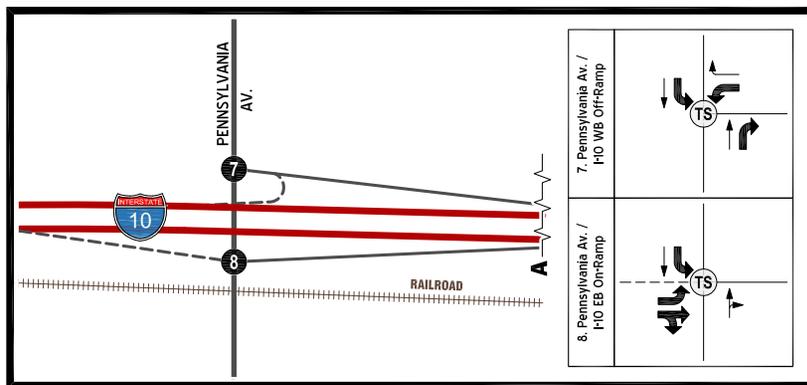
**SUNSET AV./I-10 INTERCHANGE AREA**



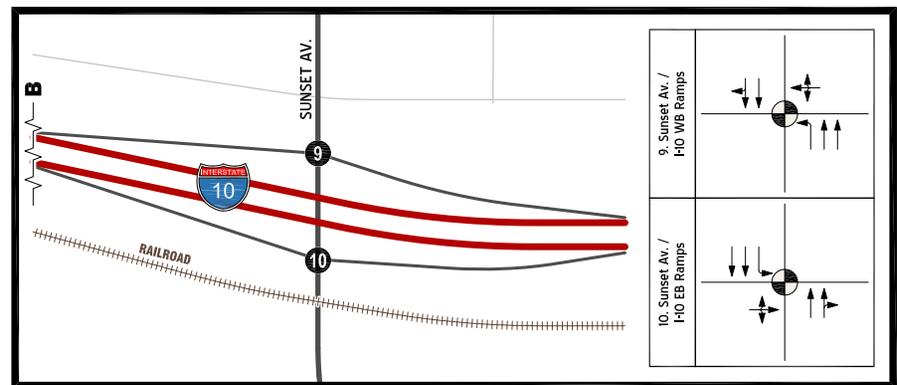
### EXHIBIT 21: ALTERNATIVE 2 (HOOK RAMPS) INTERSECTION TRAFFIC CONTROLS AND APPROACH LANES



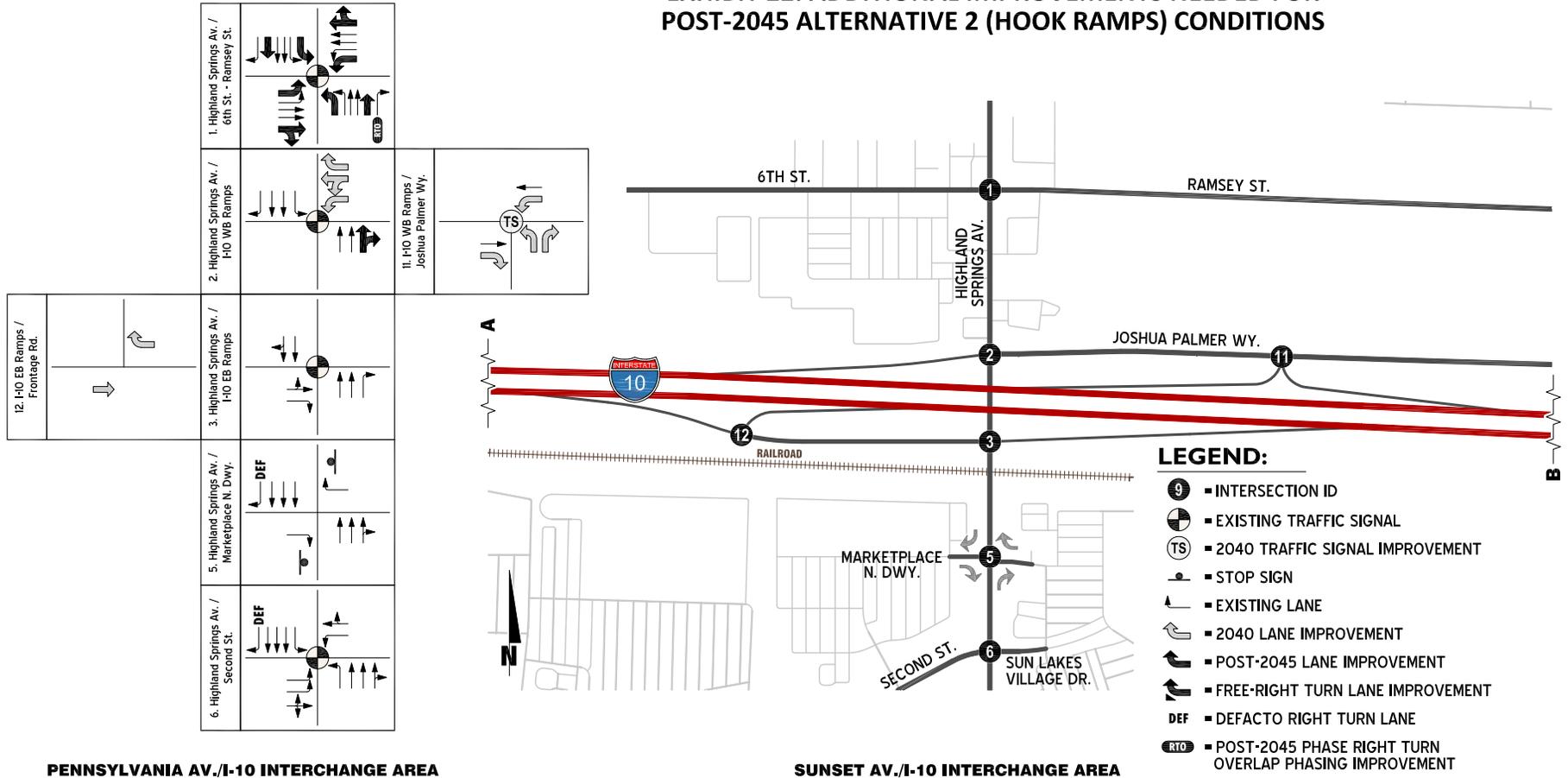
**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**



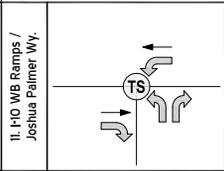
**SUNSET AV./I-10 INTERCHANGE AREA**



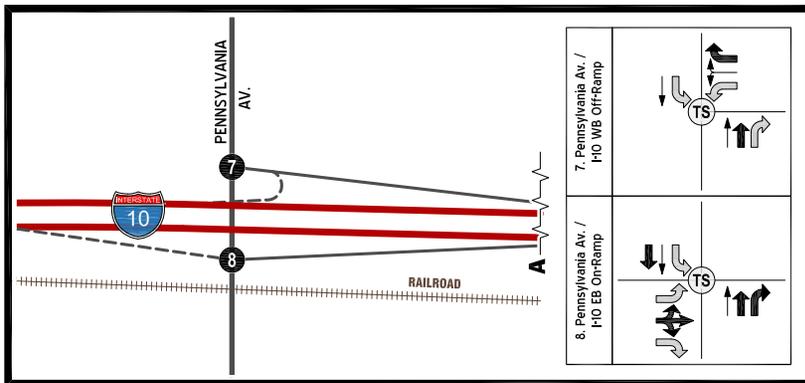
### EXHIBIT 22: ADDITIONAL IMPROVEMENTS NEEDED FOR POST-2045 ALTERNATIVE 2 (HOOK RAMPS) CONDITIONS



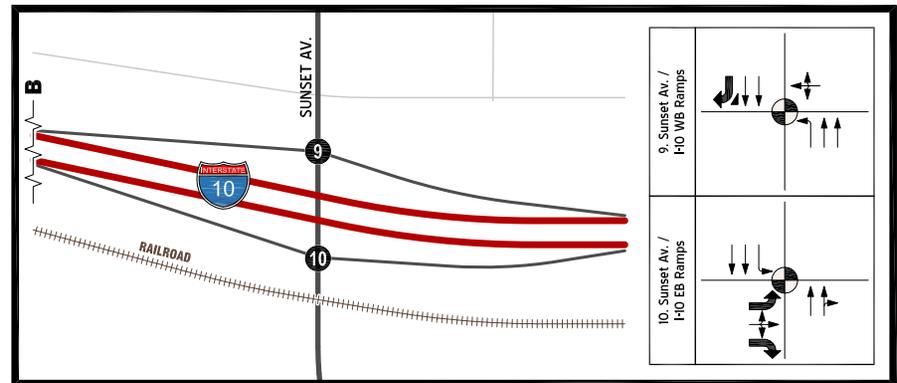
12. I-10 EB Ramps / Frontage Rd.	
1. Highland Springs Av. / 6th St. - Ramsay St.	
2. Highland Springs Av. / I-10 WB Ramps	
3. Highland Springs Av. / I-10 EB Ramps	
5. Highland Springs Av. / Marketplace N. Dwy.	
6. Highland Springs Av. / Second St.	



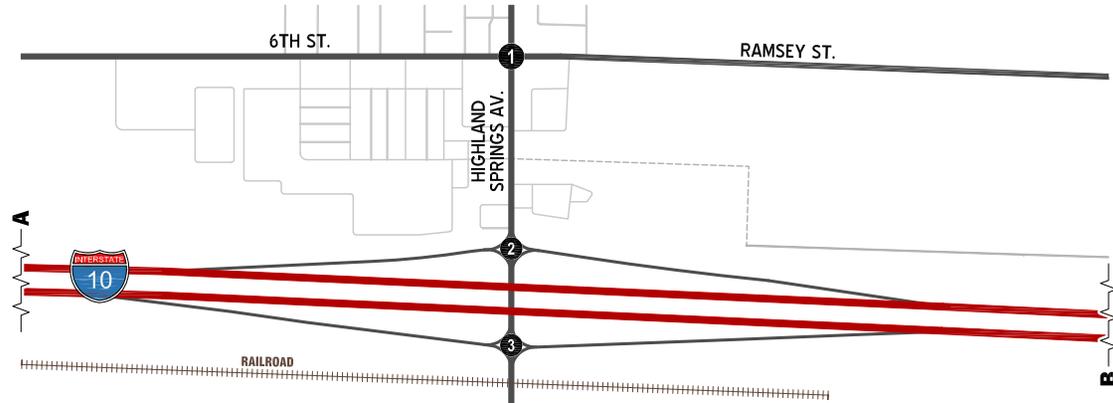
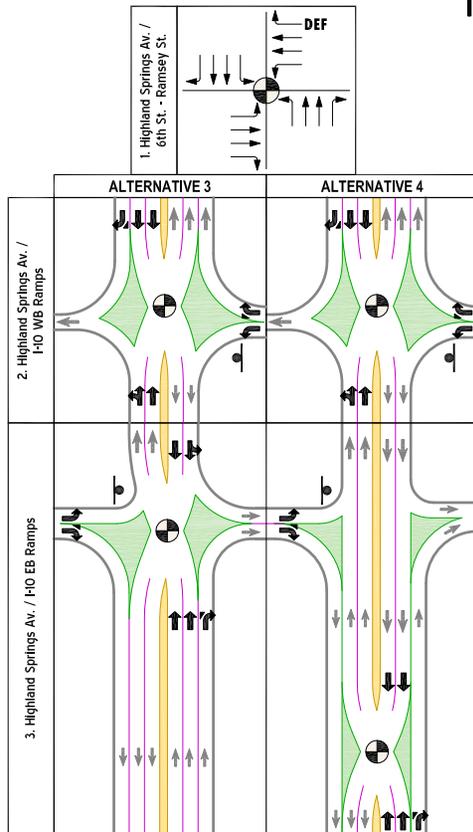
#### PENNSYLVANIA AV./I-10 INTERCHANGE AREA



#### SUNSET AV./I-10 INTERCHANGE AREA

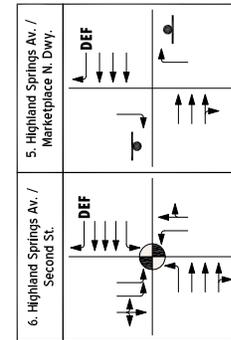


**EXHIBIT 23: ALTERNATIVES 3 & 4 (DIVERGING DIAMOND INTERCHANGE)  
INTERSECTION TRAFFIC CONTROLS AND APPROACH LANES**

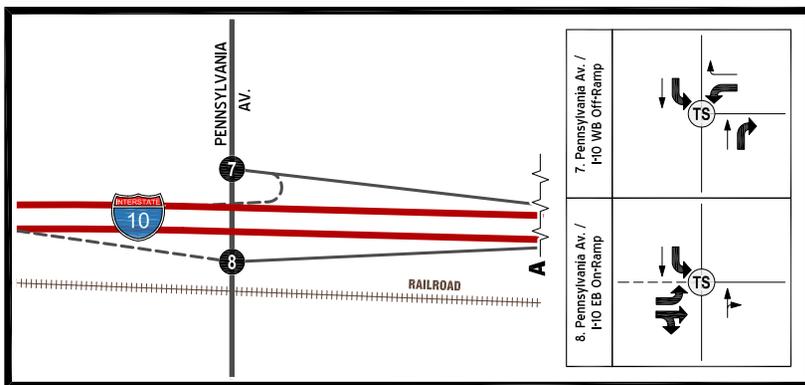


**LEGEND:**

- ⑨ = INTERSECTION ID
- ⊙ = EXISTING TRAFFIC SIGNAL
- ⊙(TS) = TRAFFIC SIGNAL IMPROVEMENT
- ⊙ = STOP SIGN
- ↔ = EXISTING LANE
- ↔ = LANE IMPROVEMENT
- ↔ = FREE-RIGHT TURN LANE IMPROVEMENT
- DEF = DEFACTO RIGHT TURN LANE
- ↔ = RIGHT-IN/RIGHT-OUT ONLY



**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**



**SUNSET AV./I-10 INTERCHANGE AREA**

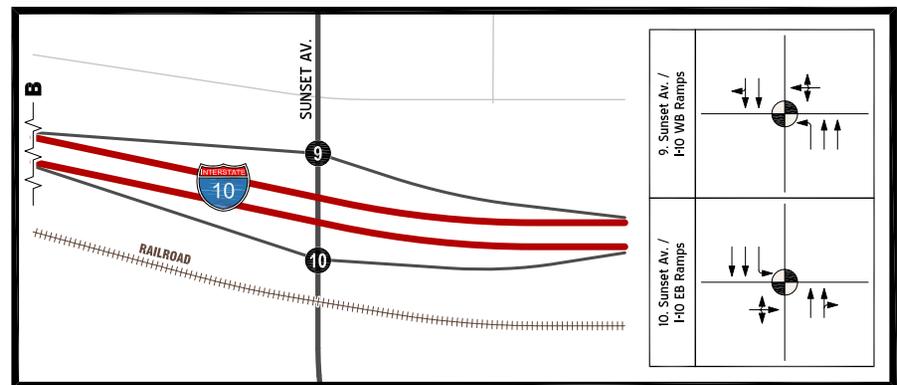


Exhibit 24 shows the potential additional intersection improvements needed for Post-2045 conditions for Alternatives 3 and 4 (DDI).

The primary difference between a DDI and a conventional diamond interchange is the design of directional crossovers on either side of the interchange. This eliminates the need for left turning vehicles to cross the paths of approaching through vehicles.

By shifting cross street traffic to the left side of the street between the signalized crossover intersections, vehicles on the crossroad making a left turn on to or off of ramps do not conflict with vehicles approaching from other directions.

The DDI design has been shown to reduce the severity of conflicts, as conflicts between left-turning movements and the opposing through movement are eliminated. The remaining conflicts are reduced to merge conflicts for turning movements, and the reduced speed crossover conflict of the two through movements.

The difference between Alternative 3 and Alternative 4 involves the location of the southerly crossover intersection (intersection #3). In Alternative 3, this crossover intersection occurs north of the railroad. The crossover intersection occurs south of the railroad in Alternative 4.

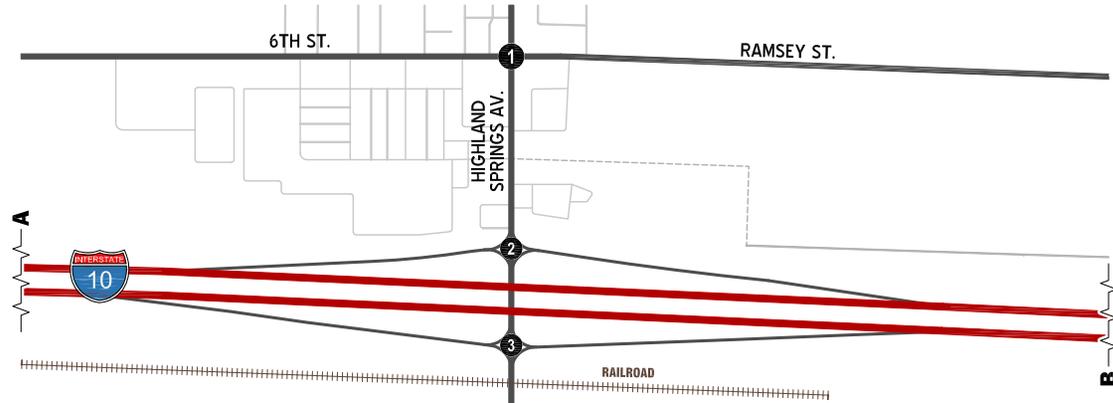
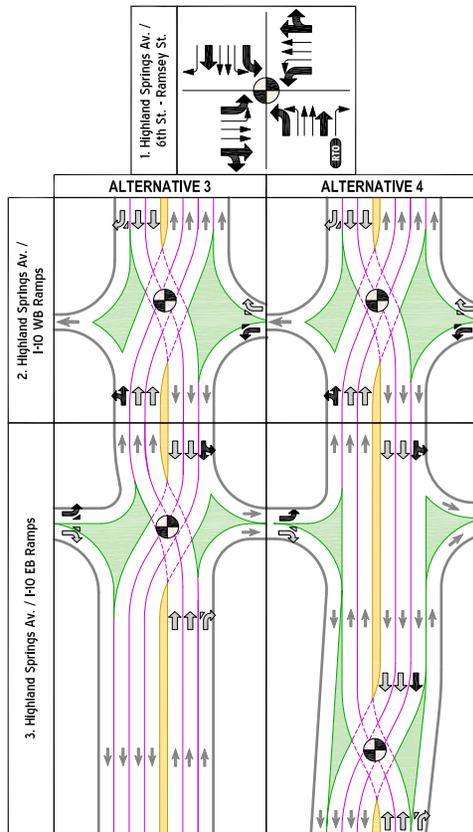
#### **NEXT STEPS**

This draft TFOA presents the methodology and initial findings of the operational analysis, for review by RCTC, Caltrans and adjacent Cities. Electronic data will be provided as needed. Urban Crossroads, Inc will respond to comments and revise the analysis, as necessary.

It is anticipated that this technical information will eventually be folded into the Traffic Engineering Performance Assessment (TEPA) to be prepared for the project. The intent of the TEPA is to identify existing and future operational deficiencies and recommend alternatives to improve overall traffic conditions, including pedestrian and bicycle accommodations.

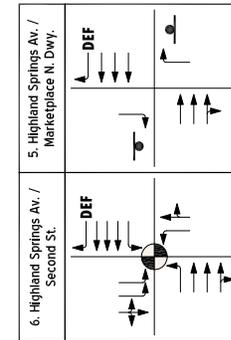
At this time, the improvements under consideration are designed to reduce vehicle delays and queuing in the interchange area, as opposed to the inducement of new travel activities. As such, the project alternatives are not anticipated to increase the amount of existing or future vehicle miles travelled (VMT) in the study area.

### EXHIBIT 24: ADDITIONAL IMPROVEMENTS NEEDED FOR POST-2045 ALTERNATIVES 3 & 4 (DIVERGING DIAMOND INTERCHANGE) CONDITIONS

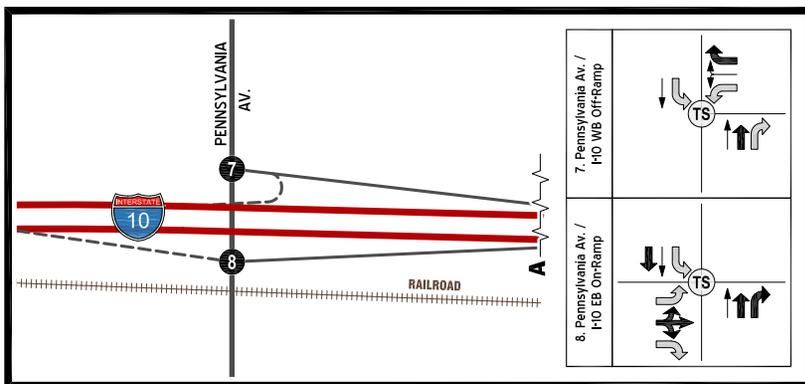


**LEGEND:**

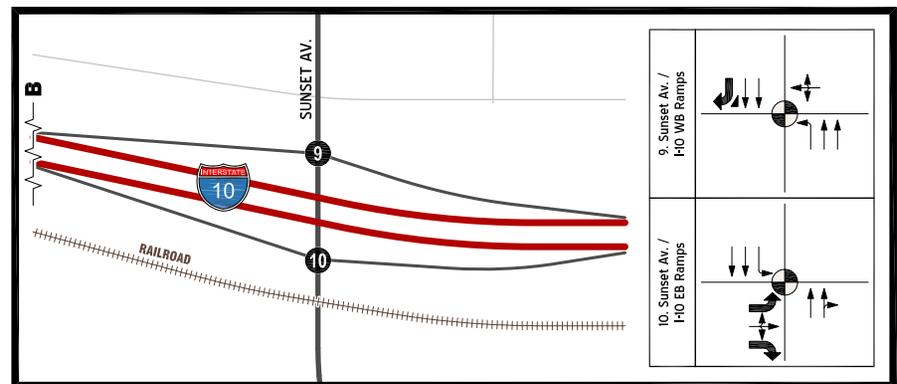
- 9 ■ INTERSECTION ID
- ■ EXISTING TRAFFIC SIGNAL
- (TS) ■ 2040 TRAFFIC SIGNAL IMPROVEMENT
- ■ STOP SIGN
- ↑ ■ EXISTING LANE
- ↑ ■ 2040 LANE IMPROVEMENT
- ↑ ■ POST-2045 LANE IMPROVEMENT
- ↑ ■ FREE-RIGHT TURN LANE IMPROVEMENT
- DEF ■ DEFACTO RIGHT TURN LANE
- (RTO) ■ POST-2045 PHASE RIGHT TURN OVERLAP PHASING IMPROVEMENT



**PENNSYLVANIA AV./I-10 INTERCHANGE AREA**



**SUNSET AV./I-10 INTERCHANGE AREA**



This Page Intentionally Left Blank



## Staff Report

**TO:** City Council

**FROM:** Christina Taylor, Community Development Director

**DATE:** July 21, 2020

**SUBJECT:** **Rejection of Bid in Response to a Request for Proposal for Weed Abatement Services**

---

### Background and Analysis:

The City of Beaumont utilizes independent contractors to perform weed abatement services throughout the City for both privately owned land and those owned by the City. Weed abatement on private property is conducted pursuant to Beaumont Municipal Code Section 8.08.

The weed abatement program is a function of Code Enforcement, a division of the Community Development Department. Community Services staff works closely with Community Enhancement officers to monitor City-owned parcels and ensure that weed abatement services are performed in accordance with the Beaumont Municipal Code. The City owns more than 115 acres of open space that require weed abatement services on a year-round basis.

Beaumont contracts with multiple vendors to perform weed abatement services. Charges incurred for privately owned lots are recovered from the property owners through invoices, liens, and/or assessments to the property tax roll. Charges incurred for City-owned lots are paid for through the appropriate fund.

There are three (3) contractors currently providing weed abatement services to the City. Those contracts for Fiscal Year 2019-2020 were approved by the City Manager in accordance with the procurement requirements outlined in the Beaumont Municipal Code. In an effort to expand the number of contractors available to staff for weed abatement purposes, a Request for Proposals (RFP) was issued through Public Purchase. The RFP was open from May 20, 2020, through June 10, 2020. Twenty vendors downloaded the proposal and one proposal was submitted by Mariposa Landscapes, Inc. The rates proposed by Mariposa Landscapes, Inc. are as follows:

- Hand crew \$800 per acre,
- Weed abatement w/standard machinery \$100 per acre,

- Disking or similar service \$125 per acre, and
- Specialty day equipment rate \$480 per 8-hour day.

The City is currently paying the following rates for weed abatement services:

- Hand crew \$35 per hour per person, three-person maximum (\$105 hr max);
- Disking and mowing \$105 per acre; and
- Water truck (as needed) \$95 per hour.

Although some of the service rates proposed are comparable, the cost for hand crew work is nearly eight times the current rate and the cost for specialized equipment is four times the current rate. Most of the handwork is performed on City property and the cost increase would be a significant impact. For private property, the increase would be borne by property owners. Given the cost increases on critical components of weed abatement services and having only received one proposal, staff is recommending the rejection of proposal from Mariposa Landscapes, Inc.

**Fiscal Impact:**

Cost of time to prepare RFP, evaluate bid and prepare staff report is approximately \$1,200.

**Recommended Action:**

Rejecting the proposal from Mariposa Landscapes, Inc.

**Attachments:**

- A. Mariposa Landscapes, Inc. Cost Proposal
- B. RFP for Weed Abatement Services



### Cost Proposal

**Weed Abatement Services** *The Cost Proposal Form shall be submitted with the proposal in a separate and sealed envelope. Contractor shall include a schedule of current hourly rates for all applicable personnel and State of California Craft and Prevailing Wage Determination.*

#### ROUTINE ANNUAL WED ABATEMENT SERVICES

- Routine Annual Weed Abatement*      \$ 800.00 per acre hand crew
- Routine Annual Weed Abatement*      \$ 100.00 per acre standard machinery
- Disking or Similar Service*            \$ 125.00 per acre

#### General Labor Rates

- 1 Ground-person*                            \$ 38.00 per hour
- 1 Equipment Operator*                    \$ 45.00 per hour

**Specialty Equipment Day Rate**                    \$ 480.00 per 8-hour day

Website:  
[www.beaumontca.gov](http://www.beaumontca.gov)

Address:  
550 E. 6<sup>th</sup> Street  
Beaumont, CA 92223

Phone:  
951.769.8520



# Request for Proposals For Weed Abatement Services

**Proposals Due By:**

12:00 pm  
June 10, 2020

**Contact:**

Christina Taylor  
Community Development Director  
[ctaylor@beaumontca.gov](mailto:ctaylor@beaumontca.gov)

**RFP Available:**

[www.publicpurchase.com](http://www.publicpurchase.com)



## OVERVIEW

The City of Beaumont (City) is seeking proposals from qualified contractors (Contractor) to perform as-needed weed abatement services on private and City owned properties. The City owned properties constitute a prevailing wage project.

## BACKGROUND

The City of Beaumont was incorporated in November 1912. The City is located in the western portion of Riverside County and is bounded on the west by Calimesa and unincorporated areas, on the north by the unincorporated County areas (Cherry Valley), on the south by unincorporated County areas and the City of San Jacinto, and on the east by the City of Banning. The land area within the City's boundaries is approximately 36 square miles.

The City's Community Enhancement Department is responsible for weed abatement on private properties within the City limits. There are approximately 700 private property parcels of varying size subject to weed abatement requirements. There are approximately 140 acres of City owned open space parcels, ranging in size from one acre to fifty-two acres. Other City owned areas needing weed abatement services include drainage channels and freeway frontage parcels.

The purpose of this contract is to provide the City of Beaumont with the best possible weed abatement services, to maintain public safety and minimize public nuisance at a level expected by the City's residents, City Council, City staff, and visitors of the community. The selected firms will work closely with City staff to ensure the most appropriate abatement service for the identified properties.

## GENERAL TERMS AND CONDITIONS

### *AWARD OF CONTRACT*

It is the intent of the City to award one or more contracts, in a form approved by the City Attorney, to the selected firm(s). The City reserves the right to further negotiate the terms and conditions of the contract(s). The City shall reserve the right to reject any proposal for noncompliance with contract requirements and provisions, or to not award a contract because of unforeseen circumstances or if it is determined to be in the best interest of the City. This project will be awarded based on demonstrated ability and performance providing similar services at a fair and



reasonable cost. This contract may not be awarded to the lowest bidder and may be awarded to multiple bidders. The City Council will approve as part of the annual budget an annual contract amount. The City does not guarantee a specific amount of work and the quantity of work may increase or decrease depending on the annual needs of the property conditions.

***Award will be made to the firms who best meet the City’s requirements and who offer the most advantageous combination of low price and highest qualifications for all criteria described in this document.***

***CONTRACT EXECUTION***

The successful Contractor shall execute a contract with the City for the services to be provided. A sample Agreement for Maintenance Services is provided as attached (Exhibit C).

***FEDERAL, STATE, AND LOCAL LAWS***

The Contractor and all Subcontractors shall comply with all applicable Federal, State, and local laws, rules, ordinances, and regulations.

***DRUG-FREE WORKPLACE REQUIREMENTS***

The Contractor shall comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Sections 8350 et seq.).

***AMERICANS WITH DISABILITIES***

The Contractor shall comply with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination, as well as all applicable regulations and guidelines issued pursuant to the ADA.

***NON-COLLUSION AFFIDAVIT***

All bids must be accompanied by a signed and notarized Non-Collusion Affidavit per the Public Contract Code Section 7106.

***CITY OF BEAUMONT BUSINESS LICENSE***



The awarded Contractor and subcontractors shall obtain a City of Beaumont business license prior to commencing work for the City.

*TERMINATION FOR CONVENIENCE*

Refer to Section II in the attached sample Agreement for Maintenance Services (Exhibit C).

*PAYMENT*

Refer to Section IV in the attached sample Agreement for Maintenance Services (Exhibit C).

*INDEMNIFICATION*

Refer to Section V in the attached sample Agreement for Maintenance Services (Exhibit C).

*PREVAILING WAGES*

Refer to Section VI in the attached sample Agreement for Maintenance Services (Exhibit C).

*FAILURE TO COMPLETE PROJECT*

Refer to Section IX in the attached sample Agreement for Maintenance Services (Exhibit C).

*INSURANCE*

Refer to Section X in the attached sample Agreement for Maintenance Services (Exhibit C).

*DEPARTMENT OF INDUSTRIAL RELATIONS (DIR) COMPLIANCE*

Refer to Section XII in the attached sample Agreement for Maintenance Services (Exhibit C).

*ENTIRE AGREEMENT*

Refer to Section XVII in the attached sample Agreement for Maintenance Services (Exhibit C).

*SENATE BILL 854 REQUIREMENTS*

Senate Bill 854 established a new public works contractor registration program which collects fees to fund compliance monitoring and enforcement. All contractors and subcontractors intending to bid or perform work on public works projects will be required to register, and annually renew, online for the program. No contractor or subcontractor may be awarded a contract for public work on a public works project unless registered with the DIR pursuant to Labor Code section 1725.5.

Starting July 1, 2017, the new annual registration fees for public works contractors have increased to \$400.00, and contractors on small projects are exempt from public works registration and electronic certified payroll reporting requirements.

Small Project Exemption:

Contractors who work exclusively on small public work projects are not required to register as a public works or file electronic certified payroll reports for those projects. Contractors are still required to maintain certified payroll records on a continuous basis and provide them to the Labor Commissioner's Office upon request.

The small project exemption applies for public works projects that do not exceed:

- \$25,000 new construction, alteration, installation, demolition or repair
- \$15,000 for maintenance



## PROPOSAL SUBMITTAL INSTRUCTIONS

### *SUBMITTAL LOCATION, CLOSING DATE AND TIME*

**To be considered, proposals must be received by the City of Beaumont, 550 East 6<sup>th</sup> Street, Beaumont, CA 92223 on or before June 10, 2020 at 12:00 PM.**

### *PROPOSAL LABELING*

The proposal shall be submitted in a sealed envelope with all original pages intact. Proposal envelopes must be plainly marked and submitted as follows:

#### **“WEED ABATEMENT SERVICES”**

*The Cost Proposal Form shall be submitted with the proposal in a separate and sealed envelope. Contractor shall include a schedule of current hourly rates for all applicable personnel and State of California Craft and Prevailing Wage Determination.*

Contractors wishing to have their bid proposals considered for this project shall submit completed forms found in Exhibit B. All forms should be signed by an authorized representative of the company and should be legible.

The following forms are required to be submitted and are attached to this RFP as Exhibit B:

1. Proposer Identification/Signature Authorization Form
2. References Form
3. List of Subcontractors Form
4. Non-Collusion Affidavit
5. DIR - SB 854 Compliance Form
6. Questionnaire Form



The Contractor shall complete the Cost Proposal Form and it shall be submitted with the proposal in a **separate sealed envelope**. Contract shall include a schedule of current hourly rates for all applicable personnel and State of California Craft and Prevailing Wage Determination.

### *QUESTIONS AND ANSWERS*

All written questions shall be directed via email to Christina Taylor, Community Development Director, at [ctaylor@beaumontca.gov](mailto:ctaylor@beaumontca.gov). The deadline for all written questions is June 1, 2020 at 5:00pm. Responses to all submitted questions will be in the form of an addendum and will be posted on [www.publicpurchase.com](http://www.publicpurchase.com) by June 5, 2020 at 5:00pm.

***Personal and/or telephonic contact with the City staff regarding this RFP is prohibited. The City may reject the proposal of such Contractor.***

### *WITHDRAWAL OF PROPOSAL BEFORE CLOSING*

Any Contractor may request the withdrawal of their submitted proposal, by written request, at any time PRIOR to the scheduled closing date and time. Upon receiving the written request to withdraw any proposal, the City will consider the Contractor's proposal null and void and return the proposal to the Contractor, unopened. Withdrawal of Contractor's proposal will not prejudice Contractor's re-submittal for this or any future proposal(s).

### *PUBLIC RECORD*

Be advised that **all** information contained in proposals submitted in response to this solicitation **shall** become a matter of public record upon contract award, and be made available upon request, unless otherwise marked. The Contractor must identify, in writing, all copyrighted material, trade secrets or other proprietary information the Contractor claims are exempt from disclosure pursuant to the California Public Records Act. The Contractor who claims such an exemption must also state in the proposal that, "The Contractor agrees to indemnify and hold harmless the City, and its officers, employees and agents from any claims, liability or damages against the city and to defend any actions brought against the City for its refusal to disclose such material, trade secrets or other proprietary information to any party."



## EXHIBIT A

### PROJECT SCOPE OF WORK

The Contractor shall perform weed abatement services in accordance with the statement of work described herein and all applicable governing standards. The work performed pertaining to this contract is routine, perpetual and typical.

It shall be understood that the Contractor will be required to perform and complete the proposed weed abatement services in a thorough and professional manner, and to provide all labor, tools, equipment, traffic control, materials and supplies necessary to complete all work in a timely manner that will meet the City's requirements.

#### *REQUIRED QUALIFICATIONS*

All firms submitting bid proposals must hold valid licensing:

A valid California State Contractor's License:

- C-27 – Landscaping Contractor
  - California Code of Regulations Title 16, Division 8, Article 3. Classifications
    - A landscape contractor constructs, maintains, repairs, installs, or subcontracts the development of landscape systems and facilities for public and private gardens and other areas which are designed to aesthetically, architecturally, horticulturally, or functionally improve the grounds within or surrounding a structure or a tract or plot of land. In connection therewith, a landscape contractor prepares and grades plots and areas of land for the installation of any architectural, horticultural and decorative treatment or arrangement.
- C-61 – Limited Specialty Classification
  - California Code of Regulations Title 16, Division 8, Article 3. Classifications



- Limited specialty is a specialty contractor classification limited to a field and scope of operations of specialty contracting for which an applicant is qualified other than any of the specialty contractor classifications listed and defined in this article.
- An applicant classified and licensed in the classification Limited Specialty shall confine activities as a contractor to that field or fields and scope of operations set forth in the application and accepted by the Registrar or to that permitted by Section 831.
- Upon issuance of a C-61 license, the Registrar shall endorse upon the face of the original license certificate the field and scope of operations in which the licensee has demonstrated qualifications.
- A specialty contractor, other than a C-61 contractor, may perform work within the field and scope of the operations of Classification C-61, provided the work is consistent with established usage and procedure in the construction industry and is related to the specialty contractor's classification.
- The CSLB has listed the C-61 classifications into "D" subcategories for administrative tracking. The definitions for the "D" subcategories were developed by staff and approved by the Board as policy.

All licenses must be in good standing and without any official unresolved record of complaints registered or filed with the Board or California Department of Consumer Affairs.

Contractor shall have OSHA certification of applicable equipment to be used throughout the term of this project. Contractor shall have certified traffic control staff in accordance with MUTCD guidelines.

Contractor shall comply with Standards of CAL OSHA and the American National Standard Institute, Z133 Safety Requirements.

Contractor should have a Quality Control Plan with an effective and efficient means of identifying and correcting problems throughout the entire scope of operations. The successful Contractor shall be required to comply with the quality control plan throughout the term of the



contract. Contractors shall have a current Safety Manual that meets SB 198 requirements for injury and illness prevention.

## PROJECT SPECIFICATIONS

### GENERAL SPECIFICATIONS

#### *Weed Abatement Services*

It shall be understood that the Contractor will be required to perform and complete the proposed weed abatement services work in a thorough and professional manner, and to provide labor, tools, equipment, traffic control, materials and supplies necessary to complete all the work in a timely manner that will meet the City’s requirements. Contractor may be required to perform the following weed abatement activities throughout the City:

- Routine annual, semi-annual or quarterly weed abatement
  - Parcels of five acres or less in size shall be mowed to a three inch-high stubble, or disked (or service similar to disking) provided that such does not create fugitive dust emissions in violation of state air quality rules and that the owner takes all steps necessary to control fugitive dust emissions;
  - Parcels larger than five acres in size shall be mowed to a three inch-high stubble, or disked (or service similar to disking) around the perimeter of the parcel in a swath 100 feet wide and with a 100 foot wide "crisscross" through the center of the parcel provided that such disking does not create fugitive dust emissions in violation of state air quality rules and that the owner takes all steps necessary to control fugitive dust emissions.
- Labor and equipment
- General labor
- Day service crew
- Specialty equipment rental

1. Hourly Work Charges: Regular hourly work charges shall include weed abatement services, hand crew or equipment services, and other services generally needed. This work shall occur during normal working hours.



2. Debris Removal: All costs for debris removal shall be factored into the bid rate. The City shall not provide reimbursement for any debris removal, dump fees, mileage or other associated costs.
3. Proof of Abatement Services: Contractor shall provide with the invoice for payment, before and after pictures of property for which weed abatement services have been provided, identified by Assessor Parcel Number (APN).

### *Standards*

Daily weed abatement operations shall commence no earlier than 7:00 A.M. and shall be completed each day no later than 4:00 P.M.

Prior to beginning the work, the Contractor shall review the City Weeds and Waste Matter Standards and various methods, tools, and work scheduling to be used on the project. Unless otherwise indicated, weed abatement shall include activities referenced above, and coordination with City staff for clarification.

Work will be assigned on a monthly basis and completed within three (3) business days of assignment. Contractor shall secure a list of weed abatement locations from City staff that identifies work assignments.

Contractor shall notify City representative when they arrive on site to perform services within the City. Contractor shall always keep City staff informed of their progress.

All debris resulting from weed abatement operations shall be removed from the work site daily.

### *Inspections*

At all times, City staff shall have access to the work and shall be furnished with every reasonable facility for ascertaining full knowledge respecting the progress, workmanship, and character of materials and equipment used and employed in the work.

### *Traffic Control*

The Contractor shall provide traffic control as required and obtain traffic control permits from the



City prior to beginning work.

The Contractor will be responsible for supplying and using all safety equipment necessary to close or delineate traffic lanes to through traffic. This is to include a high visibility Arrow Board(s) as necessary. The City, prior to use, must approve all traffic safety equipment for use.

The Contractor shall conform to all State and City traffic safety requirements, operating rules and governing standards of the MUTCD and WATCH manuals, at all times, while this contract is in effect.

*Dust Control*

Contractor shall, at all times, comply with the South Coast Air Quality Management District’s dust control regulations.

*Public Noticing of Scheduled Maintenance Operations*

Contractor shall provide and post “No Parking” signs twenty-four (24) hours in advance of the work, if needed.

Contractor shall endeavor to maintain good public relations at all times. The work shall be conducted in a manner which will cause the least possible interference and annoyance to the public. Work shall be performed by competent employees and supervised by an experienced supervisor in tree maintenance operations. The Contractor shall be responsible for advance notification to the residents at each work location of the intended tree operations. The Contractor shall be responsible to see that private property and vehicles at work locations are not endangered or damaged during the course of work.

*Clean Up*

Each day’s scheduled work shall be completed and cleaned up and under no circumstances shall any brush, leaves, debris or equipment be left on the street overnight.

The City or authorized representative shall be the sole judge as to the adequacy of the cleanup.

*Work Quality*



All weed abatement shall comply with best practices for the service provided. The City shall determine if the Contractor has met all requirements and payment shall not be made for that is not in accordance with the above standards. The Contractor shall be deemed in contract default, if they consistently fail to comply with the aforementioned standards.

#### *CREW RENTAL*

Contractor is responsible for all costs and maintenance associated with equipment used for providing weed abatement services.

### **DEFINITIONS**

Where “as directed”, “as required”, “as permitted”, “approve”, “acceptance”, or words of similar importance are used, it shall be understood that the direction, requirement, permission, approval or acceptance by the City of Beaumont is intended unless otherwise stated. As used herein, “provide” shall be understood to mean “provide complete”, in total. The word “site” as used hereinafter shall be understood to mean the location receiving the service. The use of the word “Contractor” shall be held to mean the Contractor and/or any person employed by them and working under this contract.

The use of the word “shall” and “ought to be held” shall be understood to mean “mandatory” and “permissive” respectively. The use of the words “his” or “him” shall be construed to mean either gender, as appropriate.



## EXHIBIT B

### FORMS REQUIRED FOR SUBMISSION



SUBMISSION CERTIFICATION

I hereby submit to the City of Beaumont the following bid proposal for work outlined in the Request for Proposal entitled “**WEED ABATEMENT SERVICES.**”

By my initials below, I certify that the following documents are completed, fully executed, and included in my proposal as required in the RFP document.

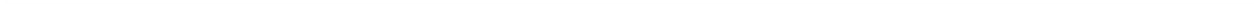


- \_\_\_\_\_ Proposer Identification/Signature Authorization
- \_\_\_\_\_ References
- \_\_\_\_\_ List of Subcontractors
- \_\_\_\_\_ Non-Collusion Affidavit
- \_\_\_\_\_ Dept. of Industrial Relations (DIR) SB 854 Certification
- \_\_\_\_\_ Questionnaire

Contractor shall complete the Cost Proposal Form and it shall be submitted with the proposal in a **separate sealed envelope**. Contract shall include a schedule of current hourly rates for all applicable personnel and State of California Craft and Prevailing Wage Determination.

\_\_\_\_\_ Cost Proposal Form (under separate sealed envelope)

My signature on this Submittal Certification is affirmation that all items listed above are fully completed and executed and are hereby submitted with the proposal as required. I understand that failure to complete and/or submit any of the required documents may be cause for rejection of my proposal.





Business Name \_\_\_\_\_  
Authorized Signature \_\_\_\_\_  
Print Name \_\_\_\_\_ Title \_\_\_\_\_  
Date \_\_\_\_\_ Contact Phone Number \_\_\_\_\_



PROPOSER IDENTIFICATION

- 1. Legal Name of Proposer: \_\_\_\_\_
- 2. Street Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_
- 3. Mailing Address (if different): \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_
- 4. Business Phone: \_\_\_\_\_ Email: \_\_\_\_\_
- 5. Contractor's State License No. \_\_\_\_\_ Classification(s): \_\_\_\_\_
- 6. Dept. of Industrial Relations (DIR) Registration No. \_\_\_\_\_
- 7. Proposer's Project Manager: \_\_\_\_\_

SIGNATURE AUTHORIZATION

I hereby certify that I have the authority to offer this proposal/bid to the City of Beaumont for the above listed individual or company. I certify that I have the authority to bind myself/this company in a contract should I be successful in my proposal/bid.

\_\_\_\_\_  
Signature of Authority

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title/Position



REFERENCES

Contractor should have at least three (3) similar and separate weed abatement contracts which have been successfully completed within the last five (5) years. Each project shall be of comparable size and scope to this project (descriptions of these projects and contact persons must be provided with bid submission).

1. Name of Agency: \_\_\_\_\_  
 Mailing Address: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_ Contact Phone: \_\_\_\_\_  
 Email Address: \_\_\_\_\_  
 Term of Contract: \_\_\_\_\_ Contract Amount: \$ \_\_\_\_\_

2. Name of Agency: \_\_\_\_\_  
 Mailing Address: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_ Contact Phone: \_\_\_\_\_  
 Email Address: \_\_\_\_\_  
 Term of Contract: \_\_\_\_\_ Contract Amount: \$ \_\_\_\_\_

3. Name of Agency: \_\_\_\_\_  
 Mailing Address: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_ Contact Phone: \_\_\_\_\_  
 Email Address: \_\_\_\_\_  
 Term of Contract: \_\_\_\_\_ Contract Amount: \$ \_\_\_\_\_

4. Name of Agency: \_\_\_\_\_  
 Mailing Address: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_ Contact Phone: \_\_\_\_\_  
 Email Address: \_\_\_\_\_  
 Term of Contract: \_\_\_\_\_ Contract Amount: \$ \_\_\_\_\_



LIST OF SUBCONTRACTORS

The proposer is required to furnish the following information in accordance with the provisions of Section 4100 to 4113, inclusive, of the Public Contract Code of the State of California.

Legal Name of Subcontractor: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Contact Phone: \_\_\_\_\_  
Email Address: \_\_\_\_\_  
License No. \_\_\_\_\_ DIR Registration No. \_\_\_\_\_ Percent of Contract: \_\_\_\_%  
Specific Description of Subcontract: \_\_\_\_\_

Legal Name of Subcontractor: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Contact Phone: \_\_\_\_\_  
Email Address: \_\_\_\_\_  
License No. \_\_\_\_\_ DIR Registration No. \_\_\_\_\_ Percent of Contract: \_\_\_\_%  
Specific Description of Subcontract: \_\_\_\_\_

Legal Name of Subcontractor: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Contact Phone: \_\_\_\_\_  
Email Address: \_\_\_\_\_  
License No. \_\_\_\_\_ DIR Registration No. \_\_\_\_\_ Percent of Contract: \_\_\_\_%  
Specific Description of Subcontract: \_\_\_\_\_

Legal Name of Subcontractor: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Contact Phone: \_\_\_\_\_  
Email Address: \_\_\_\_\_  
License No. \_\_\_\_\_ DIR Registration No. \_\_\_\_\_ Percent of Contract: \_\_\_\_%  
Specific Description of Subcontract: \_\_\_\_\_

If Subcontractors will not be used for this contract, please initial here: \_\_\_\_\_



**NON-COLLUSION AFFIDAVIT**

(Per California Public Contract Code Section 7106)

**TO BE EXECUTED BY  
BIDDER AND SUBMITTED WITH BID**

State of California }  
County of } ss.

\_\_\_\_\_, being first duly sworn, deposes and says  
that he or she is \_\_\_\_\_(title) of  
\_\_\_\_\_, (legal name of proposing contractor)

the party making the foregoing bid and that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.



DEPT OF INDUSTRIAL RELATIONS NOTICE  
(SENATE BILL 854)

Senate Bill 854 was signed into law on June 20, 2014 and established a new public works contractor registration program which collects fees to fund compliance monitoring and enforcement, determines prevailing wage and public works coverage, and hears enforcement appeals.

All contractors and subcontractors intending to bid or perform work on public works projects are required to register, and annually renew, online for the program. This is a Department of Industrial Relations (DIR) fee paid directly to the State of California. On July 1, 2017, the new annual registration fees for public works contractors increased to \$400.00.

Contractors on small projects are exempt from public works registration and electronic certified payroll reporting requirements.

Small Project Exemption:

Contractors who work exclusively on small public work projects are not required to register as a public works contractor or file electronic certified payroll reports for those projects. However, contractors are still required to maintain certified payroll records on a continuous basis and provide them to the Labor Commissioner’s Office upon request.

The small project exemption applies to public works projects that do not exceed:

- \$25,000 new construction, alteration, installation, demolition or repair
- \$15,000 for maintenance

The City is required to fill out a form alerting the DIR of the services you are providing to within five (5) days after Notice of Award. Detailed information is needed to complete this form; therefore, you will be required to provide certain information needed to complete the DIR form.

Proposer’s DIR No. \_\_\_\_\_ Federal ID No. \_\_\_\_\_

Proposer is not registered with the DIR, but agrees to immediately register if awarded the contract \_\_\_\_\_ (initials)



QUESTIONNAIRE

In accordance with Government Code Section 14310.5, the Proposer shall complete, under penalty of perjury, the following:

*NOTE: This questionnaire constitutes a part of the Proposal and signature on the signature authority portion of this Proposal shall constitute signature of this questionnaire.*

1. Has the Proposer, any officer of the Proposer, or any employee of the Proposer who has a proprietary interest in the Proposer, ever been disqualified, removed, or otherwise prevented from bidding on, or completing a Federal, State, or local government project because of a violation of law or a safety regulation?

Yes \_\_\_\_\_

No \_\_\_\_\_

If answered "Yes," please explain in detail the circumstances surrounding the event:

---



---



---



---



---



---



---



---



---



### Cost Proposal

**Weed Abatement Services** *The Cost Proposal Form shall be submitted with the proposal in a separate and sealed envelope. Contractor shall include a schedule of current hourly rates for all applicable personnel and State of California Craft and Prevailing Wage Determination.*

#### ROUTINE ANNUAL WED ABATEMENT SERVICES

*Routine Annual Weed Abatement*      \$\_\_\_\_\_ per acre hand crew

*Routine Annual Weed Abatement*      \$\_\_\_\_\_ per acre standard machinery

*Disking or Similar Service*            \$\_\_\_\_\_ per acre

#### General Labor Rates

*1 Ground-person*                            \$\_\_\_\_\_ per hour

*1 Equipment Operator*                    \$\_\_\_\_\_ per hour

**Specialty Equipment Day Rate**      \$\_\_\_\_\_ per 8-hour day



## EXHIBIT C

# AGREEMENT FOR WEED ABATEMENT SERVICES (SAMPLE)



## Staff Report

**TO:** City Council  
**FROM:** Jeff Mohlenkamp, Finance Director  
**DATE:** July 21, 2020  
**SUBJECT:** Approve Payment Wildland Protection Invoice from Cal Fire

---

### Background and Analysis:

The City contracts with the Department of Forestry and Fire Protection "Cal Fire" to provide wildland fire protection within the City of Beaumont. The attached invoice covers the period July 1, 2019, through June 30, 2020.

### Fiscal Impact:

The invoice for this annual service totals \$43,338.12.

### Recommended Action:

Approve payment of the invoice for wildland fire protections services to the Department of Forestry and Fire Protection in the amount of \$43,338.12.

### Attachments:

- A. Invoice from Department of Forestry and Fire Protection

INVOICE

Item 16.



Invoice Number: 0000001291982  
Invoice Date: 05/21/2020  
Due Date: 06/20/2020  
Customer ID: 350009222304

Dept. Forestry & Fire Protectn

CITY OF BEAUMONT  
ATTN: TODD PARTON  
550 EAST 6TH STREET  
BEAUMONT CA 92223

RECEIVED  
JUN 22 2020

BY: *Moe*

Service Period: 07/01/2019 - 06/30/2020

Line	Description	Quantity	Rate	Amount
1	LRA - BEAUMONT Billing for wildland Fire Protection for 1173 acres of land within the City of Beaumont for the period of July 1, 2019 through June 30, 2020	1.00	38,533.05	38,533.05
2	ADMINISTRATION FEES PLEASE INCLUDE THE INVOICE NUMBER WITH YOUR ELECTRONIC OR CHECK PAYMENT	1.00	4,805.07	4,805.07

Amount Due (USD): \$ 43,338.12

For billing questions, please contact us at (916)6532811  
Contains confidential information and unauthorized use or disclosure is prohibited by State law.

-----  
Please detach this portion of the bill and return it with your payment.

Customer Name: CITY OF BEAUMONT  
Customer ID: 350009222304  
Invoice ID: 0000001291982  
Due Date: 06/20/2020  
Fiscal Year: 2019-2020

Amount Due: \$ 43,338.12  
Amount Paid: \_\_\_\_\_

Remit Payment To:

Dept. Forestry & Fire Protectn  
P.O. Box 997446  
ATTN: Accounts Receivable - Cashier  
Sacramento CA 95899-7446

35000922230400000012919820004333812



## Staff Report

**TO:** City Council

**FROM:** Mike Lara, City Council Member

**DATE:** July 21, 2020

**SUBJECT:** Discussion and Direction Regarding Western Riverside Council of Governments (WRCOG) Proposed Programs for Fiscal Year 2021

---

### Background and Analysis:

On July 8, 2020, the Western Riverside Council of Governments (WRCOG) Administration and Finance Committee (Committee) held a regular meeting. The agenda included a look forward for Fiscal Year 2021 and a presentation of three potential initiatives. These initiatives were:

1. Formation of an Economic Development Corporation (EDC),
2. Provision of GIS/Modeling Services to Members/Others, and
3. Formation of a Sub-Regional Housing Trust.

Attached to this memorandum is a copy of the July 8, 2020, meeting presentation that provides an overview for each of these initiatives.

### Economic Development Corporation (EDC)

WRCOG proposes the formation of a new EDC that would operate as a non-profit entity. The mission of this entity would be to promote economic development within the WRCOG. It would focus on business attraction, business retention, and business expansion.

It is contemplated that an EDC would be developed through a three-step process. First, a steering committee would be formed which consists of internal and external stakeholders to provide guidance for the formation of a sub-regional EDC. Second, an organizational structure would be developed that best reflects the needs and objectives of all members and stakeholders. Finally, the EDC would be operationalized to include establishing a sustained source of funding and providing other needed resourcing. It is contemplated that membership would consist of public and private sector entities.

EDC information is provided on Slides 13 to 21 of the attached presentation.

### Housing Trust

WRCOG also proposes the creation of a public/private partnership to develop a funding mechanism to develop and preserve affordable housing. The types of housing activities that could be implemented would be:

1. New construction of affordable housing;
2. Preservation/rehabilitation of existing, affordable housing;
3. Provision of services to the unhoused; and
4. Down payment assistance for developers or first-time home buyers.

This trust was presented as a tool to help address the region's shortage of affordable housing by mitigating high land costs and rising construction costs. These objectives would be achieved through the formation of a joint powers authority (JPA) that creates a non-profit entity that can raise funds that would be applied toward qualified housing projects. The disbursement of the funds would be overseen by a board of directors which would be composed of jurisdictional representatives, elected officials, and other stakeholders.

Ultimately, WRCOG envisions the formation of a regionally based solution through a public/private partnership that dedicated to solving issues of housing attainability and homelessness. With its ability to access public and private capital, it is seen as a long-term solution.

Housing trust information is provided on Slides 22 to 27 of the attached presentation.

### GIS/Modeling Service Bureau

WRCOG's final initiative is the creation of a service to provide GIS and transportation modeling services to member agencies. This service would be modeled after a similar program created in the San Diego region which is known as SANDAG. WRCOG stated that the provision of GIS/modeling services to member agencies would:

1. Enhance the existing GIS/modeling and transportation planning efforts of member agencies; and
2. Provide quick, inexpensive services to members.

Furthermore, WRCOG envisions that this program would be capable of providing a broad range of services. These services would include general plan amendments, traffic volume maps, traffic model scenarios for proposed developments/redevelopments, and project specific mapping needs.

Member agencies would have access to this service through subscription fees and/or project-specific fees and charges. WRCOG proposes to utilize existing GIS/modeling staff and resources to provide these services and states that no additional staffing would be needed.

GIS/Modeling Service Bureau information is provided on Slides 28 to 33 of the attached presentation.

#### City Council Discussion/Action

WRCOG is proposing three major programming initiatives that have far reaching implications from both a monetary and policy perspective. Formal direction from the City Council is requested in order to ensure that Beaumont's interests and positions are accurately represented before the Committee.

#### **Fiscal Impact:**

City estimates that preparation of this report cost approximately \$175.

#### **Recommended Action:**

It is recommended that the City Council provide direction with regard each of WRCOG's proposed programs for Fiscal Year 2021 – Economic Development Committee, Housing Trust and GIS/Modeling Service Bureau – and direct Beaumont's representative to submit said direction to the Administration and Finance Committee.

#### **Attachments:**

- A. Presentation – WRCOG Administration and Finance Committee, July 8, 2020

# WRCOG Administration & Finance Committee

July 8, 2020



1

1

## 1. Call to Order



2

2

## 2. Roll Call



Crystal Ruiz  
City of San Jacinto  
2nd Vice-Chair



3

3

## 3. Public Comments

Non-agenda items only; three minute limit per person.



4

4

## Consent Calendar (Items 4.A – 4.D)

- 4.A Summary Minutes from the May 13, 2020, Administration & Finance Committee Meeting are Available for Consideration.

Requested Action:

1. Approve the Summary Minutes from the May 13, 2020, Administration & Finance Committee meeting.

- 4.B Finance Department Activities Update

Requested Action:

1. Receive and file.



5

5

## Consent Calendar (Items 4.A – 4.D)

- 4.C Approval of a Professional Services Agreement for the Analyses of the Smart Climate-Resilient Transportation Planning and Investments Project

Requested Action:

1. Recommend that the Executive Committee approve the Professional Services Agreement between Western Riverside Council of Governments and WSP USA, Inc., to provide technical services conducting risk assessments on vulnerable transportation assets in the Inland Empire region in an amount not to exceed \$379,175.47.

- 4.D Single Signature Authority Report

Requested Action:

1. Receive and file.



6

6

## 5.A Fiscal Year 2019/2020 Year in Review, and a Look Forward



Rick Bishop  
WRCOG



*#Whatsnext?*

7

7

## What's next for WRCOG and its affiliated agencies?



*#Whatsnext?*

8

8

## For this item...

1. Draft Annual Report is attached to agenda
2. Potential new initiatives for consideration



*#Whatsnext?*

9

9

## Economic Development & Sustainability Framework Sets Stage for WRCOG Activities

### Priority Areas

- Economy
- Transportation
- Water
- Energy/Environment
- Health
- Education



*#Whatsnext?*

10

10

## Overview of potential new programs / initiatives – requested by members

- What is it?
  - Why is it needed?
  - How can it occur?
  - What makes it unique?
  - What are the benefits?
  - What is the end result?
- 
- Use WRCOG's "Filter Review" to ascertain whether the proposal is a good fit for WRCOG?



*#whatsnext?*

11

11

## Three potential programs / initiatives will be presented:

1. Formation of an Economic Development Corporation (EDC)
2. Provision of GIS/Modeling services to members / others
3. Formation of a subregional Housing Trust



*#whatsnext?*

12

12

## 1. Establishment of an Economic Development Corporation

- What is an Economic Development Corporation (EDC)?
- How Does an EDC differ from Chambers of Commerce?
- How does an EDC differ from an EDA?
- How does an EDC benefit all?

EDCs are usually organized as a non-profit whose mission is to promote economic development within a specific geographic area.

### Common industry practices include :

Business Attraction	Business Retention	Business Expansion
• Example: Amazon HQ2	• Example: Garner Holt Productions	• Example: Country Archer Jerky Co.



*#Whatsnext?*

13

13

## Why is an EDC needed?

- Economic development continues to be a need expressed by many of our members
- At WRCOG we look to provide coordinated and regional responses that benefit the subregion and our members
- Similarly, economic development isn't just a need expressed by our members. It's a common need overall
- The following slides are from an Economic Development survey conducted by Riverside Community College District that identify this region's splintered efforts in economic development
- The survey was produced by Dr. Jeannie Kim and included 143 respondents
- Main Highlights - What hinders interaction on economic development?
  - Lack of sustained efforts
  - Lack of time



*#Whatsnext?*

14

14



15



16

### How can the formation of an EDC occur?



#### Strategize

Form a steering committee of internal and external stakeholders to guide the efforts and formation of a sub-regional EDC.



#### Organize

Identify by the best organizational model that will benefit all members and stakeholders.



#### Operationalize

Identify ongoing funding and create the operational infrastructure to develop the services identified and needed by the steering committee.



*#Whatsnext?*



### What makes an EDC unique?

- An EDC is usually an independently funded non-profit organization
- Its governing body is typically representative of both public and private industry.
- An EDC could provide complimentary services and produce enhanced programming to regional economic development efforts.
- Would complement County EDA, City EDA, Chambers, and other entities
- Would serve as an honest broker for the region
- Continues to create economies of scale for the region

## What are the Benefits of a Sub-regional EDC?



### Business Intelligence

GIS & Data Tools  
Objective-based thought leadership



### Branding

Marketing, PR, Outreach and  
Compelling Storytelling



### Policy Coordination

Collaborates with education,  
business and government on  
policy development and  
implementation



### Programs & Incentives

Site Selection Assistance  
Start-up assistance  
Business Development and  
Network Exposure  
Workforce Development  
Assistance  
Exploration of a Tax Based  
Sharing model



*#Whatsnext?*

19

19

## What is the End Result?

- A sub-regional EDC would stand as a separate non-profit entity
- Inclusive of public and private partnerships
- Focused on near-term economic recovery, while aiming to build a resilient economy for the future.
- Growing partners in the pipeline
  - Milken Institute
  - Co-Founder of the Los Angeles Cleantech Incubator (LACI)
- An EDC could potentially house unique assets as part of its service lines to members and private industry:
  - Housing Trust
  - GIS Services/Business Intelligence



*#Whatsnext?*

20

20

## Subregional Economic Development Corporation: *How does it stack up?*

Putting it through the filter... ■ ■ ■ ■

- Multijurisdictional – regional benefit? Would benefit all WRCOG members
- Within WRCOG Core Programs? Key element of sustainability framework
- Potential to make a difference? Could provide high level of benefit to improve regional economy
- Cost-effectiveness in a regional approach? Regional approaches can be highly effective
- Does WRCOG have the resources to be effective? Will need State funding for implementation (AB 3205)
- Does benchmarking indicate a need for action? Consistent request from our members

Other factors:

- Is the issue already being addressed by others? No fully functioning sub-regional EDC for WRCOG
- Overall implementation difficulty (funding issue) Medium level of difficult, funding and other actors



*#Whatsnext?*

21

21

## 2. Housing Trust

What Is it?

- Public/private partnership
- Provides a dedicated source of revenues for a variety of housing activities such as:
  - New construction of affordable housing
  - Preservation or rehabilitation of existing affordable housing
  - Homeless housing services
  - Down payment assistance for developers or eligible, first-time home buyers
- Have existing nationally since the 1970's
- Housing trusts in Silicon Valley, Orange County, and the San Gabriel Valley



*#Whatsnext?*

22

22

## Why Is It Needed?

- The region faces a significant housing supply shortage and affordability crisis
  - High land costs
  - Rising construction costs
- Private sector finds it difficult to implement affordable housing without significant subsidies
- Agencies lack sufficient funding to implement many of these programs
  - Funding is often distributed between agencies
  - Allocated funding often has significant restrictions



*#Whatsnext?*

23

23

## How it can be accomplished?

- Establishing a regional housing trust through a JPA
- Create a companion non-profit arm
  - The entity can actually raise funds through its non-profit arm, rather than solely rely on public money
- Board of Directors would oversee allocation of funds
- Directors would include jurisdictional representatives, elected officials, and other stakeholders.



*#Whatsnext?*

24

24

## Why Is It Unique?

- Housing Trusts offer creative solutions to address funding limitations
  - Serve as a flexible source of gap financing for affordable housing
  - Give regions the ability to compete for otherwise-restricted state funds
  - Receive ongoing revenues, rather than being dependent on annual appropriations from general funds or similar sources
  - Able to combine money from multiple agencies and public/private sources
- Currently have no similar entity in Western Riverside County
- We have public agencies dedicated to addressing homelessness
- We have private entities/non-profits that also address homelessness



*#whatsnext?*

25

25

## What Is the End Result?

- A public/private partnership that is dedicated towards solving issues of housing and homelessness
- This partnership is able to access a variety of sources both public and private
- Long-term solution for housing and homelessness issues in the WRCOG region
- Regionally based solution



*#whatsnext?*

26

26

## Housing Trust – *How does it stack up?*

Putting it through the filter... ■ ■ ■

- Multijurisdictional – regional benefit? Would benefit all WRCOG members
  - Within WRCOG Core Programs? Extension of WRCOG planning efforts
  - Potential to make a difference? Can provide high level of benefit
  - Cost-effectiveness in a regional approach? High level of cost-effectiveness
  - Does WRCOG have the resources to be effective? Would need funding to proceed, could use REAP funds
  - Does benchmarking indicate a need for action? Has been a key regional issue for years
- Other factors:
- Is the issue already being addressed by others? Other agencies in this space but no other housing trusts
  - Overall implementation difficulty (funding issue) Would need to obtain funding and secure political support



*#Whatsnext?*

27

27

### 3. GIS/Modeling Service Bureau

**GIS**

- WRCOG will create a service to provide GIS & Transportation Modeling Services
- Based on a similar service in the San Diego region (SANDAG)
- Provide GIS/Modeling capabilities and products to WRCOG member agencies
  - Also help to enhance GIS/Transportation departments at other agencies currently managing their own systems
  - Provide quick, inexpensive services to members without need for additional staff, consultants, software licensing, hardware needs
- Possible services include:
  - General Plan amendments
  - Traffic volume maps
  - Traffic model scenarios for new development
  - Project mapping, demographics, service area analysis, SB-743 implementation, etc.



28

## Why is it needed?



- Several WRCOG agencies have requested GIS support
  - While mainly geared towards agencies without GIS departments, can provide additional support to agencies with ongoing GIS operations
- GIS has become a critical need in city departments
  - GIS data and mapping can help strategize public infrastructure improvements
  - Produce more efficient workflows and maintenance
  - Develop understanding of city project impacts
- Transportation modeling:
  - Provides understanding of project impacts on traffic
  - Modeling will help evaluate Vehicle Miles Traveled (VMT) impacts and help to meet state goals on VMT mitigations (SB-743)



*#whatsnext?*

29

29

## How will this be accomplished?



- Allows WRCOG agencies to request GIS/Modeling products
- Payment Options:
  - Subscription fee
  - Case-by-case basis
- WRCOG staff with GIS/Modeling expertise to respond to requests
  - No additional staff needed
- Minimal up front costs
  - Upgrade GIS/Modeling software
  - Dedicated computer equipment
- Service can be expanded to be made available to non-member agencies



*#whatsnext?*

30

30

## How is this unique?



- Addresses a need for many members
- Self funded
- No additional WRCOG staff resources
- Cost savings to member agencies
- Minimize the use of expensive consulting fees for GIS/Modeling tasks



*#whatsnext?*

31

31

## What is the end result?



- Resource for member agencies
  - Data/Mapping
  - Transportation modeling
- Data sharing and collaboration
- Minimize costs to agencies
  - Reduce use of consulting fees for similar services
  - Create online systems to automate data management/mapping
- Provide robust datasets
  - Maintain up-to-date information
  - Create new, extensive GIS datasets



*#whatsnext?*

32

32

## GIS/Modeling Service Bureau – *How does it stack up?*



Putting it through the filter... ■ ■ ■

- Multijurisdictional – regional benefit?- Many of the smaller jurisdictions would benefit
  - Within WRCOG Core Programs?- Outgrowth of current Planning efforts
  - Potential to make a difference?- Received numerous requests from agencies and stakeholders
  - Cost-effectiveness in a regional approach?- Regional agencies often provide these services
  - Does WRCOG have the resources to be effective?- Can be implemented with existing staff
  - Does benchmarking indicate a need for action?- See significant need in our region
- Other factors:
- Is the issue already being addressed by others?- No other entity providing regional services
  - Overall implementation difficulty (funding issue)- Would require limited additional resources



*#Whatsnext?*

33

33

## 5.A Fiscal Year 2019/2020 Year in Review, and a Look Forward

Requested Action:

1. Receive and file.



34

34

## 6. Report from the Executive Director



35

35

# PROCLAMATION

## TO RECOGNIZE AND HONOR

### **Barbara Spoonhour**

#### **For Service to the Western Riverside Council of Governments**



**WHEREAS**, Barbara Spoonhour has spent her entire career dedicated to public service, first serving four years in the United States Marine Corps, then working more than 20 years in local government; and

**WHEREAS**, Barbara was hired at WRCOG on September 19, 2001, and has worked on and developed many successful programs for the Agency over the years; and

**WHEREAS**, these programs include her work on the Agency's Used Oil, Solid Waste, and Clean Cities Programs and activities; and

**WHEREAS**, in 2011, Barbara led the launch of the \$2 Billion WRCOG Energy Efficiency and Water Conservation Program, known as Home Energy Renovation Opportunity (HERO); and

**WHEREAS**, in April and May of 2020, Barbara again lead the launch of another successful Program, Western Community Energy, which will provide local control and cleaner energy at a discounted rate to several jurisdictions in the subregion; and

**WHEREAS**, Barbara's calm, cool, and collected demeanor sometimes intimidated staff, just a little; and

**WHEREAS**, her recent announcement of her impending retirement, given her young age, was a great shock to all, and largely ignored by staff for as long as possible; and

**WHEREAS**, in retirement Barbara will never have to hear from Rick Bishop again about her unhealthy love for extra mayonnaise on her burgers and sandwiches; and

36

## 7. Items for Future Agendas



37

37

## 8. General Announcements



38

38

## 9. Next Meeting

The Administration & Finance Committee is DARK in the month of August.

The next Administration & Finance Committee meeting is scheduled for:

Wednesday, September 9, 2020

12:00 p.m.

Via Zoom platform



39

39

## 10. Adjournment ~ In Memory of Director Bob Stockton, WMWD



December 20, 1953 - May 13, 2020



40

40



## Staff Report

**TO:** City Council

**FROM:** Todd Parton, City Manager

**DATE:** July 21, 2020

**SUBJECT:** Discussion and Direction to City Staff Regarding the Use of the City of Beaumont's CARES Act Relief Fund Allocation

---

### Background and Analysis:

As discussed at the regular City Council meeting of July 7, 2020, California's state budget for FY2020-2021 includes a pro-rata distribution of \$500 million in Coronavirus Relief Funds to municipalities of less than 500,000 population. The City of Beaumont's allocation is \$635,569. These are pass through funds from the Federal CARES Act and the use of the funds are subject to Federal as well as State guidelines.

In order to qualify for its funds, the City was required to execute and submit a certification form by 11:59 p.m., July 10, 2020. The certification form was executed and submitted to the State on July 8, 2020. It should be noted that these are restricted funds that must be used in accordance with Federal and State guidelines.

Pursuant to the City Council discussion and direction on July 7, 2020, City staff has prepared a COVID-19 budget for the allocation of the funds. Attachment A to this memorandum contains a budget proposal. It provides for an allocation of the entirety of the \$635,369. The COVID-19 program was based on direction received from the City Council and needs identified by City staff.

State guidance regarding the use of the CARES Act allocations has been evolving since the July 7, 2020, City Council meeting. City staff has updated its summary of the CARES Act rules and guidelines which is attached to this memorandum as Attachment B.

Finance Department staff has also been engaged with the State Department of Finance (DOF) and has attended a State webinar. Attachment 3 to this report contains a presentation from the State regarding the CARES Act grant program. The presentation provides a detailed overview regarding the limitations for use of the grant proceeds in addition to the reporting requirements. The DOF also stressed the fact that dedicated

public safety payroll expenses are **presumed to be “substantially dedicated” to responding to the COVID-19 pandemic**. The application of these funds toward the reimbursement/payment of Beaumont Police Department (BPD) payroll and payroll related expenditures would be the safest use of the funds and would greatly simplify the City’s reporting and tracking requirements. These funds would be eligible to cover City costs from March 1, 2020, through October 30, 2020. Applying these funds toward BPD payroll and payroll related expenses from March 1, 2020, through June 30, 2020, would allow the City to allocate an equivalent amount of funds from the General Fund unrestricted fund balance. This strategy would then allow the City Council much more discretion to implement its COVID-19 program since it would be funded with local dollars as opposed to Federal grant dollars.

City staff has reviewed its overdue wastewater and solid waste accounts. To date, past due accounts for both services are consistent with those of a typical year. As of July 13, 2020, there were 932 wastewater accounts with outstanding balances due in the amount of \$537,275. The average overdue wastewater account is \$576.48, inclusive of commercial and residential accounts. It should also be noted that the City has not been applying late fees since March 2020. The additional Federal unemployment benefit of \$600 per month has helped households stay current; however, the additional unemployment benefit expires at the end of July 2020. Without an extension or a replacement bill, City staff anticipates that there could be an increase in unpaid utility bills by households who have been impacted by the pandemic. Accordingly, City staff proposes a Wastewater Fund program of up to \$80,000 to provide assistance to those wastewater customers who have experienced COVID-19 related hardships. This would be in addition to the program budget included in Attachment A to this memorandum.

Riverside County launched a housing assistance program in July 2020. The County made \$33 million in grant funds available to help with mortgage and rental assistance. There is still \$28 million of these funds remaining and the County anticipates that more households may request these funds after the additional unemployment benefit expires this month. Households may qualify for up to \$3,500 in financial assistance. Beaumont’s program could be structured in such a way as to compliment the County program.

In addition to the issues already addressed in this memorandum, City staff also requests direction from the City Council regarding the business assistance and residential assistance programs. Specifically, City staff requests direction about way funds would be disbursed, basic qualifying factors, and program timing. City staff recommends the following:

1. Should the City Council initiate the Business Assistance Program, City staff recommends the following basic concepts:

- a. Funds be allocated as a grant;
  - b. Funds be awarded on a first come, first served basis;
  - c. Businesses be small, locally owned with physical storefronts located within the City of Beaumont;
  - d. Businesses must have a valid City business license;
  - e. Size of awards be based upon the number of full-time employees; and
  - f. Losses directly attributable to the COVID-19 pandemic are clearly documented;
2. Should the City Council initiate the Resident Assistance Program (housing assistance or utility assistance), City staff recommends the following basic concepts:
- a. Funds be allocated as a grant;
  - b. Funds be awarded on a first come, first served basis;
  - c. Applicant must be a permanent resident of the address for which assistance is requested;
  - d. Economic hardship resulting directly as a result of the COVID-19 pandemic must be clearly demonstrated;
  - e. Applicant must have been in good standing with their financial obligations prior to March 1, 2020; and
  - f. Only those costs from March 1, 2020, would be eligible for reimbursement; and
3. Business and resident assistance programs be launched September 1, 2020.

**Fiscal Impact:**

City estimates that preparation of this report cost approximately \$2,750.

**Recommended Action:**

City staff recommends that the City Council authorize the application of the entirety of the City of Beaumont's CARES Act allocation to reimburse Beaumont Police Department payroll and payroll related expenses and direct City staff to prepare a budget amendment to implement a COVID-19 Response Program for City Council consideration in August 2020.

**Attachments:**

- A. City of Beaumont – COVID-19 Budget Proposal – July 17, 2020
- B. City of Beaumont – CARES Act Rules and Guidelines – July 17, 2020
- C. California Department of Finance – Coronavirus Relief Funds Presentation

**City of Beaumont**  
**COVID-19 Budget Proposal**  
**17-Jul-20**

Item	Allocation	Description
<b>Business Support</b>		
Business Assistance Program	\$ 142,009	Cash Assistance to Qualified Small, Local Businesses that Can Document COVID-19 Related Losses Since March 1, 2020.
Restaurant Support Program	\$ 35,000	Provision of Baricades and Temporary Shade Structures to Facilitate Outdoor Dining for Local Restaurants.
Business Confidence Program	\$ 2,500	Provide Branded Posters to Businesses who Officially Commit to Meeting Social Distancing and Other Related Mandates/Guidelines.
<b>Sub-Total - Business Support</b>	<b>\$</b>	<b>179,509</b>
<b>Resident Support</b>		
Housing Assistance Program	\$ 100,000	Cash Assistance to Qualified Residents that Can Document COVID-19 Related Hardships Since March 1, 2020. Provide Assistance for Mortgage Payments, Rent, or Unpaid Utilities (Water, Gas, Electric, Solid Waste).
<b>Sub-Total - Resident Support</b>	<b>\$</b>	<b>100,000</b>
<b>City Operational Costs</b>		
Facility Costs	\$ 70,000	Costs Related to Building Modifications and Supplies to Meet COVID-19 Guidelines. Includes modifications to facilitate walk-in customers.
Legal Expenses	\$ 5,000	Reimbursement of Legal Fees Related to Employment and Operational Issues Resulting from State and Federal Issued COVID-19 Guidelines and Directives.
Police Salaries	\$ 60,000	Personnel and Personnel Related Costs for the SRO Due to the Closure of BUSD Schools.
Police Lobby Kiosk	\$ 7,000	Computer Kiosk in Front Lobby to Facilitate Customer Communications While Maintaining Social Distancing.
Computer Hardware/Software	\$ 30,000	Purchase and Deployment of Hardware and Software to Facilitate Telecommuting/Remote Working to Achieve Social Distancing.
Sanitization Foggers	\$ 75,000	Three Foggers to Sterilize City Vehicles (Including Transit) and Buildings to be Allocated to Transit, Mechanic Shop, and Community Services.
Custodial Contract	\$ 50,000	Secure Professional Services for Cleaning/Sterilizing City Buildings from August through December 2020. This Contract Expense was Cut from the FY2021 Budget for Cost Savings. Additional Cleaning/Sterilization is Needed.
Bus Wash Contract	\$ 30,000	Secure Professional Services for Cleaning/Sterilizing Buses from August through December 2020. This Contract Expense was Cut from the FY2021 Budget for Cost Savings. Additional Service Demands Would Require Additional Services (Bus Drivers have Assumed this Responsibility Since July 1, 2020).
<b>Sub-Total - City Operational Costs</b>	<b>\$</b>	<b>327,000</b>
<b>Other</b>		
CPV Vehicle	\$ 28,860	Replacement Vehicle for BUSD Citizen Patrol Program.
<b>Sub-Total - Other</b>	<b>\$</b>	<b>28,860</b>
<b>GRAND TOTAL</b>	<b>\$</b>	<b>635,369</b>

**CARES ACT 2020 RULES AND GUIDELINES as of 7/17/20**  
**PRELIMINARY REVIEW SUBJECT TO FURTHER EXPLORATION AND**  
**GUIDANCE FROM STATE TREASURY**

**FACTS:**

1. \$635,569 to be allocated to the City of Beaumont in 6 incremental payments.
2. Funds are to be used by 10/30/20, and are applicable for COVID-19 related expenses incurred starting on 3/1/20.
3. Funds NOT used have to be returned to the State and ultimately the Treasury. (June 24, 2020 FAQ)
4. Cities must attest their adherence to COVID-19 federal guidelines, stay at home orders, and state executive orders to receive certification for these funds (show proof if asked).
5. The City is NOT required to submit proposed expenditures to the State Treasury for approval.
6. By 9/1/20, the City must submit a report to Department of Finance (DOF) on the status of the City's expenses.
7. Funding will be allocated in several installments (1/6<sup>th</sup> at a time) and payments may be accelerated based on utilization of funds and compliance of applicable health orders.
8. If the DOF takes 6 months to allocate the payments (which would be through December), then the expenditure deadline may be extended past 10/30/20.
9. The extension of the expenditure deadline and the acceleration of allocations will be largely based on the City's expenditures and actions reported by 9/1/20.
10. Over the next several weeks, the League of California Cities will be coordinating with the State DOF to answer local jurisdiction questions and provide clarification/guidance regarding eligible expenses and reporting requirements.
11. It appears that cities are eligible to utilize CARES Act dollars for reimbursement of costs not otherwise reimbursed by FEMA. Recipients are NOT required to use other federal funds or seek reimbursement under other federal programs before using CARES Act payments to satisfy eligible expenses. Additionally, CARES Act payments are NOT required to be used as the source of funding of last resort; however, recipients may not use payments from the CARES Act to cover expenditures for which they will otherwise receive reimbursement. Recipients will need to consider the applicable restrictions and limitations of other sources of funding such as combining a transaction supported with Fund payments with other CARES Act funding or COVID-19 relief federal funding. (June 24, 2020 FAQ)
12. The statute also specifies that expenditures using Fund payments must be "necessary." The Dept of Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgement of the government officials responsible for spending Fund payments. (June 30, 2020 Guidance)
13. Treasury is clarifying that for a cost to be considered to have been incurred, performance or delivery must occur during the covered period but payment of funds need not be made during that time (though it is generally expected that this will take place within 90 days of a cost being incurred). (June 30, 2020 Guidance)
14. The CARES Act provides that payments from the Fund may only be used to cover costs that:
  - a. Are necessary expenditures incurred do to COVID emergency,
  - b. Were not accounted for in the most recently adopted budget, or
  - c. Were incurred during the period that begins on 3/1/20 and ends 12/30/20.

## **TO DO:**

1. Submit certification form to the State Dept of Finance by 7/10/20 as well as an email of the certification to League of California Cities.
2. Retain records to support eligible expenditures.
3. Provide reports as required by the State DOF.

## **ELIGIBLE WAYS TO SPEND THE MONEY:**

### **City Internal Costs**

#### **Payroll Expense Category**

Payroll costs for BPD employees since those are costs of services substantially dedicated to mitigating or responding to the COVID-19 public health emergency. This may be an eligible expense since BPD staff provided “communication and enforcement of COVID-19 public health orders.” This also may be eligible for BPD employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

Federal guidance states that “as a matter of administrative convenience” the state may presume payroll costs for police officers are payments for services substantially dedicated. The “Summary of CRD Guidelines and FAQ 6/24/20” lists police officers as COVID-19 related expenses that are needed to address public health needs.

The State Department of Finance has made it clear that 100% of base pay for public safety is eligible for reimbursement.

#### **Medical Expense Category**

None

#### **Public Health Expense Category**

1. Personal Protection Equipment (PPE). (June 30, 2020, Guidance).
2. Expenses for communication and enforcement of public health orders related to Covid-19. (June 30, 2020 Guidance).
3. Non-staff expenses: PPE, telecommuting, sanitizing, public health order enforcement.
4. PPE reserves for future outbreak.
5. Disinfection of City buildings and public areas (June 30, 2020 Guidance).
6. Expenses for quarantining individuals (June 30, 2020 Guidance).
7. Expenses for Public Safety Measures undertaken in response to Covid-19. (June 30, 2020 Guidance).

#### **Payroll Expenses Category**

1. Hazard pay or overtime for those performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19 (limited to BPD employees). Hazard pay can be retroactive to March 1, 2020. (Texas FAQ 5/29/20)

### **Other Expense Category**

1. Technology Costs – telework capable hardware and software for employees and council members. (April 22, 2020 Guidance)
2. Can purchase items like handheld radios to avoid having to share and continually disinfect before releasing to the next shift if we can show they are necessary, not in the current budget and purchased in the correct time frame (Texas FAQ 5/29/20)
3. Assistance for unemployment of City employees for COVID illness time off or high-risk quarantine (restricted to self-insured cities).
4. Employee time off due to Covid-19. Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions. (April 22, 2020 Guidance)
5. Increased worker’s compensation costs if employees are deemed to have contracted COVID-19 at work.
6. Public safety measures associated with quarantining individuals.
7. Facility safety improvements for adequate social distancing.
8. Costs to address increase in solid waste as a result of the public health emergency, such as relates to the disposal of used PPE (June 24, 2020 FAQ)
9. Funds can be used to cover the expenses of an audit conducted under the Single Audit Act. (June 24, 2020 FAQ) and (NCSL Blog May 19, 2020)
10. Animal depopulation and disposal. Also, costs sheltering animals belonging to a hospitalized or quarantined individual. (NCLS blog 5/19/20 and Texas FAQ 5/29/20)
11. Covering the 25% of allowable FEMA costs that are not reimbursed by FEMA (payments from the Fund may be used to meet the non-federal matching requirements for Stafford Act assistance for COVID-19-related costs that satisfy the Fund’s eligibility criteria and the Stafford Act. Regardless of the use of Fund payments for such purposes, FEMA funding is still dependent on FEMA’s determination of eligibility under the Stafford Act. (JUNE 24, 2020 FAQ)

### **Small Business Support**

1. Reimbursements to small businesses who have suffered COVID-19 related losses for costs needed for reopening.
2. The Fund can reimburse, through a grant, the costs of business interruption caused by required closures. (April 22, 2020 Guidance)
3. Provision of PPEs.
4. Small business grant program.

### **Community Assistance Programs**

1. Utility assistance for residents experiencing COVID-19 related hardship (application process and verification).
2. Food and nutrition support for seniors and other vulnerable populations.
3. Provision of PPEs to the community.
4. Rental assistance to individuals experiencing COVID-19 related hardship (application process and verification).

## **ADDITIONAL RESEARCH NEEDED FOR ELIGIBILITY:**

1. PIO COVID-19 related expenses, including salary, since a significant amount of PIO staff time was devoted to COVID-19 communications and public information (might apply to other staff as well).
2. Purchase police or other vehicle(s).

## **Departmental Items Requested:**

### **LIKELY CATEGORY - \$647,000**

#### General City-Related Proposals:

1. \$70,000 – Estimated cost of physical distancing purchases and building modifications citywide (includes modifications necessary to facilitate walk-in customers).
2. \$140,000 – Business Assistance Program (based on Council direction).
3. \$35,000 – Restaurant Support Program (facilitate outdoor dining).
4. \$2,500 – Business Confidence Program.
5. \$5,000 – Estimated legal fees for COVID-19-related services and documents.
6. \$100,000 – Resident support (rent/mortgage/utilities).
7. \$80,000 – Resident support (potential waiver of sewer fee delinquencies) – *sewer fund support – not included in total above.*

#### Police Department Proposals:

1. \$60,000 – Police department SRO payroll and payroll related expenses (anticipates BUSD school closures Aug – Dec 2020).
2. \$7,000 – Kiosk computer terminal for front lobby to maintain social distancing for BPD personnel.

#### Information Technology Proposal:

1. \$30,000 – Laptops, monitors, software and for telecommuting and remote working to allow for physical distancing.

#### Community Services Proposals:

1. \$75,000 – Sanitization foggers (3) each at \$25,000 each to be distributed to Transit (1), Community Services (1), and Mechanic Shop (1).
2. \$50,000 – Custodial contract to perform sanitizing and janitorial from Aug-Dec 2020 (contract eliminated from FY2021 budget due to recession).
3. \$30,000 – Bus wash contractor to clean and sanitize buses from Aug-Dec 2020 (contract eliminated from FY2021 budget due to recession).

### **UNCERTAIN CATEGORY - \$64,000**

#### Administration Proposals:

1. \$25,000 - 25% FEMA reimbursement cost (estimate).
2. \$20,000 - Estimate for PIO salary/benefits for 7 months.

Community Services Proposal:

1. \$1,000 - Ipad to maintain virtual irrigation systems throughout the City.

**UNLIKELY CATEGORY - \$177,720**

Building Inspections Proposal:

1. \$35,000 - Vehicle \$25k-\$35k.

Police Department Proposal:

1. \$57,720 - 2 new CPV patrol vehicles \$28,860 each.

Fire Safety/Inspection:

1. \$25,000 - New vehicle.

Community Services Proposal:

1. \$60,000 - Utility truck for irrigation.

# Coronavirus Relief Funds

CARES Act Requirements and Treasury Guidance  
Finance Process Overview



# Objectives

- Overview of Federal CARES Act Requirements for Coronavirus Relief Funds (CRF)
- Certification and Allocation Timelines
- Eligible Expenditures - US Treasury Guidance
- Compliance with State Public Health Requirements
- Reporting and Records Retention
- Questions and Answers

# CARES Act Requirements

- Necessary expenditures incurred due to the COVID-19 public health emergency.
  - Direct response
  - Second order effects such as economic support
- Not accounted for in the most recently approved budget, **except** COVID-related supplemental appropriations or budget adjustments
- Expenses incurred between March 1, 2020 and December 30, 2020.

# CARES Act Limitations

- Funds **cannot** be used to backfill lost revenue
- Cannot be used as non-federal share of Medicaid
- Payroll or benefits for employee duties not “substantially dedicated”
- Workforce bonuses
- Damages covered by insurance
- Assistance to owners to pay property taxes
- Items disallowed in US Treasury FAQs
  - Continue to receive updates (Last one 7/8/20)

# State Responsibilities for CRF

- As the direct recipient of CRF, any disallowances will initially be recouped from the State
- Required to gather information and report to the federal government on use of funds
- Required to perform subrecipient monitoring, including audits
- Certification, reporting, and Control Section 11.90 established to share that risk with local government and other recipients of CRF and comply with these federal requirements

# Six Expenditure Categories

## **1 - Medical Expenses**

- Treatment of COVID-19 and related expenses in public hospitals or clinics
- Temporary medical facilities
- Testing, including serological/anti-body testing
- Emergency medical response, including emergency medical transportation
- Establishing and operating public telemedicine capabilities

# Six Expenditure Categories

## 2 – Public Health Expenses

- Communication/enforcement-public health orders
- Acquisition and distribution of medical and protective supplies (PPE/cleaning supplies) for various public health and safety staff
- Disinfection of public areas and other facilities
- Technical assistance on mitigation
- Public safety measures in response to COVID-19
- Quarantining individuals

# Six Expenditure Categories

## 3 – Substantially Dedicated Payroll Expenses

- Includes: public safety, public health, health care, human services, and similar employees
- Public health and public safety are **presumed** to be “substantially dedicated”
  - Provide ready funding to address unforeseen financial needs and risks created by COVID-19
  - For employees in these area “administrative convenience” that underlying assumption that they are all deemed “substantially dedicated”

# Substantially Dedicated

## Let's explore this a bit more:

- Less documentation of the work being performed if public health and public safety staff
- CARES Act does not allow backfill of lost revenue – the “administrative convenience” provides a tool to assume that these staff could be paid for by the CRF, potentially freeing up general purpose funds (or offsetting lower receipts)
- Full payroll and benefits can be paid by CRF

# Substantially Dedicated

**Let's explore this a bit more – other staff:**

- This can also include staff that were “repurposed” to previously “unbudgeted” function instead of laid off
- Could include overtime if those additional hours are outside normal/historical duties
- There is no percent threshold – some discretion, with appropriate documentation, like time keeping system or rationale for change in duties/functions
- Can use the CRF to other funds that may have incurred the initial expense

# Substantially Dedicated

## Examples at the state level:

- Staff stopped our program reviews to track federal funds related to COVID-19.
- Staff who could not telework were redeployed to help with UI program and set up for medical surge
- Staff at all state agencies being trained and redirected to support contact tracing
- IT staff that were directed to support COVID-19 tracking, reporting, and new online services previously requiring in person visits

# Six Expenditure Categories

## **4 – Comply with Public Health Measures and Mitigate the Effects of COVID-19:**

- Food delivery to seniors and vulnerable populations
- Telework capabilities for public employees
- Providing paid sick, paid family and medical leave to public employees
- Maintaining local jails such as sanitation and improvement of social distancing measures
- Caring for homeless

# Six Expenditure Categories

## 5 – Economic Support

- Grants to small businesses for costs of business interruption
- Grant or financial assistance – payment of overdue rent/mortgage to avoid eviction or funeral expense
- Payroll support program
- Unemployment insurance (UI) costs if those costs are not reimbursed by federal government – generally applies to local governments using “reimbursement method” to finance UI

# Six Expenditure Categories

## 6 – Other

- Any other COVID-19 expenses “reasonably necessary” to the function of government that satisfies the broader eligibility criteria:
  - Hazard pay and overtime if substantially dedicated
  - Increased workers compensation costs due to COVID
  - Leases renewed solely to respond to COVID-19
  - Public health emergency recovery planning
  - Support for private hospitals (grant/short-term loan)
  - Enrollment in government benefit programs

# Costs Incurred (3/1 – 12/30/20)

- Initial guidance required funds to be “spent” by December 30, 2020 (not just obligated)
- Recent revision (6/30/2020) allows for a liquidation period (generally 90 days)
  - Performance/delivery **must** be during the covered period
  - Bulk purchases can be used beyond December if portion is used during the covered period
  - Recognizes supply chain disruptions may result in delays beyond recipient’s control
- Grants and loans must be during this window

# Unspent Funds

- Unspent funds must be returned to the US Treasury
- Subrecipients are also bound by this requirement – that means all expenses must be incurred during the covered period
- An obligation or award is not considered spent
- The direct recipient of the funds (state) is ultimately responsible for compliance with this limitation on the use of the funds
- Unspent funds may be reallocated by the state – based on September 1 expenditure reports

# Stafford Act – Match for FEMA

- Most recent Treasury guidance notes that CRF may be used to meet the non-federal Stafford Act match
- Applicants for FEMA Public Assistance (PA) have flexibility to determine the federal fund source that best meets response needs
- FEMA may decide to not pay for certain costs and may direct entities to another agency/fund source
- FEMA has determined that contract tracing is more appropriately paid from either CRF or CDC funding.
- Coordinate closely with CalOES to use CRF as a PA match – both CRF and FEMA eligibility must be met

# Process and Timeline (CS11.90)

- All cities completed certification by 7/10/20
  - Use funds consistent with federal CARES Act
  - Adhere to state EOs and California Department of Public Health orders, directives, and guidance
  - Report on expenditures and summarize regional collaboration and non-duplication of efforts by September 1, 2020
  - Return unspent funds by October 30, 2020 unless extended by Finance based on reported expenditures
  - Repay any costs disallowed after federal review
  - Retain records (5 years) to support reported expenditures and participate in state and federal audits

# Process and Timeline

## Adherence to Public Health Orders

- Finance will coordinate with CDPH and CalOES to verify compliance before each allocation process
- State may withhold (and redirect) funds if not in compliance
- State officials will collaborate with local leaders to encourage compliance
- No city ordinances or resolutions inconsistent with state's stay-at-home orders

# Process and Timeline

## Public Health Conditions – Counties Must Meet

- Meeting current requirements for county variance:
  - At least 15 staff per 100,000 people trained and available for contract tracing
  - Ability to isolate positive cases (quarantine contacts)
  - Ability to shelter at least 15 percent of residents who are experiencing homelessness
  - Ability to test 1.5 per 1,000 residents daily
  - Testing sites close to where most residents live
  - Evidence of a plan to contain the virus

# Process and Timeline

## Public Health Conditions – Counties Must Meet

- Actively participate in County Data Monitoring Program:
  - Currently required commitment to participate
  - Undertaking efforts advised by the state if on the County Data Monitoring List
    - Source of disease transmission
    - Action plan and timelines
  - Ready to reinstitute non-pharmaceutical interventions [NPIs] (e.g. closure of indoor spaces) as needed

# Process and Timeline

- Initial Payment – 1/6 of overall amount (\$80M)
  - Prepare schedule and notification this week
  - Given size of payment both the Controller and Treasurer have been notified to speed up processing
  - Controller should allocate in 10-14 days
- Additional 1/6 of overall amount to cities that remain in compliance on August 1 and September 1
- Balance of Funds (\$250M) will be paid after report and summary from cities in compliance with health orders and federal laws – likely before October 1

# Reporting Process

- Report to the State by September 1, 2020 per CS11.90
- Will cover expenditures from March 1, 2020 through June 30, 2020 – assuming CRF will reimburse
  - Will need this for detailed federal report due 9/21
- Also report expended or obligated since July 1
- Project expenditures through December 30, 2020
  - Demonstrate a realistic plan for spending by the end of the year to avoid reallocation
- Majority of funds expected to be spent early on
- Summary: regional collaboration/unduplicated costs

# Reporting Process

- State (other direct recipients) must report on CRF expenditures between March 1 and June 30, 2020
- For the interim report (due July 17) the state would report on amount identified for local governments

<u>Category of spending</u>	<u>Amount</u>
Transferred to other governments	\$0.00
Payroll for public health and safety employees	\$0.00
Budgeted personnel and services diverted to a substantially different use	\$0.00
Improvements to telework capabilities of public employees	\$0.00
Medical expenses	\$0.00
Public health expenses	\$0.00
Distance learning	\$0.00
Economic support	\$0.00
Expenses associated with the issuance of tax anticipation notes	\$0.00
All items not listed above	\$0.00
	Total
	\$0.00

# Quarterly Reporting Process

- By September 21, 2020 state must submit detailed quarterly report (3/1/20 – 6/30/20)
- Next quarterly report (7/1/20 – 9/30/20) due to federal government by October 13, 2020
- Current guidance requires reporting on funds expended or obligated for each project or activity
- Detailed list (Name/Description) projects/activities
- Detailed list of loans issued; contracts and grants awarded; transfers to other government entities; and direct payments made by **recipient** over \$50K

# Records Retention

- Retain records 5 years after final payment is made; make available on request for audits
- All documents and financial records sufficient to establish compliance: (1) Necessary, (2) Not in recent budget, (3) Incurred 3/1/20 – 12/30/20
  - General ledger, subsidiary ledger
  - Budget records 2019 and 2020
  - Payroll and time keeping records
  - Receipts of purchases
  - Contracts and subcontracts, including any performance outcomes
  - Documentation of reports, audits, monitoring of recipients
  - All CRF internal and external e-mail/electronic communications

# Other CRF Information

- CFDA Number: 21.019
- Funds can be in interest bearing accounts; interest proceeds must be used for same purposes
- Assets purchased may be retained (e.g. homeless)
- Funds are subject to the Single Audit Act
- Must follow Uniform Guidance regarding subrecipient monitoring
- Funds may be used to cover expense related to audit conducted under the Single Audit Act
- Competitive bidding is not required

# Questions/Follow-Up

Local Government Unit:

[CRFApplications@dof.ca.gov](mailto:CRFApplications@dof.ca.gov)

Federal Reporting/Research Unit:

[COVIDFederalTracking@dof.ca.gov](mailto:COVIDFederalTracking@dof.ca.gov)

US Treasury/OIG CRF Information:

<https://home.treasury.gov/policy-issues/cares/state-and-local-governments>



**ROXANN M. VOTAW**  
votaw@sbemp.com  
FIRM ADMINISTRATOR

REPLY TO:  
Palm Springs, California

JULY 6, 2020

CITY OF BEAUMONT PROFESSIONAL SERVICES THRU: 6/30/2020

**TOTAL DUE: \$97,745.65**

Sincerely,  
**SBEMP, LLP**

By: Roxann M Votaw

---

**SLOVAK BARON EMPEY MURPHY & PINKNEY LLP**

**Palm Springs, CA**  
T (760) 322-2275

**Indian Wells, CA**  
T (760) 322- 9240

**Costa Mesa, CA**  
T (714) 435-9592

**San Diego, CA**  
T (619) 501-4540

**Princeton, NJ**  
T (609) 955-3393

**New York, NY**  
T (212) 829-4399

[www.sbemp.com](http://www.sbemp.com)  
[www.sbemp.com](http://www.sbemp.com)

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont\*Peters

Professional services through: 6/4/2020:

Invoice # 58695

**BALANCE DUE – PLEASE SUBMIT PAYMENT:**

Amount

\$24,479.70

---

## SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

[www.sbemp.com](http://www.sbemp.com)

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont\*Norton Rose

Professional services through: 6/8/2020:

Invoice # 58953

	<u>Amount</u>
<b>BALANCE DUE – PLEASE SUBMIT PAYMENT:</b>	<b><u>\$13,706.50</u></b>

---

## SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont\*Urban Logic

Professional services through: 6/9/2020:

Invoice # 58696

Amount

**BALANCE DUE – PLEASE SUBMIT PAYMENT:**

**\$27,728.55**

---

## SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

[www.sbemp.com](http://www.sbemp.com)

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont\*Blake

Professional services through: 6/30/2020:

Invoice # 58697

**BALANCE DUE – PLEASE SUBMIT PAYMENT:**

Amount

\$467.50

---

## SLOVAK BARON EMPHEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

[www.sbemp.com](http://www.sbemp.com)

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont\*Hatcher

Professional services through: 6/30/2020:

Invoice # 58698

	<u>Amount</u>
<b>BALANCE DUE – PLEASE SUBMIT PAYMENT:</b>	<b><u>\$742.50</u></b>

---

## SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont\*Police Dept

Professional services through: 6/30/2020:

Invoice # 58703

**BALANCE DUE – PLEASE SUBMIT PAYMENT:**

Amount

\$1,816.40

---

## SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

[www.sbemp.com](http://www.sbemp.com)

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont\*Pucio

Professional services through: 6/30/2020:

Invoice # 58704

BALANCE DUE – PLEASE SUBMIT PAYMENT:

Amount

\$522.50

---

## SLOVAK BARON EMPY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

[www.sbemp.com](http://www.sbemp.com)

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont\*TalleyAguirre

Professional services through: 6/30/2020:

Invoice # 58706

**BALANCE DUE – PLEASE SUBMIT PAYMENT:**

Amount

\$1,347.50

---

## SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

[www.sbemp.com](http://www.sbemp.com)

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont\*ULC Defense

Professional services through: 6/30/2020:

Invoice # 58707

	<u>Amount</u>
<b>BALANCE DUE – PLEASE SUBMIT PAYMENT:</b>	<b><u>\$220.00</u></b>

---

## SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont\*Wallis Receiv

Professional services through: 6/30/2020:

Invoice # 58708

Amount

**BALANCE DUE – PLEASE SUBMIT PAYMENT:**

**\$1,127.50**

---

## SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

[www.sbemp.com](http://www.sbemp.com)

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont-Labor&Employ

Professional services through: 6/30/2020:

Invoice # 58711

Amount

**BALANCE DUE – PLEASE SUBMIT PAYMENT:**

**\$3,680.60**

---

## SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

[www.sbemp.com](http://www.sbemp.com)

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont-OverRetainer

Professional services through: 6/30/2020:

Invoice # 58712

Amount

**BALANCE DUE – PLEASE SUBMIT PAYMENT:**

**\$13,145.00**

---

## SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

[www.sbemp.com](http://www.sbemp.com)

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont-Retainer

Professional services through: 6/30/2020:

Invoice # 58952

Amount

**BALANCE DUE – PLEASE SUBMIT PAYMENT:**

**\$7,500.00**

---

## SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

[www.sbemp.com](http://www.sbemp.com)

# SBEMP

A T T O R N E Y S

1800 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Fed. ID #33-0833010  
Telephone 760-322-2275  
Facsimile 760-322-2107

JULY 6, 2020

City of Beaumont  
E-MAIL INVOICES

Our file no:  
City of Beaumont-Serrato

Professional services through: 6/30/2020:

Invoice # 58715

Amount

**BALANCE DUE – PLEASE SUBMIT PAYMENT:**

\$1,261.40

---

## SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way  
Palm Springs, California 92262  
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400  
Costa Mesa, California 92626  
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 101  
Princeton, New Jersey 08540  
Tel. (609) 955-3393 • Fax (609) 520-8731

2240 Fifth Avenue.  
San Diego, California 92101  
Tel. (619) 501-4540

[www.sbemp.com](http://www.sbemp.com)

---

MEMORANDUM

---

**To:** City of Beaumont  
**From:** Townsend Public Affairs  
**Date:** July 17, 2020  
**Subject:** Legislative Report for the City of Beaumont

---

**State Legislative Update**

Due to the increase in COVID-19 cases the Legislature has extended their summer recess to July 27. They were originally going to return on July 13 and therefore there is no change in status of pending legislation. There is speculation that leadership will limit bills to COVID 19 related matters or simply impose a bill limit per Member, however that has yet to be confirmed. The Speaker's office sent a memo regarding remaining legislation stating that members will need to work with the Senate policy committees where bills are pending to advance those bills and meet all the legislative deadlines, just as Senators will need to do with Assembly policy committees. Committee chairs will ultimately determine the agenda in their committees.

Below are the upcoming deadlines for the Legislature:

**July 27** – Legislature reconvenes from Summer Recess

**July 31** – Last day for policy committees to hear and report fiscal bills to fiscal committees

**August 7** – Last day for policy committees to meet and report bills

**August 31** – Last day for each house to pass bills

**Governor's COVID-19 Action Summary**

Governor Newsom has continued his press briefings to update the State on the status of COVID-19 in California. With counties re-opening across the State, COVID-19 cases, as well as the positivity testing rate, have begun to increase. Specifically, in the last seven days, there has been a 45 percent increase in the number of positive cases, a 5.9 percent increase in the positivity rate, and a 45 percent increase in the number of hospitalizations in the last two weeks. This has resulted in the Governor taking more action to mitigate the spread of the virus by enacting a statewide face-covering order and re-closing certain business sectors in 19 counties throughout the State.

**New Statewide and County Closures**

On July 13, Governor Newsom announced that effective immediately, California is requiring the closure of some indoor business operations statewide, as well as additional indoor operations in

counties on Monitoring List for 3 consecutive days. All counties had to immediately close the indoor operations in the following sectors:

- Dine-In Restaurants
- Wineries and tasting rooms
- Movie theaters
- Family entertainment centers
- Zoos and museums
- Cardrooms

Additionally, bars, brewpubs, breweries, and pubs closed all operations both indoor and outdoor. Counties that have remained on the County Monitoring List for 3 consecutive days were required to shut down the following industries, unless they can be modified to operate outside or by pick-up:

- Fitness centers
- Worship services
- Protests
- Offices for non-essential sectors
- Personal care services (nail salons, tattoo parlors, etc)
- Hair salons and barbershops

#### County Attestation Process

In light of the increase in positive COVID 19 cases, the State has temporarily paused the county attestation process, until further notice.

#### Project Homekey

The Department of Housing and Community Development released the Notice of Funding Availability for Project Homekey. The program has \$600M available to local governments to purchase and rehabilitate housing, as well as hotels, motels, vacant apartment buildings, and other buildings and convert them into interim or permanent, long-term housing.

The available funding is broken down by region, based on the region's proportionate share of persons experiencing homelessness and extremely low-income renter households. Project Homekey will generally fund up to \$100,000 per door (as supported by an appraisal) with no match requirement. The per door amount can exceed \$100,000, but there would be match requirements, depending upon the exact amount requested. HCD will announce awards on a rolling basis, as applications can be submitted any time prior to September 29<sup>th</sup>. As a reminder, the funding from this program comes from a portion of funding that California received from the federal CARES Act, and as such, the funding needs to be expended by December 31, 2020.

#### Federal Legislative Update

##### Phase 4 COVID 19 Relief Package

Nancy Pelosi and Senate Majority Leader Mitch McConnell haven't started privately talking about the next relief bill, but McConnell is well on his way to publishing his Phase 4 proposal. Early reports are suggesting the Senate Republicans' relief proposal is starting to coalesce around the following proposals on a \$1 trillion package that would include:

- Liability protections for hospitals, schools, and businesses (retroactive to December 2019)
- Assistance for helping schools reopen

- Stimulus checks for households with incomes up to \$40,000
- A second round of PPP
- More funds for testing

In preparation, Minority Leader Chuck Schumer is pitching as much as \$350 billion to invest in communities of color during the pandemic. The funding would come from approximately \$200 billion of unspent funds from the CARES Act, Congress's "Phase 3". Additionally, TPA participated in a meeting with Speaker Pelosi, who signaled she would be open to compromising with Republicans on the size of expanded unemployment benefits (which expire at the end of the month) in a new package.

### Fiscal Year 20/21 Appropriations

The House Appropriations Committee reported and marked up all 12 of their FY 2021 appropriations bills this week. Next week, House leadership plans to take up the first package of fiscal 2021 appropriations bills (H.R. 7608), including the Agriculture-FDA, Interior-Environment, Military Construction-Veterans Affairs, and State-Foreign Operations bills. Lots of House members hope to offer amendments on the floor. House Majority Leader Steny Hoyer hopes to have 96% of the bills passed out of the House by the time August recess begins, with the acknowledgement of Democratic concerns with Homeland Security funding.

There are some increases between FY2020 and FY2021 House proposed levels that seem astronomical – your eyes are not playing tricks on you! In addition to regular annual funds, the House Appropriations Committee also proposed an additional \$90 billion for some Transportation, Housing, and Environment line items to cover additional coronavirus-related expenses, and those are reflected in the totals below.

We will continue to fight for all priority programs. Generally speaking, the House and Senate will finalize funding levels for each line item located somewhere between their two proposals, so we fight for the Senate and the House to propose as high of numbers as possible to increase the likelihood of funding increases. The red lines will get our special attention as we move forward in this process.