



**Brawley City Council &  
Successor Agency to Brawley  
Community Redevelopment Agency  
Regular Meeting Agenda  
Tuesday, June 6, 2017 @ 6:00 PM  
City Council Chambers  
383 Main Street  
Brawley, California 92227**

**Sam Couchman**, Mayor  
**Helen M. Noriega**, Mayor Pro-Tempore  
**Norma Kastner-Jauregui**, Council Member  
**George A. Nava**, Council Member  
**Donald L. Wharton**, Council Member

**Alma Benavides**, City Clerk  
**Ruby D. Walla**, City Treasurer  
**William S. Smerdon**, City Attorney  
**Rosanna Bayon Moore**, City Manager/  
Executive Director

**CALL TO ORDER**

**ROLL CALL**

**INVOCATION**

**PLEDGE OF ALLEGIANCE**

**1. APPROVAL OF AGENDA**



- d. Approve Resolution No. 2017- : Resolution of the City Council of the City of Brawley, California, acting as the Legislative Body of Community Facilities District No. 2007-1 of the City of Brawley (***Luckey Ranch***), authorizing the levy of Special Taxes within Community Facilities District No. 2007-1 for Fiscal Year 2017-2018. **Pgs 113-157**
- e. Approve Resolution No. 2017- : Resolution of the City Council of the City of Brawley, California, acting as the Legislative Body of Community Facilities District No. 2006-1 of the City of Brawley (***Malan Park***), authorizing the levy of Special Taxes within Community Facilities District No. 2006-1 for Fiscal Year 2017-2018. **Pgs 158-180**
- f. Approve Resolution No. 2017- : Resolution of the City Council of the City of Brawley, California, acting as the Legislative Body of Community Facilities District No. 2007-2 of the City of Brawley (***Springhouse***), authorizing the levy of Special Taxes within Community Facilities District No. 2007-2 for Fiscal Year 2017-2018. **Pgs 181-214**
- g. Approve Resolution No. 2017- : Resolution of the City Council of the City of Brawley, California, acting as the Legislative Body of Community Facilities District No. 2005-1 of the City of Brawley (***Victoria Park***), authorizing the levy of Special Taxes within Community Facilities District No. 2005-1 for Fiscal Year 2017-2018. **Pgs 215-235**
- h. Approve Annual Planning Report and Progress of the General Plan Year for Year 2017. **Pgs 236-251**
- i. Approve Resolution No. 2017- : Resolution of the City Council of the City of Brawley, California Establishing Alyce A. Gereaux Park Splash Pad Rules. **Pgs 252-253**
- j. Reject Claim as recommended by Carl Warren & Company Claims Management Adjusters for Javier Garcia, et. al. **Pg 254**
- k. Approve Travel Authorization for Interim Police Chief to Attend Police Academy Graduation in Eureka, CA on June 14-16, 2017. **Pgs 255-258**

**4. REGULAR BUSINESS**

- a. Discussion and Potential Action re: Approve Resolution No. 2017- : Resolution of the City Council of the City of Brawley, California Approving the Form of and Authorizing the Execution and Delivery of a Preliminary Official Statement, a Purchase Contract and a Continuing Disclosure Agreement in Connection with the Issuance, Sale and Delivery of Pension Obligation Bonds. **Pgs 259-432**

- b. Discussion and Potential Action to Approve a Consulting Services Contract with The Holt Group, Inc. for the Volunteer Park - Phase 2 East Parking Lot Improvements in the Amount of \$35,805. **Pgs 433-453**
- c. Discussion and Potential Action to Approve Amendment No. 2 to the Professional Services Agreement Between the City of Brawley and The Holt Group, Inc. in the Amount of \$25,000 to Review One World Beef Biofiltro Plans & Specifications and Main Street Lighting Improvements Plans & Specifications. **Pgs 454-455**
- d. Discussion and Staff Action re: City Council's Summer 2017 Public Meeting Schedule.

**5. DEPARTMENTAL REPORTS**

- a. Monthly Staff Report for June, 2017 – Shirley Bonillas, Personnel & Risk Administrator. **Pg 456**
- b. 2017 Summer Schedule, Save the Date for Dive In Movie Night at the Lions Center Pool on July 2, 2017, 7PM and Alyce A. Gereaux Park Re-Opening on June 13, 2017 at 10AM – Pat Dorsey, Parks & Recreation Director. **Pgs 457-459**

**6. INFORMATIONAL REPORTS**

- a. Record of Building Permits for April 2017 prepared by Francisco Soto, Building Official. **Pgs 460-461**
- b. City of Brawley Agreements to Provide Dispatch Services to City of Calipatria and City of Westmorland. **Pgs 462-471**

**7. CITY TREASURER'S REPORT**

- a. Update on Investment Activity Report – March 31, 2017 **Pgs 472-473**

**8. COUNCIL MEMBER REPORTS**

**9. CITY MANAGER REPORT**

**10. CITY ATTORNEY REPORT**

**11. CITY CLERK REPORT**

**12. CLOSED SESSION**

**EXISTING LITIGATION** (Government Code §54956.9)

- a. Conference with Legal Counsel  
Name of Case: Brawley Oak Glen Land, LLC, et al. v. City of Brawley

**ADJOURNMENT** Next Regular Meeting, **July \_\_, 2017 @ 6:00 PM**, City Council Chambers, 351 Main Street, Brawley, California. Supporting Documents are available for public review in the Office of the City Clerk, 383 Main Street, Brawley, California 92227 - Monday through Friday during Regular Business Hours; Individuals who require special accommodations are requested to give 48 hours prior notice. Contact: Office of the City Clerk @ 760-351-3080.

*Alma Benavides*, City Clerk



*Proclamation  
Declaring the Month of June, 2017 as  
"Responsible Fatherhood Month"*

**WHEREAS**, Father's Day is celebrated in the United States on June 18<sup>th</sup> 2017, and this day honors fathers, dads, daddies, papás, and pops, and celebrates fatherhood, paternal bonds and the influence of fathers in society; and

**WHEREAS**, Father's Day is a special day to honor the men who raised us, and thank them for their selfless dedication and love; and

**WHEREAS**, from the first moments of life, the bond between a father and child is important, whether it is placing a band-aid on a skinned knee, fixing a flat bike tire, building a pillow fort, or telling a bed time story, dads instill values and introduce wonders into the lives of their children; and

**WHEREAS**, fathers are our first coaches, mentors, role models, push us to succeed, encourage us when we struggle, offer unconditional love and support; and

**WHEREAS**, the role of a responsible father carries enormous responsibilities, and an active and committed father makes a lasting different in a the life of a child; and

**WHEREAS**, the Imperial Valley Regional Occupational Program promotes responsible fatherhood, responsible parenting, healthy relationships, family development and stabilization; and

**NOW, THEREFORE, BE IT PROCLAIMED**, that the entire month of June, 2017 be declared "Responsible Fatherhood Month" in the City of Brawley, and

**NOW THEREFORE, BE IT RESOLVED, I SAM COUCHMAN**, Mayor of the City of Brawley, do hereby proclaim that all those in the City of Brawley join the celebration by extending their knowledge, support and participate in activities that promote responsible fatherhood and acknowledge fathers for their contributions to children, families and society.

*In witness hereof, I have hereunto set my hand  
caused the Seal of the City of Brawley to be  
fixed on this 6<sup>th</sup> day of June, 2017.*

---

Sam Couchman, Mayor

---

Alma Benavides, City Clerk

Check Register Report

Date: 05/12/2017

Time: 1:59 PM

Page: 1

City of Brawley

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
45386	05/12/2017	Printed	A368	AFLAC INC.	Cancer, ICU, Disability	2,813.35
45387	05/12/2017	Printed	C889	CALIFORNIA STATE DISBURSEME	Deductions	1,195.87
45388	05/12/2017	Printed	C110	COLUMBUS BANK & TRUST COMPA	Unreimbursed Medical &	526.90
45389	05/12/2017	Printed	F689	FRANCHISE TAX BOARD	Deductions	245.00
45390	05/12/2017	Printed	G265	ADAM GREEN	Deductions	175.00
45391	05/12/2017	Printed	N944	NATIONAL PLAN COORDINATORS	Deferred Comp Plan #340233-01	5,379.03
45392	05/12/2017	Printed	N187	NATIONWIDE RETIREMENT SOLUTION	Deferred Compensation #05270	165.00
45393	05/12/2017	Printed	S325	SUN COMMUNITY FED. CREDIT UNIO	Credit Union Deductions	1,121.00
45394	05/12/2017	Printed	U660	UNITED STATES TREASURY	Deductions	177.50
45395	05/12/2017	Printed	U761	UNITED STATES TREASURY	Deductions	200.00
45396	05/12/2017	Printed	U110	UNITED WAY OF IMPERIAL COUNTY	United Way Deductions	25.00

Total Checks: 11

Checks Total (excluding void checks):

12,023.65



Check Register Report

Date: 05/12/2017

Time: 12:54 PM

City of Brawley

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
461	05/12/2017	Printed	A242	A T & T	Telephone Services 4/19-5/18	313.02
462	05/12/2017	Printed	P120	AIRGAS USA, LLC	Wedding Torch	140.71
463	05/12/2017	Printed	A554	ALLIED WASTE SERVICES #467	Waste/Recycling Overage Fee	33.26
464	05/12/2017	Printed	A785	AT&T	U-Verse Internet 4/24-5/23	123.00
465	05/12/2017	Printed	C544	CANON FINANCIAL SERVICES, INC	P.W. Copier Lease, Usage	1,985.12
466	05/12/2017	Printed	C4562	CENTRITEK	Service Alfa Laval Centrifuge	4,900.00
467	05/12/2017	Printed	D123	DESERT AIR CONDITIONING, IN	A/C Maintenance	1,111.00
468	05/12/2017	Printed	D178	DIRECTV	Acct# 041023715 4/26-5/25/17	199.23
469	05/12/2017	Printed	E171	EMERGENCY MEDICAL PRODUCTS, IN	Medical Supplies	58.02
470	05/12/2017	Printed	F266	FIRE ETC., INC.	Pants, Coats	3,706.75
471	05/12/2017	Printed	M997	MAIN STREET SIGNS	Street Signs	594.65
472	05/12/2017	Printed	M730	MALLORY SAFETY & SUPPLY LLC	First Aide Refill	327.20
473	05/12/2017	Printed	M275	MSC INDUSTRIAL SUPPLY CO. INC.	Multi Tool Holders	152.44
474	05/12/2017	Printed	S689	STAPLES ADVANTAGE	Parchment Gold Paper	37.49
475	05/12/2017	Printed	U411	U.S. HEALTHWORKS MEDICAL	POST Medical Evaluation	671.00
476	05/12/2017	Printed	U630	UNITED PARCEL SERVICE, INC	Mailings - Engineering	107.69
477	05/12/2017	Printed	V079	VERIZON WIRELESS SERVICES L	Mobile Broadband/Public Works	38.01
478	05/12/2017	Printed	W112	WITMER PUBLIC SAFETY GROUP INC	Helmet, Shield	310.99

Total Checks: 18

Checks Total (excluding void checks):

14,809.58

45307	05/12/2017	Printed	B364	360 BUSINESS PRODUCTS	Pens,Battery,Ink Roller	273.87
45308	05/12/2017	Printed	A414	AIRWAVE COMMUNICATIONS ENT INC	May 2017 Radio Maint. Contract	523.00
45309	05/12/2017	Void	05/12/2017		Void Check	0.00
45310	05/12/2017	Printed	A126	ALSCO AMERICAN LINEN DIV.	Cleaning Services	691.32
45311	05/12/2017	Printed	A017	AMERICAN EXPRESS	AP Credit Card Payment 4/29/17	46,561.10
45312	05/12/2017	Printed	A155	ARCTIC AIR COND. & HEATING	Maintenance Preventive/ HVAC	69.00
45313	05/12/2017	Printed	A688	AT&T LONG DISTANCE	Telephone Services 3/25-4/24	38.17
45314	05/12/2017	Printed	A592	AUTO ZONE, INC. #2804	Refrigerant Cooling Unit	187.93
45315	05/12/2017	Printed	B684	LAURA P. BLAKE	Zumba Instructor P.M. APR 2017	637.50
45316	05/12/2017	Printed	B210	BRAWLEY CHAMBER OF COMMERCE	Business Lic Tax 01/1-03/31/17	1,104.62
45317	05/12/2017	Printed	B215	BRAWLEY FLORAL	Bow, Ribbon/Tonya	53.34
45318	05/12/2017	Printed	B855	BRAWLEY LITTLE LEAGUE	Banner/Spring 2017	100.00
45319	05/12/2017	Printed	C545	CANON SOLUTIONS AMERICA	P.W. Scanner, Printer Maint.	71.55
45320	05/12/2017	Printed	C9599	CAPPO, INC	Membership Fees/Ana Gutierrez	130.00
45321	05/12/2017	Printed	C1425	GIOVANA CARDENAS	Refund Deposit 968 Dominguez	32.53
45322	05/12/2017	Printed	C275	CDW GOVERNMENT, INC.	VMware Support & Subscription	4,839.34
45323	05/12/2017	Printed	C129	CREDIT BUREAU OF IMP. COUNT	Bulletin Fees, Credit Reports	140.00
45324	05/12/2017	Printed	C892	L. N. CURTIS & SONS	Custom Alteration	30.71
45325	05/12/2017	Printed	D144	DANIELS TIRE SERVICE	Tires #48 Parks	607.68
45326	05/12/2017	Printed	D402	DAPPER TIRE CO., INC.	Tires #47 Parks	734.61
45327	05/12/2017	Printed	D478	DEPARTMENT OF JUSTICE	Fingerprint Applications	128.00
45328	05/12/2017	Printed	D643	DESERT PAINTS	Sprayer	570.69
45329	05/12/2017	Printed	D961	DRISCOLLS	Hats/Fire Dept.	155.16
45330	05/12/2017	Printed	E398	EMPIRE SOUTHWEST LLC	Full System Inspection, Test	830.00
45331	05/12/2017	Printed	X169	EXIT IMPERIAL REALTY	Refund Deposit 971 Jones St	132.24
45332	05/12/2017	Printed	F219	MARGARET FERGUSON	Refund Deposit 651 N 13th St	183.20
45333	05/12/2017	Printed	F415	TANYA FERNANDEZ	Reimb. Decorations/Employee	46.24
45334	05/12/2017	Printed	F611	MONICA & JOSE M FLORES	Refund Deposit 937 David St	70.71
45335	05/12/2017	Printed	G515	ABRAHAM GARCIA	SB Umpire 5/2, 5/4	88.00
45336	05/12/2017	Printed	G750	GOVCONNECTION, INC	Laptop	912.30
45337	05/12/2017	Printed	G1033	WESLEY GRILLEY	Refund Deposit 1033 Walnut St	91.48
45338	05/12/2017	Printed	G774	GROSSMAN PSYCHOLOGICAL ASSOC I	Pre-Employment Psych Exam	300.00

Check Register Report

Date: 05/12/2017

Time: 12:54 PM

City of Brawley

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
45339	05/12/2017	Printed	H158	HD SUPPLY WATERWORKS, LTD	Superimposed Cover Hinged Lid	5,143.7
45340	05/12/2017	Printed	H100	GEORGE HEREDIA	Tennis Instructor 3/17-4/28	267.7
45341	05/12/2017	Printed	I447	I. V. TERMITE & PEST CONTRO	Bee Control/F. D. #1	114.0
45342	05/12/2017	Printed	I327	IACP	IACP Annual Dues/Kelly Brown	150.0
45343	05/12/2017	Printed	I004	IMPERIAL CO TRANSPORTATION	ICTC Shared Costs 4th Qtr FY	3,085.6
45344	05/12/2017	Void	05/12/2017		Void Check	0.0
45345	05/12/2017	Void	05/12/2017		Void Check	0.0
45346	05/12/2017	Void	05/12/2017		Void Check	0.0
45347	05/12/2017	Printed	I301	IMPERIAL HARDWARE CO., INC.	Bulbs	1,817.4
45348	05/12/2017	Printed	I103	IMPERIAL IRRIGATION DISTRIC	Power Bills 3/15/17-4/26/17	563.8
45349	05/12/2017	Printed	I443	IMPERIAL PRINTERS	Color Paper	139.0
45350	05/12/2017	Printed	I300	IMPERIAL REGIONAL ALLIANCE INC	2017 General Assembly &	75.0
45351	05/12/2017	Printed	I440	INTERNATIONAL CODE COUNCIL,INC	Membership Dues #0087550	135.0
45352	05/12/2017	Printed	J490	JOHNNY'S NEIGHBORHOOD MARKE	Breakfast/Downtown Detail	323.7
45353	05/12/2017	Printed	K154	K-C WELDING RENTALS, INC.	Water Pump Repair	394.4
45354	05/12/2017	Printed	K129	KING KIMBALL	Refund Deposit 614 Garrett St	222.5
45355	05/12/2017	Printed	K018	KIMLEY-HORN AND ASSOCIATES,INC	Alyce Gereaux Park Preliminary	2,179.7
45356	05/12/2017	Printed	L920	LABRUCHERIE IRRIGATION SUPP	Glue	33.3
45357	05/12/2017	Printed	L223	LANDMARK CONSULTANTS, INC.	S Palm Ave Asphalt Rehab	12,840.7
45358	05/12/2017	Printed	M349	MARLIN BUSINESS BANK	Investigations Copier Lease	49.6
45359	05/12/2017	Printed	M086	MASTER METER, INC.	Annual Support & Maintenance	1,500.0
45360	05/12/2017	Printed	M004	MCNEECE BROS OIL COMPANY	Fuel-PW/WWTP	931.1
45361	05/12/2017	Printed	N045	NORTHEND AUTOPARTS, INC.	LED Shop Spot Light	203.6
45362	05/12/2017	Printed	O567	JIM O'MALLEY PLUMBING	PVC Fittings	70.4
45363	05/12/2017	Printed	O233	O'REILLY AUTO PARTS	Filter #3901 F.D.	111.2
45364	05/12/2017	Printed	O113	OK RUBBER TIRES	Tires #77 Parks	341.9
45365	05/12/2017	Printed	O901	ORANGE COMMERCIAL CREDIT	Effluent Analysis WWTP	7,498.0
45366	05/12/2017	Printed	O875	KALI ORFF	Travel Adv./Field Training	1,219.8
45367	05/12/2017	Printed	P604	PADRE USA	Facial Tissue	33.5
45368	05/12/2017	Printed	P110	PESTMASTER SERVICES	Pest Control/Lions Center	95.0
45369	05/12/2017	Printed	P255	PITNEY BOWES PURCHASE POWER	Postage - Police Dept.	299.7
45370	05/12/2017	Printed	P558	PRO RECORD STORAGE, INC.	Document Storage 4/1-4/30/17	418.5
45371	05/12/2017	Printed	R006	ROSA I RAMIREZ	Reimb. Employee Appreciation	149.6
45372	05/12/2017	Printed	R819	RICARDO RUBIO	Refund Deposit 610 WDST	123.3
45373	05/12/2017	Printed	R621	RONALD RUBIO	Softball Umpire 5/2, 5/4/17	44.0
45374	05/12/2017	Printed	S815	SAL'S TREE SERVICE	Top & Thin Indian Laurels	4,550.0
45375	05/12/2017	Printed	S155	SAN DIEGO COUNTY	Police Radio System Fee/April	2,310.0
45376	05/12/2017	Printed	M2471	MONICA SANCHEZ	Refund Deposit 116 JSTR	222.5
45377	05/12/2017	Printed	S1113	SCADA INTEGRATIONS	Install Ubiquity Radios	968.7
45378	05/12/2017	Printed	S025	DIEGO SOTO	Travel Adv./Field Training	1,172.9
45379	05/12/2017	Printed	S849	STILLS ELECTRIC	Upgrade LED Street Light	1,149.7
45380	05/12/2017	Printed	T552	TRANSACT TECHNOLOGIES INC.	Cash Receipts Rolls	126.8
45381	05/12/2017	Printed	U167	UNDERGROUND SERVICE ALERT, INC	Dig Alert Tickets	57.0
45382	05/12/2017	Printed	U277	UNITED BLOWER, INC	Filter Element	278.1
45383	05/12/2017	Printed	V506	VALLEY PETROLEUM EQUIPMENT INC	Pressure Decay Test, Vent Test	1,027.7
45384	05/12/2017	Printed	V308	VIC'S AIR CONDITIONING & ELECT	A/C Repair/Lion's Center	1,010.7
45385	05/12/2017	Printed	W221	WAL-MART STORES, INC. #01-1555	Paint Supplies	147.4

Total Checks: 79

Checks Total (excluding void checks):

113,932.0

Total Payments: 97

Grand Total (excluding void checks):

128,741.6

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/12/2017  
 Time: 12:58 pm  
 Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
<b>Fund: 101 General Fund</b>							
<b>Dept: 000.000</b>							
101-000.000-202.000	Accounts AMERICAN EXPRESS///		AP Credit Card Payment 4/29/17	45311	04/29/2017	05/12/2017	14,666.3
							<b>14,666.3</b>
101-000.000-205.303	Downtown BRAWLEY CHAMBER OF BRAWLEY CHAMBER OF BRAWLEY CHAMBER OF		Business Lic Tax 07/1-09/30/16 Business Lic Tax 10/1-12/31/16 Business Lic Tax 01/1-03/31/17	45316 45316 45316	04/01/2017 04/01/2017 04/01/2017	05/12/2017 05/12/2017 05/12/2017	5.0 352.0 747.6
							<b>1,104.6</b>
<b>Total Dept. 000000:</b>							<b>15,770.9</b>
<b>Dept: 110.000 General Revenues</b>							
101-110.000-410.910	Utility users SANCHEZ/MONICA//		Refund Deposit 116 JSTR	45376	05/04/2017	05/12/2017	2.8
							<b>2.8</b>
<b>Total Dept. General Revenues:</b>							<b>2.8</b>
<b>Dept: 111.000 City Council</b>							
101-111.000-750.504	Training - IMPERIAL REGIONAL	4	2017 General Assembly &	45350	05/05/2017	05/12/2017	75.0
							<b>75.0</b>
<b>Total Dept. City Council:</b>							<b>75.0</b>
<b>Dept: 112.000 City Clerk</b>							
101-112.000-730.200	Technical PRO RECORD STORAGE,	001857	Document Storage 4/1-4/30/17	45370	05/01/2017	05/12/2017	15.2
							<b>15.2</b>
101-112.000-740.400	Rent PRO RECORD STORAGE,	001857	Document Storage 4/1-4/30/17	45370	05/01/2017	05/12/2017	113.9
							<b>113.9</b>
<b>Total Dept. City Clerk:</b>							<b>129.2</b>
<b>Dept: 151.000 Finance</b>							
101-151.000-720.100	Office 360 BUSINESS PRODUCTS///		Post-Its, Tape, Copy Paper	45307	04/25/2017	05/12/2017	49.6
	360 BUSINESS PRODUCTS///		Ret Lined Sticky Meeting Notes	45307	04/26/2017	05/12/2017	-28.1
	360 BUSINESS PRODUCTS///		Weekly Planner	45307	04/26/2017	05/12/2017	23.2
	360 BUSINESS PRODUCTS///	OE-27239-1	Sign-Here Flags	45307	04/26/2017	05/12/2017	11.2
	IMPERIAL PRINTERS///	17-1655	Date Paid Stamper	45349	04/23/2017	05/12/2017	126.0
							<b>182.0</b>
101-151.000-721.900	Small tools & 360 BUSINESS PRODUCTS///		Credit/Tax Overpmt	45307	04/01/2017	05/12/2017	-0.3
							<b>-0.3</b>
101-151.000-730.200	Technical PRO RECORD STORAGE,	0018535	Document Storage 4/1-4/30/17	45370	05/01/2017	05/12/2017	42.5
							<b>42.5</b>
101-151.000-740.400	Rent PRO RECORD STORAGE,	0018535	Document Storage 4/1-4/30/17	45370	05/01/2017	05/12/2017	175.5
							<b>175.5</b>
<b>Total Dept. Finance:</b>							<b>399.8</b>
<b>Dept: 152.000 Utility Billing</b>							
101-152.000-720.100	Office						

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/12/2017

Time: 12:58 p

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
	IMPERIAL PRINTERS///	17-1768	Color Paper	45349	04/25/2017	05/12/2017	12.9
	TRANSACT TECHNOLOGIES	1280691	Cash Receipts Rolls	45380	04/01/2017	05/12/2017	126.8
							<b>139.8</b>
<b>Total Dept. Utility Billing:</b>							<b>139.8</b>
<b>Dept: 153.000 Personnel</b>							
101-153.000-730.200	Technical PRO RECORD STORAGE,	0018539	Document Storage 4/1-4/30/17	45370	05/01/2017	05/12/2017	21.0
							<b>21.0</b>
101-153.000-740.400	Rent PRO RECORD STORAGE,	0018539	Document Storage 4/1-4/30/17	45370	05/01/2017	05/12/2017	50.1
							<b>50.1</b>
101-153.000-750.300	Advertising & FERNANDEZ/TANYA//		Reimb. Decorations/Employee	45333	04/08/2017	05/12/2017	46.2
							<b>46.2</b>
101-153.000-750.310	Employee RAMIREZ/ROSA //		Reimb. Employee Appreciation	45371	04/28/2017	05/12/2017	149.6
							<b>149.6</b>
<b>Total Dept. Personnel:</b>							<b>267.0</b>
<b>Dept: 181.000 Information</b>							
101-181.000-730.200	Technical STILLS ELECTRIC///	5589	Install 30 Amp UPS Receptacle	45379	05/01/2017	05/12/2017	576.1
							<b>576.1</b>
101-181.000-740.100	Repair & CDW GOVERNMENT, INC.///		VMware Support & Subscription	45322	04/19/2017	05/12/2017	4,729.0
							<b>4,729.0</b>
<b>Total Dept. Information technology:</b>							<b>5,305.1</b>
<b>Dept: 191.000 Non-departmental</b>							
101-191.000-720.100	Office 360 BUSINESS PRODUCTS///		Post-Its, Tape, Copy Paper	45307	04/25/2017	05/12/2017	164.3
							<b>164.3</b>
101-191.000-721.200	Other IMPERIAL HARDWARE CO.,	477895/2	Bulbs	45347	05/10/2017	05/12/2017	13.1
							<b>13.1</b>
101-191.000-730.200	Technical PESTMASTER SERVICES///	1392815	Pest Control/Building Dept.	45368	05/01/2017	05/12/2017	30.0
							<b>30.0</b>
101-191.000-740.200	Cleaning ALSCO AMERICAN LINEN		Cleaning Services	45310	04/24/2017	05/12/2017	12.7
							<b>12.7</b>
<b>Total Dept. Non-departmental:</b>							<b>220.1</b>
<b>Dept: 211.000 Police Protection</b>							
101-211.000-721.200	Other IMPERIAL HARDWARE CO.,	476693/2	Bulbs	45347	04/28/2017	05/12/2017	35.4
	IMPERIAL HARDWARE CO.,	476689/2	Return Bulbs	45347	04/28/2017	05/12/2017	-97.5
	MALLORY SAFETY & SUPPLY	4256480	Gloves	472	04/28/2017	05/12/2017	118.4
	MALLORY SAFETY & SUPPLY	4256478	First Aide Refill	472	04/28/2017	05/12/2017	51.3
							<b>107.6</b>
101-211.000-725.200	Electricity IMPERIAL IRRIGATION		Power Bill 03/01/17-03/15/17	45348	04/01/2017	05/12/2017	314.9

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/12/2017

Time: 12:58 pm

Page: 7

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
							314.95
101-211.000-725.400	Fuel MCNEECE BROS OIL	203432	Fuel/Police Dept.	45360	04/11/2017	05/12/2017	2.55
							2.55
101-211.000-730.100	Professional GROSSMAN U.S. HEALTHWORKS	01052017	Pre-Employment Psych Exam POST Medical Evaluation	45338 475	05/01/2017 04/28/2017	05/12/2017 05/12/2017	300.00 671.00
							971.00
101-211.000-730.200	Technical CREDIT BUREAU OF IMP. DEPARTMENT OF JUSTICE///	4524 231010	Credit Reports/P.D. Fingerprint Applications	45323 45327	05/01/2017 05/03/2017	05/12/2017 05/12/2017	70.00 128.00
							198.00
101-211.000-740.100	Repair & AIRWAVE COMMUNICATIONS DESERT AIR CONDITIONING,	606750 B32214	May 2017 Radio Maint. Contract A/C Maintenance	45308 467	04/30/2017 04/26/2017	05/12/2017 05/12/2017	523.00 1,111.00
							1,634.00
101-211.000-740.400	Rent MARLIN BUSINESS BANK///	14954129	Investigations Copier Lease	45358	05/03/2017	05/12/2017	49.60
							49.60
101-211.000-750.200	SAN DIEGO COUNTY///		Police Radio System Fee/April	45375	05/01/2017	05/12/2017	2,117.50
							2,117.50
101-211.000-750.210	Postage PITNEY BOWES PURCHASE		Postage - Police Dept.	45369	04/17/2017	05/12/2017	299.70
							299.70
101-211.000-750.510	ORFF/KALI// SOTO/DIEGO//		Travel Adv./Field Training Travel Adv./Field Training	45366 45378	04/28/2017 04/28/2017	05/12/2017 05/12/2017	1,219.80 1,172.90
							2,392.70
101-211.000-750.600	IACP///		IACP Annual Dues/Kelly Brown	45342	04/01/2017	05/12/2017	150.00
							150.00
<b>Total Dept. Police Protection:</b>							<b>8,237.80</b>
<b>Dept: 211.300 Graffiti Abatement</b>							
101-211.300-721.200	Other IMPERIAL HARDWARE CO., WAL-MART STORES, INC.	477158/2 09705	Paint, Brush, Pail Paint Supplies	45347 45385	05/03/2017 05/04/2017	05/12/2017 05/12/2017	81.00 57.00
							138.00
101-211.300-721.900	Small tools & DESERT PAINTS///	4421	Sprayer	45328	05/04/2017	05/12/2017	570.60
							570.60
<b>Total Dept. Graffiti Abatement:</b>							<b>708.70</b>
<b>Dept: 221.000 Fire Department</b>							
101-221.000-720.600	Plumbing IMPERIAL HARDWARE CO., IMPERIAL HARDWARE CO.,	476378/2 476428/2	Couplings Elb, Coupling, Pipe	45347 45347	04/25/2017 04/26/2017	05/12/2017 05/12/2017	1.80 10.90
							12.80
101-221.000-721.100	Uniforms CURTIS & SONS/L. N.// DRISCOLLS//	INV94680 40527	Custom Alteration Hats/Fire Dept.	45324 45329	04/17/2017 04/01/2017	05/12/2017 05/12/2017	30.70 155.10

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/12/20

Time: 12:58 p

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
	FIRE ETC., INC.///	102255	Pants, Coats	470	04/28/2017	05/12/2017	3,355.2
	WITMER PUBLIC SAFETY		Helmet, Shield	478	04/24/2017	05/12/2017	60.4
	WITMER PUBLIC SAFETY		Helmet, Shield	478	04/24/2017	05/12/2017	250.6
							<b>3,852.2</b>
101-221.000-721.200	Other						
	EMERGENCY MEDICAL	1901206	Medical Supplies	469	04/18/2017	05/12/2017	58.0
	IMPERIAL HARDWARE CO.,	475969/2	Batteries	45347	04/21/2017	05/12/2017	12.9
	IMPERIAL HARDWARE CO.,	473808/2	Pails, Lids, Brush, Hook	45347	04/02/2017	05/12/2017	40.9
	IMPERIAL HARDWARE CO.,	474504/2	Batteries, Strap, Buckle	45347	04/07/2017	05/12/2017	29.0
	IMPERIAL HARDWARE CO.,	474932/2	Sprayer	45347	04/11/2017	05/12/2017	16.7
	IMPERIAL HARDWARE CO.,	474892/2	Fuel, Chain Oil, Brush, Paint	45347	04/11/2017	05/12/2017	34.7
							<b>191.5</b>
101-221.000-721.900	Small tools &						
	AIRGAS USA, LLC///		Wedling Torch	462	04/18/2017	05/12/2017	140.7
							<b>140.7</b>
101-221.000-730.200	Technical						
	I. V. TERMITE & PEST	0243756	Pest Control Svcs F.D. #1	45341	04/21/2017	05/12/2017	29.0
	I. V. TERMITE & PEST	0244630	Bee Control/F. D. #1	45341	04/24/2017	05/12/2017	85.0
							<b>114.0</b>
							<b>Total Dept. Fire Department: 4,311.2</b>
<b>Dept: 221.100</b>	<b>Fire Station #2</b>						
101-221.100-721.200	Other						
	AUTO ZONE, INC. #2804///		Car Freshener	45314	04/24/2017	05/12/2017	3.7
	IMPERIAL HARDWARE CO.,	475992/2	Spray Paint, Coupling	45347	04/21/2017	05/12/2017	8.5
							<b>12.2</b>
101-221.100-721.900	Small tools &						
	FIRE ETC., INC.///	102182	Mounting Brackets	470	04/27/2017	05/12/2017	351.4
							<b>351.4</b>
101-221.100-740.100	Repair &						
	CANON FINANCIAL	17233668	Printer Lease, Usage/Fire Dept	465	04/12/2017	05/12/2017	11.7
							<b>11.7</b>
101-221.100-740.400	Rent						
	CANON FINANCIAL	17233668	Printer Lease, Usage/Fire Dept	465	04/12/2017	05/12/2017	72.6
							<b>72.6</b>
101-221.100-750.200							
	A T & T///		Telephone Services 4/19-5/18	461	04/19/2017	05/12/2017	313.0
	AT&T		U-Verse Internet 4/24-5/23	464	04/23/2017	05/12/2017	59.0
	DIRECTV		Acct# 041023715 4/26-5/25/17	468	04/27/2017	05/12/2017	199.2
							<b>571.2</b>
							<b>Total Dept. Fire Station #2: 1,019.3</b>
<b>Dept: 231.000</b>	<b>Building Inspection</b>						
101-231.000-720.100	Office						
	360 BUSINESS PRODUCTS///		Pens,Battery,Ink Roller	45307	04/28/2017	05/12/2017	72.3
							<b>72.3</b>
101-231.000-721.200	Other						
	PADRE USA///	16004855	Facial Tissue	45367	04/24/2017	05/12/2017	33.5
							<b>33.5</b>
101-231.000-740.100	Repair &						
	SAN DIEGO COUNTY///		P.W. Radio System Fees/April	45375	05/01/2017	05/12/2017	55.0
							<b>55.0</b>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/12/2017

Time: 12:58 pm

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
101-231.000-750.600	INTERNATIONAL CODE	3144404	Membership Dues #0087550	45351	04/18/2017	05/12/2017	135.0
							<b>135.0</b>
<b>Total Dept. Building Inspection:</b>							<b>295.9</b>
<b>Dept: 311.000 Engineering</b>							
101-311.000-730.100	Professional						
	LANDMARK CONSULTANTS,	LE0417-76	Alyce Gereaux Park Renovations	45357	05/02/2017	05/12/2017	1,650.2
	LANDMARK CONSULTANTS,	LE0317-69	S Palm Ave Asphalt Rehab	45357	04/05/2017	05/12/2017	2,820.2
	LANDMARK CONSULTANTS,	LE0417-30	S Palm Ave Asphalt Rehab	45357	04/18/2017	05/12/2017	3,148.0
	LANDMARK CONSULTANTS,	LE0417-62	S Palm Ave Asphalt Rehab	45357	05/02/2017	05/12/2017	5,222.2
							<b>12,840.7</b>
101-311.000-740.100	Repair & CANON FINANCIAL CANON SOLUTIONS	17212032	P.W. Copier Lease, Usage P.W. Scanner, Printer Maint.	465 45319	04/12/2017 04/04/2017	05/12/2017 05/12/2017	1,058.9 71.5
							<b>1,130.5</b>
101-311.000-740.200	Cleaning ALSCO AMERICAN LINEN ALSCO AMERICAN LINEN		Cleaning Services Cleaning Services	45310 45310	05/01/2017 04/24/2017	05/12/2017 05/12/2017	26.1 26.1
							<b>52.2</b>
101-311.000-740.400	Rent CANON FINANCIAL CANON FINANCIAL	17170169 17212032	P.W. Copier Lease P.W. Copier Lease, Usage	465 465	04/01/2017 04/12/2017	05/12/2017 05/12/2017	301.7 540.0
							<b>841.7</b>
101-311.000-750.200	AT&T LONG DISTANCE/// SAN DIEGO COUNTY///	858412068	Telephone Services 3/25-4/24 P.W. Radio System Fees/April	45313 45375	04/26/2017 05/01/2017	05/12/2017 05/12/2017	38.1 27.5
							<b>65.6</b>
101-311.000-750.210	Postage UNITED PARCEL SERVICE,		Mailings - Engineering	476	04/22/2017	05/12/2017	107.6
							<b>107.6</b>
101-311.000-750.600	CAPPO, INC///		Membership Fees/Ana Gutierrez	45320	04/01/2017	05/12/2017	130.0
							<b>130.0</b>
<b>Total Dept. Engineering:</b>							<b>15,168.5</b>
<b>Dept: 411.000 Community</b>							
101-411.000-720.100	Office 360 BUSINESS PRODUCTS///		Pens,Battery,Ink Roller	45307	04/28/2017	05/12/2017	72.3
							<b>72.3</b>
101-411.000-750.600	CREDIT BUREAU OF IMP,	4502	Bulletin Fees, Credit Reports	45323	05/01/2017	05/12/2017	25.0
							<b>25.0</b>
<b>Total Dept. Community Development:</b>							<b>97.3</b>
<b>Dept: 511.000 Parks</b>							
101-511.000-720.300	Chemicals IMPERIAL HARDWARE CO., IMPERIAL HARDWARE CO., IMPERIAL HARDWARE CO.,	476975/2 477035/2 477189/2	Ant Killer Ant Killer, Fittings Chlorine Tablets	45347 45347 45347	05/01/2017 05/02/2017 05/03/2017	05/12/2017 05/12/2017 05/12/2017	39.7 14.5 80.1
							<b>134.4</b>
101-511.000-720.500	Electrical HD SUPPLY WATERWORKS,	H109732	Superimposed Cover Hinged Lid	45339	04/27/2017	05/12/2017	97.7

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/12/2017

Time: 12:58 pm

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
							<u>97.7</u>
101-511.000-720.600	Plumbing						
	IMPERIAL HARDWARE CO.,	476663/2	Fiberfix Patch	45347	04/28/2017	05/12/2017	24.5
	IMPERIAL HARDWARE CO.,	477035/2	Ant Killer, Fittings	45347	05/02/2017	05/12/2017	4.5
	IMPERIAL HARDWARE CO.,	477166/2	Coupling, Nipple, Key Caps	45347	05/03/2017	05/12/2017	12.8
	O'MALLEY PLUMBING/JIM//	92157	Fittings Fire Hose	45362	04/28/2017	05/12/2017	40.8
							<u>82.7</u>
101-511.000-720.800	Janitorial						
	WAL-MART STORES, INC.	05729	Drinks, Cleaner	45385	05/02/2017	05/12/2017	17.7
							<u>17.7</u>
101-511.000-721.110	Food and						
	JOHNNY'S NEIGHBORHOOD	2389321	Breakfast/Downtown Detail	45352	04/04/2017	05/12/2017	45.9
	JOHNNY'S NEIGHBORHOOD	2390167	Breakfast/Downtown Detail	45352	04/05/2017	05/12/2017	54.3
	JOHNNY'S NEIGHBORHOOD	2394607	Breakfast/Downtown Detail	45352	04/11/2017	05/12/2017	42.0
	JOHNNY'S NEIGHBORHOOD	2398804	Breakfast/Downtown Detail	45352	04/18/2017	05/12/2017	37.2
	JOHNNY'S NEIGHBORHOOD	2399321	Breakfast/Downtown Detail	45352	04/19/2017	05/12/2017	46.3
	JOHNNY'S NEIGHBORHOOD	2403263	Breakfast/Downtown Detail	45352	04/25/2017	05/12/2017	55.9
	JOHNNY'S NEIGHBORHOOD	2404175	Breakfast/Downtown Detail	45352	04/26/2017	05/12/2017	42.0
							<u>323.7</u>
101-511.000-721.200	Other						
	BRAWLEY FLORAL//	3576	Bow, Ribbon/Tonya	45317	04/01/2017	05/12/2017	53.3
	IMPERIAL HARDWARE CO.,	476602/2	Return Hose	45347	04/27/2017	05/12/2017	-12.9
	IMPERIAL HARDWARE CO.,	476603/2	Hose	45347	04/27/2017	05/12/2017	29.7
	IMPERIAL HARDWARE CO.,	476605/2	Keys	45347	04/27/2017	05/12/2017	4.1
	IMPERIAL HARDWARE CO.,	477191/2	Sand	45347	05/03/2017	05/12/2017	57.1
	IMPERIAL HARDWARE CO.,	477225/2	Straw Hat, Brush, Roller Cover	45347	05/03/2017	05/12/2017	28.0
	MALLORY SAFETY & SUPPLY	4250954	Earplugs	472	04/18/2017	05/12/2017	26.9
	WAL-MART STORES, INC.	05729	Drinks, Cleaner	45385	05/02/2017	05/12/2017	33.3
							<u>219.7</u>
101-511.000-725.200	Electricity						
	IMPERIAL IRRIGATION		Power Bills 3/15/17-4/26/17	45348	04/05/2017	05/12/2017	248.8
							<u>248.8</u>
101-511.000-740.100	Repair &						
	K-C WELDING RENTALS,	14432	Water Pump Repair	45353	04/01/2017	05/12/2017	174.0
							<u>174.0</u>
<b>Total Dept. Parks:</b>							<b>1,299.0</b>
<b>Dept: 521.000</b>	<b>Recreation &amp; Lions</b>						
101-521.000-720.100	Office						
	STAPLES ADVANTAGE//		Parchment Gold Paper	474	04/22/2017	05/12/2017	37.4
							<u>37.4</u>
101-521.000-720.300	Chemicals						
	IMPERIAL HARDWARE CO.,	476584/2	Weed Killer, Batteries, Nozzle	45347	04/27/2017	05/12/2017	39.8
							<u>39.8</u>
101-521.000-720.800	Janitorial						
	IMPERIAL HARDWARE CO.,	477145/2	Toilet Bowl Brush	45347	05/03/2017	05/12/2017	8.4
	WAL-MART STORES, INC.	05729	Drinks, Cleaner	45385	05/02/2017	05/12/2017	16.5
							<u>24.9</u>
101-521.000-721.200	Other						
	BRAWLEY LITTLE LEAGUE//	2017-3	Banner/Spring 2017	45318	04/01/2017	05/12/2017	100.0
	IMPERIAL HARDWARE CO.,	477143/2	Return Batteries	45347	05/03/2017	05/12/2017	-12.9
	IMPERIAL HARDWARE CO.,	476584/2	Weed Killer, Batteries, Nozzle	45347	04/27/2017	05/12/2017	56.6
	MALLORY SAFETY & SUPPLY	4255721	Gloves	472	04/27/2017	05/12/2017	51.2

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/12/2017

Time: 12:58 pm

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
							<b>195.04</b>
101-521.000-721.900	Small tools & CDW GOVERNMENT, INC./// IMPERIAL HARDWARE CO.,	477148/2	Tower Pump	45322 45347	04/21/2017 05/03/2017	05/12/2017 05/12/2017	110.3 743.4
							<b>853.84</b>
101-521.000-730.200	Technical PESTMASTER SERVICES///	1392857	Pest Control/Lions Center	45368	05/02/2017	05/12/2017	35.0
							<b>35.00</b>
101-521.000-740.100	Repair & VIC'S AIR CONDITIONING &	60271	A/C Repair/Lion's Center	45384	04/27/2017	05/12/2017	705.0
							<b>705.00</b>
101-521.000-740.200	Cleaning ALSCO AMERICAN LINEN		Cleaning Services	45310	05/01/2017	05/12/2017	27.0
							<b>27.00</b>
<b>Total Dept. Recreation &amp; Lions Center:</b>							<b>1,918.14</b>
<b>Dept: 521.100 Recreation Leagues</b>							
101-521.100-730.200	Technical BLAKE/LAURA P.// BLAKE/LAURA P.// GARCIA/ABRAHAM// HEREDIA/GEORGE// RUBIO/RONALD//		Zumba Instructor A.M. APR 2017 Zumba Instructor P.M. APR 2017 SB Umpire 5/2, 5/4 Tennis Instructor 3/17-4/28 Softball Umpire 5/2, 5/4/17	45315 45315 45335 45340 45373	05/03/2017 05/03/2017 05/05/2017 05/03/2017 05/05/2017	05/12/2017 05/12/2017 05/12/2017 05/12/2017 05/12/2017	297.5 340.0 88.0 267.7 44.0
							<b>1,037.20</b>
<b>Total Dept. Recreation Leagues:</b>							<b>1,037.20</b>
<b>Dept: 522.000 Senior Citizens</b>							
101-522.000-730.200	Technical ALLIED WASTE SERVICES PESTMASTER SERVICES///	1392776	Waste/Recycling Overage Fee Pest Control/Senior Center	463 45368	04/20/2017 05/01/2017	05/12/2017 05/12/2017	33.2 30.0
							<b>63.20</b>
101-522.000-740.100	Repair & VIC'S AIR CONDITIONING &	60124	A/C Repair/Senior Center	45384	04/18/2017	05/12/2017	305.7
							<b>305.70</b>
101-522.000-750.200	AT&T		U-Verse Internet 4/24-5/23	464	04/23/2017	05/12/2017	64.0
							<b>64.00</b>
<b>Total Dept. Senior Citizens Center:</b>							<b>433.00</b>
<b>Total Fund General Fund:</b>							<b>56,836.54</b>
<b>Fund: 202 CDBG</b>							
<b>Dept: 650.549 15-HOME-10897</b>							
202-650.549-750.600	CREDIT BUREAU OF IMP.	4502	Bulletin Fees, Credit Reports	45323	05/01/2017	05/12/2017	45.0
							<b>45.00</b>
<b>Total Dept. 15-HOME-10897 Program:</b>							<b>45.00</b>
<b>Total Fund CDBG:</b>							<b>45.00</b>

Fund: 211 Gas Tax

Dept: 000.000

211-000.000-202.000 Accounts

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/12/2017

Time: 12:58 p

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
	AMERICAN EXPRESS///		AP Credit Card Payment 4/29/17	45311	04/29/2017	05/12/2017	6,840.1
							<u>6,840.1</u>
						<b>Total Dept. 000000:</b>	<b>6,840.1</b>
<b>Dept: 312.000</b>	<b>Street Maintenance</b>						
211-312.000-720.300	Chemicals IMPERIAL HARDWARE CO.,	477330/2	Weed Killer, Glue	45347	05/04/2017	05/12/2017	105.5
							<u>105.5</u>
211-312.000-721.200	Other IMPERIAL HARDWARE CO.,	477330/2	Weed Killer, Glue	45347	05/04/2017	05/12/2017	5.7
							<u>5.7</u>
211-312.000-721.900	Small tools & MAIN STREET SIGNS///	24596	Street Signs	471	04/17/2017	05/12/2017	594.6
							<u>594.6</u>
211-312.000-725.400	Fuel MCNEECE BROS OIL	204670	Fuel/ #177 Parks	45360	05/01/2017	05/12/2017	21.6
							<u>21.6</u>
211-312.000-730.200	Technical IMPERIAL CO	17-28	ICTC Shared Costs 4th Qtr FY	45343	05/03/2017	05/12/2017	3,085.6
	SAL'S TREE SERVICE///	677	Top & Thin Indian Laurels	45374	05/09/2017	05/12/2017	4,550.0
							<u>7,635.6</u>
211-312.000-740.100	Repair & STILLS ELECTRIC///	5588	Upgrade LED Street Light	45379	05/01/2017	05/12/2017	573.6
							<u>573.6</u>
						<b>Total Dept. Street Maintenance &amp;</b>	<b>8,936.8</b>
						<b>Total Fund Gas Tax:</b>	<b>15,776.9</b>
<b>Fund: 215</b>	<b>Measure D - Sales Tax</b>						
<b>Dept: 000.000</b>							
215-000.000-202.000	Accounts AMERICAN EXPRESS///		AP Credit Card Payment 4/29/17	45311	04/29/2017	05/12/2017	17,496.5
							<u>17,496.5</u>
						<b>Total Dept. 000000:</b>	<b>17,496.5</b>
						<b>Total Fund Measure D -</b>	<b>17,496.5</b>
<b>Fund: 245</b>	<b>CFD 05-3 La Paloma</b>						
<b>Dept: 195.000</b>	<b>Comm Fac Dist</b>						
245-195.000-721.200	Other WAL-MART STORES, INC.	09284	Paint Supplies	45385	05/04/2017	05/12/2017	22.8
							<u>22.8</u>
						<b>Total Dept. Comm Fac Dist:</b>	<b>22.8</b>
						<b>Total Fund CFD 05-3 La</b>	<b>22.8</b>
<b>Fund: 411</b>	<b>Capital Projects - Parks</b>						
<b>Dept: 512.010</b>	<b>Alyce Gereaux Park</b>						
411-512.010-730.100	Professional KIMLEY-HORN AND	9158432	Alyce Gereaux Park Preliminary	45355	04/01/2017	05/12/2017	2,179.78
							<u>2,179.78</u>
						<b>Total Dept. Alyce Gereaux Park</b>	<b>2,179.78</b>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/12/2017

Time: 12:58 pm

Page: 1

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
<b>Total Fund Capital Projects</b>							<b>2,179.78</b>
<b>Fund: 501 Water</b>							
<b>Dept: 000.000</b>							
501-000 000-202.000	Accounts						
	AMERICAN EXPRESS///		AP Credit Card Payment 4/29/17	45311	04/29/2017	05/12/2017	1,206.37
							<b>1,206.37</b>
501-000.000-205.200	Water						
	CARDENAS/GIOVANA//		Refund Deposit 968 Dominguez	45321	05/04/2017	05/12/2017	32.50
	EXIT IMPERIAL REALTY///		Refund Deposit 971 Jones St	45331	05/02/2017	05/12/2017	132.20
	FERGUSON/MARGARET//		Refund Deposit 651 N 13th St	45332	05/04/2017	05/12/2017	183.20
	FLORES/MONICA & JOSE M//		Refund Deposit 937 David St	45334	05/02/2017	05/12/2017	70.70
	GRILLEY/WESLEY//		Refund Deposit 1033 Walnut St	45337	05/04/2017	05/12/2017	91.40
	KIMBALL/KING//		Refund Deposit 614 Garrett St	45354	05/02/2017	05/12/2017	222.50
	RUBIO/RICARDO//		Refund Deposit 610 WDST	45372	05/04/2017	05/12/2017	123.30
	SANCHEZ/MONICA//		Refund Deposit 116 JSTR	45376	05/04/2017	05/12/2017	147.70
							<b>1,003.80</b>
<b>Total Dept. 000000:</b>							<b>2,210.18</b>
<b>Dept: 321.000 Water Treatment</b>							
501-321.000-721.200	Other						
	IMPERIAL HARDWARE CO.,	476558/2	Fence Boards, Lumber	45347	04/27/2017	05/12/2017	19.20
	IMPERIAL HARDWARE CO.,	476624/2	Nut, Washers, Clear Glaze	45347	04/27/2017	05/12/2017	35.10
	IMPERIAL HARDWARE CO.,	476937/2	Clamp, Hardware Cloth	45347	05/01/2017	05/12/2017	13.70
	LABRUCHERIE IRRIGATION	136784c	Glue	45356	04/27/2017	05/12/2017	33.30
							<b>101.50</b>
501-321.000-721.900	Small tools &						
	GOVCONNECTION, INC///	54723627	Laptop	45336	04/17/2017	05/12/2017	912.30
							<b>912.30</b>
501-321.000-725.400	Fuel						
	MCNEECE BROS OIL	204670	Fuel/ #177 Parks	45360	05/01/2017	05/12/2017	30.80
							<b>30.80</b>
501-321.000-730.200	Technical						
	EMPIRE SOUTHWEST LLC///		Full System Inspection, Test	45330	04/27/2017	05/12/2017	830.00
	ORANGE COMMERCIAL	8712	Microbiology Analysis	45365	04/17/2017	05/12/2017	271.00
							<b>1,101.00</b>
501-321.000-750.200							
	SAN DIEGO COUNTY///		P.W. Radio System Fees/April	45375	05/01/2017	05/12/2017	27.50
							<b>27.50</b>
<b>Total Dept. Water Treatment:</b>							<b>2,173.10</b>
<b>Dept: 322.000 Water Distribution</b>							
501-322.000-720.600	Plumbing						
	HD SUPPLY WATERWORKS,	H142725	Hydrant	45339	05/04/2017	05/12/2017	2,496.70
	HD SUPPLY WATERWORKS,	H109991	Hydrant, Gasket, Bolts	45339	04/27/2017	05/12/2017	2,512.90
	O'MALLEY PLUMBING/JIM//	92164	PVC Fittings	45362	05/01/2017	05/12/2017	29.60
							<b>5,039.30</b>
501-322.000-721.200	Other						
	HD SUPPLY WATERWORKS,	H129384	Gaskets, Teflon	45339	05/02/2017	05/12/2017	36.20
	IMPERIAL HARDWARE CO.,	477039/2	Keys, Key Rings	45347	05/02/2017	05/12/2017	31.30
	IMPERIAL HARDWARE CO.,	477062/2	Keys	45347	05/02/2017	05/12/2017	4.10
	IMPERIAL HARDWARE CO.,	476991/2	Padlock, Keys	45347	05/01/2017	05/12/2017	50.90
	MALLORY SAFETY & SUPPLY	4254583	PVC Bob Vest, Hard Hat	472	04/25/2017	05/12/2017	79.20
							<b>201.80</b>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/12/20

Time: 12:58 p

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
501-322.000-740.100	Repair & MASTER METER, INC ///	166445	Annual Support & Maintenance	45359	04/17/2017	05/12/2017	1,500.0
							<u>1,500.0</u>
501-322.000-750.200	SAN DIEGO COUNTY///		P.W. Radio System Fees/April	45375	05/01/2017	05/12/2017	27.5
	UNDERGROUND SERVICE		Dig Alert Tickets	45381	05/01/2017	05/12/2017	57.3
							<u>84.8</u>
<b>Total Dept. Water Distribution:</b>							<b>6,825.7</b>
<b>Total Fund Water:</b>							<b>11,209.0</b>
<b>Fund: 511 Wastewater</b>							
<b>Dept: 000.000</b>							
511-000.000-202.000	Accounts AMERICAN EXPRESS///		AP Credit Card Payment 4/29/17	45311	04/29/2017	05/12/2017	2,962.6
							<u>2,962.6</u>
<b>Total Dept. 000000:</b>							<b>2,962.6</b>
<b>Dept: 331.000 Wastewater</b>							
511-331.000-440.730	Sewer SANCHEZ/MONICA//		Refund Deposit 116 JSTR	45376	05/04/2017	05/12/2017	51.0
							<u>51.0</u>
511-331.000-721.100	Uniforms K-C WELDING RENTALS,	78305	Safety Boots/ Daniel Atondo	45353	04/26/2017	05/12/2017	200.0
							<u>200.0</u>
511-331.000-721.200	Other IMPERIAL HARDWARE CO.,	477068/2	All Purpose Cleaner	45347	05/02/2017	05/12/2017	13.0
							<u>13.0</u>
511-331.000-750.200	SAN DIEGO COUNTY///		P.W. Radio System Fees/April	45375	05/01/2017	05/12/2017	27.5
							<u>27.5</u>
<b>Total Dept. Wastewater Collection:</b>							<b>291.6</b>
<b>Dept: 332.000 Wastewater</b>							
511-332.000-720.100	Office 360 BUSINESS PRODUCTS///		Credit/Tax Overpmt	45307	04/01/2017	05/12/2017	-0.5
	360 BUSINESS PRODUCTS///	PP-1553	Credit OE-26059-1 Item Return	45307	04/01/2017	05/12/2017	-89.8
	360 BUSINESS PRODUCTS///		Credit/ Tax Overpmt	45307	04/01/2017	05/12/2017	-0.1
							<u>-90.8</u>
511-332.000-720.500	Electrical IMPERIAL HARDWARE CO.,	474902/2	Dish Soap, Deck Brush, Outlet	45347	04/11/2017	05/12/2017	73.7
							<u>73.7</u>
511-332.000-721.200	Other AUTO ZONE, INC. #2804///		Refrigerant Cooling Unit	45314	04/28/2017	05/12/2017	74.5
	AUTO ZONE, INC. #2804///		Refrigerant Cooling Unit	45314	05/03/2017	05/12/2017	109.5
	IMPERIAL HARDWARE CO.,	474902/2	Dish Soap, Deck Brush, Outlet	45347	04/11/2017	05/12/2017	73.1
	IMPERIAL HARDWARE CO.,	475098/2	Coupling	45347	04/13/2017	05/12/2017	3.1
	IMPERIAL HARDWARE CO.,	477120/2	Wire Wheel, Grind Disc	45347	05/02/2017	05/12/2017	44.9
	IMPERIAL HARDWARE CO.,	477254/2	Solder Kit	45347	05/03/2017	05/12/2017	17.1
	NORTHEND AUTOPARTS,	585681	Hose Clamp	45361	04/13/2017	05/12/2017	4.5
	NORTHEND AUTOPARTS,	587176	Cap Screw Lighter	45361	05/02/2017	05/12/2017	59.4
							<u>386.5</u>

511-332.000-721.900 Small tools &

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/12/2017

Time: 12:58 pm

Page: 1

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
	UNITED BLOWER, INC	4300-2883	Filter Element	45382	04/17/2017	05/12/2017	278.16
							<u>278.16</u>
511-332.000-725.400	Fuel MCNEECE BROS OIL	202272	Fuel-PW/WWTP	45360	04/01/2018	05/12/2017	866.81
							<u>866.81</u>
511-332.000-730.200	Technical CENTRITEK//	2017-019	Service Alfa Laval Centrifuge	466	05/04/2017	05/12/2017	4,900.00
	ORANGE COMMERCIAL	8691	Microbiology Analysis WWTP	45365	04/03/2017	05/12/2017	855.00
	ORANGE COMMERCIAL	8695	Microbiology Analysis WWTP	45365	04/10/2017	05/12/2017	3,636.00
	ORANGE COMMERCIAL	8696	Effluent Analysis WWTP	45365	04/10/2017	05/12/2017	2,736.00
	SCADA INTEGRATIONS	2023B	Install Ubiquity.Radios	45377	04/19/2017	05/12/2017	968.71
							<u>13,095.71</u>
511-332.000-740.200	Cleaning ALSCO AMERICAN LINEN		Cleaning Services	45310	04/10/2017	05/12/2017	108.10
	ALSCO AMERICAN LINEN		Cleaning Services	45310	04/17/2017	05/12/2017	108.10
	ALSCO AMERICAN LINEN		Cleaning Services	45310	05/13/2017	05/12/2017	108.10
	ALSCO AMERICAN LINEN		Cleaning Services	45310	04/24/2017	05/12/2017	108.10
	ALSCO AMERICAN LINEN		Cleaning Services	45310	05/01/2017	05/12/2017	108.10
							<u>540.60</u>
511-332.000-750.200	SAN DIEGO COUNTY///		P.W. Radio System Fees/April	45375	05/01/2017	05/12/2017	27.50
	VERIZON WIRELESS		Mobile Broadband/Public Works	477	04/06/2017	05/12/2017	38.00
							<u>65.50</u>
<b>Total Dept. Wastewater treatment:</b>							<b>15,216.21</b>
<b>Total Fund Wastewater:</b>							<b>18,470.41</b>
<b>Fund: 521 Solid Waste</b>							
<b>Dept: 341.000 Solid Waste</b>							
521-341.000-440.740	Solid waste SANCHEZ/MONICA//		Refund Deposit 116 JSTR	45376	05/04/2017	05/12/2017	20.80
							<u>20.80</u>
<b>Total Dept. Solid Waste Collection:</b>							<b>20.80</b>
<b>Total Fund Solid Waste:</b>							<b>20.80</b>
<b>Fund: 531 Airport</b>							
<b>Dept: 351.000 Airport</b>							
531-351.000-725.400	Fuel MCNEECE BROS OIL	204670	Fuel/ #177 Parks	45360	05/01/2017	05/12/2017	9.20
							<u>9.20</u>
531-351.000-740.100	Repair & ARCTIC AIR COND. & VALLEY PETROLEUM	47241	Maintenance Preventive/ HVAC	45312	04/27/2017	05/12/2017	69.00
		40774	Pressure Decay Test, Vent Test	45383	04/24/2017	05/12/2017	1,027.70
							<u>1,096.70</u>
<b>Total Dept. Airport:</b>							<b>1,106.00</b>
<b>Total Fund Airport:</b>							<b>1,106.00</b>
<b>Fund: 601 Maintenance</b>							
<b>Dept: 000.000</b>							
601-000.000-202.000	Accounts AMERICAN EXPRESS///		AP Credit Card Payment 4/29/17	45311	04/29/2017	05/12/2017	3,389.10
							<u>3,389.10</u>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/12/20

Time: 12:58 p

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
<b>Total Dept. 000000:</b>							<b>3,389.4</b>
<b>Dept: 801.000 Vehicle</b>							
601-801.000-720.400	Automotive						
	IMPERIAL HARDWARE CO.,	476936/2	Elbow, Ball Valve #3913 F.D.	45347	05/01/2017	05/12/2017	21.0
	NORTHEND AUTOPARTS,	586663	Door Jamb Switch #3913 F.D.	45361	04/26/2017	05/12/2017	33.0
	NORTHEND AUTOPARTS,	586850	Credit Invoice 586663	45361	04/28/2017	05/12/2017	-33.0
	O'REILLY AUTO PARTS///		Thermostat #905 P.D.	45363	04/24/2017	05/12/2017	9.0
	O'REILLY AUTO PARTS///		Filters/Shop	45363	04/25/2017	05/12/2017	17.0
	O'REILLY AUTO PARTS///		Momentary Switch #3913 F.D.	45363	04/26/2017	05/12/2017	12.0
	O'REILLY AUTO PARTS///		Filters #48 Parks	45363	04/28/2017	05/12/2017	16.0
	O'REILLY AUTO PARTS///		Blower Resister #48 Parks	45363	05/01/2017	05/12/2017	24.0
	O'REILLY AUTO PARTS///		Fuel Cap #207 Streets	45363	05/02/2017	05/12/2017	14.0
	O'REILLY AUTO PARTS///		Filter #3901 F.D.	45363	05/03/2017	05/12/2017	4.0
							<b>121.0</b>
601-801.000-720.410	Tires						
	DANIELS TIRE SERVICE///		Tires #48 Parks	45325	04/28/2017	05/12/2017	607.0
	DAPPER TIRE CO., INC.///	44447967	Tires #47 Parks	45326	05/04/2017	05/12/2017	734.0
							<b>1,342.2</b>
601-801.000-720.500	Electrical						
	AUTO ZONE, INC. #2804///		Battery #207 Street	45314	05/02/2017	05/12/2017	-122.0
	AUTO ZONE, INC. #2804///		Credit Battery Warranty	45314	05/02/2017	05/12/2017	-122.0
							<b>0.0</b>
601-801.000-721.200	Other						
	K-C WELDING RENTALS,	15873	Echo Tune Kit,Throttle Lockout	45353	04/27/2017	05/12/2017	20.4
							<b>20.4</b>
601-801.000-721.900	Small tools &						
	MSC INDUSTRIAL SUPPLY	86915297	Electric Tank Drain	473	04/19/2017	05/12/2017	121.0
	MSC INDUSTRIAL SUPPLY	87509997	Multi Tool Holders	473	04/20/2017	05/12/2017	31.0
	NORTHEND AUTOPARTS,	587067	LED Shop Spot Light	45361	05/01/2017	05/12/2017	139.0
	O'REILLY AUTO PARTS///		Riveter Set/Shop	45363	04/27/2017	05/12/2017	11.8
							<b>303.9</b>
601-801.000-740.100	Repair &						
	OK RUBBER TIRES///	55824	Tires #77 Parks	45364	04/18/2017	05/12/2017	341.9
							<b>341.9</b>
601-801.000-740.200	Cleaning						
	ALSCO AMERICAN LINEN		Cleaning Services	45310	05/01/2017	05/12/2017	25.0
	ALSCO AMERICAN LINEN		Cleaning Services	45310	05/01/2017	05/12/2017	33.4
							<b>58.7</b>
<b>Total Dept. Vehicle Maintenance Shop:</b>							<b>2,188.4</b>
<b>Total Fund Maintenance:</b>							<b>5,577.5</b>
<b>Grand Total:</b>							<b>128,741.6</b>

# Check Register Report

Date: 05/19/2017

Time: 10:53 AM

City of Brawley

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
479	05/19/2017	Printed	A554	ALLIED WASTE SERVICES #467	Street Sweeping 4/1/17-4/30/17	17,496.5
480	05/19/2017	Printed	B411	BSN SPORTS, LLC	Tennis Nets	583.1
481	05/19/2017	Printed	C544	CANON FINANCIAL SERVICES, INC	Copier Lease/Police Dept.	249.0
482	05/19/2017	Printed	D123	DESERT AIR CONDITIONING, IN	A/C Maintenance	769.0
483	05/19/2017	Printed	E402	EAN SERVICES, LLC	Vehicle Rental, D, Atondo, M, Guer	2,378.1
484	05/19/2017	Printed	E171	EMERGENCY MEDICAL PRODUCTS, IN	Medical Supplies	274.6
485	05/19/2017	Printed	F105	FEDERAL EXPRESS CORP.	Mailings - City Clerk	6.1
486	05/19/2017	Printed	O880	OFFICE DEPOT, INC.	Cable	151.8
487	05/19/2017	Printed	S755	SPORTS BOOSTERS, INC	Sports Poster - Brawley High	59.5
488	05/19/2017	Printed	V079	VERIZON WIRELESS SERVICES L	Cell Phone Charges/Variou	1,059.2
489	05/19/2017	Printed	W250	WESTAIR GASES & EQUIPMENT INC	Cylinder Rental/Station #2	275.7

**Total Checks: 11**

**Checks Total (excluding void checks): 23,302.8**

45397	05/19/2017	Void	05/19/2017		Void Check	0.0
45398	05/19/2017	Printed	A126	ALSCO AMERICAN LINEN DIV.	Cleaning Services	379.2
45399	05/19/2017	Printed	A915	AM COPIERS, INC.	Copier Maintenance/P.D.	93.0
45400	05/19/2017	Printed	A500	RYAN ANDERSON	Travel Adv./Southern CA Gang	656.6
45401	05/19/2017	Printed	A544	GARY ANSIEL	Circuit Tester/Shop	193.5
45402	05/19/2017	Printed	A195	AQUATIC DESIGN GROUP, INC.	Services/Lions Pool Renovation	6,750.0
45403	05/19/2017	Printed	A134	ARAMARK UNIFORM SERVICES, INC.	Cleaning Services	55.8
45404	05/19/2017	Printed	A232	ARC INDUSTRIES	Park Litter Control - Apr 2017	240.0
45405	05/19/2017	Printed	A901	AT&T-CALNET 3	Telephone Services 4/3-5/2	1,198.3
45406	05/19/2017	Printed	B251	BAKER & TAYLOR, INC.	Books	32.5
45407	05/19/2017	Printed	B230	BLACKSTONE AUDIO, INC	Book on CD	150.0
45408	05/19/2017	Printed	B731	BORG EQUIPMENT & SUPPLY CO. IN	Tire Gauges	88.1
45409	05/19/2017	Printed	B747	BRENNTAG PACIFIC INC.	Hydrochloric Acid	1,764.5
45410	05/19/2017	Printed	C745	CALIFORNIA CONTRACTORS	Gloves	162.4
45411	05/19/2017	Printed	C701	CAMPESINOS UNIDOS	Refund Deposit/Senior Center	100.0
45412	05/19/2017	Printed	C549	CANON SOLUTIONS AMERICA, INC	Copier Maint. F.D. #1	37.3
45413	05/19/2017	Printed	C275	CDW GOVERNMENT, INC.	Portable SSD	404.4
45414	05/19/2017	Printed	C902	CHEVRON & TEXACO CARD SERVICES	Fuel - Police Department	235.7
45415	05/19/2017	Printed	D171	D & M WATER COMPANY	Bulk Water - Fire Station #1	110.1
45416	05/19/2017	Printed	D416	DE LAGE LANDED FINANCIAL	Folding-Insertor/May	781.1
45417	05/19/2017	Printed	D478	DEPARTMENT OF JUSTICE	Fingerprint Applications	303.0
45418	05/19/2017	Printed	E345	EL VAQUERO	Safety Boots/ JJ	400.0
45419	05/19/2017	Printed	E145	ELMS EQUIPMENT	Repair Chain Saw	115.9
45420	05/19/2017	Printed	E101	EMPLOYMENT DEVELOPMENT DEPART.	2017 1st Qtr Unemployment	3,927.0
45421	05/19/2017	Printed	E132	ESTATE OF DOMINGO TORRES	Refund Dep. 1105 H Street	59.3
45422	05/19/2017	Printed	F510	FIFTH AVENUE BOOK CENTER	Books	280.1
45423	05/19/2017	Printed	G994	GALE-CENGAGE LEARNING	Historical Fiction 2 Plan	588.0
45424	05/19/2017	Printed	G515	ABRAHAM GARCIA	SB Umpire 5/9-5/11	88.0
45425	05/19/2017	Printed	G371	GORDON GASTE	Reimb. Planning Commissioners	45.1
45426	05/19/2017	Printed	G009	MARY JANE GUERRERO	Reimb. Mileage 12/15, 1/4, 3/1,	49.2
45427	05/19/2017	Printed	H158	HD SUPPLY WATERWORKS, LTD	Brass Fittings	434.3
45428	05/19/2017	Printed	H191	HOWARD ANIMAL HOSPITAL	Vet Services 5/1/2017	110.5
45429	05/19/2017	Void	05/19/2017		Void Check	0.0
45430	05/19/2017	Void	05/19/2017		Void Check	0.0
45431	05/19/2017	Printed	I301	IMPERIAL HARDWARE CO., INC.	Wipes, Spray, Soap	773.3
45432	05/19/2017	Printed	I103	IMPERIAL IRRIGATION DISTRIC	Street Lights 4/06/17-5/4/17	62,838.9
45433	05/19/2017	Printed	I412	IMPERIAL LANDFILL, INC.	Animal Dumping	55.9
45434	05/19/2017	Printed	I443	IMPERIAL PRINTERS	Parks Rec Work Order Forms	519.8
45435	05/19/2017	Printed	I975	IMPERIAL VALLEY HUMANE SOCIETY	Animal Control - May 2017	5,000.0
45436	05/19/2017	Printed	I567	IMPERIAL VALLEY PRESS	Ad/Temp Clerk Utility Billing	1,098.8

Check Register Report

Date: 05/19/20

Time: 10:53 A

City of Brawley

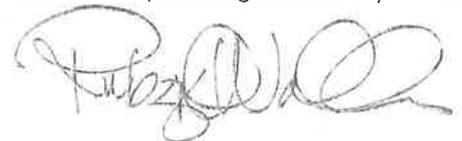
Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amot
45437	05/19/2017	Printed	K154	K-C WELDING RENTALS, INC.	Starter Rope	230.
45438	05/19/2017	Printed	L425	THE LIGHTHOUSE, INC.	Work Light Housing/Shop	45.
45439	05/19/2017	Printed	M944	JAQUELINE MACIAS	Zumba Instructor P.M. Mar 2017	170.
45440	05/19/2017	Printed	M285	THERESA MARTINEZ	Refund Deposit 768 BSTR	61.
45441	05/19/2017	Printed	M004	MCNEECE BROS OIL COMPANY	Fuel/Police Dept.	8,058.
45442	05/19/2017	Printed	M513	MEDTOX LABORATORIES, INC	Evidentiary Drug Analysis	15.
45443	05/19/2017	Printed	N551	ERIKA NORIEGA	Reimb. Mileage 2/22,3/24, 4/26	121.
45444	05/19/2017	Printed	N045	NORTHEND AUTOPARTS, INC.	Battery/Shop Auction	506.
45445	05/19/2017	Printed	0567	JIM O'MALLEY PLUMBING	Repair Unstop Urinal	586.
45446	05/19/2017	Printed	O113	OK RUBBER TIRES	Tire Repair #213 Engineering	15.
45447	05/19/2017	Printed	O901	ORANGE COMMERCIAL CREDIT	Organic Carbon Analysis	8,246.
45448	05/19/2017	Printed	P344	PADRE JANITORIAL SUPPLIES, INC	Janitorial Supplies	455.
45449	05/19/2017	Printed	P110	PESTMASTER SERVICES	Pest Control/Public Works	140.
45450	05/19/2017	Printed	P113	PETTY CASH -CITY CLERK	Petty Cash - City Clerk	45.
45451	05/19/2017	Printed	P300	PROFORCE MARKETING, INC.	Tasers, Holsters, Magazines	11,780.
45452	05/19/2017	Printed	R1252	R.F. DICKSON CO. INC.	Street Sweeping/March	255.
45453	05/19/2017	Printed	R177	RDO WATER	Sprinklers, PVC Pipe	28.
45454	05/19/2017	Printed	R271	RECORDED BOOKS, LLC	Books on CD	75.
45455	05/19/2017	Printed	R462	REDDY ICE, CORPORATION	Ice	243.
45456	05/19/2017	Printed	R513	FRANKIE RODRIGUEZ	Reimb. Grade 4 Exam	95.
45457	05/19/2017	Printed	R451	MIDALIA RODRIGUEZ	Refund Dep Lions Center	120.
45458	05/19/2017	Printed	R621	RONALD RUBIO	Softball Umpire 5/9, 5/11/17	94.
45459	05/19/2017	Printed	R350	FERNANDO RUIZ, INC.	Hazardous Materials Business	1,450.
45460	05/19/2017	Printed	S379	JAYMI SANCHEZ	BB Scorekeeper 5/5	24.
45461	05/19/2017	Printed	P932	EVELYN PEREZ SANDOVAL	Reimb. Tuition/Admin. & Public	750.
45462	05/19/2017	Printed	S016	MICHAEL SANDOVAL	Travel Adv./Field Training	524.
45463	05/19/2017	Printed	S1113	SCADA INTEGRATIONS	Upgrades	1,950.
45464	05/19/2017	Printed	S2480	SCENIC AERIAL	Rfnd Ovrpmt Bus Lic 4925	16.
45465	05/19/2017	Printed	S359	SCLLN	2017 SCLLN Membership	150.
45466	05/19/2017	Printed	S574	SHARP ELECTRONICS CORPORATI	Copier Maintenance	102.
45467	05/19/2017	Printed	S709	STATE WA RESOURCES CONTROL BD	Grade 1 Exam/Daniel Atondo	70.
45468	05/19/2017	Printed	T028	JAMES TAYLOR	Refund Deposit 311 DRIF	17.
45469	05/19/2017	Printed	T300	TRAVEL INN	Refund Dep WMAI 300	866.
45470	05/19/2017	Printed	U790	U.S. BANK CORPORATE	Credit Card Charges/R. Moore	983.
45471	05/19/2017	Printed	U901	UNITED STATES POSTAL SERVIC	City Hall Postage Refill	2,021.
45472	05/19/2017	Printed	U505	URBAN AMERICAN PROPERTIES	Refund Deposit 806 DAVI	137.
45473	05/19/2017	Printed	U602	USA BLUEBOOK, INC	Graduated Beaker	19.
45474	05/19/2017	Printed	V308	VIC'S AIR CONDITIONING & ELECT	A/C Service/Teen Center	225.
45475	05/19/2017	Printed	W221	WAL-MART STORES, INC. #01-1555	Soda, Water, Plates, Napkins	44.
45476	05/19/2017	Printed	Z668	STEVEN ZAJDEL	BB Referee 5/5/17	50.
45477	05/19/2017	Printed	Z264	RAQUEL A ZEPEDA	BB Scorekeeper 5/5/17	24.

Total Checks: 81

Checks Total (excluding void checks): 130,938.

Total Payments: 92

Grand Total (excluding void checks): 154,240.



INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017

Time: 10:56 ar

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
<b>Fund: 101 General Fund</b>							
<b>Dept: 110.000 General Revenues</b>							
101-110.000-410.800	Business SCENIC AERIAL///		Rfnd Ovrpmt Bus Lic 4925	45464	05/12/2017	05/19/2017	16.00
							<u>16.00</u>
101-110.000-410.910	Utility users TAYLOR/JAMES//		Refund Deposit 311 DRIF	45468	05/11/2017	05/19/2017	2.80
							<u>2.80</u>
<b>Total Dept. General Revenues:</b>							<b>18.80</b>
<b>Dept: 111.000 City Council</b>							
101-111.000-721.110	Food and PETTY CASH -CITY CLERK///		Petty Cash - City Clerk	45450	05/08/2017	05/19/2017	45.40
							<u>45.40</u>
101-111.000-750.200	VERIZON WIRELESS		Cell Phone Charges/Various	488	05/01/2017	05/19/2017	635.70
							<u>635.70</u>
101-111.000-750.403	Travel - G.N. U.S. BANK CORPORATE///		Credit Card Charges/G, Nava	45470	05/01/2017	05/19/2017	261.10
							<u>261.10</u>
101-111.000-750.404	Travel - H.N. U.S. BANK CORPORATE///		Credit Card Charges/H. Noriega	45470	05/01/2017	05/19/2017	18.00
							<u>18.00</u>
101-111.000-750.504	Training - U.S. BANK CORPORATE///		Credit Card Charges/H. Noriega	45470	05/01/2017	05/19/2017	570.00
							<u>570.00</u>
<b>Total Dept. City Council:</b>							<b>1,530.40</b>
<b>Dept: 112.000 City Clerk</b>							
101-112.000-750.210	Postage FEDERAL EXPRESS CORP.///	5-793-41611	Mailings - City Clerk	485	05/01/2017	05/19/2017	6.10
	UNITED STATES POSTAL		City Hall Postage Refill	45471	05/18/2017	05/19/2017	23.40
							<u>29.50</u>
101-112.000-750.300	Advertising & IMPERIAL VALLEY PRESS///	11031933	Ad/Communications Dispatcher	45436	05/01/2017	05/19/2017	231.20
	IMPERIAL VALLEY PRESS///	11035594	Ad/Communications Dispatcher,	45436	05/01/2017	05/19/2017	432.90
	IMPERIAL VALLEY PRESS///	11039677	Notice of Public Hearing Zone	45436	05/01/2017	05/19/2017	203.80
	IMPERIAL VALLEY PRESS///	11041582	Ad/Temp Clerk Utility Billing	45436	05/01/2017	05/19/2017	230.70
							<u>1,098.80</u>
<b>Total Dept. City Clerk:</b>							<b>1,128.41</b>
<b>Dept: 131.000 City Manager</b>							
101-131.000-750.400	Travel U.S. BANK CORPORATE///		Credit Card Charges/R. Moore	45470	05/01/2017	05/19/2017	134.68
							<u>134.68</u>
<b>Total Dept. City Manager:</b>							<b>134.68</b>
<b>Dept: 151.000 Finance</b>							
101-151.000-740.100	Repair & AM COPIERS, INC.///	33449	Printer Maintenance/Utility	45399	05/01/2017	05/19/2017	47.93
							<u>47.93</u>
101-151.000-750.210	Postage UNITED STATES POSTAL		City Hall Postage Refill	45471	05/18/2017	05/19/2017	155.81

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017

Time: 10:56 am

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
							<u>155.8</u>
101-151.000-750.400	Travel EAN SERVICES, LLC///	12946973	Vehicle Rental,D,Atondo,M,Guer	483	05/01/2017	05/19/2017	252.1
							<u>252.1</u>
101-151.000-750.500	Training SANDOVAL/EVELYN PEREZ//		Reimb. Tuition/Admin. & Public	45461	05/17/2017	05/19/2017	750.0
							<u>750.0</u>
<b>Total Dept. Finance:</b>							<b>1,205.8</b>
<b>Dept: 152.000 Utility Billing</b>							
101-152.000-740.100	Repair & AM COPIERS, INC ///	33450	Printer Maintenance/Finance	45399	05/01/2017	05/19/2017	27.9
	SHARP ELECTRONICS	11150860	Copier Maintenance	45466	05/01/2017	05/19/2017	102.7
							<u>130.6</u>
101-152.000-740.400	Rent DE LAGE LANDED FINANCIAL	54077455	Folding-Insertor/April	45416	05/01/2017	05/19/2017	431.0
	DE LAGE LANDED FINANCIAL	54509125	Folding-Insertor/May	45416	05/06/2017	05/19/2017	350.1
							<u>781.1</u>
101-152.000-750.210	Postage UNITED STATES POSTAL		City Hall Postage Refill	45471	05/18/2017	05/19/2017	1,578.3
							<u>1,578.3</u>
<b>Total Dept. Utility Billing:</b>							<b>2,490.1</b>
<b>Dept: 153.000 Personnel</b>							
101-153.000-730.200	Technical DEPARTMENT OF JUSTICE///	231666	Fingerprint Applications	45417	05/03/2017	05/19/2017	303.0
							<u>303.0</u>
101-153.000-750.210	Postage UNITED STATES POSTAL		City Hall Postage Refill	45471	05/18/2017	05/19/2017	43.7
							<u>43.7</u>
<b>Total Dept. Personnel:</b>							<b>346.7</b>
<b>Dept: 171.000 Planning</b>							
101-171.000-721.110	Food and GASTE/GORDON//		Reimb. Planning Commissioners	45425	05/03/2017	05/19/2017	45.1
	WAL-MART STORES, INC.	8749	Soda, Water, Plates, Napkins	45475	05/02/2017	05/19/2017	3.2
							<u>48.4</u>
101-171.000-721.200	Other WAL-MART STORES, INC.	8749	Soda, Water, Plates, Napkins	45475	05/02/2017	05/19/2017	12.4
							<u>12.4</u>
101-171.000-750.210	Postage UNITED STATES POSTAL		City Hall Postage Refill	45471	05/18/2017	05/19/2017	1.3
							<u>1.3</u>
<b>Total Dept. Planning:</b>							<b>62.2</b>
<b>Dept: 181.000 Information</b>							
101-181.000-721.900	Small tools & CDW GOVERNMENT, INC ///		Portable SSD	45413	05/01/2017	05/19/2017	146.9
							<u>146.9</u>
<b>Total Dept. Information technology:</b>							<b>146.9</b>
<b>Dept: 191.000 Non-departmental</b>							
101-191.000-730.200	Technical						

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017

Time: 10:56 am

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
	PESTMASTER SERVICES///	1393044	Pest Control/Admin Bldg	45449	05/08/2017	05/19/2017	35.00
							<u>35.00</u>
101-191.000-740.200	Cleaning						
	ALSCO AMERICAN LINEN		Cleaning Services	45398	05/08/2017	05/19/2017	15.00
	ALSCO AMERICAN LINEN		Cleaning Services	45398	05/08/2017	05/19/2017	12.70
	ALSCO AMERICAN LINEN		Cleaning Services	45398	05/08/2017	05/19/2017	18.00
							<u>45.70</u>
							<b>Total Dept. Non-departmental: 80.70</b>
<b>Dept: 211.000 Police Protection</b>							
101-211.000-720.100	Office						
	IMPERIAL PRINTERS///	17-1761	Business Cards/Wilkinson	45434	05/01/2017	05/19/2017	46.30
	IMPERIAL PRINTERS///	17-1613	Busi Cards/Santiago,Sandoval	45434	05/01/2017	05/19/2017	54.90
							<u>101.20</u>
101-211.000-725.200	Electricity						
	IMPERIAL IRRIGATION		Power Bills 3/30/17-4/27/17	45432	05/01/2017	05/19/2017	2,464.50
							<u>2,464.50</u>
101-211.000-725.400	Fuel						
	CHEVRON & TEXACO CARD		Fuel - Police Department	45414	05/06/2017	05/19/2017	109.00
	MCNEECE BROS OIL	846601	Fuel/Police Dept.	45441	05/01/2017	05/19/2017	4,629.00
							<u>4,738.00</u>
101-211.000-730.200	Technical						
	MEDTOX LABORATORIES,		Evidentiary Drug Analysis	45442	05/01/2017	05/19/2017	15.60
	PESTMASTER SERVICES///	1393112	Pest Control/Police Dept.	45449	05/10/2017	05/19/2017	35.00
							<u>50.60</u>
101-211.000-740.100	Repair &						
	AM COPIERS, INC.///	33445	Copier Maintenance/P.D.	45399	05/01/2017	05/19/2017	17.10
	O'MALLEY PLUMBING/JIM//	238961	Repair Unstop Urinal	45445	05/01/2017	05/19/2017	241.20
							<u>258.30</u>
101-211.000-740.200	Cleaning						
	ALSCO AMERICAN LINEN		Cleaning Services	45398	05/08/2017	05/19/2017	132.20
							<u>132.20</u>
101-211.000-740.400	Rent						
	CANON FINANCIAL	17277657	Copier Lease/Police Dept.	481	05/02/2017	05/19/2017	249.00
							<u>249.00</u>
101-211.000-750.200							
	AT&T-CALNET 3///		Telephone Services 4/3-5/2	45405	05/03/2017	05/19/2017	1,198.30
							<u>1,198.30</u>
101-211.000-750.510							
	ANDERSON/RYAN//		Travel Adv./Southern CA Gang	45400	05/08/2017	05/19/2017	656.60
	SANDOVAL/MICHAEL//		Travel Adv./Field Training	45462	05/01/2017	05/19/2017	524.50
							<u>1,181.10</u>
							<b>Total Dept. Police Protection: 10,373.60</b>
<b>Dept: 211.300 Graffiti Abatement</b>							
101-211.300-725.400	Fuel						
	MCNEECE BROS OIL	846601	Fuel/Police Dept.	45441	05/01/2017	05/19/2017	161.70
							<u>161.70</u>
							<b>Total Dept. Graffiti Abatement: 161.70</b>

Dept: 221.000 Fire Department

101-221.000-720.600 Plumbing

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017

Time: 10:56 ar

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
	IMPERIAL HARDWARE CO.,	476189/2	Map Kit, Sand Cloth, Pipe	45431	05/01/2017	05/19/2017	77.71
							<u>77.71</u>
101-221.000-720.800	Janitorial						
	PADRE JANITORIAL	16004647	Janitorial Supplies	45448	05/01/2017	05/19/2017	291.00
							<u>291.00</u>
101-221.000-721.200	Other						
	D & M WATER COMPANY///	256415	Bulk Water - Fire Station #1	45415	05/01/2017	05/19/2017	50.60
	EMERGENCY MEDICAL	1903698	Medical Supplies	484	05/01/2017	05/19/2017	274.60
	IMPERIAL HARDWARE CO.,	476958/2	Pre Mix Fuel, Fuel Funnels	45431	05/01/2017	05/19/2017	3.20
	IMPERIAL HARDWARE CO.,	476954/2	Window Film,Knife Blade	45431	05/01/2017	05/19/2017	53.40
	IMPERIAL HARDWARE CO.,	477121/2	Bulbs	45431	05/02/2017	05/19/2017	8.30
	IMPERIAL HARDWARE CO.,	477069/2	Copper Coil	45431	05/02/2017	05/19/2017	12.10
							<u>402.50</u>
101-221.000-725.400	Fuel						
	CHEVRON & TEXACO CARD	50334838	Fuel - Fire Department	45414	05/06/2017	05/19/2017	126.60
	IMPERIAL HARDWARE CO.,	476958/2	Pre Mix Fuel, Fuel Funnels	45431	05/01/2017	05/19/2017	7.00
	MCNEECE BROS OIL	846597	Fuel/Fire Dept.	45441	05/01/2017	05/19/2017	1,650.10
							<u>1,783.70</u>
101-221.000-740.100	Repair &						
	CANON SOLUTIONS		Copier Maint. F.D. #1	45412	05/01/2017	05/19/2017	37.30
							<u>37.30</u>
101-221.000-740.400	Rent						
	WESTAIR GASES &	80137666	Cylinder Rental/Station #1	489	05/01/2017	05/19/2017	168.90
							<u>168.90</u>
101-221.000-750.210	Postage						
	UNITED STATES POSTAL		City Hall Postage Refill	45471	05/18/2017	05/19/2017	35.30
							<u>35.30</u>
<b>Total Dept. Fire Department:</b>							<b>2,796.50</b>
<b>Dept: 221.100 Fire Station #2</b>							
101-221.100-720.600	Plumbing						
	IMPERIAL HARDWARE CO.,	476002/2	Solder, Coupling, Tube Cutter	45431	05/01/2017	05/19/2017	20.50
							<u>20.50</u>
101-221.100-720.800	Janitorial						
	PADRE JANITORIAL	16004646	Janitorial Supplies	45448	05/01/2017	05/19/2017	164.30
							<u>164.30</u>
101-221.100-721.200	Other						
	D & M WATER COMPANY///	256410	Bulk Water - Fire Station #1	45415	05/01/2017	05/19/2017	59.50
	K-C WELDING RENTALS,	15918	Starter Rope	45437	05/01/2017	05/19/2017	3.00
	REDDY ICE, CORPORATION///		Ice	45455	05/05/2017	05/19/2017	243.00
							<u>305.60</u>
101-221.100-725.200	Electricity						
	IMPERIAL IRRIGATION		Power Bills 3/30/17-4/27/17	45432	05/01/2017	05/19/2017	663.80
							<u>663.80</u>
101-221.100-740.400	Rent						
	WESTAIR GASES &	80137665	Cylinder Rental/Station #2	489	05/01/2017	05/19/2017	106.80
							<u>106.80</u>
<b>Total Dept. Fire Station #2:</b>							<b>1,261.10</b>
<b>Dept: 231.000 Building Inspection</b>							
101-231.000-721.200	Other						
	IMPERIAL HARDWARE CO.,	477482/2	Wipes, Spray, Soap	45431	05/05/2017	05/19/2017	13.90

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017

Time: 10:56 am

Page: 5

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
							<u>13.95</u>
101-231.000-725.400	Fuel MCNEECE BROS OIL	846600	Fuel/Building Dept.	45441	05/01/2017	05/19/2017	120.91
							<u>120.91</u>
101-231.000-750.210	Postage UNITED STATES POSTAL		City Hall Postage Refill	45471	05/18/2017	05/19/2017	115.54
							<u>115.54</u>
<b>Total Dept. Building Inspection:</b>							<b>250.40</b>
<b>Dept: 241.000 Animal Control</b>							
101-241.000-721.100	Uniforms K-C WELDING RENTALS,	15735	Safety Boots/ Refugio Martinez	45437	05/01/2017	05/19/2017	151.11
							<u>151.11</u>
101-241.000-721.200	Other IMPERIAL HARDWARE CO., IMPERIAL HARDWARE CO., IMPERIAL HARDWARE CO.,	477930/2 477975/2 477976/2	Keys, Air Freshener Gloves, Bleach, Dish Soap Gloves, Trash Bags	45431 45431 45431	05/10/2017 05/11/2017 05/11/2017	05/19/2017 05/19/2017 05/19/2017	13.46 45.48 29.16
							<u>88.10</u>
101-241.000-730.200	Technical HOWARD ANIMAL IMPERIAL LANDFILL, INC./// IMPERIAL VALLEY HUMANE	232493	Vet Services 5/1/2017 Animal Dumping Animal Control - May 2017	45428 45433 45435	05/01/2017 05/01/2017 05/04/2017	05/19/2017 05/19/2017 05/19/2017	110.50 55.97 5,000.00
							<u>5,166.47</u>
101-241.000-740.200	Cleaning ALSCO AMERICAN LINEN ALSCO AMERICAN LINEN ALSCO AMERICAN LINEN		Uniform Cleaning Services Uniform Cleaning Services Uniform Cleaning Services	45398 45398 45398	05/01/2017 05/08/2017 05/01/2017	05/19/2017 05/19/2017 05/19/2017	9.58 9.71 9.58
							<u>28.87</u>
<b>Total Dept. Animal Control:</b>							<b>5,434.56</b>
<b>Dept: 311.000 Engineering</b>							
101-311.000-720.100	Office IMPERIAL PRINTERS/// OFFICE DEPOT, INC.///	17-1745	Req Memorandum/PW Correction Tape, Pads, Paper	45434 486	05/01/2017 05/03/2017	05/19/2017 05/19/2017	241.58 135.71
							<u>377.29</u>
101-311.000-721.200	Other OFFICE DEPOT, INC.///		Cable	486	05/03/2017	05/19/2017	16.16
							<u>16.16</u>
101-311.000-730.200	Technical PESTMASTER SERVICES///	1393107	Pest Control/Public Works	45449	05/10/2017	05/19/2017	35.00
							<u>35.00</u>
101-311.000-740.200	Cleaning ALSCO AMERICAN LINEN		Cleaning Services	45398	05/08/2017	05/19/2017	26.12
							<u>26.12</u>
101-311.000-750.200	VERIZON WIRELESS		Cell Phone Charges/Various	488	05/01/2017	05/19/2017	60.50
							<u>60.50</u>
101-311.000-750.210	Postage UNITED STATES POSTAL		City Hall Postage Refill	45471	05/18/2017	05/19/2017	5.27
							<u>5.27</u>
<b>Total Dept. Engineering:</b>							<b>520.33</b>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017

Time: 10:56 am

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
<b>Dept: 411.000 Community</b>							
101-411.000-750.210	Postage UNITED STATES POSTAL		City Hall Postage Refill	45471	05/18/2017	05/19/2017	21.2
							<u>21.2</u>
<b>Total Dept. Community Development:</b>							<b>21.2</b>
<b>Dept: 511.000 Parks</b>							
101-511.000-720.600	Plumbing K-C WELDING RENTALS,	15580	Pipe Swivel	45437	05/01/2017	05/19/2017	21.5
							<u>21.5</u>
101-511.000-721.100	Uniforms EL VAQUERO///	26847	Safety Boots Miguel Perez	45418	05/01/2017	05/19/2017	200.0
							<u>200.0</u>
101-511.000-721.200	Other BSN SPORTS, LLC/// IMPERIAL HARDWARE CO., K-C WELDING RENTALS,	98989900 477462/2 16034	Tennis Nets Keys/Marking Spray Oil	480 45431 45437	05/01/2017 05/05/2017 05/09/2017	05/19/2017 05/19/2017 05/19/2017	229.7 28.0 17.2
							<u>274.9</u>
101-511.000-725.200	Electricity IMPERIAL IRRIGATION		Power Bills 3/30/17-4/27/17	45432	05/01/2017	05/19/2017	165.5
							<u>165.5</u>
101-511.000-725.400	Fuel MCNEECE BROS OIL	846599	Fuel/Parks and Rec	45441	05/01/2017	05/19/2017	852.3
							<u>852.3</u>
101-511.000-730.200	Technical ARC INDUSTRIES///	6571	Park Litter Control - Apr 2017	45404	05/01/2017	05/19/2017	240.0
							<u>240.0</u>
101-511.000-740.100	Repair & ELMS EQUIPMENT///		Repair Chain Saw	45419	05/03/2017	05/19/2017	115.9
							<u>115.9</u>
<b>Total Dept. Parks:</b>							<b>1,870.3</b>
<b>Dept: 521.000 Recreation &amp; Lions</b>							
101-521.000-440.410	Swimming RODRIGUEZ/MIDALIA//	003872	Refund Dep Lions Center	45457	05/01/2017	05/19/2017	120.0
							<u>120.0</u>
101-521.000-720.100	Office IMPERIAL PRINTERS///	17-1617	Parks Rec Work Order Forms	45434	05/01/2017	05/19/2017	177.0
							<u>177.0</u>
101-521.000-720.300	Chemicals BRENNTAG PACIFIC INC./// IMPERIAL HARDWARE CO.,	BPI724001 477966/2	Hydrochloric Acid Liquid Acid, Chlorine Tabs	45409 45431	05/01/2017 05/11/2017	05/19/2017 05/19/2017	1,764.5 86.1
							<u>1,850.7</u>
101-521.000-721.200	Other IMPERIAL HARDWARE CO., IMPERIAL HARDWARE CO.,	477388/2 477966/2	Filters Liquid Acid, Chlorine Tabs	45431 45431	05/04/2017 05/11/2017	05/19/2017 05/19/2017	96.8 27.5
							<u>124.3</u>
101-521.000-740.100	Repair & VIC'S AIR CONDITIONING &	60272	A/C Service/Teen Center	45474	05/01/2017	05/19/2017	225.0
							<u>225.0</u>
101-521.000-740.200	Cleaning						

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017

Time: 10:56 am

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
	ALSCO AMERICAN LINEN		Cleaning Services	45398	05/08/2017	05/19/2017	27.00
	ARAMARK UNIFORM		Cleaning Serives	45403	05/11/2017	05/19/2017	55.81
							<b>82.81</b>
101-521.000-750.210	Postage						
	UNITED STATES POSTAL		City Hall Postage Refill	45471	05/18/2017	05/19/2017	14.73
							<b>14.73</b>
<b>Total Dept. Recreation &amp; Lions Center:</b>							<b>2,594.62</b>
<b>Dept: 521.100 Recreation Leagues</b>							
101-521.100-721.200	Other						
	BSN SPORTS, LLC///	98989899	Bases	480	05/01/2017	05/19/2017	353.41
							<b>353.41</b>
101-521.100-730.200	Technical						
	GARCIA/ABRAHAM//		SB Umpire 5/9-5/11	45424	05/12/2017	05/19/2017	88.00
	MACIAS/JAQUELINE//	7013145	Zumba Instructor P.M. Mar 2017	45439	05/10/2017	05/19/2017	85.00
	MACIAS/JAQUELINE//	7013146	Zumba Instructor P.M. Mar 2017	45439	05/10/2017	05/19/2017	85.00
	RUBIO/RONALD//		Basketball Referee 5/5	45458	05/12/2017	05/19/2017	50.00
	RUBIO/RONALD//		Softball Umpire 5/9, 5/11/17	45458	05/12/2017	05/19/2017	44.00
	SANCHEZ/JAYMI//		BB Scorekeeper 5/5	45460	05/12/2017	05/19/2017	24.00
	ZAJDEL/STEVEN//		BB Referee 5/5/17	45476	05/12/2017	05/19/2017	50.00
	ZEPEDA/RAQUEL A//		BB Scorekeeper 5/5/17	45477	05/12/2017	05/19/2017	24.00
							<b>450.00</b>
<b>Total Dept. Recreation Leagues:</b>							<b>803.41</b>
<b>Dept: 522.000 Senior Citizens</b>							
101-522.000-470.110	Rents and						
	CAMPESINOS UNIDOS//	536918	Refund Deposit/Senior Center	45411	05/01/2017	05/19/2017	100.00
							<b>100.00</b>
101-522.000-720.800	Janitorial						
	IMPERIAL HARDWARE CO.,	47749/2	Poly Tarp, Cleaner, Febreze	45431	05/08/2017	05/19/2017	10.20
							<b>10.20</b>
101-522.000-721.200	Other						
	IMPERIAL HARDWARE CO.,	477664/2	Roller Covers, Roller Frames	45431	05/08/2017	05/19/2017	20.20
	IMPERIAL HARDWARE CO.,	47749/2	Poly Tarp, Cleaner, Febreze	45431	05/08/2017	05/19/2017	36.20
							<b>56.40</b>
101-522.000-740.100	Repair &						
	O'MALLEY PLUMBING/JIM//	238872	Repair Toilet/Senior Center	45445	05/01/2017	05/19/2017	345.40
							<b>345.40</b>
<b>Total Dept. Senior Citizens Center:</b>							<b>512.00</b>
<b>Dept: 551.000 Library</b>							
101-551.000-720.200	Books and						
	FIFTH AVENUE BOOK	626	Books	45422	05/01/2017	05/19/2017	236.80
	FIFTH AVENUE BOOK	627	Books	45422	05/01/2017	05/19/2017	43.30
	GALE-CENGAGE LEARNING///	60357821	Western 10 Plan	45423	05/01/2017	05/19/2017	236.60
	GALE-CENGAGE LEARNING///	60357083	Cozy Mystery 4 Plan	45423	05/01/2017	05/19/2017	87.20
	GALE-CENGAGE LEARNING///	60436218	Christian Romance 3 Plan	45423	05/01/2017	05/19/2017	75.10
	GALE-CENGAGE LEARNING///	60478832	Thriller 2 Plan	45423	05/01/2017	05/19/2017	50.80
	GALE-CENGAGE LEARNING///	60478368	Cozy Mystery 4 Plan	45423	05/01/2017	05/19/2017	87.20
	GALE-CENGAGE LEARNING///	60484400	Historical Fiction 2 Plan	45423	05/01/2017	05/19/2017	50.80
	RECORDED BOOKS, LLC///	75492007	Books on CD	45454	05/01/2017	05/19/2017	75.30
							<b>943.50</b>
101-551.000-720.210	Audiovisual						
	BLACKSTONE AUDIO, INC///	892372	Book on CD	45407	05/01/2017	05/19/2017	50.00
	BLACKSTONE AUDIO, INC///	895346	Book on CD	45407	05/01/2017	05/19/2017	100.00

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017  
 Time: 10:56 a  
 Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
							<b>150.0</b>
101-551.000-721.200	Other						
	IMPERIAL HARDWARE CO.,	475878/2	Bug Spray	45431	05/01/2017	05/19/2017	7.9
	IMPERIAL HARDWARE CO.,	K77278/2	Purpose Cleaner, Toilet Seat	45431	05/03/2017	05/19/2017	30.3
	WAL-MART STORES, INC.	08912	Ice,Food	45475	05/01/2017	05/19/2017	7.0
							<b>45.3</b>
101-551.000-730.200	Technical						
	PESTMASTER SERVICES///	1392540	Pest Control/Library	45449	05/01/2017	05/19/2017	35.0
							<b>35.0</b>
101-551.000-740.100	Repair &						
	DESERT AIR CONDITIONING,	32051	A/C Repair	482	05/01/2017	05/19/2017	517.0
	DESERT AIR CONDITIONING,	32116	A/C Maintenance	482	05/01/2017	05/19/2017	252.0
							<b>769.0</b>
101-551.000-750.200							
	SPORTS BOOSTERS, INC	6230	Sports Poster - Brawley High	487	05/01/2017	05/19/2017	59.5
							<b>59.5</b>
101-551.000-750.210	Postage						
	UNITED STATES POSTAL		City Hall Postage Refill	45471	05/18/2017	05/19/2017	26.2
							<b>26.2</b>
101-551.000-750.400	Travel						
	EAN SERVICES, LLC///	12946973	Vehicle Rental, D.Atondo, M.Guer	483	05/01/2017	05/19/2017	105.6
							<b>105.6</b>
101-551.000-750.600							
	SCLLN///	2017-17	2017 SCLLN Membership	45465	05/01/2017	05/19/2017	150.0
							<b>150.0</b>
							<b>Total Dept. Library: 2,284.3</b>
<b>Dept: 551.100 Library Grant -</b>							
101-551.100-721.200	Other						
	WAL-MART STORES, INC.	09938	Lunch Bags	45475	05/01/2017	05/19/2017	21.4
							<b>21.4</b>
101-551.100-725.400	Fuel						
	MCNEECE BROS OIL	846598	Fuel/LAMBS Bus	45441	05/01/2017	05/19/2017	391.9
							<b>391.9</b>
101-551.100-750.200							
	VERIZON WIRELESS		Cell Phone Charges/Various	488	05/01/2017	05/19/2017	53.4
							<b>53.4</b>
101-551.100-750.400	Travel						
	EAN SERVICES, LLC///	12946973	Vehicle Rental, D.Atondo, M.Guer	483	05/01/2017	05/19/2017	1,835.7
	GUERRERO/MARY JANE//		Reimb. Mileage 12/15, 1/4, 3/1,	45426	05/10/2017	05/19/2017	49.2
	NORIEGA/VERIKA//		Reimb. Mileage 2/22, 3/24, 4/26	45443	05/10/2017	05/19/2017	121.4
							<b>2,006.4</b>
							<b>Total Dept. Library Grant - LAMBS: 2,473.2</b>
							<b>Total Fund General Fund: 38,502.8</b>
<b>Fund: 211 Gas Tax</b>							
<b>Dept: 312.000 Street Maintenance</b>							
211-312.000-721.200	Other						
	K-C WELDING RENTALS,	15619	Weeder Head	45437	05/01/2017	05/19/2017	37.7
							<b>37.7</b>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017

Time: 10:56 am

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
211-312.000-725.200	Electricity IMPERIAL IRRIGATION		Street Lights 4/06/17-5/4/17	45432	05/07/2017	05/19/2017	9,114.64
							<u>9,114.64</u>
211-312.000-725.400	Fuel MCNEECE BROS OIL	846599	Fuel/Parks and Rec	45441	05/01/2017	05/19/2017	62.90
							<u>62.90</u>
						<b>Total Dept. Street Maintenance &amp;</b>	<b>9,215.24</b>
						<b>Total Fund Gas Tax:</b>	<b>9,215.24</b>
<b>Fund: 215 Measure D - Sales Tax</b>							
<b>Dept: 312.000 Street Maintenance</b>							
215-312.000-730.200	Technical ALLIED WASTE SERVICES		Street Sweeping 4/1/17-4/30/17	479	05/01/2017	05/19/2017	17,496.50
							<u>17,496.50</u>
						<b>Total Dept. Street Maintenance &amp;</b>	<b>17,496.50</b>
						<b>Total Fund Measure D -</b>	<b>17,496.50</b>
<b>Fund: 222 Law Enforcement</b>							
<b>Dept: 211.100 Pol. Prot. - traffic</b>							
222-211.100-721.900	Small tools & PROFORCE MARKETING,	309884	Tasers, Holsters, Magazines	45451	05/01/2017	05/19/2017	11,780.90
							<u>11,780.90</u>
						<b>Total Dept. Pol. Prot. - traffic offender:</b>	<b>11,780.90</b>
						<b>Total Fund Law</b>	<b>11,780.90</b>
<b>Fund: 241 Bernardo Padilla</b>							
<b>Dept: 511.100 Parks, Landscape &amp;</b>							
241-511.100-725.200	Electricity IMPERIAL IRRIGATION		Street Lights 4/06/17-5/4/17	45432	05/07/2017	05/19/2017	138.30
							<u>138.30</u>
						<b>Total Dept. Parks, Landscape &amp;</b>	<b>138.30</b>
						<b>Total Fund Bernardo</b>	<b>138.30</b>
<b>Fund: 243 CFD 05-1 Victoria Park</b>							
<b>Dept: 195.000 Comm Fac Dist</b>							
243-195.000-725.200	Electricity IMPERIAL IRRIGATION		Street Lights 4/06/17-5/4/17	45432	05/07/2017	05/19/2017	122.60
							<u>122.60</u>
						<b>Total Dept. Comm Fac Dist:</b>	<b>122.60</b>
						<b>Total Fund CFD 05-1</b>	<b>122.60</b>
<b>Fund: 244 CFD 05-4 Latigo Ranch</b>							
<b>Dept: 195.000 Comm Fac Dist</b>							
244-195.000-725.200	Electricity IMPERIAL IRRIGATION		Street Lights 4/06/17-5/4/17	45432	05/07/2017	05/19/2017	130.80
							<u>130.80</u>
						<b>Total Dept. Comm Fac Dist:</b>	<b>130.80</b>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017

Time: 10:56 am

Page: 1

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
<b>Total Fund CFD 05-4 Latigo</b>							<b>130.8</b>
<b>Fund: 245 CFD 05-3 La Paloma</b>							
<b>Dept: 195.000 Comm Fac Dist</b>							
245-195.000-725.200	Electricity IMPERIAL IRRIGATION		Street Lights 4/06/17-5/4/17	45432	05/07/2017	05/19/2017	318.8
							<b>318.8</b>
<b>Total Dept. Comm Fac Dist:</b>							<b>318.8</b>
<b>Total Fund CFD 05-3 La</b>							<b>318.8</b>
<b>Fund: 246 CFD 06-1 Malan Park</b>							
<b>Dept: 195.000 Comm Fac Dist</b>							
246-195.000-725.200	Electricity IMPERIAL IRRIGATION		Street Lights 4/06/17-5/4/17	45432	05/07/2017	05/19/2017	106.2
							<b>106.2</b>
<b>Total Dept. Comm Fac Dist:</b>							<b>106.2</b>
<b>Total Fund CFD 06-1 Malan</b>							<b>106.2</b>
<b>Fund: 247 CFD 07-1 Luckey</b>							
<b>Dept: 195.000 Comm Fac Dist</b>							
247-195.000-725.200	Electricity IMPERIAL IRRIGATION		Street Lights 4/06/17-5/4/17	45432	05/07/2017	05/19/2017	130.8
							<b>130.8</b>
<b>Total Dept. Comm Fac Dist:</b>							<b>130.8</b>
<b>Total Fund CFD 07-1</b>							<b>130.8</b>
<b>Fund: 248 CFD 07-2 Springhouse</b>							
<b>Dept: 195.000 Comm Fac Dist</b>							
248-195.000-725.200	Electricity IMPERIAL IRRIGATION		Street Lights 4/06/17-5/4/17	45432	05/07/2017	05/19/2017	8.1
							<b>8.1</b>
<b>Total Dept. Comm Fac Dist:</b>							<b>8.1</b>
<b>Total Fund CFD 07-2</b>							<b>8.1</b>
<b>Fund: 451 Developer</b>							
<b>Dept: 551.400 Library facilities</b>							
451-551.400-720.200	Books and BAKER & TAYLOR, INC.///		Books	45406	05/01/2017	05/19/2017	32.5
							<b>32.5</b>
<b>Total Dept. Library facilities:</b>							<b>32.5</b>
<b>Total Fund Developer</b>							<b>32.5</b>
<b>Fund: 501 Water</b>							
<b>Dept: 000.000</b>							
501-000.000-205.200	Water		Refund Dep. 1105 H Street	45421	05/10/2017	05/19/2017	59.0
	ESTATE OF DOMINGO		Refund Deposit 768 BSTR	45440	05/10/2017	05/19/2017	61.0
	MARTINEZ/THERESA//		Refund Dep WMAI 300	45469	05/10/2017	05/19/2017	866.0
	TRAVEL INN///		Refund Deposit 806 DAVI	45472	05/10/2017	05/19/2017	137.0
	URBAN AMERICAN						
							<b>1,125.1</b>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017

Time: 10:56 am

Page: 1

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
<b>Total Dept. 000000:</b>							<b>1,125.16</b>
<b>Dept: 321.000 Water Treatment</b>							
501-321.000-720.600	Plumbing RDO WATER	J25120	Sprinklers, PVC Pipe	45453	05/09/2017	05/19/2017	15.80
							<b>15.80</b>
501-321.000-721.200	Other						
	IMPERIAL HARDWARE CO.,	477152/2	Cable, Elec Tape, Cut Key	45431	05/03/2017	05/19/2017	14.30
	IMPERIAL HARDWARE CO.,	477172/2	Spray Paint, Pole, Kwik Weld	45431	05/03/2017	05/19/2017	38.90
	IMPERIAL HARDWARE CO.,	477310/2	Valve Box, Kwik Weld	45431	05/04/2017	05/19/2017	26.10
	IMPERIAL HARDWARE CO.,	477828/2	Auto Wash, Batteries	45431	05/09/2017	05/19/2017	16.20
	IMPERIAL HARDWARE CO.,	477866/2	Carton Tape	45431	05/10/2017	05/19/2017	23.40
	USA BLUEBOOK, INC///	239167	Graduated Beaker	45473	05/01/2017	05/19/2017	19.00
							<b>138.10</b>
501-321.000-725.400	Fuel MCNEECE BROS OIL	846599	Fuel/Parks and Rec	45441	05/01/2017	05/19/2017	89.80
							<b>89.80</b>
501-321.000-730.200	Technical						
	ORANGE COMMERCIAL	8736	Microbiology Analysis	45447	05/01/2017	05/19/2017	271.00
	ORANGE COMMERCIAL	8726	Microbiology Analysis	45447	05/01/2017	05/19/2017	271.00
	ORANGE COMMERCIAL	8733	Organic Carbon Analysis	45447	05/01/2017	05/19/2017	3,490.00
	SCADA INTEGRATIONS	2025B	Upgrades	45463	05/02/2017	05/19/2017	978.10
							<b>5,010.10</b>
501-321.000-740.200	Cleaning ALSCO AMERICAN LINEN		Cleaning Services	45398	05/08/2017	05/19/2017	60.50
							<b>60.50</b>
501-321.000-750.200	VERIZON WIRELESS		Cell Phone Charges/Variou	488	05/01/2017	05/19/2017	77.30
							<b>77.30</b>
501-321.000-750.650	Taxes, Fees, RODRIGUEZ/FRANKIE//		Reimb. Grade 4 Exam	45456	05/01/2017	05/19/2017	95.00
							<b>95.00</b>
<b>Total Dept. Water Treatment:</b>							<b>5,486.90</b>
<b>Dept: 322.000 Water Distribution</b>							
501-322.000-720.300	Chemicals IMPERIAL HARDWARE CO.,	477268/2	Wasp/Hornet Killer	45431	05/03/2017	05/19/2017	6.40
							<b>6.40</b>
501-322.000-720.600	Plumbing HD SUPPLY WATERWORKS,	H153862	Brass Fittings	45427	05/05/2017	05/19/2017	434.30
							<b>434.30</b>
501-322.000-721.100	Uniforms EL VAQUERO///	27114	Safety Boots/ JJ	45418	05/01/2017	05/19/2017	200.00
							<b>200.00</b>
501-322.000-721.200	Other IMPERIAL HARDWARE CO.,	477638/2	Tape, Level, Sanitizer	45431	05/08/2017	05/19/2017	19.70
							<b>19.70</b>
501-322.000-725.200	Electricity IMPERIAL IRRIGATION		Power Bills 3/30/17-4/27/17	45432	05/01/2017	05/19/2017	2,888.90
							<b>2,888.90</b>
501-322.000-750.200	VERIZON WIRELESS		Cell Phone Charges/Variou	488	05/01/2017	05/19/2017	77.30

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017

Time: 10:56 am

Page: 1

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
							77.3
501-322.000-750.400	Travel						
	EAN SERVICES, LLC///	12946973	Vehicle Rental, D.Atondo, M.Guer	483	05/01/2017	05/19/2017	111.4
	EAN SERVICES, LLC///	12946973	Vehicle Rental, D.Atondo, M.Guer	483	05/01/2017	05/19/2017	73.1
							<u>184.5</u>
501-322.000-750.600	STATE WA RESOURCES		Grade 1 Exam/Daniel Atondo	45467	05/01/2017	05/19/2017	70.0
							<u>70.0</u>
<b>Total Dept. Water Distribution:</b>							<u>3,881.4</u>
<b>Total Fund Water:</b>							<u>10,493.5</u>

**Fund: 511 Wastewater**  
**Dept: 331.000 Wastewater**

511-331.000-730.200	Technical						
	ORANGE COMMERCIAL	8700	Copper Analysis	45447	05/01/2017	05/19/2017	2,139.0
							<u>2,139.0</u>
511-331.000-750.200	VERIZON WIRELESS		Cell Phone Charges/Various	488	05/01/2017	05/19/2017	77.3
							<u>77.3</u>
<b>Total Dept. Wastewater Collection:</b>							<u>2,216.3</u>

**Dept: 332.000 Wastewater**

511-332.000-721.200	Other						
	CALIFORNIA	T60121	Gloves	45410	05/01/2017	05/19/2017	162.4
							<u>162.4</u>
511-332.000-721.900	Small tools &						
	CDW GOVERNMENT, INC.///		Speakers, Portable SSD	45413	05/01/2017	05/19/2017	257.5
							<u>257.5</u>
511-332.000-725.200	Electricity						
	IMPERIAL IRRIGATION		Power Bills 3/30/17-4/27/17	45432	05/01/2017	05/19/2017	3,796.9
	IMPERIAL IRRIGATION		Power Bill 04/05/17-5/2/17	45432	05/04/2017	05/19/2017	42,123.7
							<u>45,920.6</u>
511-332.000-730.200	Technical						
	ORANGE COMMERCIAL	8718	Microbiology Analysis	45447	05/01/2017	05/19/2017	1,060.0
	ORANGE COMMERCIAL	8719	Microbiology Analysis	45447	05/01/2017	05/19/2017	365.0
	ORANGE COMMERCIAL	8739	Microbiology Analysis	45447	05/01/2017	05/19/2017	650.0
	R.F. DICKSON CO. INC.	2508543	Street Sweeping/March	45452	05/01/2017	05/19/2017	255.0
	RUIZ, INC./FERNANDO//	132983	Hazardous Materials Business	45459	05/10/2017	05/19/2017	1,450.0
	SCADA INTEGRATIONS	2024B	Configuration, Troubleshooting	45463	05/03/2017	05/19/2017	972.3
							<u>4,752.3</u>
511-332.000-750.200	VERIZON WIRELESS		Cell Phone Charges/Various	488	05/01/2017	05/19/2017	77.3
							<u>77.3</u>
<b>Total Dept. Wastewater treatment:</b>							<u>51,170.3</u>
<b>Total Fund Wastewater:</b>							<u>53,386.7</u>

**Fund: 521 Solid Waste**  
**Dept: 341.000 Solid Waste**

521-341.000-440.740	Solid waste						
	TAYLOR/JAMES//		Refund Deposit 311 DRIF	45468	05/11/2017	05/19/2017	14.5
							<u>14.5</u>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017

Time 10:56 am

Page 13

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
<b>Total Dept. Solid Waste Collection:</b>							<b>14.57</b>
<b>Total Fund Solid Waste:</b>							<b>14.57</b>
<b>Fund: 531 Airport</b>							
<b>Dept: 351.000 Airport</b>							
531-351.000-725.200	Electricity IMPERIAL IRRIGATION		Power Bills 3/30/17-4/27/17	45432	05/01/2017	05/19/2017	664.79
							<u>664.79</u>
531-351.000-725.400	Fuel MCNEECE BROS OIL	846599	Fuel/Parks and Rec	45441	05/01/2017	05/19/2017	26.99
							<u>26.99</u>
<b>Total Dept. Airport:</b>							<b>691.74</b>
<b>Total Fund Airport:</b>							<b>691.74</b>
<b>Fund: 601 Maintenance</b>							
<b>Dept: 801.000 Vehicle</b>							
601-801.000-720.400	Automotive LIGHTHOUSE, INC./THE// NORTHEND AUTOPARTS, NORTHEND AUTOPARTS, RDO WATER	0338643 587221 586850 J25103	Work Light Housing/Shop Battery Clips #33 Parks Dep A/C Motor Switch #3913 F.D Valves	45438 45444 45444 45453	05/03/2017 05/03/2017 05/08/2017 05/08/2017	05/19/2017 05/19/2017 05/19/2017 05/19/2017	45.80 3.20 241.40 12.80
							<u>303.20</u>
601-801.000-720.500	Electrical NORTHEND AUTOPARTS,	587590	Battery/Shop Auction	45444	05/08/2017	05/19/2017	261.50
							<u>261.50</u>
601-801.000-721.900	Small tools & ANSIEL/GARY// BORG EQUIPMENT & SUPPLY		Circuit Tester/Shop Tire Gauges	45401 45408	05/05/2017 05/05/2017	05/19/2017 05/19/2017	193.50 88.10
							<u>281.60</u>
601-801.000-725.400	Fuel MCNEECE BROS OIL	846603	Fuel/Shop	45441	05/01/2017	05/19/2017	72.90
							<u>72.90</u>
601-801.000-740.100	Repair & OK RUBBER TIRES///	56157	Tire Repair #213 Engineering	45446	05/05/2017	05/19/2017	15.00
							<u>15.00</u>
601-801.000-740.200	Cleaning ALSCO AMERICAN LINEN ALSCO AMERICAN LINEN		Cleaning Services Cleaning Services	45398 45398	05/08/2017 05/08/2017	05/19/2017 05/19/2017	25.30 33.40
							<u>58.70</u>
<b>Total Dept. Vehicle Maintenance Shop:</b>							<b>993.30</b>
<b>Dept: 802.000 Grounds &amp; Facility</b>							
601-802.000-800.300	AQUATIC DESIGN GROUP,	25765	Services/Lions Pool Renovation	45402	05/01/2017	05/19/2017	6,750.00
							<u>6,750.00</u>
<b>Total Dept. Grounds &amp; Facility</b>							<b>6,750.00</b>
<b>Total Fund Maintenance:</b>							<b>7,743.30</b>

Fund: 602 Risk Management  
Dept: 812.000 Unemployment

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/19/2017

Time: 10:56 am

Page: 1

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
602-812.000-750.110	Claims EMPLOYMENT		2017 1st Qtr Unemployment	45420	05/01/2017	05/19/2017	3,927.00
							<b>3,927.00</b>
<b>Total Dept. Unemployment:</b>							<b>3,927.00</b>
<b>Total Fund Risk</b>							<b>3,927.00</b>
<b>Grand Total:</b>							<b>154,240.90</b>

Check Register Report

Date: 05/26/2017  
Time: 1:51 PM

City of Brawley

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
45659	05/26/2017	Printed	I218	INTERSTATE BATTERY	Batteries #903, #P157 PD	381.5
45660	05/26/2017	Printed	J380	JADE SECURITY SYSTEMS, INC.	Alarm Monitoring/Teen Center	135.9
45661	05/26/2017	Printed	J216	MARGARET C JANSSEN	Refund Deposit 216 HSTR	196.9
45662	05/26/2017	Printed	J109	GLORIA R JAUREGUI	Refund Deposit 1074 H Street	176.6
45663	05/26/2017	Printed	J701	MYKELL G JOHNSTON	Refund Deposit 701 River Drive	195.2
45664	05/26/2017	Printed	J632	JORDAN IMPLEMENT, INC.	Switch #33 Parks	84.9
45665	05/26/2017	Printed	K090	KAMAN INDUSTRIAL TECH CORP.	Seal Kits	152.1
45666	05/26/2017	Printed	J005	NORMA KASTNER-JAUREGUI	Reimb.Travel/SCAG Regional Con	94.7
45667	05/26/2017	Printed	K596	KAZ-BROS DESIGN SHOP	Tropies/Mens Basketball	161.6
45668	05/26/2017	Printed	K018	KIMLEY-HORN AND ASSOCIATES, INC	Alyce Gereaux Park Preliminary	2,311.0
45669	05/26/2017	Printed	K793	KME FIRE APPARATUS	Air Valve #3913 F.D.	326.5
45670	05/26/2017	Printed	K543	KNORR SYSTEMS, INC.	Dowel & Cord Sets, Tab & Cord	571.4
45671	05/26/2017	Printed	L528	JOSE F LAINEZ	Refund Depoist 527 H Street	187.7
45672	05/26/2017	Printed	L245	LOCKE AIRE CONDITIONING &	A/C Repair	2,473.0
45673	05/26/2017	Printed	L673	IRINEA CLAUDIA CHAVEZ LOPEZ	Refund Deposit 672 S16T	211.9
45674	05/26/2017	Printed	L253	LOWE'S HIW INC.	Window Treatment	77.8
45675	05/26/2017	Printed	L911	ENRIQUE & MARIA LOZANO	Refnd Deposit 911 Jones Street	190.5
45676	05/26/2017	Printed	L230	AMADIS J & DIANNA LUGO	Refund Deposit 1036 WRON	195.2
45677	05/26/2017	Printed	L836	KIRK & MICHELLE LYSTER	Refund Deposit 836 ORIT	97.6
45678	05/26/2017	Printed	M548	YOHANNA MACIAS	Refund Deposit 544 Stuerke Ct	55.0
45679	05/26/2017	Printed	M706	MAGMA POWER COMPANY	Rfnd Business Lic Ovrpmt #3574	16.8
45680	05/26/2017	Printed	M1760	JOSHUA ALLAN MANESS	Refund Deposit 669 SIMP	52.9
45681	05/26/2017	Printed	M004	MCNEECE BROS OIL COMPANY	Fuel/WTP	53.5
45682	05/26/2017	Printed	M709	ALEJANDRO MENDEZ	Refund Deposit 709 MAPC	191.7
45683	05/26/2017	Printed	M1163	EDUARDO & GUADALUPE MENDEZ	Refund Deposit,1163 CHES	174.8
45684	05/26/2017	Printed	M805	MIKE MORALES	Refund Deposit 805 WRON	88.3
45685	05/26/2017	Printed	M804	MYLO JANITORIAL	Cleaning Services - April 2017	7,476.0
45686	05/26/2017	Printed	I131	NATIONAL INDUSTRIAL	Socket Set	349.9
45687	05/26/2017	Printed	N542	NORIEGA FAMILY TRUST	Refund Deposit 674 SIMP	312.0
45688	05/26/2017	Printed	N045	NORTHEND AUTOPARTS, INC.	A/C Switch #3913 FD	8.6
45689	05/26/2017	Printed	0567	JIM O'MALLEY PLUMBING	Nipple Extractor	317.1
45690	05/26/2017	Printed	O233	O'REILLY AUTO PARTS	Air Tank, Valve #3913 F.D.	414.0
45691	05/26/2017	Printed	O720	HERBERTO OCEJO	Refund Deposit 912 I Street	266.1
45692	05/26/2017	Printed	O009	SYLVIA OLVERA	Lab Analyst Grade 2	515.0
45693	05/26/2017	Printed	O901	ORANGE COMMERCIAL CREDIT	Microbiology Analysis	5,165.0
45694	05/26/2017	Printed	P765	PACKERS MINI STORAGE	Storage Unit B209 Rent	95.0
45695	05/26/2017	Printed	P006	DORIS PATE	Rfnd Ovrpmt 653 SRVA	74.8
45696	05/26/2017	Printed	P110	PESTMASTER SERVICES	Pest Control/City Hall	120.0
45697	05/26/2017	Printed	P676	PASCUAL PLASCENCIA	Refund Deposit 676 N Adams	195.2
45698	05/26/2017	Printed	P188	PLUMMER UPHOLSTERY	Repair Seat #85 Parks	144.6
45699	05/26/2017	Printed	P930	POLYDYNE, INC.	Clarifloc	5,188.9
45700	05/26/2017	Printed	P104	PUBLIC EMPLOYEES RETIREMENT	PERS 3/28/17-4/14/17	56,810.6
45701	05/26/2017	Printed	P841	KAMERON PURDY	Refund Deposit 841 Madison Ave	196.9
45702	05/26/2017	Printed	R135	MARTIN RAMIREZ	Refund Deposit 1036 MAGN	201.3
45703	05/26/2017	Printed	R338	JULIUS M RAMOS	Refund Deposit 856 DAVI	36.9
45704	05/26/2017	Printed	R814	RANEY PLANNING & MANAGEMENT	Home Annual Monitoring 4/2017	100.0
45705	05/26/2017	Printed	R163	RDO EQUIPMENT CO.	Seat Assembly, Keys #85 Parks	651.1
45706	05/26/2017	Printed	R177	RDO WATER	Sprinklers	43.2
45707	05/26/2017	Printed	R462	REDDY ICE, CORPORATION	Ice	137.4
45708	05/26/2017	Printed	R876	MARIO REYES	Refund Deposit 764 Magnolia St	67.8
45709	05/26/2017	Printed	R489	ROBERTSON PROPERTIES	Refund Deposit 140 W D Street	604.2
45710	05/26/2017	Printed	R959	ADALBERTO E RODRIGUEZ	Refund Deposit 726 MILC	195.2
45711	05/26/2017	Printed	R621	RONALD RUBIO 38	Softball Umpire 5/16	72.0
45712	05/26/2017	Printed	S859	RUBEN & ANTONIA SAHAGUN	Refund Deposit 958 I Street	196.9

Check Register Report

Date: 05/26/20

Time: 1:51 P

City of Brawley

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
45713	05/26/2017	Printed	S155	SAN DIEGO COUNTY	Fire Radio Fees/May 2017	715.0
45714	05/26/2017	Printed	S379	JAYMI SANCHEZ	BB Scorekeeper 5/12	24.0
45715	05/26/2017	Printed	S0001	THOMAS SANROMAN	Travel Adv./Rapid Intervention	499.0
45716	05/26/2017	Printed	S3410	MIGUEL SANTIAGO	Refund Deposit 349 SWES	59.0
45717	05/26/2017	Printed	S1113	SCADA INTEGRATIONS	Install Redundant Power	3,153.0
45718	05/26/2017	Printed	S762	SERVICE MASTER	Rfnd Dep, Ovrpmt 341 K Street	182.0
45719	05/26/2017	Printed	S1105	ROBERT H SILVAS	Refund Deposit 1105 MESQ	191.0
45720	05/26/2017	Printed	S087	SILVERSTRAND CONSTRUCTION	Alyce Gereaux Park Renovation	225,870.0
45721	05/26/2017	Printed	G985	SIMPLEXGRINNEL LP	Fire Extinguisher Inspections	825.0
45722	05/26/2017	Printed	S885	SIRCHIE FINGERPRINT LABORATORI	Evidence Bags, Tape	227.0
45723	05/26/2017	Printed	S690	REBECCA SMITH	Refund Deposit 690 GARR	211.0
45724	05/26/2017	Printed	S570	SO. CA GANG CONFERENCE	Gang Conference Registration/	200.0
45725	05/26/2017	Printed	S495	SOUTHERN CALIFORNIA GAS CO.	088 557 5439 9 4/3/17-5/2/17	1,205.0
45726	05/26/2017	Printed	S760	SPECTRUM ADVERTISING	Video Tape Council Mtg 5/2/17	500.0
45727	05/26/2017	Printed	T308	KEVIN TEETERS	Refund Deposit 308 WDUA	195.0
45728	05/26/2017	Printed	T888	SUSANA TORRES	Refund Deposit 888 JENN	195.0
45729	05/26/2017	Printed	U901	UNITED STATES POSTAL SERVIC	City Hall Postage Refill	2,649.0
45730	05/26/2017	Printed	U560	UNIVAR USA, INC.	Sodium Hypochlorite	3,981.0
45731	05/26/2017	Printed	U602	USA BLUEBOOK, INC	Filters TSS Analysis,	541.0
45732	05/26/2017	Printed	V751	BIANKA VELEZ	Refund Deposit 751 GARR	195.0
45733	05/26/2017	Printed	W233	WAGeworks INC	FSA Service Fee - Apr 2017	400.0
45734	05/26/2017	Printed	W221	WAL-MART STORES, INC. #01-1555	Letter Stickers	6.0
45735	05/26/2017	Printed	W825	WEST COAST INDUSTRIAL	Refnd Hydrant Meter Dep	200.0

**Total Checks: 257**

**Checks Total (excluding void checks): 705,101.4**

**Total Payments: 274**

**Grand Total (excluding void checks): 713,451.4**

# Check Register Report

Date: 05/26/2017

Time: 1:51 PM

City of Brawley

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
490	05/26/2017	Printed	A242	A T & T	Telephone Services 5/7/1-6/6/17	130.67
491	05/26/2017	Printed	A666	AMERICAN WATER WORKS ASSOC.	Water Distribution Handbooks	678.84
492	05/26/2017	Printed	A785	AT&T	U-Verse Internet 5/1-5/31/17	70.78
493	05/26/2017	Printed	B411	BSN SPORTS, LLC	Softballs	111.37
494	05/26/2017	Printed	C544	CANON FINANCIAL SERVICES, INC	Copier Lease/City Clerk	302.78
495	05/26/2017	Printed	D123	DESERT AIR CONDITIONING, IN	A/C Maintenance	727.00
496	05/26/2017	Printed	E171	EMERGENCY MEDICAL PRODUCTS,	Medical Supplies F.D. #2	487.19
497	05/26/2017	Printed	F105	FEDERAL EXPRESS CORP.	Mailings - Police Dept.	74.22
498	05/26/2017	Printed	L268	LAWSON PRODUCTS, INC.	Nuts, Washers, Retainers	244.36
499	05/26/2017	Printed	M997	MAIN STREET SIGNS	Sign Stands	996.57
500	05/26/2017	Printed	O880	OFFICE DEPOT, INC.	Chair	420.20
501	05/26/2017	Printed	P340	PROTECTION ONE ALARM	Alarm Monitoring 5/1-5/31/17	91.87
502	05/26/2017	Printed	S566	SPARKLETTS	Water, Cooler Rentals Apr 2017	707.27
503	05/26/2017	Printed	S689	STAPLES ADVANTAGE	Seals	1,015.38
504	05/26/2017	Printed	U630	UNITED PARCEL SERVICE, INC	Mailings - Engineering	278.50
505	05/26/2017	Printed	V079	VERIZON WIRELESS SERVICES L	Mobile Broadband/Fire Dept.	1,840.39
506	05/26/2017	Printed	W250	WESTAIR GASES & EQUIPMENT INC	Oxygen Tanks/F.D. 1	172.84

**Total Checks: 17**

**Checks Total (excluding void checks):**

**8,350.17**

45478	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45479	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45480	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45481	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45482	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45483	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45484	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45485	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45486	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45487	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45488	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45489	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45490	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45491	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45492	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45493	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45494	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45495	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45496	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45497	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45498	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45499	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45500	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45501	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45502	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45503	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45504	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45505	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45506	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00
45507	05/26/2017	Void	05/26/2017	VOID - Printer Error	0.00

Check Register Report

Date: 05/26/2017

Time: 1:51 PM

City of Brawley

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
45508	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45509	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45510	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45511	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45512	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45513	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45514	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45515	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45516	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45517	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45518	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45519	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45520	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45521	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45522	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45523	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45524	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45525	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45526	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45527	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45528	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45529	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45530	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45531	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45532	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45533	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45534	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45535	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45536	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45537	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45538	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45539	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45540	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45541	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45542	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45543	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45544	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45545	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45546	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45547	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45548	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45549	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45550	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45551	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45552	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45553	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45554	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00
45555	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.00

Check Register Report

Date: 05/26/201

Time: 1:51 PM

City of Brawley

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
45556	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45557	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45558	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45559	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45560	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45561	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45562	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45563	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45564	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45565	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45566	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45567	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45568	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45569	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45570	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45571	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45572	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45573	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45574	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45575	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45576	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45577	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45578	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45579	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45580	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45581	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45582	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45583	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45584	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45585	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45586	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45587	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45588	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45589	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45590	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45591	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45592	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45593	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45594	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45595	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45596	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45597	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45598	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45599	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45600	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45601	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45602	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45603	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0

Check Register Report

Date: 05/26/201

Time: 1:51 PM

City of Brawley

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
45604	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45605	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45606	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45607	05/26/2017	Void	05/26/2017		VOID - Printer Error	0.0
45608	05/26/2017	Printed	B364	360 BUSINESS PRODUCTS	Toner	227.6
45609	05/26/2017	Printed	A1111	SALVADOR G AGUIRRE	Refund Deposit 1118 ELMC	211.9
45610	05/26/2017	Printed	A494	RAY ALCANTRA	Refund Deposit 694 S18T	175.9
45611	05/26/2017	Printed	A126	ALSCO AMERICAN LINEN DIV.	Cleaning Services	427.6
45612	05/26/2017	Printed	A536	RICHARD ANTUNEZ	Refund Demo Permit #26924	500.0
45613	05/26/2017	Printed	A784	AT&T	Telephone Service/Teen Center	132.1
45614	05/26/2017	Printed	A053	ANTHONY LEE AUREN	Refund Deposit 681 N7TH	196.9
45615	05/26/2017	Printed	A592	AUTO ZONE, INC. #2804	Bushings	7.1
45616	05/26/2017	Printed	A1128	MARIA G AVENDANO	Refund Deposit 1128 ALAM	165.9
45617	05/26/2017	Printed	B1107	CESAR BASTIDAS	Refund Deposit 380 WMAG	196.7
45618	05/26/2017	Printed	B231	JONATHAN BLACKSTONE	Travel Adv./Leadership Program	968.9
45619	05/26/2017	Printed	B784	DANIEL & LAURA BLAKE	Refund Deposit 180 SRVA	248.2
45620	05/26/2017	Printed	B316	JUANA BUZO	Refund Deposit 1503 B Street	191.7
45621	05/26/2017	Printed	C6300	CA STATE UNIVERSITY OF LONG	Field Training Registration/	336.0
45622	05/26/2017	Printed	C756	CALBO	2017/2018 Membership Dues	215.0
45623	05/26/2017	Printed	C549	CANON SOLUTIONS AMERICA, INC	Copier Maint. 4/1-4/30 P.D.	763.9
45624	05/26/2017	Printed	C3260	RODOLFO E & EVA CASTILLO	Refund Deposit 641 NPAL	83.2
45625	05/26/2017	Printed	C275	CDW GOVERNMENT, INC.	Hard Drive	156.9
45626	05/26/2017	Printed	C590	ELIZA CEBREROS	Refund Deposit 1173 HSTR	129.6
45627	05/26/2017	Printed	C128	CHICAGO TITLE CO.	PIR Policy/P.Echevarria	100.0
45628	05/26/2017	Printed	C4050	ROBERT & RANDI COLACE	Refund Deposit 405 WHST	255.8
45629	05/26/2017	Printed	C0010	JOSHUA COLUNGA	Travel Adv./Rapid Intervention	499.3
45630	05/26/2017	Printed	C6551	COUNTY OF SAN BERNARDINO	POST 80hr Supervisory Course/	225.0
45631	05/26/2017	Printed	C596	CURTIS ROADRUNNER LOCK & SAFE	Duplicate Keys P.D	53.8
45632	05/26/2017	Printed	D871	D R & G RAIL SERVICES	Rfnd Hydrant Meter Dep	148.6
45633	05/26/2017	Printed	D402	DAPPER TIRE CO., INC.	Tires #208 Streets	1,242.5
45634	05/26/2017	Printed	D978	EDUARDO JESUS DELGADO	Refund Deposit 651 STAN	43.1
45635	05/26/2017	Printed	D922	RUBEN A DIAZ	Refund Deposit 1607 A Street	196.9
45636	05/26/2017	Printed	D223	MANUEL DURAN	Translation/Emergency Ad Nixle	22.0
45637	05/26/2017	Printed	E145	ELMS EQUIPMENT	Weedeater Line	77.9
45638	05/26/2017	Printed	F147	MARGARET FLORES	Refund Deposit 1475 D Street	176.6
45639	05/26/2017	Printed	F737	FORENSIC DRUG TESTING	May Maint Fee, DOT Testing	49.0
45640	05/26/2017	Printed	G515	ABRAHAM GARCIA	SB Umpire 5/16, 5/18	138.0
45641	05/26/2017	Printed	G299	ALBERTO GARCIA	Refund Deposit 1330 H Street	329.6
45642	05/26/2017	Printed	G630	RIKKI GARCIA	Refund Deposit 630 S9TH	136.7
45643	05/26/2017	Printed	G708	ARMANDO GARIBAY	Refund Deposit 1118 GLEC	191.7
45644	05/26/2017	Printed	G658	THOMAS GIBSON	Refund Deposit 658 NELC	195.2
45645	05/26/2017	Printed	G1079	MEL GONZALEZ	Refund Deposit 1079 Alamo St	195.2
45646	05/26/2017	Printed	G750	GOVCONNECTION, INC	Computer	3,630.7
45647	05/26/2017	Printed	G536	GRAFFIK INDUSTRIES, INC.	Basketball Shirts	168.0
45648	05/26/2017	Printed	H807	EDWARD & APRIL Y HALE	Refund Deposit 807 CORC	196.9
45649	05/26/2017	Printed	H893	JOANNE HARRIS	Refund Deposit 644 S2ND	324.4
45650	05/26/2017	Printed	H646	HAZARD CONSTRUCTION CO. INC	S. Palm Ave Asphalt Rehab Spec	348,551.5
45651	05/26/2017	Printed	H158	HD SUPPLY WATERWORKS, LTD	Nuts, Bolts, Gaskets	523.3
45652	05/26/2017	Printed	H377	HYDRAULICS & BEARING SUPPLY IN	O'rings #3913 F.D.	17.5
45653	05/26/2017	Printed	I102	I. I. D.	Canal Water/OKY 3008245	10,530.0
45654	05/26/2017	Printed	I140	I. V. HOUSING AUTHORITY	Refund Ovpmt 1017 MEND	74.8
45655	05/26/2017	Printed	I447	I. V. TERMITE & PEST CONTRO	Pest Control Svcs F.D. #2	38.0
45657	05/26/2017	Printed	I301	IMPERIAL HARDWARE CO., INC.	Roller Covers, Brush	316.4
45658	05/26/2017	Printed	I608	IMPERIAL TRUSS & LUMBER CO	Boards, Washers	75.9

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/26/2017

Time: 3:58 pm

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
<b>Fund: 101 General Fund</b>							
<b>Dept: 000.000</b>							
101-000,000-205.260	C & D recycle ANTUNEZ/RICHARD//		Refund Demo Permit #26924	45612	05/16/2017	05/26/2017	500.00
							500.00
<b>Total Dept. 000000:</b>							<b>500.00</b>
<b>Dept: 110.000 General Revenues</b>							
101-110,000-410.800	Business MAGMA POWER COMPANY///		Rfnd Business Lic Ovrpmt #3574	45679	05/17/2017	05/26/2017	16.80
							16.80
101-110,000-410.910	Utility users PATE/DORIS// SERVICE MASTER///		Rfnd Ovrpmt 653 SRVA Rfnd Dep, Ovrpmt 341 K Street	45695 45718	05/16/2017 05/11/2017	05/26/2017 05/26/2017	2.80 1.40
							4.30
<b>Total Dept. General Revenues:</b>							<b>21.10</b>
<b>Dept: 111.000 City Council</b>							
101-111,000-730.200	Technical DURAN/MANUEL// SPECTRUM ADVERTISING///	5102 13271	Translation/Emergency Ad Nixle Video Tape Council Mtg 5/2/17	45636 45726	05/12/2017 05/03/2017	05/26/2017 05/26/2017	22.00 500.00
							522.00
101-111,000-750.200	VERIZON WIRELESS		Cell Phone Charges/Various	505	05/10/2017	05/26/2017	631.60
							631.60
101-111,000-750.402	Travel - N.J. KASTNER-JAUREGUI/NORMA//		Reimb.Travel/SCAG Regional Con	45666	05/17/2017	05/26/2017	94.70
							94.70
<b>Total Dept. City Council:</b>							<b>1,248.40</b>
<b>Dept: 112.000 City Clerk</b>							
101-112,000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	399.30
							399.30
101-112,000-720.100	Office 360 BUSINESS PRODUCTS///		Toner	45608	05/09/2017	05/26/2017	81.80
							81.80
101-112,000-750.210	Postage UNITED PARCEL SERVICE,		Mailings - Engineering	504	05/06/2017	05/26/2017	13.00
							13.00
<b>Total Dept. City Clerk:</b>							<b>494.20</b>
<b>Dept: 131.000 City Manager</b>							
101-131,000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	480.10
							480.10
101-131,000-720.100	Office 360 BUSINESS PRODUCTS///	OE-27568-1	Toner	45608	05/09/2017	05/26/2017	82.20
							82.20
<b>Total Dept. City Manager:</b>							<b>562.40</b>
<b>Dept: 151.000 Finance</b>							
101-151,000-710.300	P E R S						

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/26/2017

Time: 3:58 pm

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
	PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	1,164.4
							<u>1,164.4</u>
101-151 000-750.210	Postage UNITED STATES POSTAL		City Hall Postage Refill	45729	05/24/2017	05/26/2017	32.6
							<u>32.6</u>
<b>Total Dept. Finance:</b>							<b>1,197.0</b>
<b>Dept: 152.000 Utility Billing</b>							
101-152.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	457.7
							<u>457.7</u>
101-152.000-750.210	Postage UNITED STATES POSTAL		City Hall Postage Refill	45729	05/24/2017	05/26/2017	2,566.8
							<u>2,566.8</u>
<b>Total Dept. Utility Billing:</b>							<b>3,024.5</b>
<b>Dept: 153.000 Personnel</b>							
101-153.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	283.2
							<u>283.2</u>
101-153.000-730.200	Technical FORENSIC DRUG TESTING/// WAGWORKS INC/// WAGWORKS INC/// WAGWORKS INC/// WAGWORKS INC///	2017-02115 INV38936 INV74965	May Maint Fee, DOT Testing FSA Service Fee - Jan 2017 FSA Service Fee - Feb 2017 FSA Service Fee - Mar 2017 FSA Service Fee - Apr 2017	45639 45733 45733 45733 45733	05/10/2017 05/01/2017 05/01/2017 05/01/2017 05/15/2017	05/26/2017 05/26/2017 05/26/2017 05/26/2017 05/26/2017	49.0 100.0 100.0 100.0 100.0
							<u>449.0</u>
<b>Total Dept. Personnel:</b>							<b>732.2</b>
<b>Dept: 171.000 Planning</b>							
101-171.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	399.2
							<u>399.2</u>
101-171.000-720.100	Office 360 BUSINESS PRODUCTS///		Folders, Envelopes	45608	05/16/2017	05/26/2017	63.4
							<u>63.4</u>
101-171.000-740.100	Repair & CANON SOLUTIONS		Copier Maint. 4/1-3/30	45623	05/01/2017	05/26/2017	18.9
							<u>18.9</u>
101-171.000-750.210	Postage UNITED STATES POSTAL		City Hall Postage Refill	45729	05/24/2017	05/26/2017	36.6
							<u>36.6</u>
<b>Total Dept. Planning:</b>							<b>518.2</b>
<b>Dept: 181.000 Information</b>							
101-181.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	183.2
							<u>183.2</u>
<b>Total Dept. Information technology:</b>							<b>183.2</b>
<b>Dept: 191.000 Non-departmental</b>							
101-191 000-721.200	Other SPARKLETTS///	9689234	Water, Cooler Rentals Apr 2017	502	05/01/2017	05/26/2017	219.0

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/26/2017

Time: 3:58 pm

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
							219.6
101-191.000-730.200	Technical						
	PESTMASTER SERVICES///	1393439	Pest Control/City Hall	45696	05/19/2017	05/26/2017	85.0
	PESTMASTER SERVICES///	1393438	Pest Control/City Hall	45696	05/19/2017	05/26/2017	35.0
	PROTECTION ONE ALARM///		Alarm Monitoring 5/1-5/31/17	501	05/04/2017	05/26/2017	47.6
							167.4
101-191.000-740.100	Repair &						
	CANON SOLUTIONS		P.W. Scanner, Printer Maint.	45623	05/01/2017	05/26/2017	230.4
	CANON SOLUTIONS		Copier Maint. 3/1-3/30/17	45623	05/01/2017	05/26/2017	165.5
							395.9
101-191.000-740.200	Cleaning						
	MYLO JANITORIAL///	5069938	Cleaning Services - April 2017	45685	05/01/2017	05/26/2017	348.0
	MYLO JANITORIAL///	5069938	Cleaning Services - April 2017	45685	05/01/2017	05/26/2017	80.0
	MYLO JANITORIAL///	5069938	Cleaning Services - April 2017	45685	05/01/2017	05/26/2017	348.0
							776.0
101-191.000-740.400	Rent						
	CANON FINANCIAL	17277658	Copier Lease/City Clerk	494	05/02/2017	05/26/2017	302.7
	SPARKLETTS///	9009234	Water, Cooler Rentals Apr 2017	502	05/01/2017	05/26/2017	37.8
							340.5
							Total Dept. Non-departmental: 1,899.6
<b>Dept: 211.000</b>	<b>Police Protection</b>						
101-211.000-710.300	P E R S						
	PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	7,037.1
	PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	2,154.8
							9,192.5
101-211.000-720.100	Office						
	STAPLES ADVANTAGE///		Labels, Markers, Rubberbands	503	05/06/2017	05/26/2017	582.0
	STAPLES ADVANTAGE///		Protector Sheets	503	05/06/2017	05/26/2017	18.8
	STAPLES ADVANTAGE///		Pens	503	05/06/2017	05/26/2017	7.0
	STAPLES ADVANTAGE///		Folders, Toners	503	05/01/2017	05/26/2017	400.0
	STAPLES ADVANTAGE///		Seals	503	05/01/2017	05/26/2017	6.0
							1,015.3
101-211.000-721.200	Other						
	CURTIS ROADRUNNER LOCK	13193	Duplicate Keys P.D	45631	05/15/2017	05/26/2017	53.0
	IMPERIAL HARDWARE CO.,	478757/2	Bulb	45657	05/18/2017	05/26/2017	10.0
	SIRCHIE FINGERPRINT	0300622-IN	Evidence Bags, Tape	45722	05/11/2017	05/26/2017	227.0
							291.0
101-211.000-721.900	Small tools &						
	CDW GOVERNMENT, INC///		Hard Drive	45625	05/02/2017	05/26/2017	156.5
							156.5
101-211.000-725.300	Natural gas						
	SOUTHERN CALIFORNIA GAS		187 525 6200 1 4/7/17-5/8/17	45725	05/10/2017	05/26/2017	18.1
							18.1
101-211.000-740.100	Repair &						
	CANON SOLUTIONS		Copier Maint. 4/1-4/30 P.D.	45623	05/01/2017	05/26/2017	233.0
	CANON SOLUTIONS		Copier Maint. 4/1-4/30 P.D.	45623	05/01/2017	05/26/2017	98.7
							331.7
101-211.000-740.200	Cleaning						
	MYLO JANITORIAL///	5069938	Cleaning Services - April 2017	45685	05/01/2017	05/26/2017	3,150.0
							3,150.0



INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/26/2017

Time: 3:58 pm

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
<b>Total Dept. Fire Station #2:</b>							<b>577.1</b>
<b>Dept: 231.000 Building Inspection</b>							
101-231.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	751.9
							<b>751.9</b>
101-231.000-740.100	Repair & CANON SOLUTIONS		Copier Maint. 4/1-4/30 Bldg	45623	05/01/2017	05/26/2017	8.4
							<b>8.4</b>
101-231.000-750.600	CALBO///	10707	2017/2018 Membership Dues	45622	05/11/2017	05/26/2017	215.0
							<b>215.0</b>
<b>Total Dept. Building Inspection:</b>							<b>975.3</b>
<b>Dept: 241.000 Animal Control</b>							
101-241.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	129.8
							<b>129.8</b>
<b>Total Dept. Animal Control:</b>							<b>129.8</b>
<b>Dept: 311.000 Engineering</b>							
101-311.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	995.7
							<b>995.7</b>
101-311.000-720.700	Construction LOWE'S HIW INC.///	89764	Window Treatment	45674	05/12/2017	05/26/2017	77.8
							<b>77.8</b>
101-311.000-721.200	Other OFFICE DEPOT, INC./// SPARKLETTS///		Mouse	500	05/08/2017	05/26/2017	32.3
		9689234	Water, Cooler Rentals Apr 2017	502	05/01/2017	05/26/2017	163.0
							<b>195.3</b>
101-311.000-721.900	Small tools & GOVCONNECTION, INC./// GOVCONNECTION, INC./// OFFICE DEPOT, INC.///	54788250	Computer	45646	05/09/2017	05/26/2017	653.1
		54792474	Computer	45646	05/10/2017	05/26/2017	2,977.6
			Chair	500	05/08/2017	05/26/2017	387.8
							<b>4,018.6</b>
101-311.000-740.200	Cleaning ALSCO AMERICAN LINEN MYLO JANITORIAL///		Cleaning Services	45611	05/15/2017	05/26/2017	26.1
		5069938	Cleaning Services - April 2017	45685	05/01/2017	05/26/2017	690.0
							<b>716.1</b>
101-311.000-740.400	Rent SPARKLETTS///	9689234	Water, Cooler Rentals Apr 2017	502	05/01/2017	05/26/2017	19.5
							<b>19.5</b>
101-311.000-750.200	VERIZON WIRELESS		Cell Phone Charges/Various	505	05/10/2017	05/26/2017	60.5
							<b>60.5</b>
101-311.000-750.210	Postage UNITED PARCEL SERVICE, UNITED PARCEL SERVICE, UNITED STATES POSTAL		Mailings - Engineering	504	05/06/2017	05/26/2017	72.2
			Mailings - Engineering	504	05/13/2017	05/26/2017	175.0
			City Hall Postage Refill	45729	05/24/2017	05/26/2017	0.4
							<b>247.7</b>
<b>Total Dept. Engineering:</b>							<b>6,331.4</b>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/26/2017

Time: 3:58 pm

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
<b>Dept: 411.000 Community</b>							
101-411.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	279.1
							<u>279.1</u>
101-411.000-730.100	Professional RANEY PLANNING &	8042	Home Annual Monitoring 4/2017	45704	05/05/2017	05/26/2017	100.0
							<u>100.0</u>
101-411.000-740.100	Repair & CANON SOLUTIONS		Copier Maint, 4/1-4/30 Bldg	45623	05/01/2017	05/26/2017	8.4
							<u>8.4</u>
<b>Total Dept. Community Development:</b>							<b>387.5</b>
<b>Dept: 511.000 Parks</b>							
101-511.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	967.6
							<u>967.6</u>
101-511.000-720.600	Plumbing O'MALLEY PLUMBING/JIM// O'MALLEY PLUMBING/JIM// RDO WATER RDO WATER	92225 92256 J25248 J25257	PVC, Coupling, Nipple Nipple Extractor PVC Pipe, Slip, Coupling Sprinklers	45689 45689 45706 45706	05/10/2017 05/15/2017 05/12/2017 05/12/2017	05/26/2017 05/26/2017 05/26/2017 05/26/2017	307.5 9.6 17.6 25.6
							<u>360.4</u>
101-511.000-721.200	Other ELMS EQUIPMENT/// IMPERIAL HARDWARE CO., IMPERIAL HARDWARE CO., SPARKLETTS///		Weedeater Line Keys Keys, Key Rings Water, Cooler Rentals Apr 2017	45637 45657 45657 502	05/15/2017 05/12/2017 05/15/2017 05/01/2017	05/26/2017 05/26/2017 05/26/2017 05/26/2017	77.5 12.5 21.5 49.8
							<u>161.4</u>
<b>Total Dept. Parks:</b>							<b>1,489.4</b>
<b>Dept: 521.000 Recreation &amp; Lions</b>							
101-521.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	402.7
							<u>402.7</u>
101-521.000-720.600	Plumbing KNORR SYSTEMS, INC.///	SI190577	Dowel & Cord Sets, Tab & Cord	45670	05/08/2017	05/26/2017	571.4
							<u>571.4</u>
101-521.000-721.100	Uniforms GRAFFIK INDUSTRIES, INC.///	4321	Basketball Shirts	45647	05/10/2017	05/26/2017	168.0
							<u>168.0</u>
101-521.000-721.200	Other SPARKLETTS/// WAL-MART STORES, INC.	9689234 07984	Water, Cooler Rentals Apr 2017 Letter Stickers	502 45734	05/01/2017 05/11/2017	05/26/2017 05/26/2017	13.7 6.0
							<u>19.3</u>
101-521.000-725.300	Natural gas SOUTHERN CALIFORNIA GAS SOUTHERN CALIFORNIA GAS		187 425 2700 7 4/5/17-5/4/17 189 525 2700 2 4/5/17-5/4/17	45725 45725	05/08/2017 05/10/2017	05/26/2017 05/26/2017	77.7 996.3
							<u>1,073.4</u>
101-521.000-730.200	Technical JADE SECURITY SYSTEMS,	0131974	Alarm Monitoring/Teen Center	45660	05/10/2017	05/26/2017	80.9
							<u>80.9</u>
101-521.000-740.200	Cleaning						

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/26/2017

Time: 3:58 pm

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
	ALSCO AMERICAN LINEN		Cleaning Services	45611	05/15/2017	05/26/2017	27.00
							<u>27.00</u>
101-521.000-740.400	Rent SPARKLETTS///	9689234	Water, Cooler Rentals Apr 2017	502	05/01/2017	05/26/2017	14.00
							<u>14.00</u>
101-521.000-750.200	AT&T///		Telephone Service/Teen Center	45613	05/06/2017	05/26/2017	132.14
							<u>132.14</u>
101-521.000-750.210	Postage UNITED STATES POSTAL		City Hall Postage Refill	45729	05/24/2017	05/26/2017	4.60
							<u>4.60</u>
<b>Total Dept. Recreation &amp; Lions Center:</b>							<b>2,493.74</b>
<b>Dept: 521.100 Recreation Leagues</b>							
101-521.100-721.200	Other BSN SPORTS, LLC///	98998557	Softballs	493	05/01/2017	05/26/2017	111.30
	KAZ-BROS DESIGN SHOP	2037	Tropics/Mens Basketball	45667	05/15/2017	05/26/2017	161.60
							<u>272.90</u>
101-521.100-730.200	Technical GARCIA/ABRAHAM//		SB Umpire 5/16, 5/18	45640	05/19/2017	05/26/2017	138.00
	RUBIO/RONALD//		Softball Umpire 5/16	45711	05/19/2017	05/26/2017	72.00
	SANCHEZ/JAYMI//		BB Scorekeeper 5/12	45714	05/19/2017	05/26/2017	24.00
							<u>234.00</u>
<b>Total Dept. Recreation Leagues:</b>							<b>506.90</b>
<b>Dept: 522.000 Senior Citizens</b>							
101-522.000-720.500	Electrical IMPERIAL HARDWARE CO.,	478159/2	Receptacle	45657	05/12/2017	05/26/2017	4.70
	IMPERIAL HARDWARE CO.,	478167/2	Receptacle	45657	05/12/2017	05/26/2017	-5.30
	IMPERIAL HARDWARE CO.,	478168/2	Circuit Breaker	45657	05/12/2017	05/26/2017	18.00
							<u>17.40</u>
101-522.000-725.300	Natural gas SOUTHERN CALIFORNIA GAS		193 926 4200 5 4/7/17-5/8/17	45725	05/10/2017	05/26/2017	46.30
							<u>46.30</u>
101-522.000-730.200	Technical SIMPLEXGRINNEL LP	83671598	Fire Extinguisher Inspections	45721	05/09/2017	05/26/2017	278.30
							<u>278.30</u>
<b>Total Dept. Senior Citizens Center:</b>							<b>342.10</b>
<b>Dept: 551.000 Library</b>							
101-551.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	794.20
							<u>794.20</u>
101-551.000-721.200	Other SPARKLETTS///	9689234	Water, Cooler Rentals Apr 2017	502	05/01/2017	05/26/2017	63.10
							<u>63.10</u>
101-551.000-730.200	Technical PROTECTION ONE ALARM///		Alarm Monitoring 5/1-5/31/17	501	05/04/2017	05/26/2017	44.30
							<u>44.30</u>
101-551.000-740.100	Repair & DESERT AIR CONDITIONING,	32051	A/C Repair	495	05/01/2017	05/26/2017	517.00
	DESERT AIR CONDITIONING,	32116	A/C Maintenance	495	05/01/2017	05/26/2017	210.00

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/26/2017

Time: 3:58 p

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
							<u>727.0</u>
101-551.000-740.200	Cleaning MYLO JANITORIAL//	5069938	Cleaning Services - April 2017	45685	05/01/2017	05/26/2017	1,900.0
							<u>1,900.0</u>
101-551.000-740.400	Rent PACKERS MINI STORAGE/// SPARKLETTS///		Storage Unit B209 Rent	45694	05/01/2017	05/26/2017	95.0
		9689234	Water, Cooler Rentals Apr 2017	502	05/01/2017	05/26/2017	15.7
							<u>110.7</u>
101-551.000-750.210	Postage UNITED STATES POSTAL		City Hall Postage Refill	45729	05/24/2017	05/26/2017	8.2
							<u>8.2</u>
<b>Total Dept. Library:</b>							<b>3,647.8</b>
<b>Dept: 551.100 Library Grant -</b>							
101-551.100-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	328.8
							<u>328.8</u>
101-551.100-750.200	VERIZON WIRELESS		Cell Phone Charges/Various	505	05/10/2017	05/26/2017	53.4
							<u>53.4</u>
<b>Total Dept. Library Grant - LAMBS:</b>							<b>382.2</b>
<b>Total Fund General Fund:</b>							<b>50,154.2</b>
<b>Fund: 202 CDBG</b>							
<b>Dept: 650.546 11-HOME-7664 Gen</b>							
202-650.546-730.200	Technical CHICAGO TITLE CO.///		PIR Policy/P.Echevarria	45627	05/16/2017	05/26/2017	100.0
							<u>100.0</u>
<b>Total Dept. 11-HOME-7664 Gen Admin:</b>							<b>100.0</b>
<b>Total Fund CDBG:</b>							<b>100.0</b>
<b>Fund: 211 Gas Tax</b>							
<b>Dept: 312.000 Street Maintenance</b>							
211-312.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	589.7
							<u>589.7</u>
211-312.000-721.200	Other IMPERIAL HARDWARE CO., IMPERIAL TRUSS & LUMBER MAIN STREET SIGNS///	478458/2	Roller Covers, Brush	45657	05/16/2017	05/26/2017	17.6
		B15730	Boards, Washers	45658	05/15/2017	05/26/2017	75.5
		24773	Sign Stands	499	05/09/2017	05/26/2017	996.5
							<u>1,089.6</u>
<b>Total Dept. Street Maintenance &amp;</b>							<b>1,679.4</b>
<b>Total Fund Gas Tax:</b>							<b>1,679.4</b>
<b>Fund: 411 Capital Projects - Parks</b>							
<b>Dept: 000.000</b>							
411-000.000-201.514	Retention - SILVERSTRAND	11	Alyce Gereaux Park Renovation	45720	05/01/2017	05/26/2017	-11,887.9
							<u>-11,887.9</u>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/26/2017

Time: 3:58 pm

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
<b>Total Dept. 000000:</b>							<b>-11,887.9</b>
<b>Dept: 512.010 Alyce Gereaux Park</b>							
411-512.010-730.100	Professional KIMLEY-HORN AND	9361494	Alyce Gereaux Park Preliminary	45668	05/01/2017	05/26/2017	2,311.0
							<b>2,311.0</b>
411-512.010-800.300	SILVERSTRAND	11	Alyce Gereaux Park Renovation	45720	05/01/2017	05/26/2017	237,758.1
							<b>237,758.1</b>
<b>Total Dept. Alyce Gereaux Park</b>							<b>240,069.1</b>
<b>Total Fund Capital Projects</b>							<b>228,181.2</b>
<b>Fund: 421 Capital Projects -</b>							
<b>Dept: 000.000</b>							
421-000.000-201.750	Retention - HAZARD CONSTRUCTION	2	S. Palm Ave Asphalt Rehab Spec	45650	05/01/2017	05/26/2017	-18,334.3
							<b>-18,334.3</b>
<b>Total Dept. 000000:</b>							<b>-18,334.3</b>
<b>Dept: 310.000 Street Projects</b>							
421-310.000-800.300	HAZARD CONSTRUCTION	2	S. Palm Ave Asphalt Rehab Spec	45650	05/01/2017	05/26/2017	366,685.8
							<b>366,685.8</b>
<b>Total Dept. Street Projects:</b>							<b>366,685.8</b>
<b>Total Fund Capital Projects</b>							<b>348,351.5</b>
<b>Fund: 501 Water</b>							
<b>Dept: 000.000</b>							
501-000.000-205.200	Water						
	AGUIRRE/SALVADOR G//		Refund Deposit 1118 ELMC	45609	05/17/2017	05/26/2017	211.9
	ALCANTRA/RAY//		Refund Deposit 694 S18T	45610	05/17/2017	05/26/2017	175.9
	AUREN/ANTHONY LEE//		Refund Deposit 681 N7TH	45614	05/17/2017	05/26/2017	196.9
	AVENDANO/MARIA G//		Refund Deposit 1128 ALAM	45616	05/17/2017	05/26/2017	165.9
	BASTIDAS/CESAR//		Refund Deposit 380 WMAG	45617	05/17/2017	05/26/2017	196.7
	BLAKE/DANIEL & LAURA//		Refund Deposit 180 SRVA	45619	05/17/2017	05/26/2017	248.2
	BUZO/JUANA//		Refund Deposit 1503 B Street	45620	05/17/2017	05/26/2017	191.7
	CASTILLO/RODOLFO E &		Refund Deposit 641 NPAL	45624	05/16/2017	05/26/2017	83.2
	CEBREROS/ELIZA//		Refund Deposit 1173 HSTR	45626	05/16/2017	05/26/2017	129.6
	COLACE/ROBERT & RANDI//		Refund Deposit 405 WHST	45628	05/17/2017	05/26/2017	255.8
	DELGADO/EDUARDO JESUS//		Refund Deposit 651 STAN	45634	05/16/2017	05/26/2017	43.1
	DIAZ/RUBEN A//		Refund Deposit 1607 A Street	45635	05/17/2017	05/26/2017	196.9
	FLORES/MARGARET//		Refund Deposit 1475 D Street	45638	05/17/2017	05/26/2017	176.6
	GARCIA/ALBERTO//		Refund Deposit 1330 H Street	45641	05/17/2017	05/26/2017	329.6
	GARCIA/RIKKI//		Refund Deposit 630 S9TH	45642	05/17/2017	05/26/2017	136.7
	GARIBAY/ARMANDO//		Refund Deposit 1118 GLEC	45643	05/17/2017	05/26/2017	191.7
	GIBSON/THOMAS//		Refund Deposit 658 NELC	45644	05/17/2017	05/26/2017	195.2
	GONZALEZ/MEL//		Refund Deposit 1079 Alamo St	45645	05/25/2017	05/26/2017	195.2
	HALE/EDWARD & APRIL Y//		Refund Deposit 807 CORC	45648	05/17/2017	05/26/2017	196.9
	HARRIS/JOANNE//		Refund Deposit 644 S2ND	45649	05/17/2017	05/26/2017	324.4
	HAZARD CONSTRUCTION		Refund Dep Fire Hydrant	45650	05/17/2017	05/26/2017	200.0
	JANSSEN/MARGARET C//		Refund Deposit 216 HSTR	45661	05/17/2017	05/26/2017	196.9
	JAUREGUI/GLORIA R//		Refund Deposit 1074 H Street	45662	05/17/2017	05/26/2017	176.6
	JOHNSTON/MYKELL G//		Refund Deposit 701 River Drive	45663	05/17/2017	05/26/2017	195.2
	LAINEZ/JOSE F//		Refund Deposit 527 H Street	45671	05/17/2017	05/26/2017	187.7
	LOPEZ/IRINEA CLAUDIA		Refund Deposit 672 S16T	45673	05/17/2017	05/26/2017	211.9
	LOZANO/ENRIQUE & MARIA//		Refnd Deposit 911 Jones Street	45675	05/17/2017	05/26/2017	190.5

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/26/20

Time: 3:58 p

Page:

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
	LUGO/AMADIS J & DIANNA//		Refund Deposit 1036 WRON	45676	05/17/2017	05/26/2017	195.0
	LYSTER/KIRK & MICHELLE//		Refund Deposit 836 ORIT	45677	05/17/2017	05/26/2017	97.0
	MACIAS/YOHANNA//		Refund Deposit 544 Stuerke Ct	45678	05/17/2017	05/26/2017	55.0
	MANESS/JOSHUA ALLAN//		Refund Deposit 669 SIMP	45680	05/17/2017	05/26/2017	52.0
	MENDEZ/ALEJANDRO//		Refund Deposit 709 MAPC	45682	05/17/2017	05/26/2017	191.0
	MENDEZ/EDUARDO &		Refund Deposit 1163 CHES	45683	05/17/2017	05/26/2017	174.0
	MORALES/MIKE//		Refund Deposit 805 WRON	45684	05/17/2017	05/26/2017	88.0
	NORIEGA FAMILY TRUST///		Refund Deposit 674 SIMP	45687	05/17/2017	05/26/2017	312.0
	OCEJO/HERBERTO//		Refund Deposit 912 I Street	45691	05/17/2017	05/26/2017	266.0
	PLASCENCIA/PASCUAL//		Refund Deposit 676 N Adams	45697	05/17/2017	05/26/2017	195.0
	PURDY/KAMERON//		Refund Deposit 841 Madison Ave	45701	05/17/2017	05/26/2017	196.0
	RAMIREZ/MARTIN//		Refund Deposit 1036 MAGN	45702	05/17/2017	05/26/2017	201.0
	RAMOS/JULIUS M//		Refund Deposit 856 DAVI	45703	05/16/2017	05/26/2017	36.0
	REYES/MARIO//		Refund Deposit 764 Magnolia St	45708	05/25/2017	05/26/2017	67.0
	ROBERTSON PROPERTIES///		Refund Deposit 140 W D Street	45709	05/17/2017	05/26/2017	604.0
	RODRIGUEZ/ADALBERTO E//		Refund Deposit 726 MILC	45710	05/17/2017	05/26/2017	195.0
	SAHAGUN/RUBEN &		Refund Deposit 958 I Street	45712	05/17/2017	05/26/2017	196.0
	SANTIAGO/MIGUEL//		Refund Deposit 349 SWES	45716	05/16/2017	05/26/2017	59.0
	SERVICE MASTER///		Rfnd Dep, Ovrpmt 341 K Street	45718	05/11/2017	05/26/2017	144.0
	SILVAS/ROBERT H//		Refund Deposit 1105 MESQ	45719	05/17/2017	05/26/2017	191.0
	SMITH/REBECCA//		Refund Deposit 690 GARR	45723	05/17/2017	05/26/2017	211.0
	TEETERS/KEVIN//		Refund Deposit 308 WDUA	45727	05/17/2017	05/26/2017	195.0
	TORRES/SUSANA//		Refund Deposit 888 JENN	45728	05/17/2017	05/26/2017	195.0
	VELEZ/BIANKA//		Refund Deposit 751 GARR	45732	05/17/2017	05/26/2017	195.0
							<b>9,523.5</b>
501-000.000-205.220	Fire hydrant						
	D R & G RAIL SERVICES///		Rfnd Hydrant Meter Dep	45632	05/19/2017	05/26/2017	148.0
	WEST COAST INDUSTRIAL///		Rfnd Hydrant Meter Dep	45735	05/19/2017	05/26/2017	200.0
							<b>348.0</b>
							<b>Total Dept. 000000: 9,872.4</b>
<b>Dept: 321.000</b>	<b>Water Treatment</b>						
501-321.000-440.710	Water sales						
	I. V. HOUSING AUTHORITY///		Refund Ovpmt 1017 MEND	45654	05/16/2017	05/26/2017	74.0
							<b>74.0</b>
501-321.000-710.300	P E R S						
	PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	1,295.0
							<b>1,295.0</b>
501-321.000-720.300	Chemicals						
	UNIVAR USA, INC.///		Sodium Hypochlorite	45730	05/11/2017	05/26/2017	3,981.0
							<b>3,981.0</b>
501-321.000-720.600	Plumbing						
	IMPERIAL HARDWARE CO.,	478324/2	Sprinklers, Fittings, Oil	45657	05/15/2017	05/26/2017	76.0
	IMPERIAL HARDWARE CO.,	478341/2	Coupling, PVC, Cement	45657	05/15/2017	05/26/2017	12.0
							<b>89.0</b>
501-321.000-721.200	Other						
	IMPERIAL HARDWARE CO.,	478057/2	Washers, Screws, Epoxy Weld	45657	05/11/2017	05/26/2017	29.0
	IMPERIAL HARDWARE CO.,	478526/2	Cover, Spray Paint	45657	05/16/2017	05/26/2017	14.0
	IMPERIAL HARDWARE CO.,	478636/2	Rake, Hose Clamp	45657	05/17/2017	05/26/2017	6.0
	IMPERIAL HARDWARE CO.,	478733/2	Key ID, Keys	45657	05/18/2017	05/26/2017	6.0
	KAMAN INDUSTRIAL TECH	1159020	Seal Kits	45665	05/01/2017	05/26/2017	152.0
	REDDY ICE, CORPORATION///		Ice	45707	05/05/2017	05/26/2017	115.0
	SPARKLETTS///	9689234	Water, Cooler Rentals Apr 2017	502	05/01/2017	05/26/2017	29.0
							<b>354.7</b>
501-321.000-721.900	Small tools &						
	IMPERIAL HARDWARE CO.,	478636/2	Rake, Hose Clamp	45657	05/17/2017	05/26/2017	27.0

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/26/2017  
 Time: 3:58 pm  
 Page: 1

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
							27.1
501-321.000-725.100	Water I. I. D///		Canal Water/Mansfield 3056449	45653	05/08/2017	05/26/2017	10,290.0
							<u>10,290.0</u>
501-321.000-725.400	Fuel MCNEECE BROS OIL	205379	Fuel/WTP	45681	05/11/2017	05/26/2017	53.5
							<u>53.5</u>
501-321.000-730.100	Professional SIMPLEXGRINNEL LP	83669943	Fire Extinguisher Inspections	45721	05/09/2017	05/26/2017	547.2
							<u>547.2</u>
501-321.000-730.200	Technical ORANGE COMMERCIAL SCADA INTEGRATIONS	8751 2022B	Microbiology Analysis Install Redundant Power	45693 45717	05/08/2017 05/01/2017	05/26/2017 05/26/2017	271.0 3,153.7
							<u>3,424.7</u>
501-321.000-740.200	Cleaning MYLO JANITORIAL//	5069938	Cleaning Services - April 2017	45685	05/01/2017	05/26/2017	510.0
							<u>510.0</u>
501-321.000-740.400	Rent SPARKLETTS///	9689234	Water, Cooler Rentals Apr 2017	502	05/01/2017	05/26/2017	3.0
							<u>3.0</u>
501-321.000-750.200	A T & T/// AT&T VERIZON WIRELESS		Telephone Services 5/7/-6/6/17 U-Verse Internet 5/1-5/31/17 Cell Phone Charges/Various	490 492 505	05/07/2017 05/01/2017 05/10/2017	05/26/2017 05/26/2017 05/26/2017	5.2 70.7 77.3
							<u>153.4</u>
							<b>Total Dept. Water Treatment: 20,804.3</b>
<b>Dept: 322.000 Water Distribution</b>							
501-322.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	971.9
							<u>971.9</u>
501-322.000-720.200	Books and AMERICAN WATER WORKS		Water Distribution Handbooks	491	05/01/2017	05/26/2017	678.8
							<u>678.8</u>
501-322.000-720.600	Plumbing HD SUPPLY WATERWORKS,		Register	45651	05/01/2017	05/26/2017	54.3
							<u>54.3</u>
501-322.000-721.200	Other HD SUPPLY WATERWORKS, REDDY ICE, CORPORATION///	H186878	Nuts, Bolts, Gaskets Ice	45651 45707	05/12/2017 05/01/2017	05/26/2017 05/26/2017	151.1 22.0
							<u>173.1</u>
501-322.000-721.900	Small tools & IMPERIAL HARDWARE CO.,	478181/2	Key Set	45657	05/12/2017	05/26/2017	9.5
							<u>9.5</u>
501-322.000-750.200	A T & T/// VERIZON WIRELESS		Telephone Services 5/7/-6/6/17 Cell Phone Charges/Various	490 505	05/07/2017 05/10/2017	05/26/2017 05/26/2017	32.9 77.3
							<u>110.3</u>
							<b>Total Dept. Water Distribution: 1,998.1</b>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/26/2017

Time: 3:58 pm

Page: 1

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
<b>Total Fund Water:</b>							<b>32,674.9</b>
<b>Fund: 511 Wastewater</b>							
<b>Dept: 331.000 Wastewater</b>							
511-331.000-440.730	Sewer PATE/DORIS// SERVICE MASTER///		Rfnd Ovrpmt 653 SRVA Rfnd Dep. Ovrpmt 341 K Street	45695 45718	05/16/2017 05/11/2017	05/26/2017 05/26/2017	51.0 25.5 <u>76.5</u>
511-331.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	424.0 <u>424.0</u>
511-331.000-721.200	Other HD SUPPLY WATERWORKS, SOUTHERN CALIFORNIA GAS	H074481	Sewer Frame & Cover 172 969 1728 3 4/7/17-5/8/17	45651 45725	05/01/2017 05/10/2017	05/26/2017 05/26/2017	317.8 16.8 <u>334.7</u>
511-331.000-750.200	A T & T/// VERIZON WIRELESS		Telephone Services 5/7-6/6 Cell Phone Charges/Various	490 505	05/07/2017 05/10/2017	05/26/2017 05/26/2017	92.4 77.0 <u>169.8</u>
<b>Total Dept. Wastewater Collection:</b>							<b>1,005.2</b>
<b>Dept: 332.000 Wastewater</b>							
511-332.000-710.300	P E R S PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	997.1 <u>997.1</u>
511-332.000-720.300	Chemicals POLYDYNE, INC.///	1114130	Clarifloc	45699	05/01/2017	05/26/2017	5,188.9 <u>5,188.9</u>
511-332.000-721.200	Other AUTO ZONE, INC. #2804/// AUTO ZONE, INC. #2804/// AUTO ZONE, INC. #2804/// AUTO ZONE, INC. #2804/// IMPERIAL HARDWARE CO., IMPERIAL HARDWARE CO., IMPERIAL HARDWARE CO., IMPERIAL HARDWARE CO., SPARKLETTS/// USA BLUEBOOK, INC.///	478400/2 478025/2 478399/2 478366/2 9689234 248553	Refrigerant Cooling Unit Credit/Refrigerant Credit Refrigerant Bushings Alum Straight Edge Flapper, Ratchet, Socket Alum Straight Edge Alum Straight Edge Water, Cooler Rentals Apr 2017 Filters TSS Analysis,	45615 45615 45615 45615 45657 45657 45657 45657 502 45731	05/05/2017 05/05/2017 05/05/2017 05/11/2017 05/15/2017 05/11/2017 05/15/2017 05/15/2017 05/01/2017 05/02/2017	05/26/2017 05/26/2017 05/26/2017 05/26/2017 05/26/2017 05/26/2017 05/26/2017 05/26/2017 05/26/2017 05/26/2017	36.5 -30.0 -10.0 10.6 3.7 24.7 -10.7 10.7 63.1 541.6 <u>640.4</u>
511-332.000-721.900	Small tools & IMPERIAL HARDWARE CO., NATIONAL INDUSTRIAL///	478025/2 3411	Flapper, Ratchet, Socket Socket Set	45657 45686	05/11/2017 05/01/2017	05/26/2017 05/26/2017	24.8 349.8 <u>374.8</u>
511-332.000-725.100	Water I. I. D.///		Canal Water/OKY 3008245	45653	05/08/2017	05/26/2017	240.0 <u>240.0</u>
511-332.000-730.200	Technical OLVERA/SYLVAIA// OLVERA/SYLVAIA// OLVERA/SYLVAIA// ORANGE COMMERCIAL	166117 218355 278124 8748	Lab Analyst Grade 2 Lab Analyst Grade 2 Lab Analyst Grade 2 Microbiology Analysis	45692 45692 45692 45693	05/01/2017 05/01/2017 05/01/2017 05/08/2017	05/26/2017 05/26/2017 05/26/2017 05/26/2017	170.0 170.0 175.0 4,894.0 <u>5,409.0</u>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/26/2017

Time: 3:58 pm

Page: 1

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
511-332.000-740.100	Repair & LOCKE AIRE CONDITIONING	35854	A/C Repair	45672	05/01/2017	05/26/2017	1,916.0
	LOCKE AIRE CONDITIONING	35857	A/C Repair	45672	05/01/2017	05/26/2017	557.0
							<b>2,473.0</b>
511-332.000-740.200	Cleaning						
	ALSCO AMERICAN LINEN		Cleaning Services	45611	05/08/2017	05/26/2017	108.1
	ALSCO AMERICAN LINEN		Cleaning Services	45611	05/15/2017	05/26/2017	108.1
	ALSCO AMERICAN LINEN		Cleaning Services	45611	05/01/2017	05/26/2017	99.4
	MYLO JANITORIAL///	5069938	Cleaning Services - April 2017	45685	05/01/2017	05/26/2017	450.0
							<b>765.7</b>
511-332.000-740.400	Rent						
	SPARKLETTS///	9689234	Water, Cooler Rentals Apr 2017	502	05/01/2017	05/26/2017	15.7
							<b>15.7</b>
511-332.000-750.200							
	VERIZON WIRELESS		Mobile Broadband/Public Works	505	05/06/2017	05/26/2017	38.0
	VERIZON WIRELESS		Cell Phone Charges/Various	505	05/10/2017	05/26/2017	77.3
							<b>115.4</b>
<b>Total Dept. Wastewater treatment:</b>							<b>16,220.1</b>
<b>Total Fund Wastewater:</b>							<b>17,225.4</b>
<b>Fund: 521 Solid Waste</b>							
<b>Dept: 341.000 Solid Waste</b>							
521-341.000-440.740	Solid waste						
	PATE/DORIS//		Rfnd Ovrpmt 653 SRVA	45695	05/16/2017	05/26/2017	20.8
	SERVICE MASTER///		Rfnd Dep, Ovrpmt 341 K Street	45718	05/11/2017	05/26/2017	10.4
							<b>31.2</b>
<b>Total Dept. Solid Waste Collection:</b>							<b>31.2</b>
<b>Total Fund Solid Waste:</b>							<b>31.2</b>
<b>Fund: 601 Maintenance</b>							
<b>Dept: 801.000 Vehicle</b>							
601-801.000-710.300	P E R S						
	PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	476.1
							<b>476.1</b>
601-801.000-720.400	Automotive						
	JORDAN IMPLEMENT, INC.///	P44469	Switch #33 Parks	45664	05/09/2017	05/26/2017	84.9
	KME FIRE APPARATUS///	ca 540762	Air Valve #3913 F.D.	45669	05/09/2017	05/26/2017	326.9
	NORTHEND AUTOPARTS,	588376	A/C Switch #3913 FD	45688	05/17/2017	05/26/2017	8.6
	O'REILLY AUTO PARTS///		Seat Cushion #114 Streets	45690	05/17/2017	05/26/2017	32.3
	O'REILLY AUTO PARTS///		Return Air Dryer	45690	05/11/2017	05/26/2017	-107.7
	O'REILLY AUTO PARTS///		Oil Drain Plug #207 Street	45690	05/15/2017	05/26/2017	8.6
	O'REILLY AUTO PARTS///		Oil Pressure Switch #207 Sts	45690	05/15/2017	05/26/2017	41.9
	O'REILLY AUTO PARTS///		Filters/LAMBS	45690	05/15/2017	05/26/2017	26.9
	O'REILLY AUTO PARTS///		Air Brake Dryer #3913 FD	45690	05/09/2017	05/26/2017	268.0
	O'REILLY AUTO PARTS///		Bulbs #114 Street Dept	45690	05/09/2017	05/26/2017	19.3
	O'REILLY AUTO PARTS///		Air Tank, Valve #3913 F.D.	45690	05/09/2017	05/26/2017	124.9
	RDO EQUIPMENT CO.///	P35736	Decals #55 Shop	45705	05/10/2017	05/26/2017	87.3
	RDO EQUIPMENT CO.///	P35737	Seat Assembly, Keys #85 Parks	45705	05/10/2017	05/26/2017	563.8
							<b>1,485.2</b>
601-801.000-720.410	Tires						
	DAPPER TIRE CO., INC.///	44470248	Tires #903 PD	45633	05/11/2017	05/26/2017	514.7
	DAPPER TIRE CO., INC.///	44470249	Tires #98 Streets	45633	05/11/2017	05/26/2017	727.7
							<b>1,242.5</b>

INVOICE APPROVAL LIST BY FUND REPORT

Date: 05/26/2017

Time: 3:58 pm

Page: 1

City of Brawley

Fund/Dept/Acct	Vendor Name	Invoice #	Invoice Desc.	Check #	Due Date	Check Date	Amount
601-801 000-720.500	Electrical INTERSTATE BATTERY///		Batteries #903, #P157 PD	45659	05/17/2017	05/26/2017	381.5
							<u>381.5</u>
601-801.000-721.200	Other HYDRAULICS & BEARING LAWSON PRODUCTS, INC.///	58007	O'rings #3913 F.D. Nuts, Washers, Retainers	45652 498	05/01/2017 05/10/2017	05/26/2017 05/26/2017	17.5 244.3
							<u>261.8</u>
601-801 000-740.100	Repair & PLUMMER UPHOLSTERY///	20246	Repair Seat #85 Parks	45698	05/12/2017	05/26/2017	144.6
							<u>144.6</u>
601-801 000-740.200	Cleaning ALSCO AMERICAN LINEN ALSCO AMERICAN LINEN		Uniform Cleaning Services Cleaning Services	45611 45611	05/15/2017 05/15/2017	05/26/2017 05/26/2017	25.3 33.4
							<u>58.7</u>
<b>Total Dept. Vehicle Maintenance Shop:</b>							<b>4,050.7</b>
<b>Total Fund Maintenance:</b>							<b>4,050.7</b>
<b>Fund: 802 Payroll Clearing</b>							
<b>Dept: 000.000</b>							
802-000.000-200.008	Retirement PUBLIC EMPLOYEES		PERS 3/28/17-4/14/17	45700	05/25/2017	05/26/2017	31,002.6
							<u>31,002.6</u>
<b>Total Dept. 000000:</b>							<b>31,002.6</b>
<b>Total Fund Payroll</b>							<b>31,002.6</b>
<b>Grand Total:</b>							<b>713,451.5</b>

# Check Register Report

Date: 05/26/20

Time: 4:15 P

Page:

City of Brawley

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
45736	05/26/2017	Printed	A366	AFLAC GROUP INSURANCE	Critical Care Withheld	358.
45737	05/26/2017	Printed	A368	AFLAC INC.	Cancer, ICU, Disability	2,813.
45738	05/26/2017	Printed	B202	BRAWLEY FIREFIGHTERS LOCAL	May Union Dues	450.
45739	05/26/2017	Printed	B208	BRAWLEY POLICE SERGEANT'S	May Union Dues	200.
45740	05/26/2017	Printed	B213	BRAWLEY PUBLIC SAFETY	May Union Dues	1,855.
45741	05/26/2017	Printed	C889	CALIFORNIA STATE DISBURSEME	Deductions	1,288.
45742	05/26/2017	Printed	C110	COLUMBUS BANK & TRUST	Unreimbursed Medical &	526.
45743	05/26/2017	Printed	F689	FRANCHISE TAX BOARD	Deductions	245
45744	05/26/2017	Printed	N944	NATIONAL PLAN COORDINATORS	Deferred Comp Plan #340233-01	5,429.
45745	05/26/2017	Printed	N187	NATIONWIDE RETIREMENT	Deferred Compensation #05270	165
45746	05/26/2017	Printed	S325	SUN COMMUNITY FED. CREDIT	Credit Union Deductions	1,121.
45747	05/26/2017	Printed	T542	TEAMSTERS LOCAL #542	May Union Dues	1,402.
45748	05/26/2017	Printed	U660	UNITED STATES TREASURY	Deductions	177
45749	05/26/2017	Printed	U761	UNITED STATES TREASURY	Deductions	200
45750	05/26/2017	Printed	U110	UNITED WAY OF IMPERIAL COUNTY	United Way Deductions	25

**Total Checks: 15**

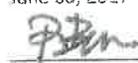
**Checks Total (excluding void checks):**

**16,257**



**COUNCIL AGENDA REPORT**  
City of Brawley

Meeting Date: June 06, 2017

City Manager: 

Prepared by: Ruby D. Walla, Finance Director/City Treasurer  
Gordon R. Gaste, Planning Director

Presented by: Ruby D. Walla, Finance Director/City Treasurer

**SUBJECT:** Special Taxes for the Various Community Facilities Districts in the City of Brawley for Fiscal Year 2017-18

**CITY MANAGER RECOMMENDATION:** Approve Resolution Authorizing Levy of Special Taxes for the various Community Facilities Districts with the City of Brawley for Fiscal Year 2017-2018.

**DISCUSSION:** Attached are the Administration Reports and Annual City Council Resolutions for the 2017-18 Fiscal Year authorizing the levy of the special tax for various Community Facilities Districts (CFD) within the City of Brawley's jurisdiction.

Tax A (improvement bonding) for the districts of Luckey Ranch and Springhouse continue to not be levied since the 2009-10 Fiscal Year per direction of the City Council.

The Tax A levy was reinstated for the La Paloma subdivision (2005-3) per City Council action on May 17, 2016. Fiscal Year 2016/2017 rates were re-instated at the rate in effect at the time of suspension (2009/2010). The current 2017/2018 rates as drafted reflect the 2% CPI adjustment or the 2010/2011 rates.

It is to be noted that the levy amount may be subject to the assigned maximum rate once all agreements and cost estimates are completed for the required improvements which may be deemed to require the assessment of the maximum rate. However, such a change cannot take effect until the following tax year with the approval of City Council.

Tax B (maintenance and services) continues to be levied and is provided to all districts in conformance with prior City Council action.

**FISCAL IMPACT:** Tax B (maintenance and services)  
(2005-3) La Paloma \$16,528.50; (2005-4) Latigo Ranch \$18,118.80;  
(2007-1) Luckey Ranch \$10,628.28; (2006-1) Malan Park \$81,265.46;  
(2007-2), Springhouse \$49,077.96; (2005-1) Victoria Park \$33,868.80;

Tax A (improvement bonding)  
2005-3, La Paloma \$35,278.64

**ATTACHMENTS:** City Council Resolutions; Administration Reports

RESOLUTION NO. 2017-

RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF BRAWLEY,  
CALIFORNIA ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES  
DISTRICT NO. 2005-3 OF THE CITY OF BRAWLEY (LA PALOMA)  
AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN IMPROVEMENT AREA NO.  
1 OF COMMUNITY FACILITIES DISTRICT NO. 2005-3 FOR FISCAL YEAR  
2017-18.

WHEREAS, the City of Brawley (the "City") previously established Community Facilities District No. 2005-3 of the City of Brawley (La Paloma) ("CFD No. 2005-3"), and Improvement Area No. 1 therein ("Improvement Area No. 1"), all pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Government Code Section 53111 (the "Act"); and

WHEREAS, the City Council for the City acting as the legislative body of CFD No. 2005-3 is authorized pursuant to Resolution Nos. 2006-20 and 2006-21 approved on June 6, 2006 (collectively, the "Resolutions of Formation") and the Ordinance Authorizing the Levy of the Special Tax adopted in connection therewith (the "Ordinance") to levy a special tax on property in CFD No. 2005-3 for the purpose of financing: (1) the maintenance of parks and open space as described in Resolution No. 2006-10, including all furnishings, equipment and supplies related thereto and (2) the provision of those police protection and fire protection and suppression services described in Resolution No. 2006-10 to the property in the CFD No. 2005-3 ((1) and (2) being referred to herein, collectively, as the "City Services"), (3) the purchase, construction, expansion, improvement or rehabilitation of certain real or other tangible property described in Resolution No. 2006-10 and incorporated herein by this reference, including storm drain, sewer, water, landscaping, curb and gutter, park, roadway, highway and bridge, traffic signals and safety lighting, flood control library, police, fire and recreation facilities (collectively, the "Facilities"), which Facilities have a useful life of five years or longer, and (4) the incidental expenses to be incurred in connection with financing the Facilities and forming and administering CFD No. 2005-3, all by the levy of special taxes for CFD No. 2005-3 pursuant to the Resolutions of Formation; and

WHEREAS, it is now necessary and appropriate that this City levy and collect the special taxes for Fiscal Year 2017-18 for the purposes specified in the Ordinance, by the adoption of a resolution as specified by the Act and the Ordinance; and

WHEREAS, the special taxes being levied hereunder are at the same rate or at a lower rate than provided by the Ordinance; and

NOW, THEREFORE, THE CITY COUNCIL FOR THE CITY OF BRAWLEY, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2005-3, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The above recitals are true and correct.

SECTION 2. The special tax ("Special Tax") is imposed without regard to property valuation and is levied in compliance with the Act and the Ordinance.

**SECTION 3.** In accordance with the Act and the Ordinance, there is hereby levied upon the parcels within the City which are not otherwise exempt from taxation under the Act or the Ordinance the special taxes for Fiscal Year 2017-18 at the tax rates set forth in the report prepared by David Taussig and Associates for CFD No. 2005-3 entitled "City of Brawley Improvement Area No. 1 of Community Facilities District No. 2005-3 (La Paloma)" (the "Report") submitted herewith, which rates do not exceed the maximum rates set forth in the Ordinance. After adoption of this Resolution, the City Manager, for the City, or his designee, may make any necessary modifications to these special taxes to correct any errors, omissions or inconsistencies in the listing or categorization of parcels to be taxed or in the amount to be charged to any category of parcels; provided, however, that any such modifications shall not result in an increase in the tax applicable to any category of parcels and can only be made prior to the submission of the tax rolls to the Imperial County Auditor.

**SECTION 4.** All of the collections of the special tax shall be used only as provided for in the Act and Resolutions of Formation. The special tax shall be levied only so long as needed to accomplish the purposes described in Resolutions of Formation.

**SECTION 5.** The special tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes as such procedure may be modified by law or this City Council from time to time.

**SECTION 6.** The actions of City staff heretofore taken in order to obtain consent from the Imperial County Auditor to a later filing date are hereby ratified and the City Clerk is hereby authorized and directed to transmit a certified copy of this Resolution and the Report to the Imperial County Auditor, together with other supporting documentation as may be required to place said special taxes on the secured property tax roll for Fiscal Year 2017-18 on or before August 10, 2017, and to perform all other acts which are required by the Act, the Ordinance, or by law in order to accomplish the purpose of this Resolution.

**APPROVED, PASSED AND ADOPTED** at a regular meeting held on the 6th day of June, 2017.

**CITY OF BRAWLEY, CALIFORNIA**

---

Sam Couchman, Mayor

*DAVID*  
**TAUSSIG**  
& *Associates, Inc.*

**CITY OF BRAWLEY  
IMPROVEMENT AREA NO. 1 OF  
COMMUNITY FACILITIES DISTRICT  
No. 2005-3  
(LA PALOMA)**

May 26, 2017

*Public Finance*  
*Public Private Partnerships*  
*Urban Economics*

---

*Newport Beach*  
Riverside  
San Francisco  
San Jose  
Dallas

---

**ADMINISTRATION REPORT  
FISCAL YEAR 2017-2018**

**CITY OF BRAWLEY  
IMPROVEMENT AREA No. 1 OF  
COMMUNITY FACILITIES DISTRICT No. 2005-3  
(LA PALOMA)**

---

Prepared For

CITY OF BRAWLEY  
400 Main Street  
Brawley, California 92227

Prepared By

DAVID TAUSSIG & ASSOCIATES, INC.  
5000 Birch Street, Suite 6000  
Newport Beach, California 92660  
(949) 955-1500

May 26, 2017

## TABLE OF CONTENTS

Section	Page
Introduction .....	1
I. <b>Special Tax Classifications and Development Update</b> .....	2
Special Tax A Classifications .....	2
Special Tax B Classifications .....	3
Development Update .....	3
II. <b>Fiscal Year 2016-2017 Special Tax Levies</b> .....	4
Fiscal Year 2016-2017 Special Tax A Levy .....	4
Fiscal Year 2016-2017 Special Tax B Levy .....	4
III. <b>Fiscal Year 2017-2018 Special Tax Requirement for Facilities</b> .....	5
IV. <b>Fiscal Year 2017-2018 Special Tax Requirement for Services</b> .....	6
V. <b>Method of Apportionment</b> .....	7
Maximum Special Taxes .....	7
Apportionment of Special Tax A .....	7
Apportionment of Special Tax B .....	8

### EXHIBITS

- Exhibit A:** Boundary Map
- Exhibit B:** Rate and Method of Apportionment
- Exhibit C:** Fiscal Year 2017-2018 Special Tax Levy

## **INTRODUCTION**

---

This Mello-Roos Community Facilities District Administration Report presents the findings of the research and financial analysis performed by David Taussig & Associates, Inc. to determine the special tax requirement for Improvement Area No. 1 ("IA No. 1") of Community Facilities District No. 2005-3 ("CFD No. 2005-3") of the City of Brawley ("the City") for fiscal year 2017-2018.

CFD No. 2005-3 is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982, (the "Act") as amended. The Act provides an alternative method for the financing of certain public facilities and services. Specifically, IA No. 1 is authorized to issue up to \$7,000,000 in bonds. The proceeds of the bonds will be used to finance the construction, purchase, modification, expansion, improvement or rehabilitation of storm drain, sewer, landscaping, curb and gutter, park, water, roadway, highway and bridge, traffic signals and safety lighting, flood control, libraries, police, fire and recreation facilities. In addition, IA No. 1 is authorized to levy the Special Tax B to pay for (i) maintenance of parks, parkways, and open space, and (ii) police and fire protection services.

A map showing the property in IA No. 1 of CFD No. 2005-3 is included in Exhibit A.

The bonded indebtedness of IA No. 1 is both secured and repaid through the annual levy and collection of the Special Tax A from all property subject to the tax within the community facilities district. In calculating the special tax liability for fiscal year 2017-2018, this report examines the financial obligations of the current fiscal year and analyzes the level of development within IA No. 1. Pursuant to the Rate and Method of Apportionment ("RMA"), the Special Tax A shall be levied each year to fully satisfy the special tax requirement, but in no event shall it be levied after Fiscal Year 2046-2047. The Special Tax B shall be levied as long as necessary to meet the special tax requirement for services. The RMA is included in Exhibit B.

This report is organized into the following sections:

### **Section I**

Section I provides an update of the development status of property within IA No. 1.

### **Section II**

Section II analyzes the previous year's Special Tax A and Special Tax B levies.

### **Section III**

Section III determines the special tax requirement for facilities for IA No. 1 for fiscal year 2017-2018.

### **Section IV**

Section IV determines the special tax requirement for services for IA No. 1 for fiscal year 2017-2018.

### **Section V**

Section V reviews the methodology used to apportion the special tax requirement for facilities and the special tax requirement for services between Developed Property and Undeveloped Property. Tables of the 2017-2018 Special Tax A and Special Tax B for each classification of property are included.

**I. SPECIAL TAX CLASSIFICATIONS AND DEVELOPMENT UPDATE**

The methodology employed to calculate and apportion the special tax is contained in a document entitled the Rate and Method of Apportionment for Improvement Area No. 1 ("RMA"). The RMA establishes the Special Tax A which is used to pay debt service on bonds and pay directly for the construction of facilities and the Special Tax B which is used to fund the cost of annual services. The RMA defines two categories of property, namely "Developed Property," and "Undeveloped Property."

Developed Property is distinguished from Undeveloped Property by the issuance of a building permit. Specifically, property for which a building permit for new construction was issued as of January 1 of the previous Fiscal Year shall be considered Developed Property. For example, all property in CFD No. 2005-3 for which building permits were issued as of January 1, 2017, will be classified as Developed Property in fiscal year 2017-2018.

**Special Tax A Classifications**

For purposes of calculating the Special Tax A, the category of Developed Property is divided into eight separate special tax classifications based on the type of structure built. A table of the Developed Property special tax classifications is shown below.

**Community Facilities District No. 2005-3  
Improvement Area No. 1  
Special Tax A  
Developed Property Classifications**

Land Use Class	Description	Square Footage
1	Residential Property	≥ 2,850 s.f.
2	Residential Property	2,600 - 2,849 s.f.
3	Residential Property	2,350 - 2,599 s.f.
4	Residential Property	2,100 - 2,349 s.f.
5	Residential Property	1,850 - 2,099 s.f.
6	Residential Property	1,600 - 1,849 s.f.
7	Residential Property	< 1,600 s.f.
8	Non-Residential Property	Not Applicable

**Special Tax B Classifications**

For purposes of calculating the Special Tax B, the category of Developed Property is divided into two separate special tax classifications for Residential Property and Non-Residential Property.

No Special Tax B is levied on Non-Residential Property and Undeveloped Property.

**Development Update**

As of January 1, 2017 building permits had been issued for 25 single family detached units within CFD No. 2005-3. The table below indicates the cumulative Developed Property within IA No. 1 of CFD No. 2005-3.

The table below lists the aggregate amount of Developed Property by special tax classification.

**Community Facilities District No. 2005-3  
 Improvement Area No. 1  
 Fiscal Year 2017-2018  
 Cumulative Developed Property**

Land Use Class	Description	Square Footage	Number of Units/Acres
1	Residential Property	≥ 2,850 s.f.	4 units
2	Residential Property	2,600 - 2,849 s.f.	3 units
3	Residential Property	2,350 - 2,599 s.f.	2 units
4	Residential Property	2,100 - 2,349 s.f.	2 units
5	Residential Property	1,850 - 2,099 s.f.	4 units
6	Residential Property	1,600 - 1,849 s.f.	3 units
7	Residential Property	< 1,600 s.f.	7 units
8	Non-Residential Property	Not Applicable	0 acres

---

**II. FISCAL YEAR 2016-2017 SPECIAL TAX LEVIES**

---

**Fiscal Year 2016-2017 Special Tax A Levy**

The aggregate special tax levy for fiscal year 2016-2017 equaled \$34,586.82. As of May 1, 2017, all \$34,586.82 in special taxes had been collected by the County.

**Fiscal Year 2016-2017 Special Tax B Levy**

The aggregate special tax levy for fiscal year 2016-2017 equaled \$16,204.50. As of May 1, 2017, all \$16,204.50 in special taxes had been collected by the County.

---

**III. FISCAL YEAR 2017-2018 SPECIAL TAX REQUIREMENT FOR FACILITIES**

---

Since bonds have not yet been issued for IA No. 1, the City is authorized to levy Special Tax A on Developed Property to pay directly for the acquisition or construction of facilities eligible to be financed by IA No. 1 and annual administrative expenses as provided for by the RMA.

The City will levy Special Tax A at 87.06% of the Assigned Special Tax A on Developed Property to pay directly for the acquisition or construction of facilities and administrative expenses. The total amount of Special Tax A to be levied for fiscal year 2017-2018 is equal to \$35,278.64.

---

**IV. FISCAL YEAR 2017-2018 SPECIAL TAX REQUIREMENT FOR SERVICES**

---

Pursuant to the RMA, the Special Tax B may be levied in IA No. 1 to pay for (a) maintenance of parks, parkways, and open space, (b) police and fire protection services, and (c) administrative expenses; less (d) a credit for funds available to reduce the annual Special Tax B levy, as determined by the CFD Administrator. For fiscal year 2017-2018 the funds required from IA No. 1 exceed the maximum Special Tax B that can be collected from Developed Property. Therefore, the special tax requirement for services is limited to \$16,528.50, the amount that can be collected through the levy of the maximum Special Tax B.

---

## **V. METHOD OF APPORTIONMENT**

---

### **Maximum Annual Special Taxes**

The amount of special taxes that CFD No. 2005-3 may levy is strictly limited by the maximum special taxes set forth in the Rate and Method of Apportionment. The Maximum Special Tax A is specified in Section C.1 of the RMA for IA No. 1<sup>1</sup>. The Maximum Special Tax B is specified in Section C.2. On each July 1, commencing on July 1, 2007, the Maximum Special Tax A and Maximum Special Tax B shall be increased by an amount equal to two percent (2%) of the maximum Special Tax in effect for the previous Fiscal Year.

### **Apportionment of Special Tax A**

The annual Special Tax A that is apportioned to each parcel is determined through the application of Section D.1 of the RMA for IA No. 1.

The first step states that the Council shall levy the Special Tax A Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the Assigned Special Tax A. If the sum of the amount collected in step one is insufficient to satisfy the Special Tax Requirement for Facilities, then the second step is applied. The second step states that the Council shall Proportionately levy the Special Tax A on each Assessor's Parcel of Undeveloped Property up to the Maximum Special Tax A applicable to each Assessor's Parcel of Undeveloped Property to satisfy the Special Tax Requirement for Facilities. The third and fourth steps are designed to accommodate changes in land use and are intended to be used only as a last resort. Since actual land uses have not substantially deviated from the original projections, these steps are not necessary.

Application of 100 percent of the assigned special taxes under the first step generates Special Tax A revenues of \$40,524.10 from Developed Property, which is more than sufficient to satisfy the special tax requirement for facilities. Therefore, the fiscal year 2017-2018 Special Tax A levy for each parcel is equal to 87.06 percent of the Assigned Special Tax A. The fiscal year 2017-2018 Assigned Special Tax A and actual Special Tax A are shown in the following table.

---

<sup>1</sup> Technically, Section C states that the Maximum Special Tax A for a parcel of Developed Property is equal to the greater of (i) the "Backup Special Tax A" or (ii) the Assigned Special Tax A. The Backup Special Tax A was established for the contingency of a shortfall in revenues resulting from significant changes in development densities. The contingency for which the Backup Special Tax A was established does not exist and hence, all discussion of Maximum Special Tax A for Developed Property focuses on the Assigned Special Tax A.

**Community Facilities District No. 2005-3  
Improvement Area No. 1  
Fiscal Year 2017-2018 Special Tax A**

Land Use Class	Description	Residential Floor Area	FY 2017-2018 Assigned/Maximum Special Tax A	FY 2017-2018 Actual Special Tax A
1	Residential Property	≥ 2,850 s.f.	\$2,091.34 per unit	\$1,820.64 per unit
2	Residential Property	2,600 - 2,849 s.f.	\$2,013.03 per unit	\$1,752.46 per unit
3	Residential Property	2,350 - 2,599 s.f.	\$1,857.60 per unit	\$1,617.16 per unit
4	Residential Property	2,100 - 2,349 s.f.	\$1,702.19 per unit	\$1,481.86 per unit
5	Residential Property	1,850 - 2,099 s.f.	\$1,546.76 per unit	\$1,346.54 per unit
6	Residential Property	1,600 - 1,849 s.f.	\$1,390.09 per unit	\$1,210.16 per unit
7	Residential Property	< 1,600 s.f.	\$1,234.68 per unit	\$1,074.86 per unit
8	Non-Residential Property	NA	\$14,852.10 per Acre	\$0.00 per Acre
NA	Undeveloped Property	NA	\$19,593.09 per Acre	\$0.00 per Acre

**Apportionment of Special Tax B**

The annual Special Tax B that is apportioned to each parcel is determined through the application of Section D.2 of the RMA for IA No. 1.

Commencing with Fiscal Year 2006-2007 and for each following Fiscal Year, the Council shall levy Special Tax B so that the amount of Special Tax B equals the special tax requirement for services. The special tax shall be levied proportionally on each Assessor's Parcel of Residential Property at up to 100% of the maximum Special Tax B.

Using this methodology generates Special Tax B revenues of \$16,528.50 from Residential Property. The fiscal year 2017-2018 assigned special taxes are shown for each classification of Developed Property in the following table.

**Community Facilities District No. 2005-3  
Improvement Area No. 1  
Fiscal Year 2017-2018 Special Tax B**

Description	FY 2017-2018 Maximum Special Tax	FY 2017-2018 Actual Special Tax B
Residential Property	\$661.14 per unit	\$661.14 per unit

Please note, pursuant to the RMA for IA No. 1, no Special Tax B shall be levied on Non-Residential Property and Undeveloped Property.

A list of the actual Special Tax B levied against each parcel in CFD No. 2005-3 is included in Exhibit C.

EXHIBIT A

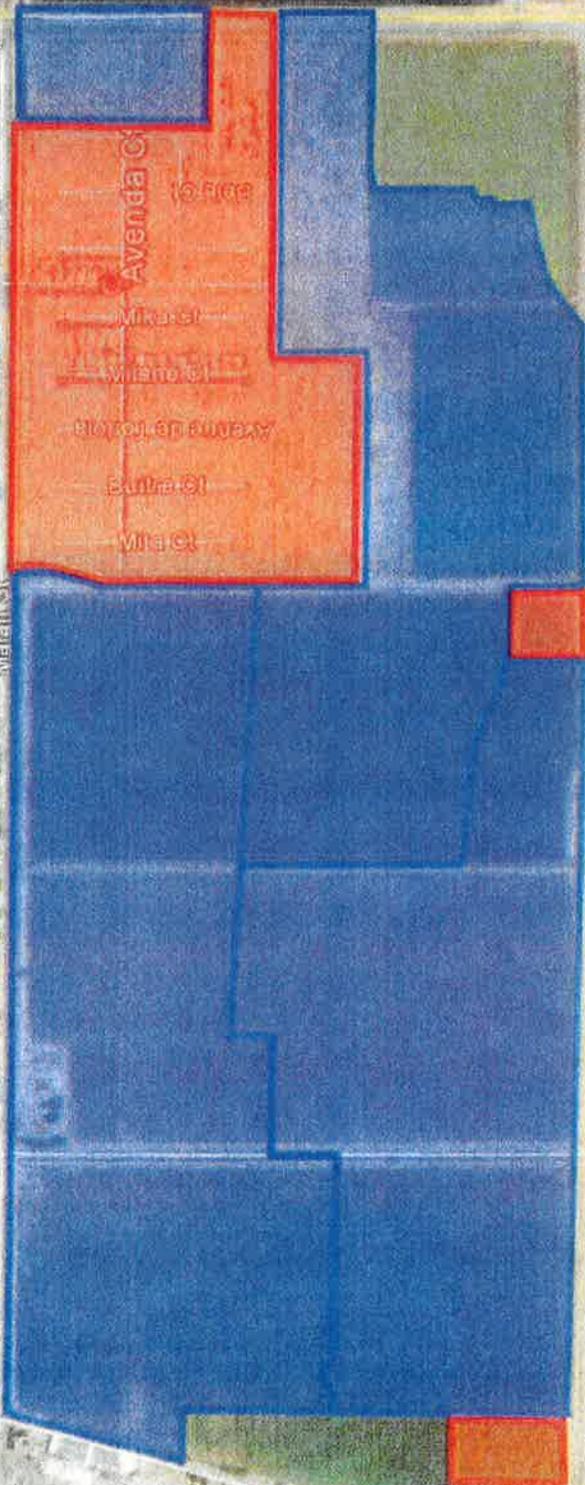
---

IA No. 1 of  
CFD No. 2005-3 of  
City of Brawley

Boundary Map

---

City of Brawley  
Community Facilities District No. 2005-3  
(La Paloma)



**Legend**

- Improvement Area No. 1
- Improvement Area Nos. 2, 3, and 4

**EXHIBIT B**

---

**IA No. 1 of  
CFD No. 2005-3 of  
City of Brawley**

**Rate and Method of Apportionment**

---

**RATE AND METHOD OF APPORTIONMENT FOR  
IMPROVEMENT AREA NO. 1 OF  
CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT NO. 2005-3  
(LA PALOMA)**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in Improvement Area No. 1 ("IA No. 1") of the City of Brawley Community Facilities District No. 2005-3 (La Paloma) ("CFD No. 2005-3") and collected each Fiscal Year commencing in Fiscal Year 2006-07, in an amount determined by the Council, in an amount determined by the Council according to the method of apportionment set forth herein. All of the real property in IA No. 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.

**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. An Acre equals 43,560 square feet of land area.

"Act" means the Mello-Roos Community 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 the following actual or reasonably estimated costs directly related to the administration of IA No. 1: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, IA No. 1 or any designee thereof of complying with arbitrage rebate requirements; the costs to the City, IA No. 1 or any designee thereof of complying with City, IA No. 1 or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, IA No. 1 or any designee thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or IA No. 1 for any other administrative purposes of IA No. 1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure, or otherwise addressing the disposition of delinquent Special Taxes.

"**Assessor's Parcel**" means any real property to which an Assessor's parcel number is assigned as shown on an Assessor's Parcel Map.

"**Assessor's Parcel Map**" means an official map of the County Assessor of the County designating parcels by Assessor's parcel number.

"**Assigned Special Tax A**" means the Special Tax A for each Land Use Class of Developed Property within IA No. 1, as determined in accordance with Section C below.

"**Backup Special Tax A**" means the Special Tax A applicable to each Assessor's Parcel of Residential Property within IA No. 1, as determined in accordance with Section C below.

"**Bonds**" means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued by IA No. 1 under the Act.

"**CFD Administrator**" means the official of the City, or designee thereof, responsible for determining the Special Tax Requirement for Facilities, the Special Tax Requirement for Services, and providing for the levy and collection of the Special Taxes.

"**CFD No. 2005-3**" means the City of Brawley Community Facilities District No. 2005-3 (La Paloma).

"**City**" means the City of Brawley.

"**Council**" means the City Council of the City, acting as the legislative body of CFD No. 2005-3.

"**County**" means the County of Imperial.

"**Developed Property**" means, for each Fiscal Year, all Taxable Property, exclusive of Other Taxable Property, for which a building permit for new construction was issued after January 1, 2006 and prior to January 1 of the prior Fiscal Year.

"**Final Map**" means (i) a final map, or portion thereof, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) that creates individual lots or parcels for which residential building permits may be issued, or (ii) for condominiums, a final map approved by the City and a condominium plan recorded pursuant to California Civil Code Section 1352 creating such individual lots or parcels.

"**Fiscal Year**" means the period starting July 1 and ending on the following June 30.

"**Improvement Area No. 1**" or "**IA No. 1**" means Improvement Area No. 1 of CFD No. 2005-3, as identified on the boundary map for CFD No. 2005-3.

**"Indenture"** means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time.

**"Land Use Class"** means any of the classes listed in Table 1 below.

**"Maximum Special Tax"** means the Maximum Special Tax A and/or Maximum Special Tax B, as applicable.

**"Maximum Special Tax A"** means the Maximum Special Tax A, determined in accordance with Section C.1 below, that can be levied in any Fiscal Year on any Assessor's Parcel within IA No. 1.

**"Maximum Special Tax B"** means the Maximum Special Tax B, determined in accordance with Section C.2 below, that can be levied in any Fiscal Year on any Assessor's Parcel within IA No. 1.

**"Non-Residential Property"** means all Assessor's Parcels of Developed Property for which a building permit(s) was issued for a non-residential use.

**"Outstanding Bonds"** means all Bonds which are deemed to be outstanding under the Indenture.

**"Other Taxable Property"** means Taxable Public Property and Taxable Property Owner Association Property.

**"Property Owner Association Property"** means, for each Fiscal Year, any property within the boundaries of IA No. 1 that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

**"Proportionately"** means, for Developed Property, that the ratio of the actual Special Tax A levy to the Assigned Special Tax A is equal for all Assessor's Parcels of Developed Property, and that the ratio of the actual Special Tax B levy to the Maximum Special Tax B is equal for all Assessor's Parcels of Developed Property. For Undeveloped Property and Other Taxable Property, "Proportionately" means that the ratio of the actual Special Tax A levy per Acre to the Maximum Special Tax A per Acre is equal for all Assessor's Parcels of Undeveloped Property or Other Taxable Property.

**"Public Property"** means, for each Fiscal Year, any property within IA No. 1 that is owned by, irrevocably offered for dedication to, or dedicated to the federal government, the State, the County, the City, or any other public agency as of June 30 of the prior Fiscal Year; provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use. To ensure that property is classified as Public Property in the first Fiscal Year after it is acquired by, irrevocably offered for dedication to, or dedicated to a public agency, the property owner shall notify the CFD Administrator in writing of such acquisition, offer, or

dedication not later than June 30 of the Fiscal Year in which the acquisition, offer, or dedication occurred.

**"Residential Floor Area"** means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by reference to the building permit(s) issued for such Assessor's Parcel.

**"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.

**"Special Tax"** means the Special Tax A and/or Special Tax B, as applicable.

**"Special Tax A"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement for Facilities.

**"Special Tax B"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property to fund the Special Tax Requirement for Services.

**"Special Tax Requirement for Facilities"** means that amount required in any Fiscal Year for IA No. 1 to: (i) pay debt service on all Outstanding Bonds; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay all or a portion of the Administrative Expenses as determined by the CFD Administrator; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) pay directly for acquisition or construction of IA No. 1 facilities eligible under the Act; and (vi) pay for reasonably anticipated Special Tax A delinquencies based on the historical delinquency rate for IA No. 1 as determined by the CFD Administrator; less (vii) a credit for funds available to reduce the annual Special Tax A levy, as determined by the CFD Administrator pursuant to the Indenture.

**"Special Tax Requirement for Services"** means that amount required in any Fiscal Year for IA No. 1 to: (i) pay directly for maintenance of parks, parkways, and open space; (ii) pay directly for police and fire protection services; (iii) pay Administrative Expenses not funded through the Special Tax Requirement for Facilities as determined by the CFD Administrator; less (iv) a credit for funds available to reduce the annual Special Tax B levy, as determined by the CFD Administrator.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of IA No. 1 which are not exempt from the Special Tax pursuant to law or Section E below.

**"Taxable Property Owner Association Property"** means all Assessor's Parcels of Property Owner Association Property that are not exempt pursuant to Section E below.

"Taxable Public Property" means all Assessor's Parcels of Public Property that are not exempt pursuant to Section E below.

"Trustee" means the trustee or fiscal agent under the Indenture.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Other Taxable Property.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Taxable Property within IA No. 1 shall be classified as Developed Property, Other Taxable Property, or Undeveloped Property, and shall be subject to Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below. Developed Property shall be classified as Residential Property and Non-Residential Property. Residential Property shall be assigned to Land Use Classes 1 through 7. Non-Residential Property shall be assigned to Land Use Class 8.

The Assigned Special Tax A for Residential Property shall be based on the Residential Floor Area of the dwelling unit(s) located on the Assessor's Parcel, as specified in Table 1 below. The Assigned Special Tax A for Non-Residential Property shall be based on the Acreage of the Assessor's Parcel.

**C. MAXIMUM SPECIAL TAX**

**1. SPECIAL TAX A**

**a. Developed Property**

**(i) Maximum Special Tax A**

The Maximum Special Tax A for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax A or (ii) the amount derived by application of the Backup Special Tax A.

**(ii) Assigned Special Tax A**

The FY 2006-07 Assigned Special Tax A for each Land Use Class is shown below in Table 1.

**TABLE 1**

**Assigned Special Tax A for Developed Property in  
IA No. 1 of CFD No. 2005-3**

Land Use Class	Description	Residential Floor Area	FY 2006-07 Assigned Special Tax A
1	Residential Property	≥ 2,850 s.f.	\$1,682 per unit
2	Residential Property	2,600 – 2,849 s.f.	\$1,619 per unit
3	Residential Property	2,350 – 2,599 s.f.	\$1,494 per unit
4	Residential Property	2,100 – 2,349 s.f.	\$1,369 per unit
5	Residential Property	1,850 – 2,099 s.f.	\$1,244 per unit
6	Residential Property	1,600 – 1,849 s.f.	\$1,118 per unit
7	Residential Property	< 1,600 s.f.	\$993 per unit
8	Non-Residential Property	NA	\$11,945 per Acre

On each July 1, commencing July 1, 2007, the Assigned Special Tax A for each Land Use Class shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

(iii) Backup Special Tax A

a. Residential Property

The Fiscal Year 2006-07 Backup Special Tax A attributable to Residential Property within a Final Map will equal \$11,945 multiplied by the Acreage of all Taxable Property located within such Final Map, excluding current or expected Non-Residential Property, Taxable Public Property and Taxable Property Owner Association Property.

The Fiscal Year 2006-07 Backup Special Tax A for each Assessor's Parcel of Residential Property in a Final Map shall be computed by dividing the aggregate Backup Special Tax A attributable to the Assessor's Parcel of Taxable Property for which building permits for residential construction have or may be issued, as determined in the preceding paragraph, by the number of such Assessor's Parcels (i.e., the expected number of residential units).

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Backup Special Tax A for each Assessor's Parcel of Residential

Property in such Final Map that is changed or modified shall be a rate per Acre calculated as follows:

1. Determine the total Backup Special Tax A anticipated to apply to the changed or modified portion of the Final Map prior to the change or modification.
2. The result of paragraph 1 above shall be divided by the total Acreage of Residential Property, excluding Taxable Public Property and Taxable Property Owner Association Property which is ultimately expected to exist in such changed or modified Final Map area as reasonably determined by the CFD Administrator.
3. The result is the Backup Special Tax A per Acre which shall be applicable to all Assessor's Parcels of Residential Property in such changed or modified Final Map.

On each July 1, commencing July 1, 2007 the Backup Special Tax A shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

b. Non-Residential Property

There shall be no Backup Special Tax A levied on Non-Residential Property.

(iv) Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Assigned Special Tax A levied on an Assessor's Parcel shall be the sum of the Assigned Special Tax A for all Land Use Classes located on that Assessor's Parcel. The Maximum Special Tax A that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax A that can be levied for all Land Use Classes located on that Assessor's Parcel. For an Assessor's Parcel that contains both Residential Property and Non-Residential Property, the Acreage of such Assessor's Parcel shall be allocated to each type of property based on the amount of Acreage designated for each land use as determined by reference to the site plan approved for such Assessor's Parcel. The CFD Administrator's allocation to each type of property shall be final.

b. Maximum Special Tax A for Undeveloped Property and Other Taxable Property

The FY 2006-07 Maximum Special Tax A for Undeveloped Property and Other Taxable Property shall be \$15,758 per Acre. On each July 1, commencing July 1, 2007 the Maximum Special Tax A for Undeveloped Property and Other Taxable Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

2. **SPECIAL TAX B**

a. Residential Property

The Fiscal Year 2006-07 Maximum Special Tax B for each Assessor's Parcel classified as Residential Property shall be \$531.73 per dwelling unit. On each July 1, commencing July 1, 2007 the Maximum Special Tax B shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

b. Non-Residential Property, Undeveloped Property, and Other Taxable Property

There shall be no Special Tax B levied on Non-Residential Property, Undeveloped Property, and Other Taxable Property.

D. APPORTIONMENT OF THE ANNUAL SPECIAL TAX

1. **SPECIAL TAX A**

Commencing with Fiscal Year 2006-07 and for each following Fiscal Year, the Council shall determine the Special Tax Requirement for Facilities and shall levy the Special Tax A as follows:

First: The Special Tax A shall be levied proportionately on each Assessor's Parcel of Developed Property at up to 100% of the Assigned Special Tax A;

Second: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first step has been completed, the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax A for Undeveloped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first two steps have been completed, then the levy of the Special Tax A on each Assessor's Parcel of Developed Property whose Maximum Special Tax A is determined through the application of the Backup Special Tax A shall be increased in equal percentages from the Assigned Special Tax A up to the Maximum Special Tax A for each such Assessor's Parcel;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Other Taxable Property at up to the Maximum Special Tax A for Other Taxable Property.

**2. SPECIAL TAX B**

Commencing with Fiscal Year 2006-07 and for each following Fiscal Year, the Council shall determine the Special Tax Requirement for Services and shall levy the Special Tax B as follows:

The Special Tax B shall be levied Proportionately on each Assessor's Parcel of Residential Property at up to 100% of the Maximum Special Tax B.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor's Parcel within IA No. 1.

**E. EXEMPTIONS**

**1. SPECIAL TAX A**

No Special Tax A shall be levied on up to 35.97 Acres of Public Property and Property Owner Association Property in IA No. 1. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Public Property or Property Owner Association Property. However, should an Assessor's Parcel no longer be classified as Public Property or Property Owner Association Property, its tax-exempt status will be revoked.

Public Property or Property Owner Association Property that is not exempt from Special Tax A under this section shall be subject to the levy of the Special Tax A and shall be taxed Proportionately as part of the fourth step in Section D.1 above, at up to 100% of the applicable Maximum Special Tax A for Other Taxable Property, to the extent permitted by law.

**2. SPECIAL TAX B**

No Special Tax B shall be levied on Non-Residential Property, Undeveloped Property, Public Property, or Property Owner Association Property.

**F. APPEALS AND INTERPRETATIONS**

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Council by filing a written notice of appeal with the City Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for its disagreement with the CFD Administrator's determination.

Interpretations may be made by the Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

**G. MANNER OF COLLECTION**

The Special Tax will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that IA No. 1 may directly bill the Special Tax, may collect the Special Tax at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

**H. PREPAYMENT OF SPECIAL TAX**

The following definition applies to this Section H:

"**CFD Public Facilities**" means either \$5.0 million in 2006 dollars, which shall increase by the Construction Inflation Index on July 1, 2007, and on each July 1 thereafter, or such lower number as (i) shall be determined by the CFD Administrator as sufficient to provide the public facilities to be provided by IA No. 1 under the authorized bonding program for IA No. 1, or (ii) shall be determined by the 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 as described in Section D.

"**Construction Fund**" means an account specifically identified in the Indenture to hold funds which are currently available for expenditure to acquire or construct public facilities eligible under the Act.

**"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 CFD Administrator 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 (i) public facility costs previously paid from the Construction Fund, (ii) moneys currently on deposit in the Construction Fund, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance facilities costs.

**"Outstanding Bonds"** means all Previously Issued Bonds which are deemed to be outstanding under the Indenture after the first interest and/or principal payment date following the current Fiscal Year.

**"Previously Issued Bonds"** means all Bonds that have been issued by IA No. 1 prior to the date of prepayment.

**1. Prepayment in Full**

The obligation of an Assessor's Parcel to pay the Special Tax A may be prepaid and permanently satisfied as described herein; provided that a prepayment may be made only for Assessor's Parcels of Developed Property or Undeveloped Property for which a building permit has been issued, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax A obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount of such Assessor's Parcel. The CFD Administrator may charge a reasonable fee for providing this service. Prepayment must be made not less than 45 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

The Special Tax A Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

Bond Redemption Amount	
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
less	Reserve Fund Credit
less	<u>Capitalized Interest Credit</u>
Total: equals	Prepayment Amount

As of the proposed date of prepayment, the Special Tax A Prepayment Amount (defined below) shall be calculated as follows:

**Paragraph No.:**

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.
2. For Assessor's Parcels of Developed Property, compute the Assigned Special Tax A and Backup Special Tax A applicable for the Assessor's Parcel to be prepaid. For Assessor's Parcels of Undeveloped Property (for which a building permit has been issued) to be prepaid, compute the Assigned Special Tax A and Backup Special Tax A for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor's Parcel.
3. (a) Divide the Assigned Special Tax A computed pursuant to paragraph 2 by the total estimated Assigned Special Tax A for the entire IA No. 1 based on the Developed Property Special Tax A which could be charged in the current Fiscal Year on all expected development through buildout of the IA No. 1, excluding any Assessor's Parcels which have been prepaid, and  
  
(b) Divide the Backup Special Tax A computed pursuant to paragraph 2 by the estimated total Backup Special Tax A at buildout of the IA No. 1, excluding any Assessor's Parcels which have been prepaid.
4. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "Redemption Premium").
6. Compute the current Future Facilities Costs.
7. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Amount").
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.
9. Determine the Special Tax A levied on the Assessor's Parcel in the current Fiscal Year which has not yet been paid.

10. Compute the minimum amount the CFD Administrator reasonably expects to derive from the reinvestment of the Special Tax Prepayment Amount less the Future Facilities Amount and the Administrative Fees and Expenses from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.
11. Add the amounts computed pursuant to paragraphs 8 and 9 and subtract the amount computed pursuant to paragraph 10 (the "Defeasance Amount").
12. Verify the administrative fees and expenses of IA No. 1, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").
13. The reserve fund credit ("Reserve Fund Credit") shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture), 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 requirement (as defined in the Indenture) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero.
14. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the "Capitalized Interest Credit").
15. The Special Tax A prepayment is equal to the sum of the amounts computed pursuant to paragraphs 4, 5, 7, 11 and 12, less the amounts computed pursuant to paragraphs 13 and 14 (the "Prepayment Amount").
16. From the Prepayment Amount, the amounts computed pursuant to paragraphs 4, 5, 11, 13 and 14 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to paragraph 7 shall be deposited into the construction fund. The amount computed pursuant to paragraph 12 shall be retained by IA No. 1.

The Special Tax A Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year's Special Tax A levy as determined under paragraph 9 (above), the CFD Administrator shall remove the current Fiscal Year's

Special Tax A levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid, the Council shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of Special Tax A and the release of the Special Tax A lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay the Special Tax A shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Assigned Special Tax A that may be levied on Taxable Property (excluding Taxable Public Property and Taxable Property Owner Association Property) based on expected development at build out, both prior to and after the proposed prepayment, less expected Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all Outstanding Bonds (excluding Bonds to be redeemed by such prepayment and all prior prepayments) in each future Fiscal Year and such prepayment will not impair the security of all Outstanding Bonds, as reasonably determined by the CFD Administrator.

The Special Tax B may not be prepaid.

## 2. Prepayment in Part

The Special Tax A on an Assessor's Parcel of Developed Property or an Assessor's Parcel of Undeveloped Property for which a building permit has been issued may be partially prepaid. The amount of the prepayment shall be calculated as in Section H.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = [(P_E - AE) \times F] + AE$$

These terms have the following meaning:

- AE = the Administrative Fees and Expenses
- PP = the partial prepayment
- P<sub>E</sub> = the Prepayment Amount calculated according to Section H.1
- F = the percentage by which the owner of the Assessor's Parcel is partially prepaying the Special Tax A.

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax A and the percentage by which the Special Tax A shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax A for an Assessor's Parcel within thirty (30) days of the request and may charge a reasonable fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section H.1, and (ii) indicate in the records of IA No. 1 that there has been a partial prepayment of the Special Tax A and that a portion of the Special Tax A with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the remaining Maximum Special Tax A, shall continue to be levied on such Assessor's Parcel pursuant to Section D.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Assigned Special Tax A that may be levied on Taxable Property (excluding Taxable Public Property and Taxable Property Owner Association Property) based on expected development at build out, both prior to and after the proposed prepayment, less expected Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all Outstanding Bonds (excluding Bonds to be redeemed by such prepayment and all prior prepayments) in each future Fiscal Year and such prepayment will not impair the security of all Outstanding Bonds, as reasonably determined by the CFD Administrator.

**I. TERM OF SPECIAL TAX**

The Special Tax A shall be levied for the period necessary to fully satisfy items (i) and (ii) of the Special Tax Requirement for Facilities, but in no event shall it be levied after 2046-47. The Special Tax B shall be levied as long as necessary to meet the Special Tax Requirement for Services.

K:\CLIENTS2\Brawley\Mello\La Paloma\RMA\LaPalomaIAIRMA\_final.doc

**EXHIBIT C**

---

**IA No. 1 of  
CFD No. 2005-3 of  
City of Brawley**

**Special Tax Levy  
Fiscal Year 2017-2018**

---

## Exhibit C

City of Brawley  
CFD No. 2005-3, IA No. 1  
FY 2017-2018 Special Tax Levy

<u>APN</u>	<u>TAX CLASS</u>	<u>FY 2017-2018 SPECIAL TAX A</u>	<u>FY 2017-2018 SPECIAL TAX B</u>	<u>FY 2017-2018 TOTAL</u>
049-321-001-000	7	\$1,074.86	\$661.14	\$1,736.00
049-321-002-000	7	\$1,074.86	\$661.14	\$1,736.00
049-321-003-000	6	\$1,210.16	\$661.14	\$1,871.30
049-321-004-000	5	\$1,346.54	\$661.14	\$2,007.68
049-321-017-000	3	\$1,617.16	\$661.14	\$2,278.30
049-321-018-000	2	\$1,752.46	\$661.14	\$2,413.60
049-321-019-000	1	\$1,820.64	\$661.14	\$2,481.78
049-321-020-000	4	\$1,481.86	\$661.14	\$2,143.00
049-322-001-000	7	\$1,074.86	\$661.14	\$1,736.00
049-322-002-000	7	\$1,074.86	\$661.14	\$1,736.00
049-322-003-000	5	\$1,346.54	\$661.14	\$2,007.68
049-322-004-000	7	\$1,074.86	\$661.14	\$1,736.00
049-322-005-000	6	\$1,210.16	\$661.14	\$1,871.30
049-322-006-000	1	\$1,820.64	\$661.14	\$2,481.78
049-322-007-000	6	\$1,210.16	\$661.14	\$1,871.30
049-324-026-000	5	\$1,346.54	\$661.14	\$2,007.68
049-324-027-000	7	\$1,074.86	\$661.14	\$1,736.00
049-324-028-000	1	\$1,820.64	\$661.14	\$2,481.78
049-324-029-000	4	\$1,481.86	\$661.14	\$2,143.00
049-324-030-000	2	\$1,752.46	\$661.14	\$2,413.60
049-324-031-000	1	\$1,820.64	\$661.14	\$2,481.78
049-324-032-000	3	\$1,617.16	\$661.14	\$2,278.30
049-324-033-000	2	\$1,752.46	\$661.14	\$2,413.60
049-324-034-000	5	\$1,346.54	\$661.14	\$2,007.68
049-324-035-000	7	\$1,074.86	\$661.14	\$1,736.00
Total Number of Parcels Taxed		<b>25</b>	<b>25</b>	<b>25</b>
Total FY 2017-2018 Special Tax		<b>\$35,278.64</b>	<b>\$16,528.50</b>	<b>\$51,807.14</b>

RESOLUTION NO. 2017-

RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF BRAWLEY, CALIFORNIA ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2005-4 OF THE CITY OF BRAWLEY (LATIGO RANCH) AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2005-4 FOR FISCAL YEAR 2017-18.

**WHEREAS**, the City of Brawley (the "City") previously established Community Facilities District No. 2005-4 of the City of Brawley (Latigo Ranch) ("CFD No. 2005-4") all pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Government Code Section 53111 (the "Act"); and

**WHEREAS**, the City Council for the City acting as the legislative body of CFD No. 2005-4 is authorized pursuant to Resolution No. 2005-57 approved on November 1, 2005 (the "Resolution of Formation") and Ordinance No. 2005-13, approved on November 15, 2005 (the "Ordinance") to levy a special tax on property in CFD No. 2005-4 to pay for (i) the maintenance of parks and open space as described in Resolution No. 2005-48, including all furnishings, equipment and supplies related thereto, and (2) the provision of those police protection and fire protection and suppression services described in Resolution No. 2005-48 to the property in CFD No. 2005-4 ((1) and (2) being referred to herein, collectively, as the "District Services") and (3) the incidental expenses to be incurred in connection with providing the District Services and forming and administering the District (the "District Incidental Expenses") by the levy of special taxes for CFD No. 2005-4 pursuant to the Resolution of Formation; and

**WHEREAS**, it is now necessary and appropriate that this City levy and collect the special taxes for Fiscal Year 2017-18 for the purpose specified in the Ordinance, by the adoption of a resolution as specified by the Act and the Ordinance; and

**WHEREAS**, the special taxes being levied hereunder are at the same rate or at a lower rate than provided by the Ordinance; and

**NOW, THEREFORE, THE CITY COUNCIL FOR THE CITY OF BRAWLEY, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2005-4, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** The above recitals are true and correct.

**SECTION 2.** The special tax ("Special Tax") is imposed without regard to property valuation and is levied in compliance with the Act and the Ordinance.

**SECTION 3.** In accordance with the Act and the Ordinance, there is hereby levied upon the parcels within the City which are not otherwise exempt from taxation under the Act or the Ordinance the special taxes for Fiscal Year 2017-18 at the tax rates set forth in the report prepared by David Taussig and Associates for CFD No. 2005-4 entitled "City of Brawley Community Facilities District No. 2005-4 (Latigo Ranch)" (the "Report") submitted herewith, which rates do not

exceed the maximum rates set forth in the Ordinance. After adoption of this Resolution, the City Manager, for the City, or his designee, may make any necessary modifications to these special taxes to correct any errors, omissions or inconsistencies in the listing or categorization of parcels to be taxed or in the amount to be charged to any category of parcels; provided, however, that any such modifications shall not result in an increase in the tax applicable to any category of parcels and can only be made prior to the submission of the tax rolls to the Imperial County Auditor.

**SECTION 4.** All of the collections of the special tax shall be used only as provided for in the Act and Resolution of Formation. The special tax shall be levied only so long as needed to accomplish the purposes described in Resolution of Formation.

**SECTION 5.** The special tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes as such procedure may be modified by law or this City Council from time to time.

**SECTION 6.** The actions of City staff heretofore taken in order to obtain consent from the Imperial County Auditor to a later filing date are hereby ratified and the City Clerk is hereby authorized and directed to transmit a certified copy of this Resolution and the Report to the Imperial County Auditor, together with other supporting documentation as may be required to place said special taxes on the secured property tax roll for Fiscal Year 2017-18 on or before August 10, 2017, and to perform all other acts which are required by the Act, the Ordinance, or by law in order to accomplish the purpose of this Resolution.

**APPROVED, PASSED AND ADOPTED** at a regular meeting held on the 6th day of June, 2017.

**CITY OF BRAWLEY, CALIFORNIA**

\_\_\_\_\_  
**Sam Couchman, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Alma Benavides, City Clerk**

*DAVID*  
**TAUSSIG**  
& *Associates, Inc.*

**CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT  
No. 2005-4  
(LATIGO RANCH)**

May 26, 2017

*Public Finance*  
*Public Private Partnerships*  
*Urban Economics*

---

*Newport Beach*  
Riverside  
San Francisco  
San Jose  
Dallas

---

**ADMINISTRATION REPORT  
FISCAL YEAR 2017-2018**

**CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT No. 2005-4  
(LATIGO RANCH)**

---

**Prepared For**

**CITY OF BRAWLEY  
400 Main Street  
Brawley, California 92227**

**Prepared By**

**DAVID TAUSSIG & ASSOCIATES, INC.  
5000 Birch Street, Suite 6000  
Newport Beach, California 92660  
(949) 955-1500**

**May 26, 2017**

## TABLE OF CONTENTS

Section	Page
Introduction .....	1
I. Special Tax Classifications and Development Update .....	2
Special Tax Classifications .....	2
Development Update .....	2
II. Fiscal Year 2016-2017 Special Tax Levy .....	3
III. Fiscal Year 2017-2018 Special Tax Requirement.....	4
IV. Method of Apportionment.....	5
Maximum Special Taxes.....	5
Apportionment of Special Taxes .....	5

### EXHIBITS

Exhibit A:	Boundary Map
Exhibit B:	Rate and Method of Apportionment
Exhibit C:	Fiscal Year 2017-2018 Special Tax Levy

---

## INTRODUCTION

---

This Mello-Roos Community Facilities District Administration Report presents the findings of the research and financial analysis performed by David Taussig & Associates, Inc. to determine the special tax requirement for Community Facilities District No. 2005-4 ("CFD No. 2005-4") of the City of Brawley ("the City") for fiscal year 2017-2018.

CFD No. 2005-4 is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982, (the "Act") as amended. The Act provides an alternative method for the financing of certain public facilities and services. Pursuant to the Rate and Method of Apportionment for CFD No. 2005-4, the Special Tax is an annual Special Tax that shall be levied as long as necessary to (i) pay for maintenance of parks, parkways, and open space, and (ii) pay for police and fire protection services. CFD No. 2005-4 is not authorized to sell bonds.

A map showing the property in CFD No. 2005-4 is included in Exhibit A.

The authorized services are funded through the annual levy and collection of special taxes from all property subject to the tax within the community facilities district. In calculating the special tax liability for fiscal year 2017-2018, this report examines the financial obligations of the current fiscal year and analyzes the level of development within CFD No. 2005-4. Pursuant to the Rate and Method of Apportionment ("RMA"), the special tax shall be levied as long as necessary to meet the Special Tax Requirement. The RMA is included in Exhibit B.

This report is organized into the following sections:

### Section I

Section I provides an update of the development status of property within CFD No. 2005-4.

### Section II

Section II analyzes the previous year's special tax levy.

### Section III

Section III determines the financial obligations of CFD No. 2005-4 for fiscal year 2017-2018.

### Section IV

Section IV reviews the methodology used to apportion the special tax requirement between Developed Property and Undeveloped Property. A table of the 2017-2018 special taxes for each classification of property is included.

**I. SPECIAL TAX CLASSIFICATIONS AND DEVELOPMENT UPDATE**

**Special Tax Classifications**

The methodology employed to calculate and apportion the special tax is contained in a document entitled the Rate and Method of Apportionment. The Rate and Method of Apportionment defines two categories of property, namely "Developed Property," and "Undeveloped Property." The category of Developed Property is in turn divided into two separate special tax classifications based on the type of structure built. A table of the Developed Property special tax classifications is shown below.

**Community Facilities District No. 2005-4  
Developed Property Classifications**

Land Use Class	Description
1	Single Family Property
2	Non-Residential Property

Developed Property is distinguished from Undeveloped Property by the issuance of a building permit. Specifically, property for which a building permit for new construction was issued as of January 1 of the previous Fiscal Year shall be considered Developed Property. For example, all property in CFD No. 2005-4 for which building permits were issued as of January 1, 2017, will be classified as Developed Property in fiscal year 2017-2018.

**Development Update**

As of January 1, 2017 building permits had been issued for 18 single family units within CFD No. 2005-4. The table below indicates the cumulative Developed Property within CFD No. 2005-4.

**Community Facilities District No. 2005-4  
Fiscal Year 2017-2018  
Cumulative Developed Property**

Class	Land Use	Number of Units / Acres
1	Single Family Property	18 units
2	Non-Residential Property	0 acres

---

**II. FISCAL YEAR 2016-2017 LEVY**

---

The aggregate special tax levy for fiscal year 2016-2017 equaled \$17,763.48. As of May 1, 2017, all \$17,63.48 in special taxes had been collected by the County.

---

### III. FISCAL YEAR 2017-2018 SPECIAL TAX REQUIREMENT

---

Pursuant to the Rate and Method of Apportionment, the special tax may be levied in CFD No. 2005-4 to: pay for (a) maintenance of parks, parkways, and open space, (b) police and fire protection services, and (c) administrative expenses; less (d) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator. For fiscal year 2017-2018, the funds required from CFD No. 2005-4 exceed the maximum special taxes that can be collected from Developed Property. Therefore, the special tax requirement is limited to \$18,118.80, the amount that can be collected through the levy of the maximum special tax.

**IV. METHOD OF APPORTIONMENT**

**Maximum Annual Special Taxes**

The amount of special taxes that CFD No. 2005-4 may levy is strictly limited by the maximum special taxes set forth in the Rate and Method of Apportionment. The Maximum Special Taxes for each classification of Developed Property are specified in Table 1 of Section C of the Rate and Method of Apportionment. On each July 1, commencing on July 1, 2006, the Maximum Special Tax shall be increased by an amount equal to two percent (2%) of the Maximum Special Tax in effect for the previous Fiscal Year.

Please note, pursuant to the Rate and Method of Apportionment, no special tax shall be levied on Undeveloped Property.

**Apportionment of Annual Special Taxes**

The annual special tax that is apportioned to each parcel is determined through the application of Section D of the Rate and Method of Apportionment.

Commencing with Fiscal Year 2005-2006 and for each following Fiscal Year, the Council shall levy the special tax so that the amount of the special tax equals the special tax requirement. The special tax shall be levied proportionally on each Assessor's Parcel of Developed Property at up to 100% of the applicable maximum special tax.

Using this methodology generates special tax revenues of \$18,118.80 from Developed Property. The fiscal year 2017-2018 maximum and actual special taxes are shown for each classification of Developed Property in the following table.

**Community Facilities District No. 2005-4  
Fiscal Year 2017-2018 Annual Special Taxes  
for Developed Property**

Land Use Class	Description	FY 2017-2018 Maximum Special Tax	FY 2017-2018 Actual Special Tax
1	Single Family Property	\$1,006.60 per unit	\$1,006.60 per unit
2	Non-Residential Property	\$7,387.51 per acre	\$0.00 per acre

A list of the actual special tax levied against each parcel in CFD No. 2005-4 is included in Exhibit C.

taussig-client/Brawley/Admin/CFD 2005-4/FY 2017-18/2005\_4ADM.doc

**EXHIBIT A**

---

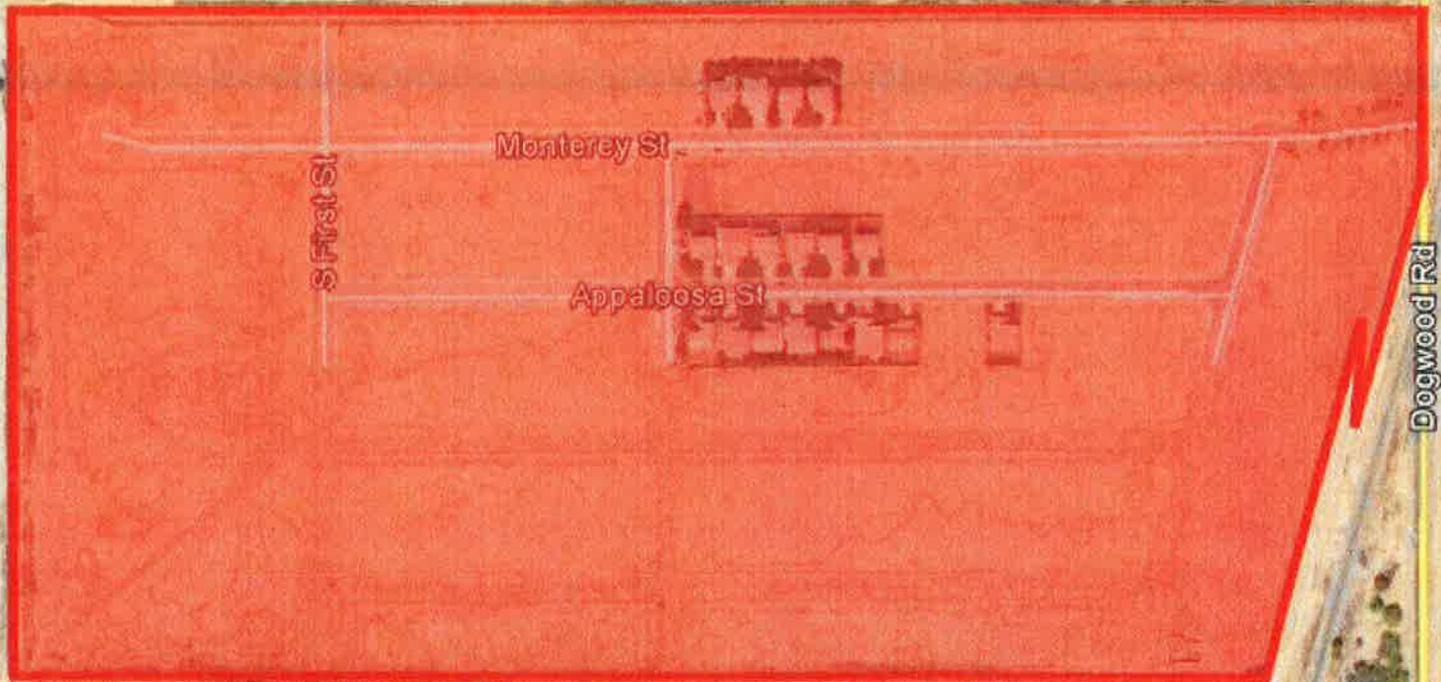
**CFD No. 2005-4 of  
City of Brawley**

**Boundary Map**

---

**City of Brawley  
Community Facilities District No. 2005-4  
(Latigo Ranch)**

S31



© 2015 Google

**EXHIBIT B**

---

**CFD No. 2005-4 of  
City of Brawley**

**Rate and Method of Apportionment**

---

**RATE AND METHOD OF APPORTIONMENT FOR  
CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT NO. 2005-4  
(LATIGO RANCH)**

A Special Tax as hereinafter described shall be levied on all Assessor's Parcels in City of Brawley Community Facilities District No. 2005-4 (Latigo Ranch) ("CFD No. 2005-4") and collected each Fiscal Year commencing in Fiscal Year 2005-2006, in an amount determined by the Council according to the method of apportionment set forth herein. All of the real property in CFD No. 2005-4, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**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.

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Division 2 of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the costs associated with the determination of the amount of the Special Tax, collection of the Special Tax, payment of the Special Tax, or otherwise incurred in order to carry out the authorized purposes of CFD No. 2005-4. Administrative Expenses include costs described in the previous sentence which the City has paid or incurred, is obligated to pay or incur in the future, or reasonably expects to pay or incur. Administrative Expenses also include attorney's fees and other costs related to the consideration and review of any appeal of a Special Tax pursuant to Section F herein, to the defense or prosecution of any legal action related to the Special Tax and to the commencement and pursuit to completion of any foreclosure action related to a lien for the Special Tax.

**"Assessor's Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's parcel number.

**"Assessor's Parcel Map"** means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

**"CFD Administrator"** means the 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. 2005-4**" means Community Facilities District No. 2005-4 (Latigo Ranch) of the City.

"**City**" means the City of Brawley.

"**Council**" means the City Council of the City, acting as the legislative body of CFD No. 2005-4.

"**County**" means the County of Imperial.

"**Developed Property**" means, for each Fiscal Year all Taxable Property for which a building permit for new construction was issued as of January 1 of the previous Fiscal Year.

"**Fiscal Year**" means the period starting July 1 and ending on the following June 30.

"**Land Use Class**" means any of the classes listed in Table 1.

"**Maximum Special Tax**" with respect to an Assessor's Parcel for a Fiscal Year means the Maximum Special Tax, determined as provided in Section C below, that can be levied in that Fiscal Year on that Assessor's Parcel.

"**Non-Residential Property**" means all Assessor's Parcels of Developed Property for which a building permit has been issued for a non-residential use.

"**Property Owner Association**" means a private entity that owns and maintains property incidental to the development within CFD No. 2005-4 for the common use of its members, as determined by the CFD Administrator.

"**Property Owner Association Property**" means, for each Fiscal Year, any Assessor's Parcel within the boundaries of CFD No. 2005-4 that was owned by, or irrevocably offered for dedication to, a Property Owner Association, including any master or sub-association, as of January 1 of the previous Fiscal Year. Notwithstanding this definition any Assessor's Parcel upon which Single Family Property is located shall not be classified as Property Owner Association Property, but shall be classified and taxed as Single Family Property.

"**Proportionately**" means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Developed Property.

"**Public Property**" means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 2005-4 that was owned by or irrevocably offered for dedication to the federal government, the State, the City or any other public agency as of January 1 of the previous Fiscal Year; provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use; and (ii) any property within the boundaries of CFD No. 2005-4 that was encumbered, as of January 1 of the previous Fiscal Year, by an unmanned utility

easement making impractical its utilization for other than the purpose set forth in the easement.

**"Single Family Property"** means all Assessor's Parcels of Developed Property for which building permits have been issued for residential units.

**"Special Tax"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property to fund the Special Tax Requirement.

**"Special Tax Requirement"** means that amount required in any Fiscal Year for CFD No. 2005-4 to: (i) pay for maintenance of parks, parkways, and open space; (ii) pay for police and fire protection; and (iii) pay Administrative Expenses; less (iv) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of CFD No. 2005-4 which are not exempt from the Special Tax pursuant to law or Section E below.

**"Undeveloped Property"** means, for each Fiscal Year, all Taxable Property not classified as Developed Property.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Taxable Property within CFD No. 2005-4 shall be classified as Developed Property or Undeveloped Property and shall be subject to the Special Tax in accordance with this rate and method of apportionment. Single Family Property shall be assigned to Land Use Class 1. Non-Residential Property shall be assigned to Land Use Class 2 and taxed based on the Acreage of the Assessor's Parcel.

**C. MAXIMUM SPECIAL TAX RATE**

**1. Developed Property**

a. Maximum Special Tax

The Maximum Special Tax for Fiscal Year 2005-2006 for each Land Use Class is shown below in Table 1.

**TABLE 1**

**Maximum Special Taxes for Developed Property  
For Fiscal Year 2005-2006  
Community Facilities District No. 2005-4**

<b>Land Use Class</b>	<b>Description</b>	<b>Maximum Special Tax</b>
1	Single Family Property	\$793.69 per unit
2	Non-Residential Property	\$5,825 per Acre

b. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2006, the Maximum Special Tax shall be increased by an amount equal to two percent (2%) of the Maximum Special Tax in effect for the previous Fiscal Year.

c. Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax that can be levied for each Land Use Class located on that Assessor's Parcel. For an Assessor's Parcel that contains more than one land use, the Acreage of such Assessor's Parcel shall be allocated to each type of property based on the amount of Acreage designated for each land use as determined by reference to the site plan approved for such Assessor's Parcel. The CFD Administrator's allocation to each type of property shall be final.

**2. Undeveloped Property**

No Special Tax shall be levied on Undeveloped Property.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2005-2006 and for each following Fiscal Year, the Council shall levy the Special Tax so that the amount of the Special Tax equals the Special Tax Requirement. The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor's Parcel for which an occupancy permit for private residential use has been issued

be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 2005-4.

**E. EXEMPTIONS**

No Special Tax shall be levied on Property Owner Association Property or Public Property. However, should an Assessor's Parcel no longer be classified as Property Owner Association Property or Public Property, its tax-exempt status will be revoked.

**F. APPEALS AND INTERPRETATIONS**

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Council by filing a written notice of appeal with the City Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for its disagreement with the CFD Administrator's determination.

Interpretations may be made by the Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

**G. 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. 2005-4 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

**H. TERM OF SPECIAL TAX**

The Special Tax shall be levied as long as necessary to meet the Special Tax Requirement.

K:\CLIENTS2\Brawley\Mello\Latigo Ranch\rma\latigoranch-rma\_2.doc

**EXHIBIT C**

---

**CFD No. 2005-4 of  
City of Brawley**

**Special Tax Levy  
Fiscal Year 2017-2018**

---

## Exhibit C

**City of Brawley CFD No. 2005-4  
FY 2017-2018 Special Tax Levy**

---

<u>APN</u>	<u>TAX CLASS</u>	<u>FY 2017-2018 SPECIAL TAX</u>
048-412-012-000	1	\$1,006.60
048-412-013-000	1	\$1,006.60
048-412-014-000	1	\$1,006.60
048-412-015-000	1	\$1,006.60
048-415-027-000	1	\$1,006.60
048-415-028-000	1	\$1,006.60
048-415-029-000	1	\$1,006.60
048-415-030-000	1	\$1,006.60
048-415-031-000	1	\$1,006.60
048-415-032-000	1	\$1,006.60
048-416-001-000	1	\$1,006.60
048-416-002-000	1	\$1,006.60
048-416-003-000	1	\$1,006.60
048-416-004-000	1	\$1,006.60
048-416-005-000	1	\$1,006.60
048-416-006-000	1	\$1,006.60
048-416-007-000	1	\$1,006.60
048-416-010-000	1	\$1,006.60
Total Number of Parcels Taxed		<b>18</b>
Total FY 2017-2018 Special Tax		<b>\$18,118.80</b>

RESOLUTION NO. 2017-

RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF BRAWLEY, CALIFORNIA ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2005-4 OF THE CITY OF BRAWLEY (LATIGO RANCH) AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2005-4 FOR FISCAL YEAR 2017-18.

**WHEREAS**, the City of Brawley (the "City") previously established Community Facilities District No. 2005-4 of the City of Brawley (Latigo Ranch) ("CFD No. 2005-4") all pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Government Code Section 53111 (the "Act"); and

**WHEREAS**, the City Council for the City acting as the legislative body of CFD No. 2005-4 is authorized pursuant to Resolution No. 2005-57 approved on November 1, 2005 (the "Resolution of Formation") and Ordinance No. 2005-13, approved on November 15, 2005 (the "Ordinance") to levy a special tax on property in CFD No. 2005-4 to pay for (i) the maintenance of parks and open space as described in Resolution No. 2005-48, including all furnishings, equipment and supplies related thereto, and (2) the provision of those police protection and fire protection and suppression services described in Resolution No. 2005-48 to the property in CFD No. 2005-4 ((1) and (2) being referred to herein, collectively, as the "District Services") and (3) the incidental expenses to be incurred in connection with providing the District Services and forming and administering the District (the "District Incidental Expenses") by the levy of special taxes for CFD No. 2005-4 pursuant to the Resolution of Formation; and

**WHEREAS**, it is now necessary and appropriate that this City levy and collect the special taxes for Fiscal Year 2017-18 for the purpose specified in the Ordinance, by the adoption of a resolution as specified by the Act and the Ordinance; and

**WHEREAS**, the special taxes being levied hereunder are at the same rate or at a lower rate than provided by the Ordinance; and

**NOW, THEREFORE, THE CITY COUNCIL FOR THE CITY OF BRAWLEY, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2005-4, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** The above recitals are true and correct.

**SECTION 2.** The special tax ("Special Tax") is imposed without regard to property valuation and is levied in compliance with the Act and the Ordinance.

**SECTION 3.** In accordance with the Act and the Ordinance, there is hereby levied upon the parcels within the City which are not otherwise exempt from taxation under the Act or the Ordinance the special taxes for Fiscal Year 2017-18 at the tax rates set forth in the report prepared by David Taussig and Associates for CFD No. 2005-4 entitled "City of Brawley Community Facilities District No. 2005-4 (Latigo Ranch)" (the "Report") submitted herewith, which rates do not

exceed the maximum rates set forth in the Ordinance. After adoption of this Resolution, the City Manager, for the City, or his designee, may make any necessary modifications to these special taxes to correct any errors, omissions or inconsistencies in the listing or categorization of parcels to be taxed or in the amount to be charged to any category of parcels; provided, however, that any such modifications shall not result in an increase in the tax applicable to any category of parcels and can only be made prior to the submission of the tax rolls to the Imperial County Auditor.

**SECTION 4.** All of the collections of the special tax shall be used only as provided for in the Act and Resolution of Formation. The special tax shall be levied only so long as needed to accomplish the purposes described in Resolution of Formation.

**SECTION 5.** The special tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes as such procedure may be modified by law or this City Council from time to time.

**SECTION 6.** The actions of City staff heretofore taken in order to obtain consent from the Imperial County Auditor to a later filing date are hereby ratified and the City Clerk is hereby authorized and directed to transmit a certified copy of this Resolution and the Report to the Imperial County Auditor, together with other supporting documentation as may be required to place said special taxes on the secured property tax roll for Fiscal Year 2017-18 on or before August 10, 2017, and to perform all other acts which are required by the Act, the Ordinance, or by law in order to accomplish the purpose of this Resolution.

**APPROVED, PASSED AND ADOPTED** at a regular meeting held on the 6th day of June, 2017.

**CITY OF BRAWLEY, CALIFORNIA**

\_\_\_\_\_  
**Sam Couchman**, Mayor

**ATTEST:**

\_\_\_\_\_  
**Alma Benavides**, City Clerk

*DAVID*  
**TAUSSIG**  
& *Associates, Inc.*

**CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT  
No. 2005-4  
(LATIGO RANCH)**

May 26, 2017

*Public Finance  
Public Private Partnerships  
Urban Economics*

---

*Newport Beach*  
Riverside  
San Francisco  
San Jose  
Dallas

---

**ADMINISTRATION REPORT  
FISCAL YEAR 2017-2018**

**CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT No. 2005-4  
(LATIGO RANCH)**

---

**Prepared For**

**CITY OF BRAWLEY  
400 Main Street  
Brawley, California 92227**

**Prepared By**

**DAVID TAUSSIG & ASSOCIATES, INC.  
5000 Birch Street, Suite 6000  
Newport Beach, California 92660  
(949) 955-1500**

**May 26, 2017**

## TABLE OF CONTENTS

Section	Page
Introduction .....	1
I. Special Tax Classifications and Development Update .....	2
Special Tax Classifications .....	2
Development Update .....	2
II. Fiscal Year 2016-2017 Special Tax Levy .....	3
III. Fiscal Year 2017-2018 Special Tax Requirement.....	4
IV. Method of Apportionment.....	5
Maximum Special Taxes.....	5
Apportionment of Special Taxes .....	5

### EXHIBITS

- Exhibit A: Boundary Map
- Exhibit B: Rate and Method of Apportionment
- Exhibit C: Fiscal Year 2017-2018 Special Tax Levy

---

## INTRODUCTION

---

This Mello-Roos Community Facilities District Administration Report presents the findings of the research and financial analysis performed by David Taussig & Associates, Inc. to determine the special tax requirement for Community Facilities District No. 2005-4 ("CFD No. 2005-4") of the City of Brawley ("the City") for fiscal year 2017-2018.

CFD No. 2005-4 is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982, (the "Act") as amended. The Act provides an alternative method for the financing of certain public facilities and services. Pursuant to the Rate and Method of Apportionment for CFD No. 2005-4, the Special Tax is an annual Special Tax that shall be levied as long as necessary to (i) pay for maintenance of parks, parkways, and open space, and (ii) pay for police and fire protection services. CFD No. 2005-4 is not authorized to sell bonds.

A map showing the property in CFD No. 2005-4 is included in Exhibit A.

The authorized services are funded through the annual levy and collection of special taxes from all property subject to the tax within the community facilities district. In calculating the special tax liability for fiscal year 2017-2018, this report examines the financial obligations of the current fiscal year and analyzes the level of development within CFD No. 2005-4. Pursuant to the Rate and Method of Apportionment ("RMA"), the special tax shall be levied as long as necessary to meet the Special Tax Requirement. The RMA is included in Exhibit B.

This report is organized into the following sections:

**Section I**

Section I provides an update of the development status of property within CFD No. 2005-4.

**Section II**

Section II analyzes the previous year's special tax levy.

**Section III**

Section III determines the financial obligations of CFD No. 2005-4 for fiscal year 2017-2018.

**Section IV**

Section IV reviews the methodology used to apportion the special tax requirement between Developed Property and Undeveloped Property. A table of the 2017-2018 special taxes for each classification of property is included.

**I. SPECIAL TAX CLASSIFICATIONS AND DEVELOPMENT UPDATE**

**Special Tax Classifications**

The methodology employed to calculate and apportion the special tax is contained in a document entitled the Rate and Method of Apportionment. The Rate and Method of Apportionment defines two categories of property, namely "Developed Property," and "Undeveloped Property." The category of Developed Property is in turn divided into two separate special tax classifications based on the type of structure built. A table of the Developed Property special tax classifications is shown below.

**Community Facilities District No. 2005-4  
Developed Property Classifications**

Land Use Class	Description
1	Single Family Property
2	Non-Residential Property

Developed Property is distinguished from Undeveloped Property by the issuance of a building permit. Specifically, property for which a building permit for new construction was issued as of January 1 of the previous Fiscal Year shall be considered Developed Property. For example, all property in CFD No. 2005-4 for which building permits were issued as of January 1, 2017, will be classified as Developed Property in fiscal year 2017-2018.

**Development Update**

As of January 1, 2017 building permits had been issued for 18 single family units within CFD No. 2005-4. The table below indicates the cumulative Developed Property within CFD No. 2005-4.

**Community Facilities District No. 2005-4  
Fiscal Year 2017-2018  
Cumulative Developed Property**

Class	Land Use	Number of Units / Acres
1	Single Family Property	18 units
2	Non-Residential Property	0 acres

---

**II. FISCAL YEAR 2016-2017 LEVY**

---

The aggregate special tax levy for fiscal year 2016-2017 equaled \$17,763.48. As of May 1, 2017, all \$17,63.48 in special taxes had been collected by the County.

---

### III. FISCAL YEAR 2017-2018 SPECIAL TAX REQUIREMENT

---

Pursuant to the Rate and Method of Apportionment, the special tax may be levied in CFD No. 2005-4 to: pay for (a) maintenance of parks, parkways, and open space, (b) police and fire protection services, and (c) administrative expenses; less (d) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator. For fiscal year 2017-2018, the funds required from CFD No. 2005-4 exceed the maximum special taxes that can be collected from Developed Property. Therefore, the special tax requirement is limited to \$18,118.80, the amount that can be collected through the levy of the maximum special tax.

**IV. METHOD OF APPORTIONMENT**

**Maximum Annual Special Taxes**

The amount of special taxes that CFD No. 2005-4 may levy is strictly limited by the maximum special taxes set forth in the Rate and Method of Apportionment. The Maximum Special Taxes for each classification of Developed Property are specified in Table 1 of Section C of the Rate and Method of Apportionment. On each July 1, commencing on July 1, 2006, the Maximum Special Tax shall be increased by an amount equal to two percent (2%) of the Maximum Special Tax in effect for the previous Fiscal Year.

Please note, pursuant to the Rate and Method of Apportionment, no special tax shall be levied on Undeveloped Property.

**Apportionment of Annual Special Taxes**

The annual special tax that is apportioned to each parcel is determined through the application of Section D of the Rate and Method of Apportionment.

Commencing with Fiscal Year 2005-2006 and for each following Fiscal Year, the Council shall levy the special tax so that the amount of the special tax equals the special tax requirement. The special tax shall be levied proportionally on each Assessor's Parcel of Developed Property at up to 100% of the applicable maximum special tax.

Using this methodology generates special tax revenues of \$18,118.80 from Developed Property. The fiscal year 2017-2018 maximum and actual special taxes are shown for each classification of Developed Property in the following table.

**Community Facilities District No. 2005-4  
Fiscal Year 2017-2018 Annual Special Taxes  
for Developed Property**

Land Use Class	Description	FY 2017-2018 Maximum Special Tax	FY 2017-2018 Actual Special Tax
1	Single Family Property	\$1,006.60 per unit	\$1,006.60 per unit
2	Non-Residential Property	\$7,387.51 per acre	\$0.00 per acre

A list of the actual special tax levied against each parcel in CFD No. 2005-4 is included in Exhibit C.

**EXHIBIT A**

---

**CFD No. 2005-4 of  
City of Brawley**

**Boundary Map**

---

RESOLUTION NO. 2017-

RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF BRAWLEY, CALIFORNIA ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2007-1 OF THE CITY OF BRAWLEY (LUCKEY RANCH) AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2007-1 FOR FISCAL YEAR 2017-18.

WHEREAS, the City of Brawley (the "City") previously established Community Facilities District No. 2007-1 of the City of Brawley (Luckey Ranch) ("CFD No. 2007-1") all pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Government Code Section 53111 (the "Act"); and

WHEREAS, the City Council for the City acting as the legislative body of CFD No. 2007-1 is authorized pursuant to Resolution Nos. 2007-39 and 2007-40 approved on September 18, 2007 (collectively, the "Resolutions of Formation") and the Ordinance Authorizing the Levy of the Special Tax adopted in connection therewith (the "Ordinance") to levy a special tax on property in CFD No. 2007-1 for the purpose of financing: (1) the maintenance of parks and open space as described in Resolution No. 2007-40, including all furnishings, equipment and supplies related thereto and (2) the provision of those police protection and fire protection and suppression services described in Resolution No. 2007-40 within the boundaries of the City ((1) and (2) being referred to herein, collectively, as the "City Services"), (3) the purchase, construction, expansion, improvement or rehabilitation of the facilities identified in Attachment B to Resolution No. 2007-33 and incorporated herein by this reference, including storm drain, sewer, water, landscaping, curb and gutter, park, roadway, highway and bridge, traffic signals and safety lighting, flood control library, police, fire and recreation facilities (collectively, the "Facilities"), which Facilities have a useful life of five years or longer, and (4) the incidental expenses to be incurred in connection with financing the Facilities and forming and administering the District, all by the levy of special taxes for CFD No. 2007-1 pursuant to the Resolutions of Formation; and

WHEREAS, it is now necessary and appropriate that this City levy and collect the special taxes for Fiscal Year 2017-18 for the purposes specified in the Ordinance, by the adoption of a resolution as specified by the Act and the Ordinance; and

WHEREAS, the special taxes being levied hereunder are at the same rate or at a lower rate than provided by the Ordinance; and

NOW, THEREFORE, THE CITY COUNCIL FOR THE CITY OF BRAWLEY, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2007-1, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The above recitals are true and correct.

SECTION 2. The special tax ("Special Tax") is imposed without regard to property valuation and is levied in compliance with the Act and the Ordinance.

**SECTION 3.** In accordance with the Act and the Ordinance, there is hereby levied upon the parcels within the City which are not otherwise exempt from taxation under the Act or the Ordinance the special taxes for Fiscal Year 2017-18 at the tax rates set forth in the report prepared by David Taussig and Associates for CFD No. 2007-1 entitled "City of Brawley Community Facilities District No. 2007-1 (Luckey Ranch)" (the "Report") submitted herewith, which rates do not exceed the maximum rates set forth in the Ordinance. After adoption of this Resolution, the City Manager, for the City, or his designee, may make any necessary modifications to these special taxes to correct any errors, omissions or inconsistencies in the listing or categorization of parcels to be taxed or in the amount to be charged to any category of parcels; provided, however, that any such modifications shall not result in an increase in the tax applicable to any category of parcels and can only be made prior to the submission of the tax rolls to the Imperial County Auditor.

**SECTION 4.** All of the collections of the special tax shall be used only as provided for in the Act and Resolutions of Formation. The special tax shall be levied only so long as needed to accomplish the purposes described in Resolutions of Formation.

**SECTION 5.** The special tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes as such procedure may be modified by law or this City Council from time to time.

**SECTION 6.** The actions of City staff heretofore taken in order to obtain consent from the Imperial County Auditor to a later filing date are hereby ratified and the City Clerk is hereby authorized and directed to transmit a certified copy of this Resolution and the Report to the Imperial County Auditor, together with other supporting documentation as may be required to place said special taxes on the secured property tax roll for Fiscal Year 2017-18 on or before August 10, 2017, and to perform all other acts which are required by the Act, the Ordinance, or by law in order to accomplish the purpose of this Resolution.

**APPROVED, PASSED AND ADOPTED** at a regular meeting held on the 6th day of June, 2017.

**CITY OF BRAWLEY, CALIFORNIA**

---

**Sam Couchman, Mayor**

*DAVID*  
**TAUSSIG**  
& *Associates, Inc.*

CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT  
No. 2007-1  
(LUCKEY RANCH)

May 26, 2017

*Public Finance*  
*Public Private Partnerships*  
*Urban Economics*

---

*Newport Beach*  
Riverside  
San Francisco  
San Jose  
Dallas

---

**ADMINISTRATION REPORT  
FISCAL YEAR 2017-2018**

**CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT No. 2007-1  
(LUCKEY RANCH)**

---

**Prepared For**

**CITY OF BRAWLEY  
400 Main Street  
Brawley, California 92227**

**Prepared By**

**DAVID TAUSSIG & ASSOCIATES, INC.  
5000 Birch Street, Suite 6000  
Newport Beach, California 92660  
(949) 955-1500**

**May 26, 2017**

## Table of Contents

Section	Page
Introduction .....	1
I. <b>Special Tax Classifications and Development Update</b> .....	<b>2</b>
Special Tax A Classifications .....	2
Special Tax B Classifications .....	3
Development Update .....	3
II. <b>Fiscal Year 2016-2017 Special Tax Levies</b> .....	<b>5</b>
Fiscal Year 2016-2017 Special Tax A Levy .....	5
Fiscal Year 2016-2017 Special Tax B Levy .....	5
III. <b>Fiscal Year 2017-2018 Special Tax Requirement for Facilities</b> .....	<b>6</b>
IV. <b>Fiscal Year 2017-2018 Special Tax Requirement for Services</b> .....	<b>7</b>
V. <b>Method of Apportionment</b> .....	<b>8</b>
Maximum Special Taxes .....	8
Apportionment of Special Tax A .....	8
Apportionment of Special Tax B .....	9

### EXHIBITS

- Exhibit A:     Boundary Map
- Exhibit B:     Rate and Method of Apportionment
- Exhibit C:     Fiscal Year 2017-2018 Special Tax Levy

---

## INTRODUCTION

---

This Mello-Roos Community Facilities District Administration Report presents the findings of the research and financial analysis performed by David Taussig & Associates, Inc. to determine the special tax requirement for Community Facilities District No. 2007-1 ("CFD No. 2007-1") of the City of Brawley ("the City") for fiscal year 2017-2018.

CFD No. 2007-1 is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982, (the "Act") as amended. The Act provides an alternative method for the financing of certain public facilities and services. Specifically, CFD No. 2007-1 is authorized to issue up to \$20,000,000 in bonds. The proceeds of the bonds will be used to finance the construction, purchase, modification, expansion, improvement or rehabilitation of storm drain, sewer, landscaping, curb and gutter, park, water, roadway, highway and bridge, traffic signals and safety lighting, flood control, libraries, police, fire and recreation facilities. In addition, CFD No. 2007-1 is authorized to levy the Special Tax B to pay for (i) maintenance of parks, parkways, and open space, and (ii) police and fire protection services.

A map showing the property in CFD No. 2007-1 is included in Exhibit A.

The bonded indebtedness of CFD No. 2007-1 is both secured and repaid through the annual levy and collection of the Special Tax A from all property subject to the tax within the community facilities district. In calculating the special tax liability for fiscal year 2017-2018, this report examines the financial obligations of the current fiscal year and analyzes the level of development within CFD No. 2007-1. Pursuant to the Rate and Method of Apportionment ("RMA"), the Special Tax A shall be levied each year to fully satisfy the special tax requirement, but in no event shall it be levied after Fiscal Year 2057-2058. The Special Tax B shall be levied as long as necessary to meet the special tax requirement for services. The RMA is included in Exhibit B.

This report is organized into the following sections:

### Section I

Section I provides an update of the development status of property within CFD No. 2007-1.

### Section II

Section II analyzes the previous year's Special Tax A and Special Tax B levies.

### Section III

Section III determines the special tax requirement for facilities for CFD No. 2007-1 for fiscal year 2017-2018.

### Section IV

Section IV determines the special tax requirement for services for CFD No. 2007-1 for fiscal year 2017-2018.

### Section V

Section V reviews the methodology used to apportion the special tax requirement for facilities and the special tax requirement for services between Developed Property and Undeveloped Property. Tables of the 2017-2018 Special Tax A and Special Tax B for each classification of property are included.

**I. SPECIAL TAX CLASSIFICATIONS AND DEVELOPMENT UPDATE**

The methodology employed to calculate and apportion the special tax is contained in a document entitled the Rate and Method of Apportionment ("RMA"). The RMA establishes the Special Tax A which is used to pay debt service on bonds and pay directly for the construction of facilities and the Special Tax B which is used to fund the cost of annual services. The RMA defines two categories of property, namely "Developed Property," and "Undeveloped Property."

Developed Property is distinguished from Undeveloped Property by the issuance of a building permit. Specifically, property for which a building permit for new construction was issued as of January 1 of the previous Fiscal Year shall be considered Developed Property. For example, all property in CFD No. 2007-1 for which building permits were issued as of January 1, 2017, will be classified as Developed Property in fiscal year 2017-2018.

**Special Tax A Classifications**

For purposes of calculating the Special Tax A, the category of Developed Property is divided into twelve separate special tax classifications based on the type of structure built. A table of the Developed Property special tax classifications is shown below.

**Community Facilities District No. 2007-1  
Special Tax A  
Developed Property Classifications**

Land Use Class	Description	Square Footage
1	Single Family Detached Property	≥ 2,400 s.f.
2	Single Family Detached Property	2,100 – 2,399 s.f.
3	Single Family Detached Property	1,800 – 2,099 s.f.
4	Single Family Detached Property	< 1,800 s.f.
5	Duplex Property	≥ 1,800 s.f.
6	Duplex Property	1,500 – 1,799 s.f.
7	Duplex Property	< 1,500 s.f.
8	Condominium Property	≥ 1,550 s.f.
9	Condominium Property	1,350 – 1,549 s.f.
10	Condominium Property	1,150 – 1,349 s.f.
11	Condominium Property	< 1,150 s.f.
12	Non-Residential Property	Not Applicable

**Special Tax B Classifications**

For purposes of calculating the Special Tax B, the category of Developed Property is divided into four separate special tax classifications based on the type of structure built. A table of the Developed Property special tax classifications is shown below.

**Community Facilities District No. 2007-1  
Special Tax B  
Developed Property Classifications**

Description
Single Family Detached Property
Duplex Property
Condominium Property
Non-Residential Property

No Special Tax B is levied on Undeveloped Property.

**Development Update**

As of January 1, 2017 building permits had been issued for 10 single family detached units and 8 duplex units within CFD No. 2007-1. The table below indicates the cumulative Developed Property within CFD No. 2007-1.

The table below lists the aggregate amount of Developed Property by special tax classification.

Community Facilities District No. 2007-1  
Fiscal Year 2017-2018  
Cumulative Developed Property

Land Use Class	Description	Square Footage	Number of Units/Acres
1	Single Family Detached Property	≥ 2,400 s.f.	3 units
2	Single Family Detached Property	2,100 – 2,399 s.f.	4 units
3	Single Family Detached Property	1,800 – 2,099 s.f.	1 unit
4	Single Family Detached Property	< 1,800 s.f.	2 units
5	Duplex Property	≥ 1,800 s.f.	3 units
6	Duplex Property	1,500 – 1,799 s.f.	4 units
7	Duplex Property	< 1,500 s.f.	1 unit
8	Condominium Property	≥ 1,550 s.f.	0 units
9	Condominium Property	1,350 – 1,549 s.f.	0 units
10	Condominium Property	1,150 – 1,349 s.f.	0 units
11	Condominium Property	< 1,150 s.f.	0 units
12	Non-Residential Property	Not Applicable	0 acres

---

**II. FISCAL YEAR 2016-2017 SPECIAL TAX LEVIES**

---

*Fiscal Year 2016-2017 Special Tax A Levy*

The Special Tax A was not levied in fiscal year 2016-2017.

*Fiscal Year 2016-2017 Special Tax B Levy*

The aggregate special tax levy for fiscal year 2016-2017 equaled \$10,419.72. As of May 1, 2017, all of the special taxes had been collected by the County.

---

**III. FISCAL YEAR 2017-2018 SPECIAL TAX REQUIREMENT FOR FACILITIES**

---

Since bonds have not yet been issued for CFD No. 2007-1, the City is authorized to levy Special Tax A on Developed Property to pay directly for the acquisition or construction of facilities eligible to be financed by CFD No. 2007-1 and annual administrative expenses as provided for by the RMA.

Notwithstanding the foregoing, the City has decided not to levy Special Tax A in fiscal year 2017-2018. However, the City reserves the right to levy the Special Tax A in all subsequent fiscal years as authorized under the RMA.

---

**IV. FISCAL YEAR 2017-2018 SPECIAL TAX REQUIREMENT FOR SERVICES**

---

Pursuant to the RMA, the Special Tax B may be levied in CFD No. 2007-1 to pay for (a) maintenance of parks, parkways, and open space, (b) police and fire protection services, and (c) administrative expenses; less (d) a credit for funds available to reduce the annual Special Tax B levy, as determined by the CFD Administrator. For fiscal year 2017-2018 the funds required from CFD No. 2007-1 exceed the maximum Special Tax B that can be collected from Developed Property. Therefore, the special tax requirement for services is limited to \$10,628.28, the amount that can be collected through the levy of the maximum Special Tax B.

---

## **V. METHOD OF APPORTIONMENT**

---

### **Maximum Annual Special Taxes**

The amount of special taxes that CFD No. 2007-1 may levy is strictly limited by the maximum special taxes set forth in the Rate and Method of Apportionment. The Maximum Special Tax A is specified in Section C.1 of the RMA<sup>1</sup>. The Maximum Special Tax B is specified in Section C.2. On each July 1, commencing on July 1, 2008, the Maximum Special Tax B shall be increased by an amount equal to two percent (2%) of the maximum Special Tax B in effect for the previous Fiscal Year.

### **Apportionment of Special Tax A**

The annual Special Tax A that is apportioned to each parcel is determined through the application of Section D.1 of the RMA.

The first step states that the Council shall levy the Special Tax A Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the Assigned Special Tax A. If the sum of the amount collected in step one is insufficient to satisfy the Special Tax Requirement for Facilities, then the second step is applied. The second step states that the Council shall Proportionately levy the Special Tax A on each Assessor's Parcel of Undeveloped Property up to the Maximum Special Tax A applicable to each Assessor's Parcel of Undeveloped Property to satisfy the Special Tax Requirement for Facilities. The third and fourth steps are designed to accommodate changes in land use and are intended to be used only as a last resort. Since actual land uses have not substantially deviated from the original projections, these steps are not necessary.

As discussed in Section III, the Special Tax A will not be levied in fiscal year 2017-2018. However, the City reserves the right to levy the Special Tax A in all subsequent fiscal years as authorized under the RMA. The fiscal year 2017-2018 Assigned Special Tax A and actual Special Tax A are shown in the following table.

---

<sup>1</sup> Technically, Section C states that the Maximum Special Tax A for a parcel of Developed Property is equal to the greater of (i) the "Backup Special Tax A" or (ii) the Assigned Special Tax A. The Backup Special Tax A was established for the contingency of a shortfall in revenues resulting from significant changes in development densities. The contingency for which the Backup Special Tax A was established does not exist and hence, all discussion of Maximum Special Tax A for Developed Property focuses on the Assigned Special Tax A.

**Community Facilities District No. 2007-1  
Fiscal Year 2017-2018 Special Tax A**

Land Use Class	Description	Residential Floor Area	FY 2017-2018 Assigned/Maximum Special Tax A	FY 2017-2018 Actual Special Tax A
1	Single Family Detached Property	≥ 2,400 s.f.	\$805.00 per unit	\$0.00 per unit
2	Single Family Detached Property	2,100 – 2,399 s.f.	\$717.00 per unit	\$0.00 per unit
3	Single Family Detached Property	1,800 – 2,099 s.f.	\$648.00 per unit	\$0.00 per unit
4	Single Family Detached Property	< 1,800 s.f.	\$561.00 per unit	\$0.00 per unit
5	Duplex Property	≥ 1,800 s.f.	\$601.00 per unit	\$0.00 per unit
6	Duplex Property	1,500 – 1,799 s.f.	\$539.00 per unit	\$0.00 per unit
7	Duplex Property	< 1,500 s.f.	\$460.00 per unit	\$0.00 per unit
8	Condominium Property	≥ 1,550 s.f.	\$571.00 per unit	\$0.00 per unit
9	Condominium Property	1,350 – 1,549 s.f.	\$497.00 per unit	\$0.00 per unit
10	Condominium Property	1,150 – 1,349 s.f.	\$455.00 per unit	\$0.00 per unit
11	Condominium Property	< 1,150 s.f.	\$414.00 per unit	\$0.00 per unit
12	Non-Residential Property	NA	\$7,095.00 per Acre	\$0.00 per unit
NA	Undeveloped Property	NA	\$7,095.00 per Acre	\$0 per Acre

**Apportionment of Special Tax B**

The annual Special Tax B that is apportioned to each parcel is determined through the application of Section D.2 of the RMA.

Commencing with Fiscal Year 2017-2018 and for each following Fiscal Year, the Council shall levy Special Tax B so that the amount of Special Tax B equals the special tax requirement for services. The special tax shall be levied proportionally on each Assessor's Parcel of Residential Property at up to 100% of the maximum Special Tax B.

Using this methodology generates Special Tax B revenues of \$10,628.28 from Residential Property. The fiscal year 2017-2018 assigned special taxes are shown for each classification of Developed Property in the following table.

**Community Facilities District No. 2007-1  
Fiscal Year 2017-2018 Special Tax B**

Description	FY 2017-2018 Maximum Special Tax	FY 2017-2018 Actual Special Tax B
Single Family Detached Property	\$629.90 per unit	\$629.90 per unit
Duplex Property	\$541.16 per unit	\$541.16 per unit
Condominium Property	\$408.10 per unit	\$0.00 per unit
Non-Residential Property	\$4,156.33 per Acre	\$0.00 per Acre

Please note, pursuant to the RMA, no Special Tax B shall be levied on Undeveloped Property.

A list of the actual Special Tax B levied against each parcel in CFD No. 2007-1 is included in Exhibit C.

taussig-client/Brawley/Admin/CFD 2007-1/FY 2017-18/2007\_1ADM 01.doc

**EXHIBIT A**

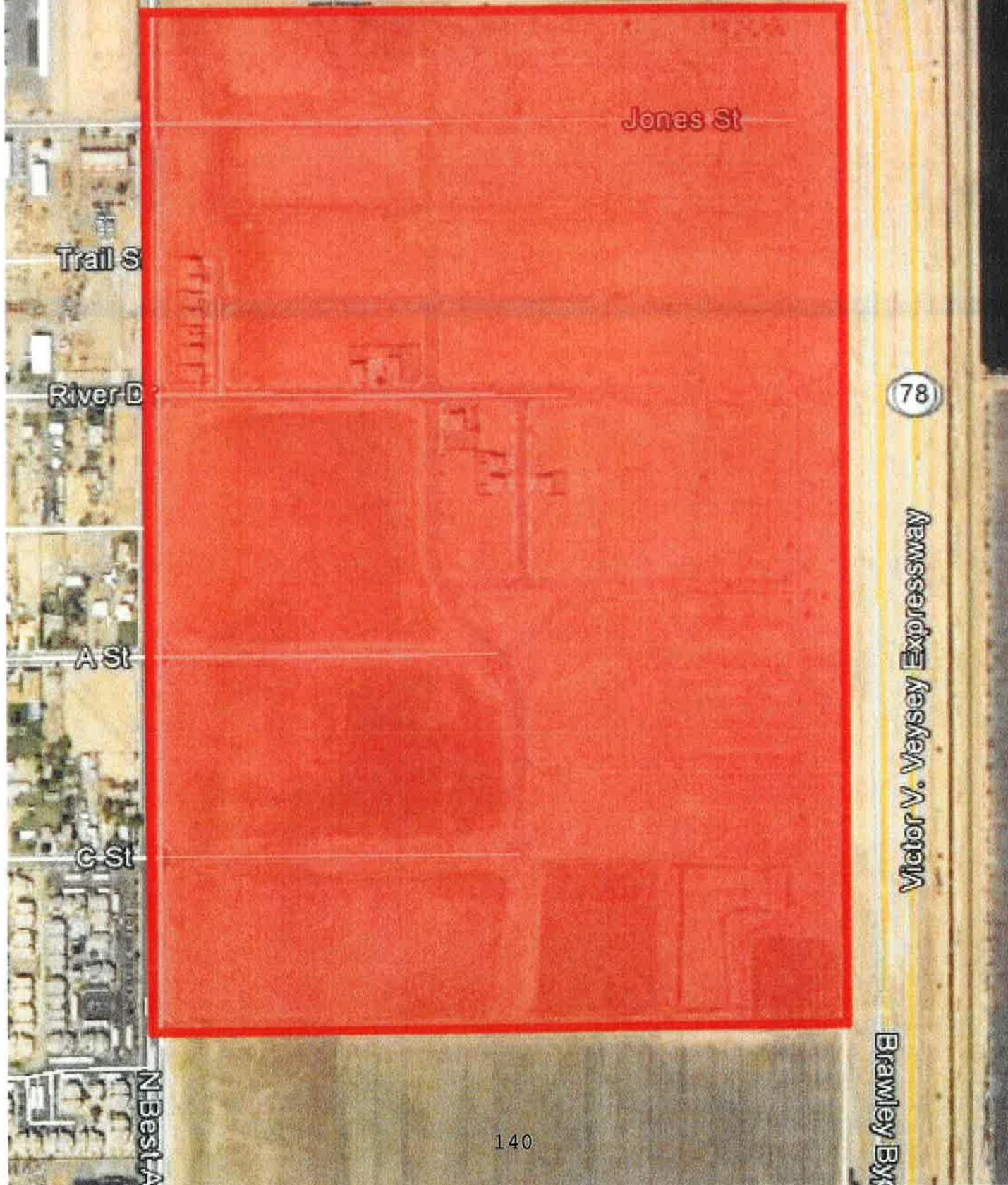
---

**CFD No. 2007-1 of  
City of Brawley**

**Boundary Map**

---

**City of Brawley**  
**Community Facilities District No. 2007-1**  
**(Lucky Ranch)**



78

Victor V. Veysey Expressway

Brawley Bypass

**EXHIBIT B**

---

**CFD No. 2007-1 of  
City of Brawley**

**Rate and Method of Apportionment**

---

**RATE AND METHOD OF APPORTIONMENT FOR  
CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT NO. 2007-1  
(LUCKEY RANCH)**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in the City of Brawley Community Facilities District No. 2007-1 (Lucky Ranch) ("CFD No. 2007-1") and collected each Fiscal Year commencing in Fiscal Year 2007-08, in an amount determined by the Council, according to the method of apportionment set forth herein. All of the real property in CFD No. 2007-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**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.

**"Act"** means the Mello-Roos Community 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 the following actual or reasonably estimated costs directly related to the administration of CFD No. 2007-1: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2007-1 or any designee thereof of complying with arbitrage rebate requirements; the costs to the City, CFD No. 2007-1 or any designee thereof of complying with City, CFD No. 2007-1 or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 2007-1 or any designee thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2007-1 for any other administrative purposes of CFD No. 2007-1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure, or otherwise addressing the disposition of delinquent Special Taxes.

**"Assessor's Parcel"** means any real property to which an Assessor's parcel number is assigned as shown on an Assessor's Parcel Map.

**"Assessor's Parcel Map"** means an official map of the County Assessor of the County designating parcels by Assessor's parcel number.

**"Assigned Special Tax A"** means the Special Tax A for each Land Use Class of Developed Property within CFD No. 2007-1, as determined in accordance with Section C below.

**"Backup Special Tax A"** means the Special Tax A applicable to each Assessor's Parcel of Residential Property within CFD No. 2007-1, as determined in accordance with Section C below.

**"Bonds"** means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued by CFD No. 2007-1 under the Act.

**"CFD Administrator"** means the official of the City, or designee thereof, responsible for determining the Special Tax Requirement for Facilities, the Special Tax Requirement for Services, and providing for the levy and collection of the Special Taxes.

**"CFD No. 2007-1"** means the City of Brawley Community Facilities District No. 2007-1 (Luckey Ranch).

**"City"** means the City of Brawley.

**"Condominium Property"** means all Assessor's Parcels of Residential Property for which building permits have been issued for attached residential units meeting the statutory definition of a condominium contained in the California Civil Code, Section 1351.

**"Council"** means the City Council of the City, acting as the legislative body of CFD No. 2007-1.

**"County"** means the County of Imperial.

**"Developed Property"** means, for each Fiscal Year, all Taxable Property, exclusive of Other Taxable Property, for which a building permit for new construction was issued after January 1, 2006 and prior to January 1 of the prior Fiscal Year.

**"Duplex Property"** means all Assessor's Parcels of Residential Property for which building permits have been issued for attached residential units, excluding Condominium Property.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Indenture"** means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time.

**"Land Use Class"** means any of the classes listed in Table 1 or Table 2 below.

**"Maximum Special Tax"** means the Maximum Special Tax A and/or Maximum Special Tax B, as applicable.

**"Maximum Special Tax A"** means the Maximum Special Tax A, determined in accordance with Section C.1 below, that can be levied in any Fiscal Year on any Assessor's Parcel within CFD No. 2007-1.

**"Maximum Special Tax B"** means the Maximum Special Tax B, determined in accordance with Section C.2 below, that can be levied in any Fiscal Year on any Assessor's Parcel within CFD No. 2007-1.

**"Non-Residential Property"** means all Assessor's Parcels of Developed Property for which a building permit(s) was issued for a non-residential use.

**"Outstanding Bonds"** means all Bonds which are deemed to be outstanding under the Indenture.

**"Other Taxable Property"** means Taxable Public Property and Taxable Property Owner Association Property.

**"Property Owner Association Property"** means, for each Fiscal Year, any property within the boundaries of CFD No. 2007-1 that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

**"Proportionately"** means, for Developed Property, that the ratio of the actual Special Tax A levy to the Assigned Special Tax A is equal for all Assessor's Parcels of Developed Property, and that the ratio of the actual Special Tax B levy to the Maximum Special Tax B is equal for all Assessor's Parcels of Developed Property. For Undeveloped Property and Other Taxable Property, "Proportionately" means that the ratio of the actual Special Tax A levy per Acre to the Maximum Special Tax A per Acre is equal for all Assessor's Parcels of Undeveloped Property or Other Taxable Property.

**"Public Property"** means, for each Fiscal Year, any property within CFD No. 2007-1 that is owned by, irrevocably offered for dedication to, or dedicated to the federal government, the State, the County, the City, or any other public agency as of June 30 of the prior Fiscal Year; provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use. To ensure that property is classified as Public Property in the first Fiscal Year after it is acquired by, irrevocably offered for dedication to, or dedicated to a public agency, the property owner shall notify the CFD Administrator in writing of such acquisition, offer, or dedication not later than June 30 of the Fiscal Year in which the acquisition, offer, or dedication occurred.

**"Residential Floor Area"** means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by reference to the building permit(s) issued for such Assessor's Parcel.

**"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.

**"Single Family Detached Property"** means all Assessor's Parcels of Residential Property for which building permits have been issued for detached residential units.

**"Special Tax"** means the Special Tax A and/or Special Tax B, as applicable.

**"Special Tax A"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement for Facilities.

**"Special Tax B"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property to fund the Special Tax Requirement for Services.

**"Special Tax Requirement for Facilities"** means that amount required in any Fiscal Year for CFD No. 2007-1 to: (i) pay debt service on all Outstanding Bonds; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay all or a portion of the Administrative Expenses as determined by the CFD Administrator; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) pay directly for acquisition or construction of CFD No. 2007-1 facilities eligible under the Act; and (vi) pay for reasonably anticipated Special Tax A delinquencies based on the historical delinquency rate for CFD No. 2007-1 as determined by the CFD Administrator; less (vii) a credit for funds available to reduce the annual Special Tax A levy, as determined by the CFD Administrator pursuant to the Indenture.

**"Special Tax Requirement for Services"** means that amount required in any Fiscal Year for CFD No. 2007-1 to: (i) pay directly for maintenance of parks, parkways, and open space; (ii) pay directly for police and fire protection services; (iii) pay Administrative Expenses not funded through the Special Tax Requirement for Facilities as determined by the CFD Administrator; less (iv) a credit for funds available to reduce the annual Special Tax B levy, as determined by the CFD Administrator.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of CFD No. 2007-1 which are not exempt from the Special Tax pursuant to law or Section E below.

**"Taxable Property Owner Association Property"** means all Assessor's Parcels of Property Owner Association Property that are not exempt pursuant to Section E below.

"**Taxable Public Property**" means all Assessor's Parcels of Public Property that are not exempt pursuant to Section E below.

"**Trustee**" means the trustee or fiscal agent under the Indenture.

"**Undeveloped Property**" means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Other Taxable Property.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Taxable Property within CFD No. 2007-1 shall be classified as Developed Property, Other Taxable Property, or Undeveloped Property, and shall be subject to Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below. Developed Property shall be classified as Single Family Detached Property, Duplex Property, Condominium Property, and Non-Residential Property. Single Family Detached Property shall be assigned to Land Use Classes 1 through 4. Duplex Property shall be assigned to Land Use Classes 5 through 7. Condominium Property shall be assigned to Land Use Classes 8 through 10. Non-Residential Property shall be assigned to Land Use Class 11.

The Assigned Special Tax A for Residential Property shall be based on the Residential Floor Area of the dwelling unit(s) located on the Assessor's Parcel, as specified in Table 1 below. The Assigned Special Tax A for Non-Residential Property shall be based on the Acreage of the Assessor's Parcel.

**C. MAXIMUM SPECIAL TAX**

**1. SPECIAL TAX A**

a. Developed Property

(i) Maximum Special Tax A

The Maximum Special Tax A for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax A or (ii) the amount derived by application of the Backup Special Tax A.

(ii) Assigned Special Tax A

The Assigned Special Tax A for each Land Use Class is shown below in Table 1.

**TABLE 1**

**Assigned Special Tax A for Developed Property in  
CFD No. 2007-1**

Land Use Class	Description	Residential Floor Area	Assigned Special Tax A
1	Single Family Detached Property	≥ 2,400 s.f.	\$805 per unit
2	Single Family Detached Property	2,100 – 2,399 s.f.	\$717 per unit
3	Single Family Detached Property	1,800 – 2,099 s.f.	\$648 per unit
4	Single Family Detached Property	< 1,800 s.f.	\$561 per unit
5	Duplex Property	≥ 1,800 s.f.	\$601 per unit
6	Duplex Property	1,500 – 1,799 s.f.	\$539 per unit
7	Duplex Property	< 1,500 s.f.	\$460 per unit
8	Condominium Property	≥ 1,550 s.f.	\$571 per unit
9	Condominium Property	1,350 – 1,549 s.f.	\$497 per unit
10	Condominium Property	1,150 – 1,349 s.f.	\$455 per unit
11	Condominium Property	< 1,150 s.f.	\$414 per unit
12	Non-Residential Property	NA	\$7,095 per Acre

(iii) Backup Special Tax A

The Backup Special Tax A shall be \$7,095 per Acre.

(iv) Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Assigned Special Tax A levied on an Assessor's Parcel shall be the sum of the Assigned Special Tax A for all Land Use Classes located on that Assessor's Parcel. The Maximum Special Tax A that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax A that can be levied for all Land Use Classes located on that Assessor's Parcel. For an Assessor's Parcel that contains both Residential

Property and Non-Residential Property, the Acreage of such Assessor's Parcel shall be allocated to each type of property based on the amount of Acreage designated for each land use as determined by reference to the site plan approved for such Assessor's Parcel. The CFD Administrator's allocation to each type of property shall be final.

b. Maximum Special Tax A for Undeveloped Property and Other Taxable Property

The Maximum Special Tax A for Undeveloped Property and Other Taxable Property shall be \$7,095 per Acre.

**2. SPECIAL TAX B**

a. Developed Property

(i) Maximum Special Tax B

The Fiscal Year 2007-08 Maximum Special Tax B for each Assessor's Parcel shall be the amount shown below in Table 2.

**TABLE 2**

**Maximum Special Tax B for Developed Property  
Fiscal Year 2007-08**

<b>Description</b>	<b>FY 2007-08 Maximum Special Tax B</b>
Single Family Detached Property	\$516.73 per unit
Duplex Property	\$443.95 per unit
Condominium Property	\$334.78 per unit
Non-Residential Property	\$3,409.63 per Acre

On each July 1, commencing July 1, 2008, the Assigned Special Tax A for each Land Use Class shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

b. Undeveloped Property and Other Taxable Property

There shall be no Special Tax B levied on Undeveloped and Other Taxable Property.

**D. APPORTIONMENT OF THE ANNUAL SPECIAL TAX**

**1. SPECIAL TAX A**

Commencing with Fiscal Year 2007-08 and for each following Fiscal Year, the Council shall determine the Special Tax Requirement for Facilities and shall levy the Special Tax A as follows:

First: The Special Tax A shall be levied proportionately on each Assessor's Parcel of Developed Property at up to 100% of the Assigned Special Tax A;

Second: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first step has been completed, the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax A for Undeveloped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first two steps have been completed, then the levy of the Special Tax A on each Assessor's Parcel of Developed Property whose Maximum Special Tax A is determined through the application of the Backup Special Tax A shall be increased in equal percentages from the Assigned Special Tax A up to the Maximum Special Tax A for each such Assessor's Parcel;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Other Taxable Property at up to the Maximum Special Tax A for Other Taxable Property.

**2. SPECIAL TAX B**

Commencing with Fiscal Year 2007-08 and for each following Fiscal Year, the Council shall determine the Special Tax Requirement for Services and shall levy the Special Tax B as follows:

The Special Tax B shall be levied Proportionately on each Assessor's Parcel of Residential Property at up to 100% of the Maximum Special Tax B.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 2007-1

**E. EXEMPTIONS**

**1. SPECIAL TAX A**

No Special Tax A shall be levied on up to 65.99 Acres of Public Property and Property Owner Association Property in CFD No. 2007-1. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Public Property or Property Owner Association Property. However, should an Assessor's Parcel no longer be classified as Public Property or Property Owner Association Property, its tax-exempt status will be revoked.

Public Property or Property Owner Association Property that is not exempt from Special Tax A under this section shall be subject to the levy of the Special Tax A and shall be taxed Proportionately as part of the fourth step in Section D.1 above, at up to 100% of the applicable Maximum Special Tax A for Other Taxable Property, to the extent permitted by law.

**2. SPECIAL TAX B**

No Special Tax B shall be levied on Undeveloped Property, Public Property, or Property Owner Association Property.

**F. APPEALS AND INTERPRETATIONS**

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Council by filing a written notice of appeal with the City Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for its disagreement with the CFD Administrator's determination.

Interpretations may be made by the Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

**G. MANNER OF COLLECTION**

The Special Tax will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 2007-1 may directly bill the Special Tax, may collect the Special Tax at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

**H. PREPAYMENT OF SPECIAL TAX**

The following definition applies to this Section H:

**"CFD Public Facilities"** means either \$5.8 million in 2007 dollars, which shall increase by the Construction Inflation Index on July 1, 2008, and on each July 1 thereafter, or such lower number as (i) shall be determined by the CFD Administrator as sufficient to provide the public facilities to be provided by CFD No. 2007-1 under the authorized bonding program for CFD No. 2007-1, or (ii) shall be determined by the 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 as described in Section D.

**"Construction Fund"** means an account specifically identified in the Indenture to hold funds which are currently available for expenditure to acquire or construct public facilities eligible under the Act.

**"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 CFD Administrator 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 (i) public facility costs previously paid from the Construction Fund, (ii) moneys currently on deposit in the Construction Fund, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance facilities costs.

**"Outstanding Bonds"** means all Previously Issued Bonds which are deemed to be outstanding under the Indenture after the first interest and/or principal payment date following the current Fiscal Year.

**"Previously Issued Bonds"** means all Bonds that have been issued by CFD No. 2007-1 prior to the date of prepayment.

**1. Prepayment in Full**

The obligation of an Assessor's Parcel to pay the Special Tax A may be prepaid and permanently satisfied as described herein; provided that a prepayment may be made only for Assessor's Parcels of Developed Property or Undeveloped Property for which a building permit has been issued, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax A obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount of such Assessor's Parcel. The CFD Administrator may charge a reasonable fee for providing this service. Prepayment must be made not less than 45 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

The Special Tax A Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

Bond Redemption Amount	
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
less	Reserve Fund Credit
less	<u>Capitalized Interest Credit</u>
Total: equals	Prepayment Amount

As of the proposed date of prepayment, the Special Tax A Prepayment Amount (defined below) shall be calculated as follows:

**Paragraph No.:**

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.
2. For Assessor's Parcels of Developed Property, compute the Assigned Special Tax A and Backup Special Tax A applicable for the Assessor's Parcel to be prepaid. For Assessor's Parcels of Undeveloped Property (for which a building permit has been issued) to be prepaid, compute the Assigned Special Tax A and Backup Special Tax A for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor's Parcel.
3. (a) Divide the Assigned Special Tax A computed pursuant to paragraph 2 by the total estimated Assigned Special Tax A for the entire CFD No. 2007-1 based on the Developed Property Special Tax A which could be charged in the current Fiscal Year on all expected development through buildout of the CFD No. 2007-1, excluding any Assessor's Parcels which have been prepaid, and

- (b) Divide the Backup Special Tax A computed pursuant to paragraph 2 by the estimated total Backup Special Tax A at buildout of the CFD No. 2007-1, excluding any Assessor's Parcels which have been prepaid.
4. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "Bond Redemption Amount").
  5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "Redemption Premium").
  6. Compute the current Future Facilities Costs.
  7. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Amount").
  8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.
  9. Determine the Special Tax A levied on the Assessor's Parcel in the current Fiscal Year which has not yet been paid.
  10. Compute the minimum amount the CFD Administrator reasonably expects to derive from the reinvestment of the Special Tax Prepayment Amount less the Future Facilities Amount and the Administrative Fees and Expenses from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.
  11. Add the amounts computed pursuant to paragraphs 8 and 9 and subtract the amount computed pursuant to paragraph 10 (the "Defeasance Amount").
  12. Verify the administrative fees and expenses of CFD No. 2007-1, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").
  13. The reserve fund credit ("Reserve Fund Credit") shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture), 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 requirement (as defined in the Indenture) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero.

14. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the "Capitalized Interest Credit").
15. The Special Tax A prepayment is equal to the sum of the amounts computed pursuant to paragraphs 4, 5, 7, 11 and 12, less the amounts computed pursuant to paragraphs 13 and 14 (the "Prepayment Amount").
16. From the Prepayment Amount, the amounts computed pursuant to paragraphs 4, 5, 11, 13 and 14 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to paragraph 7 shall be deposited into the construction fund. The amount computed pursuant to paragraph 12 shall be retained by CFD No. 2007-1.

The Special Tax A Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year's Special Tax A levy as determined under paragraph 9 (above), the CFD Administrator shall remove the current Fiscal Year's Special Tax A levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid, the Council shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of Special Tax A and the release of the Special Tax A lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay the Special Tax A shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Assigned Special Tax A that may be levied on Taxable Property (excluding Taxable Public Property and Taxable Property Owner Association Property) based on expected development at build out, both prior to and after the proposed prepayment, less expected Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all Outstanding Bonds (excluding Bonds to be redeemed by such prepayment and all prior prepayments) in each future Fiscal Year and such prepayment will not impair the security of all Outstanding Bonds, as reasonably determined by the CFD Administrator.

The Special Tax B may not be prepaid.

## **2. Prepayment in Part**

The Special Tax A on an Assessor's Parcel of Developed Property or an Assessor's Parcel of Undeveloped Property for which a building permit has been issued may be partially prepaid.

The amount of the prepayment shall be calculated as in Section H.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = [(P_E - AE) \times F] + AE$$

These terms have the following meaning:

- AE = the Administrative Fees and Expenses
- PP = the partial prepayment
- P<sub>E</sub> = the Prepayment Amount calculated according to Section H.1
- F = the percentage by which the owner of the Assessor's Parcel is partially prepaying the Special Tax A.

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax A and the percentage by which the Special Tax A shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax A for an Assessor's Parcel within thirty (30) days of the request and may charge a reasonable fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section H.1, and (ii) indicate in the records of CFD No. 2007-1 that there has been a partial prepayment of the Special Tax A and that a portion of the Special Tax A with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the remaining Maximum Special Tax A, shall continue to be levied on such Assessor's Parcel pursuant to Section D.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Assigned Special Tax A that may be levied on Taxable Property (excluding Taxable Public Property and Taxable Property Owner Association Property) based on expected development at build out, both prior to and after the proposed prepayment, less expected Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all Outstanding Bonds (excluding Bonds to be redeemed by such prepayment and all prior prepayments) in each future Fiscal Year and such prepayment will not impair the security of all Outstanding Bonds, as reasonably determined by the CFD Administrator.

#### **I. TERM OF SPECIAL TAX**

The Special Tax A shall be levied for a period not to exceed 50 years commencing in FY 2007-08. The Special Tax B shall be levied as long as necessary to meet the Special Tax Requirement for Services.

K:\CLIENTS2\Brawley\Mello\Luckey Ranch\RMA\RMA\_final\_2.doc

**EXHIBIT C**

---

**CFD No. 2007-1 of  
City of Brawley**

**Special Tax Levy  
Fiscal Year 2017-2018**

---

## Exhibit C

**City of Brawley**  
**CFD No. 2007-1**  
**FY 2017-2018 Special Tax Levy**

<u>APN</u>	<u>TAX CLASS</u>	<u>FY 2017-2018 SPECIAL TAX A</u>	<u>FY 2017-2018 SPECIAL TAX B</u>	<u>FY 2017-2018 TOTAL</u>
047-492-001-000	4	\$0.00	\$629.90	\$629.90
047-492-002-000	2	\$0.00	\$629.90	\$629.90
047-492-003-000	2	\$0.00	\$629.90	\$629.90
047-492-004-000	4	\$0.00	\$629.90	\$629.90
047-492-005-000	1	\$0.00	\$629.90	\$629.90
047-492-006-000	2	\$0.00	\$629.90	\$629.90
047-492-007-000	1	\$0.00	\$629.90	\$629.90
047-496-019-000	1	\$0.00	\$629.90	\$629.90
047-496-020-000	2	\$0.00	\$629.90	\$629.90
047-496-021-000	3	\$0.00	\$629.90	\$629.90
047-502-001-000	6	\$0.00	\$541.16	\$541.16
047-502-002-000	5	\$0.00	\$541.16	\$541.16
047-502-022-000	6	\$0.00	\$541.16	\$541.16
047-502-023-000	5	\$0.00	\$541.16	\$541.16
047-502-024-000	7	\$0.00	\$541.16	\$541.16
047-502-025-000	6	\$0.00	\$541.16	\$541.16
047-503-007-000	6	\$0.00	\$541.16	\$541.16
047-503-008-000	5	\$0.00	\$541.16	\$541.16
Total Number of Parcels Taxed		<b>0</b>	<b>18</b>	<b>18</b>
Total FY 2017-2018 Special Tax		<b>\$0.00</b>	<b>\$10,628.28</b>	<b>\$10,628.28</b>

RESOLUTION NO. 2017-

RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF BRAWLEY, CALIFORNIA ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2006-1 OF THE CITY OF BRAWLEY (MALAN PARK) AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2006-1 FOR FISCAL YEAR 2017-18.

WHEREAS, the City of Brawley (the "City") previously established Community Facilities District No. 2006-1 of the City of Brawley (Malan Park) ("CFD No. 2006-1") all pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Government Code Section 53111 (the "Act"); and

WHEREAS, the City Council for the City acting as the legislative body of CFD No. 2006-1 is authorized pursuant to its Resolution Establishing Community Facilities District No. 2006-1 of the City of Brawley (Malan Park), Authorizing the Levy of Special Taxes and Calling an Election therein approved on October 17, 2006 (the "Resolution of Formation") and the Ordinance Authorizing the Levy of the Special Tax adopted in connection therewith (the "Ordinance") to levy a special tax on property in CFD No. 2006-1 for the purpose of financing (1) the maintenance of certain real or other tangible property within the City of Brawley, California, including all furnishings, equipment and supplies related thereto (collectively, the "District Facilities"), which District Facilities have a useful life of five years or longer; (2) the provision of those police protection services and fire protection and suppression services to the property in the District (collectively, the "District Services") and (3) the incidental expenses to be incurred in connection with and maintaining the District Facilities, providing the District Services and forming and administering the District (the "District Incidental Expenses"); and

WHEREAS, it is now necessary and appropriate that this City levy and collect the special taxes for Fiscal Year 2017-18 for the purposes specified in the Ordinance, by the adoption of a resolution as specified by the Act and the Ordinance; and

WHEREAS, the special taxes being levied hereunder are at the same rate or at a lower rate than provided by the Ordinance; and

NOW, THEREFORE, THE CITY COUNCIL FOR THE CITY OF BRAWLEY, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2006-1, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The above recitals are true and correct.

SECTION 2. The special tax ("Special Tax") is imposed without regard to property valuation and is levied in compliance with the Act and the Ordinance.

SECTION 3. In accordance with the Act and the Ordinance, there is hereby levied upon the parcels within the City which are not otherwise exempt from taxation under the Act or the Ordinance the special taxes for Fiscal Year 2017-18 at the tax rates set forth in the report prepared by David Taussig

and Associates for CFD No. 2006-1 entitled "City of Brawley Community Facilities District No. 2006-1 (Malan Park)" (the "Report") (the "Report") submitted herewith, which rates do not exceed the maximum rates set forth in the Ordinance. After adoption of this Resolution, the City Manager, for the City, or his designee, may make any necessary modifications to these special taxes to correct any errors, omissions or inconsistencies in the listing or categorization of parcels to be taxed or in the amount to be charged to any category of parcels; provided, however, that any such modifications shall not result in an increase in the tax applicable to any category of parcels and can only be made prior to the submission of the tax rolls to the Imperial County Auditor.

**SECTION 4.** All of the collections of the special tax shall be used only as provided for in the Act and the Resolution of Formation. The special tax shall be levied only so long as needed to accomplish the purposes described in the Resolution of Formation.

**SECTION 5.** The special tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes as such procedure may be modified by law or this City Council from time to time.

**SECTION 6.** The actions of City staff heretofore taken in order to obtain consent from the Imperial County Auditor to a later filing date are hereby ratified and the City Clerk is hereby authorized and directed to transmit a certified copy of this Resolution and the Report to the Imperial County Auditor, together with other supporting documentation as may be required to place said special taxes on the secured property tax roll for Fiscal Year 2017-178on or before August 10, 2016, and to perform all other acts which are required by the Act, the Ordinance, or by law in order to accomplish the purpose of this Resolution.

**APPROVED, PASSED AND ADOPTED** at a regular meeting held on the 6th day of June, 2017.

**CITY OF BRAWLEY, CALIFORNIA**

\_\_\_\_\_  
**Sam Couchman, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Alma Benavides, City Clerk**

*DAVID*  
**TAUSSIG**  
& *Associates, Inc.*

CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT  
No. 2006-1  
(MALAN PARK)

May 26, 2017

*Public Finance*  
*Public Private Partnerships*  
*Urban Economics*

---

*Newport Beach*  
Fresno  
San Francisco  
San Jose  
Dallas

---

**ADMINISTRATION REPORT  
FISCAL YEAR 2017-2018**

**CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT No. 2006-1  
(MALAN PARK)**

---

**Prepared For**

**CITY OF BRAWLEY  
400 Main Street  
Brawley, California 92227**

**Prepared By**

**DAVID TAUSSIG & ASSOCIATES, INC.  
5000 Birch Street, Suite 6000  
Newport Beach, California 92660  
(949) 955-1500**

**May 26, 2017**

## TABLE OF CONTENTS

Section	Page
Introduction .....	1
I. Special Tax Classifications and Development Update .....	2
Special Tax Classifications .....	2
Development Update .....	2
II. Fiscal Year 2016-2017 Special Tax Levy .....	3
III. Fiscal Year 2017-2018 Special Tax Requirement .....	4
IV. Method of Apportionment .....	5
Maximum Special Taxes .....	5
Apportionment of Special Taxes .....	5

### **EXHIBITS**

- Exhibit A: Boundary Map  
Exhibit B: Rate and Method of Apportionment  
Exhibit C: Fiscal Year 2017-2018 Special Tax Levy

---

## INTRODUCTION

---

This Mello-Roos Community Facilities District Administration Report presents the findings of the research and financial analysis performed by David Taussig & Associates, Inc. to determine the special tax requirement for Community Facilities District No. 2006-1 ("CFD No. 2006-1") of the City of Brawley ("the City") for fiscal year 2017-2018.

CFD No. 2006-1 is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982, (the "Act") as amended. The Act provides an alternative method for the financing of certain public facilities and services. Pursuant to the Rate and Method of Apportionment for CFD No. 2006-1, the Special Tax is an annual Special Tax that shall be levied as long as necessary to (i) pay for maintenance of parks, parkways, and open space, and (ii) pay for police and fire protection services. CFD No. 2006-1 is not authorized to sell bonds.

A map showing the property in CFD No. 2006-1 is included in Exhibit A.

The authorized services are funded through the annual levy and collection of special taxes from all property subject to the tax within the community facilities district. In calculating the special tax liability for fiscal year 2017-2018, this report examines the financial obligations of the current fiscal year and analyzes the level of development within CFD No. 2006-1. Pursuant to the Rate and Method of Apportionment ("RMA"), the special tax shall be levied as long as necessary to meet the Special Tax Requirement. The RMA is included in Exhibit B.

This report is organized into the following sections:

**Section I**

Section I provides an update of the development status of property within CFD No. 2006-1.

**Section II**

Section II analyzes the previous year's special tax levy.

**Section III**

Section III determines the financial obligations of CFD No. 2006-1 for fiscal year 2017-2018.

**Section IV**

Section IV reviews the methodology used to apportion the special tax requirement between Developed Property and Undeveloped Property. A table of the 2017-2018 special taxes for each classification of property is included.

**I. SPECIAL TAX CLASSIFICATIONS AND DEVELOPMENT UPDATE**

**Special Tax Classifications**

The methodology employed to calculate and apportion the special tax is contained in a document entitled the Rate and Method of Apportionment. The Rate and Method of Apportionment defines two categories of property, namely "Developed Property," and "Undeveloped Property." The category of Developed Property is in turn divided into three separate special tax classifications based on the type of structure built. A table of the Developed Property special tax classifications is shown below.

**Community Facilities District No. 2006-1  
Developed Property Classifications**

Land Use Class	Description
1	Single Family Detached Property
2	Single Family Attached Property
3	Non-Residential Property

Developed Property is distinguished from Undeveloped Property by the issuance of a building permit. Specifically, property for which a building permit for new construction was issued as of January 1 of the previous Fiscal Year shall be considered Developed Property. For example, all property in CFD No. 2006-1 for which building permits were issued as of January 1, 2017, will be classified as Developed Property in fiscal year 2017-2018.

**Development Update**

As of January 1, 2017 building permits had been issued for 96 single family detached units and 41 single family attached units within CFD No. 2006-1. The table below indicates the cumulative Developed Property within CFD No. 2006-1.

**Community Facilities District No. 2006-1  
Fiscal Year 2017-2018  
Cumulative Developed Property**

Class	Land Use	Number of Units / Acres
1	Single Family Detached Property	96 units
2	Single Family Attached Property	41 units
3	Non-Residential Property	0 acres

---

## II. FISCAL YEAR 2016-2017 LEVY

---

The aggregate special tax levy for fiscal year 2016-2017 equaled \$79,672.12. As of May 18, 2017, \$68,577.36 in special taxes had been collected by the County. The remaining \$11,094.76 in special taxes is delinquent, resulting in a delinquency rate of 2.06 percent.

All prior year special taxes have been paid.

---

### III. FISCAL YEAR 2017-2018 SPECIAL TAX REQUIREMENT

---

Pursuant to the Rate and Method of Apportionment, the special tax may be levied in CFD No. 2006-1 to: pay for (a) maintenance of parks, parkways, and open space, (b) police and fire protection services, and (c) administrative expenses; less (d) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator. For fiscal year 2017-2018 the funds required from CFD No. 2006-1 exceed the maximum special taxes that can be collected from Developed Property. Therefore, the special tax requirement is limited to \$81,265.45, the amount that can be collected through the levy of the maximum special tax.

**IV. METHOD OF APPORTIONMENT**

**Maximum Annual Special Taxes**

The amount of special taxes that CFD No. 2006-1 may levy is strictly limited by the maximum special taxes set forth in the Rate and Method of Apportionment. The Maximum Special Taxes for each classification of Developed Property are specified in Table 1 of Section C of the Rate and Method of Apportionment. On each July 1, commencing on July 1, 2008, the Maximum Special Tax shall be increased by an amount equal to two percent (2%) of the Maximum Special Tax in effect for the previous Fiscal Year.

Please note, pursuant to the Rate and Method of Apportionment, no special tax shall be levied on Undeveloped Property.

**Apportionment of Annual Special Taxes**

The annual special tax that is apportioned to each parcel is determined through the application of Section D of the Rate and Method of Apportionment.

Commencing with Fiscal Year 2008-2009 and for each following Fiscal Year, the Council shall levy the special tax so that the amount of the special tax equals the special tax requirement. The special tax shall be levied proportionally on each Assessor's Parcel of Developed Property at up to 100% of the applicable maximum special tax.

Using this methodology generates special tax revenues of \$81,265.45 from Developed Property. The fiscal year 2017-2018 maximum and actual special taxes are shown for each classification of Developed Property in the following table.

**Community Facilities District No. 2006-1  
Fiscal Year 2017-2018 Annual Special Taxes  
for Developed Property**

Land Use Class	Description	FY 2017-2018 Maximum Special Tax	FY 2017-2018 Actual Special Tax
1	Single Family Detached Property	\$617.18 per unit	\$617.18 per unit
2	Single Family Attached Property	\$536.98 per unit	\$536.98 per unit
3	Non-Residential Property	\$3,531.53 per acre	\$0.00 per acre

A list of the actual special tax levied against each parcel in CFD No. 2006-1 is included in Exhibit C.

taussig-client/Brawley/Admin/CFD 2006-1/FY 2017-18/2006\_1ADM.doc

**EXHIBIT A**

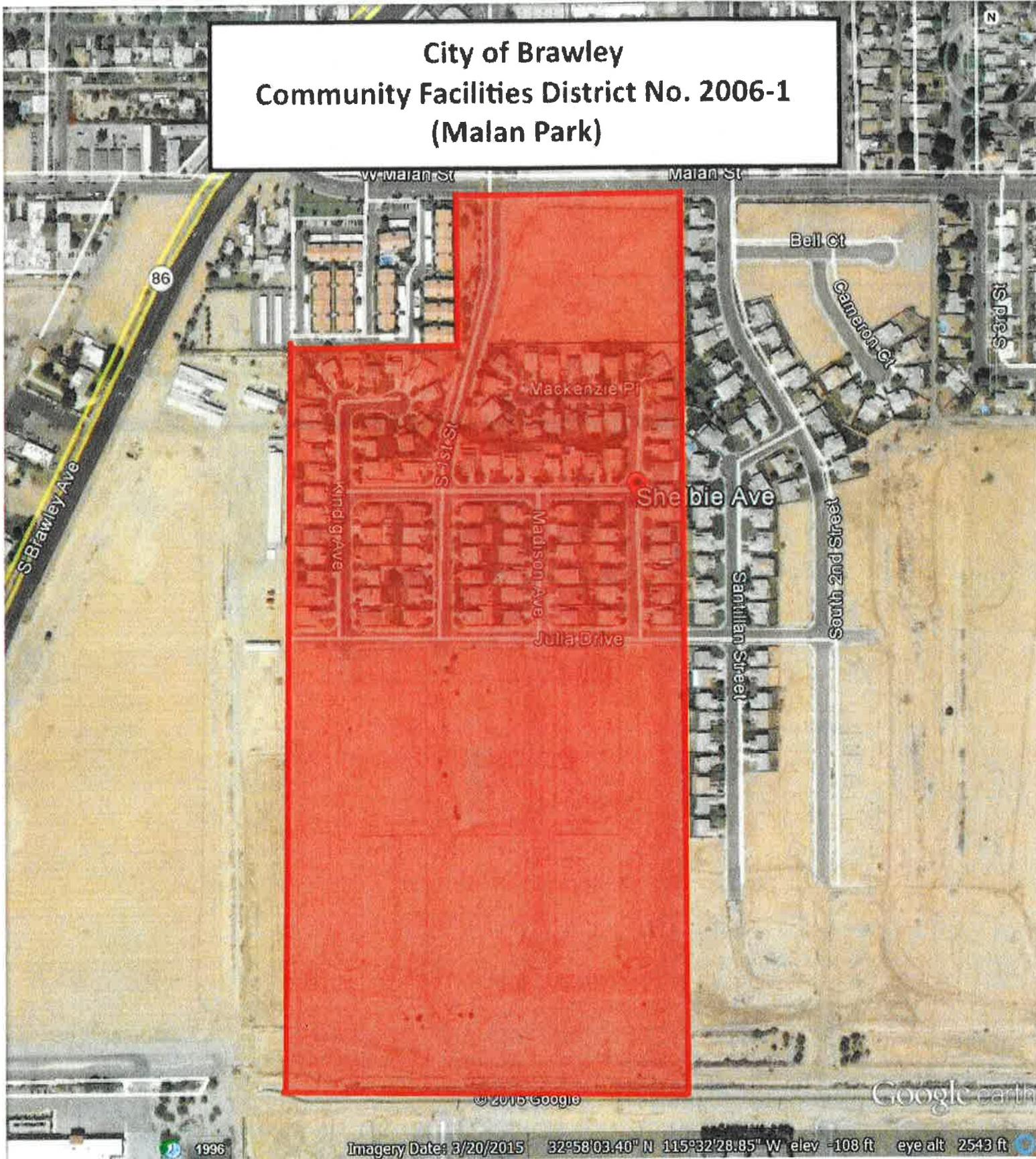
---

**CFD No. 2006-1 of  
City of Brawley**

**Boundary Map**

---

**City of Brawley  
Community Facilities District No. 2006-1  
(Malan Park)**



**EXHIBIT B**

---

**CFD No. 2006-1 of  
City of Brawley**

**Rate and Method of Apportionment**

---

**RATE AND METHOD OF APPORTIONMENT FOR  
CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT NO. 2006-1  
(MALAN PARK)**

A Special Tax as hereinafter described shall be levied on all Assessor's Parcels in City of Brawley Community Facilities District No. 2006-1 (Malan Park) ("CFD No. 2006-1") and collected each Fiscal Year commencing in Fiscal Year 2007-2008, in an amount determined by the Council according to the method of apportionment set forth herein. All of the real property in CFD No. 2006-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**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.

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Division 2 of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the costs associated with the determination of the amount of the Special Tax, collection of the Special tax, payment of the Special Tax, or otherwise incurred in order to carry out the authorized purposes of CFD No. 2006-1. Administrative Expenses include costs described in the previous sentence which the City has paid or incurred, is obligated to pay or incur in the future, or reasonably expects to pay or incur. Administrative Expenses also include attorney's fees and other costs related to the consideration and review of any appeal of a Special Tax pursuant to Section F herein, to the defense or prosecution of any legal action related to the Special Tax and to the commencement and pursuit to completion of any foreclosure action related to a lien for the Special Tax.

**"Assessor's Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's parcel number.

**"Assessor's Parcel Map"** means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

**"CFD Administrator"** means the 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. 2006-1"** means Community Facilities District No. 2006-1 (Malan Park) of the City.

**"City"** means the City of Brawley.

**"Council"** means the City Council of the City, acting as the legislative body of CFD No. 2006-1.

**"County"** means the County of Imperial.

**"Developed Property"** means, for each Fiscal Year all Taxable Property for which a building permit for new construction was issued as of January 1 of the previous Fiscal Year.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Land Use Class"** means any of the classes listed in Table 1.

**"Maximum Special Tax"** with respect to an Assessor's Parcel for a Fiscal Year means the Maximum Special Tax, determined as provided in Section C below, that can be levied in that Fiscal Year on that Assessor's Parcel.

**"Non-Residential Property"** means all Assessor's Parcels of Developed Property for which a building permit has been issued for a non-residential use.

**"Property Owner Association"** means a private entity that owns and maintains property incidental to the development within CFD No. 2006-1 for the common use of its members, as determined by the CFD Administrator.

**"Property Owner Association Property"** means, for each Fiscal Year, any Assessor's Parcel within the boundaries of CFD No. 2006-1 that was owned by, or irrevocably offered for dedication to, a Property Owner Association, including any master or sub-association, as of January 1 of the previous Fiscal Year. Notwithstanding this definition any Assessor's Parcel upon which a dwelling unit is located shall not be classified as Property Owner Association Property, but shall be classified and taxed as Developed Property.

**"Proportionately"** means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Developed Property.

**"Public Property"** means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 2006-1 that was owned by or irrevocably offered for dedication to the federal government, the State, the City or any other public agency as of January 1 of the previous Fiscal Year; provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use; and (ii) any property within the boundaries of CFD No. 2006-1 that was encumbered, as of January 1 of the previous Fiscal Year, by an unmanned utility

easement making impractical its utilization for other than the purpose set forth in the easement.

**"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.

**"Single Family Attached Property"** means all Assessor's Parcels of Residential Property, for which building permits have been issued for attached residential units.

**"Single Family Detached Property"** means all Assessor's Parcels of Residential Property for which building permits have been issued for detached residential units.

**"Special Tax"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property to fund the Special Tax Requirement.

**"Special Tax Requirement"** means that amount required in any Fiscal Year for CFD No. 2006-1 to: (i) pay for maintenance of parks, parkways, and open space; (ii) pay for police and fire protection; and (iii) pay Administrative Expenses; less (iv) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of CFD No. 2006-1 which are not exempt from the Special Tax pursuant to law or Section E below.

**"Undeveloped Property"** means, for each Fiscal Year, all Taxable Property not classified as Developed Property.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Taxable Property within CFD No. 2006-1 shall be classified as Developed Property or Undeveloped Property and shall be subject to the Special Tax in accordance with this rate and method of apportionment. Single Family Detached Property shall be assigned to Land Use Class 1. Single Family Attached Property shall be assigned to Land Use Class 2. Non-Residential Property shall be assigned to Land Use Class 3 and taxed based on the Acreage of the Assessor's Parcel.

**C. MAXIMUM SPECIAL TAX RATE**

**1. Developed Property**

a. Maximum Special Tax

The Maximum Special Tax for Fiscal Year 2007-2008 for each Land Use Class is shown below in Table 1.

**TABLE 1**

**Maximum Special Taxes for Developed Property  
For Fiscal Year 2007-2008  
Community Facilities District No. 2006-1**

<b>Land Use Class</b>	<b>Description</b>	<b>Fiscal Year 2007-2008 Maximum Special Tax</b>
1	Single Family Detached Property	\$506.30 per unit
2	Single Family Attached Property	\$440.50 per unit
3	Non-Residential Property	\$2,897.08 per acre

b. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2008, the Maximum Special Tax shall be increased by an amount equal to two percent (2%) of the Maximum Special Tax in effect for the previous Fiscal Year.

c. Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax that can be levied for each Land Use Class located on that Assessor's Parcel. For an Assessor's Parcel that contains more than one land use, the Acreage of such Assessor's Parcel shall be allocated to each type of property based on the amount of Acreage designated for each land use as determined by reference to the site plan approved for such Assessor's Parcel. The CFD Administrator's allocation to each type of property shall be final.

**2. Undeveloped Property**

No Special Tax shall be levied on Undeveloped Property.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2007-2008 and for each following Fiscal Year, the Council shall levy the Special Tax so that the amount of the Special Tax equals the Special Tax Requirement. The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor's Parcel for which an occupancy permit for private residential use has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 2006-1.

**E. EXEMPTIONS**

No Special Tax shall be levied on Property Owner Association Property or Public Property. However, should an Assessor's Parcel no longer be classified as Property Owner Association Property or Public Property, its tax-exempt status will be revoked.

**F. APPEALS AND INTERPRETATIONS**

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Council by filing a written notice of appeal with the City Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for its disagreement with the CFD Administrator's determination.

Interpretations may be made by the Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

**G. 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. 2006-1 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

**H. TERM OF SPECIAL TAX**

The Special Tax shall be levied as long as necessary to meet the Special Tax Requirement.

K:\CLIENTS2\Brawley\Mello\Malan Park\RMA\RMA\_final.doc

**EXHIBIT C**

---

**CFD No. 2006-1 of  
City of Brawley**

**Special Tax Levy  
Fiscal Year 2017-2018**

---

## Exhibit C

**City of Brawley CFD No. 2006-1  
FY 2017-2018 Special Tax Levy**

---

<u>APN</u>	<u>TAX CLASS</u>	<u>FY 2017-2018 SPECIAL TAX</u>
048-275-019-000	1	\$617.18
048-275-020-000	1	\$617.18
048-275-021-000	1	\$617.18
048-275-022-000	1	\$617.18
048-275-023-000	1	\$617.18
048-275-024-000	1	\$617.18
048-275-025-000	1	\$617.18
048-275-026-000	1	\$617.18
048-275-027-000	1	\$617.18
048-275-028-000	1	\$617.18
048-275-029-000	1	\$617.18
048-275-030-000	1	\$617.18
048-275-031-000	1	\$617.18
048-275-032-000	1	\$617.18
048-275-033-000	1	\$617.18
048-275-034-000	1	\$617.18
048-275-035-000	1	\$617.18
048-275-036-000	1	\$617.18
048-275-037-000	1	\$617.18
048-275-038-000	1	\$617.18
048-275-039-000	1	\$617.18
048-275-040-000	1	\$617.18
048-275-041-000	1	\$617.18
048-275-042-000	1	\$617.18
048-275-043-000	1	\$617.18
048-275-044-000	1	\$617.18
048-275-045-000	1	\$617.18
048-275-046-000	1	\$617.18
048-275-047-000	1	\$617.18
048-275-048-000	1	\$617.18
048-275-049-000	1	\$617.18
048-275-050-000	1	\$617.18
048-275-051-000	1	\$617.18
048-275-052-000	1	\$617.18
048-275-053-000	1	\$617.18
048-275-054-000	1	\$617.18
048-275-055-000	2	\$22,016.18
048-276-001-000	1	\$617.18
048-276-002-000	1	\$617.18
048-276-003-000	1	\$617.18

## Exhibit C

City of Brawley CFD No. 2006-1  
FY 2017-2018 Special Tax Levy

---

<u>APN</u>	<u>TAX CLASS</u>	<u>FY 2017-2018 SPECIAL TAX</u>
048-276-004-000	1	\$617.18
048-276-005-000	1	\$617.18
048-276-006-000	1	\$617.18
048-276-007-000	1	\$617.18
048-276-008-000	1	\$617.18
048-276-009-000	1	\$617.18
048-276-010-000	1	\$617.18
048-276-011-000	1	\$617.18
048-276-012-000	1	\$617.18
048-277-001-000	1	\$617.18
048-277-002-000	1	\$617.18
048-277-003-000	1	\$617.18
048-277-004-000	1	\$617.18
048-277-005-000	1	\$617.18
048-277-006-000	1	\$617.18
048-277-007-000	1	\$617.18
048-277-008-000	1	\$617.18
048-277-009-000	1	\$617.18
048-277-010-000	1	\$617.18
048-277-011-000	1	\$617.18
048-277-012-000	1	\$617.18
048-278-001-000	1	\$617.18
048-278-002-000	1	\$617.18
048-278-003-000	1	\$617.18
048-278-004-000	1	\$617.18
048-278-005-000	1	\$617.18
048-278-006-000	1	\$617.18
048-278-007-000	1	\$617.18
048-278-008-000	1	\$617.18
048-278-009-000	1	\$617.18
048-278-010-000	1	\$617.18
048-278-011-000	1	\$617.18
048-278-012-000	1	\$617.18
048-279-001-000	1	\$617.18
048-279-002-000	1	\$617.18
048-279-003-000	1	\$617.18
048-279-004-000	1	\$617.18
048-279-005-000	1	\$617.18
048-279-006-000	1	\$617.18
048-279-007-000	1	\$617.18

Exhibit C

City of Brawley CFD No. 2006-1  
FY 2017-2018 Special Tax Levy

---

<u>APN</u>	<u>TAX CLASS</u>	<u>FY 2017-2018 SPECIAL TAX</u>
048-279-008-000	1	\$617.18
048-279-009-000	1	\$617.18
048-279-010-000	1	\$617.18
048-279-011-000	1	\$617.18
048-279-012-000	1	\$617.18
048-279-013-000	1	\$617.18
048-279-014-000	1	\$617.18
048-279-015-000	1	\$617.18
048-279-016-000	1	\$617.18
048-279-017-000	1	\$617.18
048-279-018-000	1	\$617.18
048-279-019-000	1	\$617.18
048-279-020-000	1	\$617.18
048-279-021-000	1	\$617.18
048-279-022-000	1	\$617.18
048-279-023-000	1	\$617.18
048-279-024-000	1	\$617.18
Total Number of Parcels Taxed		<b>97</b>
Total FY 2017-2018 Special Tax		<b>\$81,265.46</b>

RESOLUTION NO. 2017-

RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF BRAWLEY, CALIFORNIA ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2007-2 OF THE CITY OF BRAWLEY (SPRINGHOUSE) AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2007-2 FOR FISCAL YEAR 2017-18.

WHEREAS, the City of Brawley (the "City") previously established Community Facilities District No. 2007-2 of the City of Brawley (Springhouse) ("CFD No. 2007-2") all pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Government Code Section 53111 (the "Act"); and

WHEREAS, the City Council for the City acting as the legislative body of CFD No. 2007-2 is authorized pursuant to Resolution Nos. 2007-44 and 2007-45 approved on November 20, 2007 (collectively, the "Resolutions of Formation") and the Ordinance Authorizing the Levy of the Special Tax adopted in connection therewith (the "Ordinance") to levy a special tax on property in CFD No. 2007-2 for the purpose of financing: (1) the provision of those police protection and fire protection and suppression services described in Resolution No. 2007-38, (2) the payment of certain impact fees related to the Springhouse Development Project to be applied by the City to the purchase, construction, expansion, improvement or rehabilitation of certain real or other tangible property described in Resolution No. 2007-38, (3) payment of acquisition costs of certain real or other tangible property described in Resolution No. 2007-38 ((2) and (3) collectively, the "Facilities"), which Facilities have a useful life of five years or longer and (4) the incidental expenses to be incurred in connection with financing the Facilities and forming and administering the District (the "Incidental Expenses"), all by the levy of special taxes for CFD No. 2007-2 pursuant to the Resolutions of Formation; and

WHEREAS, it is now necessary and appropriate that this City levy and collect the special taxes for Fiscal Year 2017-18 for the purposes specified in the Ordinance, by the adoption of a resolution as specified by the Act and the Ordinance; and

WHEREAS, the special taxes being levied hereunder are at the same rate or at a lower rate than provided by the Ordinance; and

NOW, THEREFORE, THE CITY COUNCIL FOR THE CITY OF BRAWLEY, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2007-2, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The above recitals are true and correct.

SECTION 2. The special tax ("Special Tax") is imposed without regard to property valuation and is levied in compliance with the Act and the Ordinance.

SECTION 3. In accordance with the Act and the Ordinance, there is hereby levied upon the parcels within the City which are not otherwise exempt from taxation under the Act or the Ordinance the special taxes for Fiscal Year 2017-18 at the

tax rates set forth in the report prepared by David Taussig and Associates for CFD No. 2007-2 entitled "City of Brawley Community Facilities District No. 2007-2 (Springhouse)" (the "Report") submitted herewith, which rates do not exceed the maximum rates set forth in the Ordinance. After adoption of this Resolution, the City Manager, for the City, or his designee, may make any necessary modifications to these special taxes to correct any errors, omissions or inconsistencies in the listing or categorization of parcels to be taxed or in the amount to be charged to any category of parcels; provided, however, that any such modifications shall not result in an increase in the tax applicable to any category of parcels and can only be made prior to the submission of the tax rolls to the Imperial County Auditor.

**SECTION 4.** All of the collections of the special tax shall be used only as provided for in the Act and Resolutions of Formation. The special tax shall be levied only so long as needed to accomplish the purposes described in Resolutions of Formation.

**SECTION 5.** The special tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes as such procedure may be modified by law or this City Council from time to time.

**SECTION 6.** The actions of City staff heretofore taken in order to obtain consent from the Imperial County Auditor to a later filing date are hereby ratified and the City Clerk is hereby authorized and directed to transmit a certified copy of this Resolution and the Report to the Imperial County Auditor, together with other supporting documentation as may be required to place said special taxes on the secured property tax roll for Fiscal Year 2017-18 on or before August 10, 2017, and to perform all other acts which are required by the Act, the Ordinance, or by law in order to accomplish the purpose of this Resolution.

**APPROVED, PASSED AND ADOPTED** at a regular meeting held on the 6th day of June, 2017.

**CITY OF BRAWLEY, CALIFORNIA**

\_\_\_\_\_  
**Sam Couchman, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Alma Benavides, City Clerk**

*DAVID*  
**TAUSSIG**  
& *Associates, Inc.*

**CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT  
No. 2007-2  
(SPRINGHOUSE)**

May 26, 2017

*Public Finance*  
*Public Private Partnerships*  
*Urban Economics*

---

*Newport Beach*  
Riverside  
San Francisco  
San Jose  
Dallas

---

**ADMINISTRATION REPORT  
FISCAL YEAR 2017-2018**

**CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT No. 2007-2  
(SPRINGHOUSE)**

---

**Prepared For**

**CITY OF BRAWLEY  
400 Main Street  
Brawley, California 92227**

**Prepared By**

**DAVID TAUSSIG & ASSOCIATES, INC.  
5000 Birch Street, Suite 6000  
Newport Beach, California 92660  
(949) 955-1500**

**May 26, 2017**

## TABLE OF CONTENTS

Section	Page
Introduction .....	1
I. Special Tax Classifications and Development Update .....	2
Special Tax A Classifications .....	2
Special Tax B Classifications .....	3
Development Update .....	3
II. Fiscal Year 2016-2017 Special Tax Levies .....	4
Fiscal Year 2016-2017 Special Tax A Levy .....	4
Fiscal Year 2016-2017 Special Tax B Levy .....	4
III. Fiscal Year 2017-2018 Special Tax Requirement for Facilities .....	5
IV. Fiscal Year 2017-2018 Special Tax Requirement for Services .....	6
V. Method of Apportionment .....	7
Maximum Special Taxes .....	7
Apportionment of Special Tax A .....	7
Apportionment of Special Tax B .....	8

### EXHIBITS

- Exhibit A: Boundary Map  
Exhibit B: Rate and Method of Apportionment  
Exhibit C: Fiscal Year 2017-2018 Special Tax Levy

---

## INTRODUCTION

---

This Mello-Roos Community Facilities District Administration Report presents the findings of the research and financial analysis performed by David Taussig & Associates, Inc. to determine the special tax requirement for Community Facilities District No. 2007-2 ("CFD No. 2007-2") of the City of Brawley ("the City") for fiscal year 2017-2018.

CFD No. 2007-2 is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982, (the "Act") as amended. The Act provides an alternative method for the financing of certain public facilities and services. Specifically, CFD No. 2007-2 is authorized to issue up to \$4,500,000 in bonds. The proceeds of the bonds will be used to finance the construction, purchase, modification, expansion, improvement or rehabilitation of storm drain, sewer, landscaping, curb and gutter, park, water, roadway, highway and bridge, traffic signals and safety lighting, flood control, libraries, police, fire and recreation facilities. In addition, CFD No. 2007-2 is authorized to levy the Special Tax B to pay for police and fire protection services.

A map showing the property in CFD No. 2007-2 is included in Exhibit A.

The authorized services are funded through the annual levy and collection of special taxes from all property subject to the tax within the community facilities district. In calculating the special tax liability for fiscal year 2017-2018, this report examines the financial obligations of the current fiscal year and analyzes the level of development within CFD No. 2007-2. Pursuant to the Rate and Method of Apportionment ("RMA"), the Special Tax A shall be levied each year to fully satisfy the special tax requirement, but in no event shall it be levied after Fiscal Year 2047-2048. The Special Tax B shall be levied as long as necessary to meet the special tax requirement for services. The RMA is included in Exhibit B.

This report is organized into the following sections:

### Section I

Section I provides an update of the development status of property within CFD No. 2007-2.

### Section II

Section II analyzes the previous year's Special Tax A and Special Tax B levies.

### Section III

Section III determines the special tax requirement for facilities for CFD No. 2007-2 for fiscal year 2017-2018.

### Section IV

Section IV determines the special tax requirement for services for CFD No. 2007-2 for fiscal year 2017-2018.

### Section V

Section V reviews the methodology used to apportion the special tax requirement for facilities and the special tax requirement for services between Developed Property and Undeveloped Property. Tables of the 2017-2018 Special Tax A and Special Tax B for each classification of property are included.

**I. SPECIAL TAX CLASSIFICATIONS AND DEVELOPMENT UPDATE**

The methodology employed to calculate and apportion the special tax is contained in a document entitled the Rate and Method of Apportionment ("RMA"). The RMA establishes the Special Tax A which is used to pay debt service on bonds and pay directly for the construction of facilities and the Special Tax B which is used to fund the cost of annual services. The RMA defines two categories of property, namely "Developed Property," and "Undeveloped Property."

Developed Property is distinguished from Undeveloped Property by the issuance of a building permit. Specifically, property for which a building permit for new construction was issued as of January 1 of the previous Fiscal Year shall be considered Developed Property. For example, all property in CFD No. 2007-2 for which building permits were issued as of January 1, 2017, will be classified as Developed Property in fiscal year 2017-2018.

**Special Tax A Classifications**

For purposes of calculating the Special Tax A, the category of Developed Property is divided into five separate special tax classifications based on the type of structure built. A table of the Developed Property special tax classifications is shown below.

**Community Facilities District No. 2007-2  
Special Tax A  
Developed Property Classifications**

Land Use Class	Description	Square Footage
1	Residential Property	≥ 1,700 s.f.
2	Residential Property	1,400 – 1,699 s.f.
3	Residential Property	1,200 – 1,399 s.f.
4	Residential Property	< 1,200 s.f.
5	Non-Residential Property	Not Applicable

**Special Tax B Classifications**

For purposes of calculating the Special Tax B, the category of Developed Property is divided into two separate special tax classifications for Residential Property and Non-Residential Property.

No Special Tax B is levied on Undeveloped Property.

**Development Update**

Background research was conducted to determine the amount and type of development activity that occurred during the previous fiscal year. Review of the City of Brawley's building permit records indicated that 18 new building permits within CFD 2007-2 were issued between January 1, 2016 and December 31, 2016. As of January 1, 2017 building permits had been issued for 93 residential units within CFD No. 2007-2. The table below indicates the cumulative Developed Property within CFD No. 2007-2.

The table below lists the aggregate amount of Developed Property by special tax classification.

**Community Facilities District No. 2007-2  
Fiscal Year 2017-2018  
Cumulative Developed Property**

Land Use Class	Description	Square Footage	Number of Units/Acres
1	Residential Property	≥ 1,700 s.f.	44 units
2	Residential Property	1,400 – 1,699 s.f.	36 units
3	Residential Property	1,200 – 1,399 s.f.	0 units
4	Residential Property	< 1,200 s.f.	13 units
5	Non-Residential Property	Not Applicable	0 units

---

## II. FISCAL YEAR 2016-2017 SPECIAL TAX LEVIES

---

### Fiscal Year 2016-2017 Special Tax A Levy

The Special Tax A was not levied in fiscal year 2016-2017.

### Fiscal Year 2016-2017 Special Tax B Levy

The aggregate special tax levy for fiscal year 2016-2017 equaled \$38,803.50. As of May 16, 2017, \$38,286.12 in special taxes had been collected by the County. The remaining \$517.38 in special taxes is delinquent, resulting in a delinquency rate of 1.33%.

---

### III. FISCAL YEAR 2017-2018 SPECIAL TAX REQUIREMENT FOR FACILITIES

---

Since bonds have not yet been issued for CFD No. 2007-2, the City is authorized to levy Special Tax A on Developed Property to pay directly for the acquisition or construction of facilities eligible to be financed by CFD No. 2007-2 and annual administrative expenses as provided for by the RMA.

Notwithstanding the foregoing, the City has decided not to levy Special Tax A in fiscal year 2017-2018. However, the City reserves the right to levy the Special Tax A in all subsequent fiscal years as authorized under the RMA.

"Trustee" means the trustee or fiscal agent under the Indenture.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Other Taxable Property.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Taxable Property within CFD No. 2007-2 shall be classified as Developed Property, Other Taxable Property, or Undeveloped Property, and shall be subject to Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below. Developed Property shall be classified as Residential Property and Non-Residential Property. Residential Property shall be assigned to Land Use Classes 1 through 4. Non-Residential Property shall be assigned to Land Use Class 5.

The Assigned Special Tax A for Residential Property shall be based on the Residential Floor Area of the dwelling unit(s) located on the Assessor's Parcel, as specified in Table 1 below. The Assigned Special Tax A for Non-Residential Property shall be based on the Acreage of the Assessor's Parcel.

**C. MAXIMUM SPECIAL TAX**

**1. SPECIAL TAX A**

a. Developed Property

(i) Maximum Special Tax A

The Maximum Special Tax A for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax A or (ii) the amount derived by application of the Backup Special Tax A.

(ii) Assigned Special Tax A

The Assigned Special Tax A for each Land Use Class is shown below in Table 1.

**TABLE 1**

**Assigned Special Tax A for Developed Property in  
CFD No. 2007-2**

Land Use Class	Description	Residential Floor Area	FY 2007-08 Assigned Special Tax A
1	Residential Property	≥ 1,700 s.f.	\$1,268 per unit
2	Residential Property	1,400 – 1,699 s.f.	\$1,211 per unit
3	Residential Property	1,200 – 1,399 s.f.	\$1,103 per unit
4	Residential Property	< 1,200 s.f.	\$995 per unit
5	Non-Residential Property	NA	\$18,798 per Acre

On each July 1, commencing July 1, 2008, the Assigned Special Tax A for each Land Use Class shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

(iii) Backup Special Tax A

The Fiscal Year 2007-08 Backup Special Tax A shall be \$18,798 per Acre. On each July 1, commencing July 1, 2008, the Backup Special Tax A shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

For the purpose of calculating the Backup Special Tax, the land area applicable to a Condominium shall be computed from the Acreage of the lot on which the Condominium is located, with the Acreage for such lot allocated equally among all of the Condominiums located or to be located on such lot.

(iv) Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Assigned Special Tax A levied on an Assessor's Parcel shall be the sum of the Assigned Special Tax A for all Land Use Classes located on that Assessor's Parcel. The Maximum Special Tax A that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax A that can be levied for all Land Use Classes located on that Assessor's Parcel. For an Assessor's Parcel that contains both Residential Property and Non-Residential Property, the Acreage of such Assessor's Parcel shall be allocated to each type of property based on the amount of Acreage designated for each land use as determined by reference to the site plan approved for such Assessor's Parcel. The

**Community Facilities District No. 2007-2  
Fiscal Year 2017-2018 Special Tax A**

Land Use Class	Description	Residential Floor Area	FY 2017-2018 Assigned/Maximum Special Tax A	FY 2017-2018 Actual Special Tax A
1	Residential Property	≥ 1,700 s.f.	\$1,545.68 per unit	\$0.00 per unit
2	Residential Property	1,400 – 1,699 s.f.	\$1,476.21 per unit	\$0.00 per unit
3	Residential Property	1,200 – 1,399 s.f.	\$1,344.55 per unit	\$0.00 per unit
4	Residential Property	< 1,200 s.f.	\$1,212.90 per unit	\$0.00 per unit
5	Non-Residential Property	Not Applicable	\$22,914.66 per Acre	\$0.00 per unit
NA	Undeveloped Property	NA	\$23,240.13 per Acre	\$0.00 per Acre

**Apportionment of Special Tax B**

The annual Special Tax B that is apportioned to each parcel is determined through the application of Section D.2 of the RMA.

Commencing with Fiscal Year 2007-2008 and for each following Fiscal Year, the Council shall levy Special Tax B so that the amount of Special Tax B equals the special tax requirement for services. The special tax shall be levied proportionally on each Assessor's Parcel of Residential Property at up to 100% of the maximum Special Tax B.

Using this methodology generates Special Tax B revenues of \$49,078.89 from Residential Property. The fiscal year 2017-2018 assigned special taxes are shown for each classification of Developed Property in the following table.

**Community Facilities District No. 2007-2  
Fiscal Year 2017-2018 Special Tax B**

Description	FY 2017-2018 Maximum Special Tax	FY 2017-2018 Actual Special Tax B
Residential Property	\$527.73 per unit	\$527.72 per unit
Non-Residential Property	\$8,163.19 per Acre	\$0 per Acre

Please note, pursuant to the RMA, no Special Tax B shall be levied on Undeveloped Property.

A list of the actual Special Tax B levied against each parcel in CFD No. 2007-2 is included in Exhibit C.

taussig-client/Brawley/Admin/CFD 2007-2/FY 2017-18/2007\_2ADM 01.doc

**EXHIBIT A**

---

**CFD No. 2007-2 of  
City of Brawley**

**Boundary Map**

---

City of Brawley  
Community Facilities District No. 2007-2  
(Springhouse)



**EXHIBIT B**

---

**CFD No. 2007-2 of  
City of Brawley**

**Rate and Method of Apportionment**

---

**RATE AND METHOD OF APPORTIONMENT FOR  
CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT NO. 2007-2  
(SPRINGHOUSE)**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in the City of Brawley Community Facilities District No. 2007-2 (Springhouse) ("CFD No. 2007-2") and collected each Fiscal Year commencing in Fiscal Year 2007-08, in an amount determined by the Council, according to the method of apportionment set forth herein. All of the real property in CFD No. 2007-2, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**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.

**"Act"** means the Mello-Roos Community 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 the following actual or reasonably estimated costs directly related to the administration of CFD No. 2007-2: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2007-2 or any designee thereof of complying with arbitrage rebate requirements; the costs to the City, CFD No. 2007-2 or any designee thereof of complying with City, CFD No. 2007-2 or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 2007-2 or any designee thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2007-2 for any other administrative purposes of CFD No. 2007-2, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure, or otherwise addressing the disposition of delinquent Special Taxes.

**"Assessor's Parcel"** means any real property to which an Assessor's parcel number is assigned as shown on an Assessor's Parcel Map.

**"Assessor's Parcel Map"** means an official map of the County Assessor of the County designating parcels by Assessor's parcel number.

**"Assigned Special Tax A"** means the Special Tax A for each Land Use Class of Developed Property within CFD No. 2007-2, as determined in accordance with Section C below.

**"Backup Special Tax A"** means the Special Tax A applicable to each Assessor's Parcel of Developed Property within CFD No. 2007-2, as determined in accordance with Section C below.

**"Bonds"** means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued by CFD No. 2007-2 under the Act.

**"CFD Administrator"** means the official of the City, or designee thereof, responsible for determining the Special Tax Requirement for Facilities, the Special Tax Requirement for Services, and providing for the levy and collection of the Special Taxes.

**"CFD No. 2007-2"** means the City of Brawley Community Facilities District No. 2007-2 (Springhouse).

**"City"** means the City of Brawley.

**"Condominium"** means a unit, whether attached or detached, meeting the statutory definition of a condominium contained in the California Civil Code Section 1351.

**"Council"** means the City Council of the City, acting as the legislative body of CFD No. 2007-2.

**"County"** means the County of Imperial.

**"Developed Property"** means, for each Fiscal Year, all Taxable Property, exclusive of Other Taxable Property, for which a building permit for new construction was issued after January 1, 2007 and prior to January 1 of the prior Fiscal Year.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Indenture"** means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time.

**"Land Use Class"** means any of the classes listed in Table 1 or Table 2 below.

**"Maximum Special Tax"** means the Maximum Special Tax A and/or Maximum Special Tax B, as applicable.

**"Maximum Special Tax A"** means the Maximum Special Tax A, determined in accordance with Section C.1 below, that can be levied in any Fiscal Year on any Assessor's Parcel within CFD No. 2007-2.

**"Maximum Special Tax B"** means the Maximum Special Tax B, determined in accordance with Section C.2 below, that can be levied in any Fiscal Year on any Assessor's Parcel within CFD No. 2007-2.

**"Non-Residential Property"** means all Assessor's Parcels of Developed Property for which a building permit(s) was issued for a non-residential use.

**"Outstanding Bonds"** means all Bonds which are deemed to be outstanding under the Indenture.

**"Other Taxable Property"** means Taxable Public Property and Taxable Property Owner Association Property.

**"Property Owner Association Property"** means, for each Fiscal Year, any property within the boundaries of CFD No. 2007-2 that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

**"Proportionately"** means, for Developed Property, that the ratio of the actual Special Tax A levy to the Assigned Special Tax A is equal for all Assessor's Parcels of Developed Property, and that the ratio of the actual Special Tax B levy to the Maximum Special Tax B is equal for all Assessor's Parcels of Developed Property. For Undeveloped Property and Other Taxable Property, "Proportionately" means that the ratio of the actual Special Tax A levy per Acre to the Maximum Special Tax A per Acre is equal for all Assessor's Parcels of Undeveloped Property or Other Taxable Property.

**"Public Property"** means, for each Fiscal Year, any property within CFD No. 2007-2 that is owned by, irrevocably offered for dedication to, or dedicated to the federal government, the State, the County, the City, or any other public agency as of June 30 of the prior Fiscal Year; provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use. To ensure that property is classified as Public Property in the first Fiscal Year after it is acquired by, irrevocably offered for dedication to, or dedicated to a public agency, the property owner shall notify the CFD Administrator in writing of such acquisition, offer, or dedication not later than June 30 of the Fiscal Year in which the acquisition, offer, or dedication occurred.

**"Residential Floor Area"** means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be

made by reference to the building permit(s) issued for such Assessor's Parcel, or if the square footage is not available from this source, as otherwise determined by the CFD Administrator based on the recorded condominium plan or other available documents.

**"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.

**"Special Tax"** means the Special Tax A and/or Special Tax B, as applicable.

**"Special Tax A"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement for Facilities.

**"Special Tax B"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property to fund the Special Tax Requirement for Services.

**"Special Tax Requirement for Facilities"** means that amount required in any Fiscal Year for CFD No. 2007-2 to: (i) pay debt service on all Outstanding Bonds; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay all or a portion of the Administrative Expenses as determined by the CFD Administrator; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) pay directly for acquisition or construction of CFD No. 2007-2 facilities eligible under the Act to the extent that the inclusion of such amount does not increase the Special Tax levy on Undeveloped Property; and (vi) pay for reasonably anticipated Special Tax A delinquencies based on the historical delinquency rate for CFD No. 2007-2 as determined by the CFD Administrator; less (vii) a credit for funds available to reduce the annual Special Tax A levy, as determined by the CFD Administrator pursuant to the Indenture.

**"Special Tax Requirement for Services"** means that amount required in any Fiscal Year for CFD No. 2007-2 to: (i) pay directly for police and fire protection services; (ii) pay Administrative Expenses not funded through the Special Tax Requirement for Facilities as determined by the CFD Administrator; less (iii) a credit for funds available to reduce the annual Special Tax B levy, as determined by the CFD Administrator.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of CFD No. 2007-2 which are not exempt from the Special Tax pursuant to law or Section E below.

**"Taxable Property Owner Association Property"** means all Assessor's Parcels of Property Owner Association Property that are not exempt pursuant to Section E below.

**"Taxable Public Property"** means all Assessor's Parcels of Public Property that are not exempt pursuant to Section E below.

"Trustee" means the trustee or fiscal agent under the Indenture.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Other Taxable Property.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Taxable Property within CFD No. 2007-2 shall be classified as Developed Property, Other Taxable Property, or Undeveloped Property, and shall be subject to Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below. Developed Property shall be classified as Residential Property and Non-Residential Property. Residential Property shall be assigned to Land Use Classes 1 through 4. Non-Residential Property shall be assigned to Land Use Class 5.

The Assigned Special Tax A for Residential Property shall be based on the Residential Floor Area of the dwelling unit(s) located on the Assessor's Parcel, as specified in Table 1 below. The Assigned Special Tax A for Non-Residential Property shall be based on the Acreage of the Assessor's Parcel.

**C. MAXIMUM SPECIAL TAX**

**1. SPECIAL TAX A**

a. Developed Property

(i) Maximum Special Tax A

The Maximum Special Tax A for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax A or (ii) the amount derived by application of the Backup Special Tax A.

(ii) Assigned Special Tax A

The Assigned Special Tax A for each Land Use Class is shown below in Table 1.

**TABLE 1**

**Assigned Special Tax A for Developed Property in  
CFD No. 2007-2**

Land Use Class	Description	Residential Floor Area	FY 2007-08 Assigned Special Tax A
1	Residential Property	≥ 1,700 s.f.	\$1,268 per unit
2	Residential Property	1,400 – 1,699 s.f.	\$1,211 per unit
3	Residential Property	1,200 – 1,399 s.f.	\$1,103 per unit
4	Residential Property	< 1,200 s.f.	\$995 per unit
5	Non-Residential Property	NA	\$18,798 per Acre

On each July 1, commencing July 1, 2008, the Assigned Special Tax A for each Land Use Class shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

(iii) Backup Special Tax A

The Fiscal Year 2007-08 Backup Special Tax A shall be \$18,798 per Acre. On each July 1, commencing July 1, 2008, the Backup Special Tax A shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

For the purpose of calculating the Backup Special Tax, the land area applicable to a Condominium shall be computed from the Acreage of the lot on which the Condominium is located, with the Acreage for such lot allocated equally among all of the Condominiums located or to be located on such lot.

(iv) Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Assigned Special Tax A levied on an Assessor's Parcel shall be the sum of the Assigned Special Tax A for all Land Use Classes located on that Assessor's Parcel. The Maximum Special Tax A that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax A that can be levied for all Land Use Classes located on that Assessor's Parcel. For an Assessor's Parcel that contains both Residential Property and Non-Residential Property, the Acreage of such Assessor's Parcel shall be allocated to each type of property based on the amount of Acreage designated for each land use as determined by reference to the site plan approved for such Assessor's Parcel. The

CFD Administrator's allocation to each type of property shall be final.

b. Maximum Special Tax A for Undeveloped Property and Other Taxable Property

The Fiscal Year 2007-08 Maximum Special Tax A for Undeveloped Property and Other Taxable Property shall be \$19,065 per Acre. On each July 1, commencing July 1, 2008, the Maximum Special Tax A for Undeveloped Property and Other Taxable Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

**2. SPECIAL TAX B**

a. Developed Property

(i) Maximum Special Tax B

The Fiscal Year 2007-08 Maximum Special Tax B for each Assessor's Parcel shall be the amount shown below in Table 2.

**TABLE 2**

**Maximum Special Tax B for Developed Property  
Fiscal Year 2007-08**

<b>Land Use Class</b>	<b>Description</b>	<b>FY 2007-08 Maximum Special Tax B</b>
1 - 4	Residential Property	\$432.92 per unit
5	Non-Residential Property	\$6,696.68 per Acre

On each July 1, commencing July 1, 2008, the Maximum Special Tax B shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

b. Undeveloped Property and Other Taxable Property

There shall be no Special Tax B levied on Undeveloped and Other Taxable Property.

**D. APPORTIONMENT OF THE ANNUAL SPECIAL TAX**

**1. SPECIAL TAX A**

Commencing with Fiscal Year 2007-08 and for each following Fiscal Year, the Council shall determine the Special Tax Requirement for Facilities and shall levy the Special Tax A until the Special Tax A levy equals the Special Tax Requirement for Facilities, as follows:

First: The Special Tax A shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the Assigned Special Tax A;

Second: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first step has been completed, the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax A for Undeveloped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first two steps have been completed, then the levy of the Special Tax A on each Assessor's Parcel of Developed Property whose Maximum Special Tax A is determined through the application of the Backup Special Tax A shall be increased in equal percentages from the Assigned Special Tax A up to the Maximum Special Tax A for each such Assessor's Parcel;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Other Taxable Property at up to the Maximum Special Tax A for Other Taxable Property.

**2. SPECIAL TAX B**

Commencing with Fiscal Year 2007-08 and for each following Fiscal Year, the Council shall determine the Special Tax Requirement for Services and shall levy the Special Tax B until the Special Tax B levy equals the Special Tax Requirement for Services, as follows:

The Special Tax B shall be levied Proportionately on each Assessor's Parcel of Residential Property at up to 100% of the Maximum Special Tax B.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 2007-2

**E. EXEMPTIONS**

**1. SPECIAL TAX A**

No Special Tax A shall be levied on up to 1.45 Acres of Public Property and Property Owner Association Property in CFD No. 2007-2. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Public Property or Property Owner Association Property. However, should an Assessor's Parcel no longer be classified as Public Property or Property Owner Association Property, its tax-exempt status will be revoked.

Public Property or Property Owner Association Property that is not exempt from Special Tax A under this section shall be subject to the levy of the Special Tax A and shall be taxed Proportionately as part of the fourth step in Section D.1 above, at up to 100% of the applicable Maximum Special Tax A for Other Taxable Property, to the extent permitted by law.

**2. SPECIAL TAX B**

No Special Tax B shall be levied on Undeveloped Property, Public Property, or Property Owner Association Property.

**F. APPEALS AND INTERPRETATIONS**

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Council by filing a written notice of appeal with the City Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for its disagreement with the CFD Administrator's determination.

Interpretations may be made by the Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

**G. MANNER OF COLLECTION**

The Special Tax will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 2007-2 may directly bill the

Special Tax, may collect the Special Tax at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

## **H. PREPAYMENT OF SPECIAL TAX**

The following definition applies to this Section H:

**"CFD Public Facilities"** means either \$3.3 million in 2007 dollars, which shall increase by the Construction Inflation Index on July 1, 2008, and on each July 1 thereafter, or such lower number as (i) shall be determined by the CFD Administrator as sufficient to provide the public facilities to be provided by CFD No. 2007-2 under the authorized bonding program for CFD No. 2007-2, or (ii) shall be determined by the 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 as described in Section D.

**"Construction Fund"** means an account specifically identified in the Indenture to hold funds which are currently available for expenditure to acquire or construct public facilities eligible under the Act.

**"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 CFD Administrator 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 (i) public facility costs previously paid from the Construction Fund, (ii) moneys currently on deposit in the Construction Fund, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance facilities costs.

**"Outstanding Bonds"** means all Previously Issued Bonds which are deemed to be outstanding under the Indenture after the first interest and/or principal payment date following the current Fiscal Year.

**"Previously Issued Bonds"** means all Bonds that have been issued by CFD No. 2007-2 prior to the date of prepayment.

### **1. Prepayment in Full**

The obligation of an Assessor's Parcel to pay the Special Tax A may be prepaid and permanently satisfied as described herein; provided that a prepayment may be made only for Assessor's Parcels of Developed Property, Undeveloped Property for which a building permit has been issued, Taxable Public Property, or Taxable Property Owner Association Property and only if there are no delinquent Special Taxes with

respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax A obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount of such Assessor's Parcel. The CFD Administrator may charge a reasonable fee for providing this service. Prepayment must be made not less than 45 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

The Special Tax A Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

Bond Redemption Amount	
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
less	Reserve Fund Credit
less	<u>Capitalized Interest Credit</u>
Total: equals	Prepayment Amount

As of the proposed date of prepayment, the Special Tax A Prepayment Amount (defined below) shall be calculated as follows:

**Paragraph No.:**

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.
2. For Assessor's Parcels of Developed Property, compute the Assigned Special Tax A and Backup Special Tax A applicable for the Assessor's Parcel to be prepaid. For Assessor's Parcels of Undeveloped Property (for which a building permit has been issued) to be prepaid, compute the Assigned Special Tax A and Backup Special Tax A for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor's Parcel. For Taxable Public Property or Taxable Property Owner Association Property, compute the Maximum Special Tax A for the Assessor's Parcel to be prepaid.
3. (a) Divide the Assigned Special Tax A or Maximum Special Tax A, as applicable, computed pursuant to paragraph 2 by the total estimated Assigned Special Tax A for the entire CFD No. 2007-2 based on the Developed Property Special Tax A which could be charged in the current Fiscal Year on all expected development through buildout of the CFD No. 2007-2 plus the Maximum Special Tax A for an Assessor's Parcel of Taxable Public Property or Taxable Property Owner Association Property being prepaid, excluding any Assessor's Parcels which have been prepaid, and

(b) Divide the Backup Special Tax A computed pursuant to paragraph 2 by the estimated total Backup Special Tax A at buildout of the CFD No. 2007-2, excluding any Assessor's Parcels which have been prepaid.

4. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "Redemption Premium").
6. Compute the current Future Facilities Costs.
7. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Amount").
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.
9. Determine the Special Tax A levied on the Assessor's Parcel in the current Fiscal Year which has not yet been paid.
10. Compute the minimum amount the CFD Administrator reasonably expects to derive from the reinvestment of the Special Tax Prepayment Amount less the Future Facilities Amount and the Administrative Fees and Expenses from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.
11. Add the amounts computed pursuant to paragraphs 8 and 9 and subtract the amount computed pursuant to paragraph 10 (the "Defeasance Amount").
12. Verify the administrative fees and expenses of CFD No. 2007-2, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").
13. The reserve fund credit ("Reserve Fund Credit") shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture), 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 requirement (as defined in the Indenture) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero.

14. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the "Capitalized Interest Credit").
15. The Special Tax A prepayment is equal to the sum of the amounts computed pursuant to paragraphs 4, 5, 7, 11 and 12, less the amounts computed pursuant to paragraphs 13 and 14 (the "Prepayment Amount").
16. From the Prepayment Amount, the amounts computed pursuant to paragraphs 4, 5, 11, 13 and 14 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Construction Fund. The amount computed pursuant to paragraph 12 shall be retained by CFD No. 2007-2.

The Special Tax A Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year's Special Tax A levy as determined under paragraph 9 (above), the CFD Administrator shall remove the current Fiscal Year's Special Tax A levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid, the Council shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of Special Tax A and the release of the Special Tax A lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay the Special Tax A shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Assigned Special Tax A that may be levied on Taxable Property (excluding Taxable Public Property and Taxable Property Owner Association Property) based on expected development at build out, both prior to and after the proposed prepayment, less expected Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all Outstanding Bonds (excluding Bonds to be redeemed by such prepayment and all prior prepayments) in each future Fiscal Year and such prepayment will not impair the security of all Outstanding Bonds, as reasonably determined by the CFD Administrator.

The Special Tax B may not be prepaid.

## **2. Prepayment in Part**

The Special Tax A on an Assessor's Parcel of Developed Property or an Assessor's Parcel of Undeveloped Property for which a building permit has been issued may be partially prepaid.

The amount of the prepayment shall be calculated as in Section H.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = [(P_E - AE) \times F] + AE$$

These terms have the following meaning:

- AE = the Administrative Fees and Expenses
- PP = the partial prepayment
- P<sub>E</sub> = the Prepayment Amount calculated according to Section H.1
- F = the percentage by which the owner of the Assessor's Parcel is partially prepaying the Special Tax A.

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax A and the percentage by which the Special Tax A shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax A for an Assessor's Parcel within thirty (30) days of the request and may charge a reasonable fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section H.1, and (ii) indicate in the records of CFD No. 2007-2 that there has been a partial prepayment of the Special Tax A and that a portion of the Special Tax A with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the remaining Maximum Special Tax A, shall continue to be levied on such Assessor's Parcel pursuant to Section D.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Assigned Special Tax A that may be levied on Taxable Property (excluding Taxable Public Property and Taxable Property Owner Association Property) based on expected development at build out, both prior to and after the proposed prepayment, less expected Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all Outstanding Bonds (excluding Bonds to be redeemed by such prepayment and all prior prepayments) in each future Fiscal Year and such prepayment will not impair the security of all Outstanding Bonds, as reasonably determined by the CFD Administrator.

#### **I. TERM OF SPECIAL TAX**

The Special Tax A shall be levied for a period not to exceed 40 years commencing in FY 2007-08. The Special Tax B shall be levied as long as necessary to meet the Special Tax Requirement for Services.

K:\CLIENTS2\Brawley\Mello\Springhouse\RMA\RMA\_final.doc

**EXHIBIT C**

---

**CFD No. 2007-2 of  
City of Brawley**

**Special Tax Levy  
Fiscal Year 2017-2018**

---

**Exhibit C**  
**City of Brawley**  
**CFD No. 2007-2**  
**FY 2017-2018 Special Tax Levy**

<u>APN</u>	<u>TAX CLASS</u>	<u>FY 2017-2018 SPECIAL TAX A</u>	<u>FY 2017-2018 SPECIAL TAX B</u>	<u>FY 2017-2018 TOTAL</u>
048-460-001-000	1	\$0.00	\$527.72	\$527.72
048-460-002-000	2	\$0.00	\$527.72	\$527.72
048-460-003-000	4	\$0.00	\$527.72	\$527.72
048-460-004-000	4	\$0.00	\$527.72	\$527.72
048-460-005-000	2	\$0.00	\$527.72	\$527.72
048-460-006-000	1	\$0.00	\$527.72	\$527.72
048-460-007-000	1	\$0.00	\$527.72	\$527.72
048-460-008-000	2	\$0.00	\$527.72	\$527.72
048-460-009-000	4	\$0.00	\$527.72	\$527.72
048-460-010-000	4	\$0.00	\$527.72	\$527.72
048-460-011-000	2	\$0.00	\$527.72	\$527.72
048-460-012-000	1	\$0.00	\$527.72	\$527.72
048-460-013-000	1	\$0.00	\$527.72	\$527.72
048-460-014-000	2	\$0.00	\$527.72	\$527.72
048-460-015-000	4	\$0.00	\$527.72	\$527.72
048-460-016-000	4	\$0.00	\$527.72	\$527.72
048-460-017-000	2	\$0.00	\$527.72	\$527.72
048-460-018-000	1	\$0.00	\$527.72	\$527.72
048-460-019-000	1	\$0.00	\$527.72	\$527.72
048-460-020-000	2	\$0.00	\$527.72	\$527.72
048-460-021-000	4	\$0.00	\$527.72	\$527.72
048-460-024-000	4	\$0.00	\$527.72	\$527.72
048-460-025-000	2	\$0.00	\$527.72	\$527.72
048-460-026-000	1	\$0.00	\$527.72	\$527.72
048-460-027-000	1	\$0.00	\$527.72	\$527.72
048-460-028-000	2	\$0.00	\$527.72	\$527.72
048-460-029-000	4	\$0.00	\$527.72	\$527.72
048-460-030-000	4	\$0.00	\$527.72	\$527.72
048-460-031-000	2	\$0.00	\$527.72	\$527.72
048-460-032-000	1	\$0.00	\$527.72	\$527.72
048-460-033-000	1	\$0.00	\$527.72	\$527.72
048-460-034-000	2	\$0.00	\$527.72	\$527.72
048-460-035-000	4	\$0.00	\$527.72	\$527.72
048-460-036-000	4	\$0.00	\$527.72	\$527.72
048-460-037-000	2	\$0.00	\$527.72	\$527.72
048-460-038-000	1	\$0.00	\$527.72	\$527.72
048-460-039-000	1	\$0.00	\$527.72	\$527.72
048-460-040-000	2	\$0.00	\$527.72	\$527.72
048-460-041-000	4	\$0.00	\$527.72	\$527.72
048-460-042-000	1	\$0.00	\$527.72	\$527.72

**Exhibit C**  
**City of Brawley**  
**CFD No. 2007-2**  
**FY 2017-2018 Special Tax Levy**

<u>APN</u>	<u>TAX CLASS</u>	<u>FY 2017-2018 SPECIAL TAX A</u>	<u>FY 2017-2018 SPECIAL TAX B</u>	<u>FY 2017-2018 TOTAL</u>
048-460-043-000	1	\$0.00	\$527.72	\$527.72
048-460-044-000	2	\$0.00	\$527.72	\$527.72
048-460-046-000	1	\$0.00	\$527.72	\$527.72
048-460-047-000	1	\$0.00	\$527.72	\$527.72
048-460-048-000	2	\$0.00	\$527.72	\$527.72
048-460-049-000	1	\$0.00	\$527.72	\$527.72
048-460-050-000	2	\$0.00	\$527.72	\$527.72
048-460-051-000	1	\$0.00	\$527.72	\$527.72
048-460-052-000	2	\$0.00	\$527.72	\$527.72
048-460-053-000	2	\$0.00	\$527.72	\$527.72
048-460-054-000	2	\$0.00	\$527.72	\$527.72
048-460-055-000	1	\$0.00	\$527.72	\$527.72
048-460-056-000	2	\$0.00	\$527.72	\$527.72
048-460-058-000	1	\$0.00	\$527.72	\$527.72
048-460-059-000	1	\$0.00	\$527.72	\$527.72
048-460-060-000	2	\$0.00	\$527.72	\$527.72
048-460-061-000	1	\$0.00	\$527.72	\$527.72
048-460-062-000	2	\$0.00	\$527.72	\$527.72
048-460-063-000	1	\$0.00	\$527.72	\$527.72
048-460-064-000	2	\$0.00	\$527.72	\$527.72
048-460-065-000	1	\$0.00	\$527.72	\$527.72
048-460-066-000	1	\$0.00	\$527.72	\$527.72
048-460-067-000	2	\$0.00	\$527.72	\$527.72
048-460-068-000	2	\$0.00	\$527.72	\$527.72
048-460-069-000	1	\$0.00	\$527.72	\$527.72
048-460-070-000	2	\$0.00	\$527.72	\$527.72
048-460-071-000	2	\$0.00	\$527.72	\$527.72
048-460-072-000	1	\$0.00	\$527.72	\$527.72
048-460-073-000	2	\$0.00	\$527.72	\$527.72
048-460-075-000	1	\$0.00	\$527.72	\$527.72
048-460-076-000	1	\$0.00	\$527.72	\$527.72
048-460-077-000	1	\$0.00	\$527.72	\$527.72
048-460-078-000	1	\$0.00	\$527.72	\$527.72
048-460-079-000	1	\$0.00	\$527.72	\$527.72
048-460-080-000	2	\$0.00	\$527.72	\$527.72
048-460-081-000	2	\$0.00	\$527.72	\$527.72
048-460-082-000	1	\$0.00	\$527.72	\$527.72
048-460-083-000	1	\$0.00	\$527.72	\$527.72
048-460-084-000	2	\$0.00	\$527.72	\$527.72
048-460-085-000	2	\$0.00	\$527.72	\$527.72

**Exhibit C**  
**City of Brawley**  
**CFD No. 2007-2**  
**FY 2017-2018 Special Tax Levy**

<u>APN</u>	<u>TAX CLASS</u>	<u>FY 2017-2018 SPECIAL TAX A</u>	<u>FY 2017-2018 SPECIAL TAX B</u>	<u>FY 2017-2018 TOTAL</u>
048-460-086-000	1	\$0.00	\$527.72	\$527.72
048-460-087-000	1	\$0.00	\$527.72	\$527.72
048-460-088-000	1	\$0.00	\$527.72	\$527.72
048-460-089-000	2	\$0.00	\$527.72	\$527.72
048-460-090-000	2	\$0.00	\$527.72	\$527.72
048-460-091-000	1	\$0.00	\$527.72	\$527.72
048-460-092-000	1	\$0.00	\$527.72	\$527.72
048-460-093-000	2	\$0.00	\$527.72	\$527.72
048-460-094-000	1	\$0.00	\$527.72	\$527.72
048-460-095-000	2	\$0.00	\$527.72	\$527.72
048-460-096-000	1	\$0.00	\$527.72	\$527.72
048-460-097-000	1	\$0.00	\$527.72	\$527.72
048-460-098-000	1	\$0.00	\$527.72	\$527.72
Total Number of Parcels Taxed		<b>0</b>	<b>93</b>	<b>93</b>
Total FY 2017-2018 Special Tax		<b>\$0.00</b>	<b>\$49,077.96</b>	<b>\$49,077.96</b>

RESOLUTION NO. 2017-

RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF BRAWLEY, CALIFORNIA ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2005-1 OF THE CITY OF BRAWLEY (VICTORIA PARK) AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2005-1 FOR FISCAL YEAR 2017-18.

WHEREAS, the City of Brawley (the "City") previously established Community Facilities District No. 2005-1 of the City of Brawley (Victoria Park) ("CFD No. 2005-1") all pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Government Code Section 53111 (the "Act"); and

WHEREAS, the City Council for the City acting as the legislative body of CFD No. 2005-1 is authorized pursuant to Resolution No. 2005-25 approved on June 7, 2005 (the "Resolution of Formation") and the Ordinance Authorizing the Levy of the Special Tax adopted in connection therewith (the "Ordinance") to levy a special tax on property in CFD No. 2005-1 to pay for the maintenance of certain real or other tangible property described in Resolution No. 2005-22 including all furnishings, equipment and supplies related thereto (collectively, the "District Facilities"), which District Facilities have a useful life of five years or longer and incidental expenses to be incurred in connection with and maintaining the District Facilities and forming and administering the District (the "District Incidental Expenses") by the levy of special taxes for CFD No. 2005-1 pursuant to the Resolution of Formation; and

WHEREAS, it is now necessary and appropriate that this City levy and collect the special taxes for Fiscal Year 2017-18 for the purpose specified in the Ordinance, by the adoption of a resolution as specified by the Act and the Ordinance; and

WHEREAS, the special taxes being levied hereunder are at the same rate or at a lower rate than provided by the Ordinance; and

NOW, THEREFORE, THE CITY COUNCIL FOR THE CITY OF BRAWLEY, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2005-1, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The above recitals are true and correct.

SECTION 2. The special tax ("Special Tax") is imposed without regard to property valuation and is levied in compliance with the Act and the Ordinance.

SECTION 3. In accordance with the Act and the Ordinance, there is hereby levied upon the parcels within the City which are not otherwise exempt from taxation under the Act or the Ordinance the special taxes for Fiscal Year 2017-18 at the tax rates set forth in the report prepared by David Taussig and Associates for CFD No. 2005-1 entitled "City of Brawley Community Facilities District No. 2005-1 (Victoria Park)" (the "Report") submitted herewith, which rates do not exceed the maximum rates set forth in the Ordinance. After

adoption of this Resolution, the City Manager, for the City, or his designee, may make any necessary modifications to these special taxes to correct any errors, omissions or inconsistencies in the listing or categorization of parcels to be taxed or in the amount to be charged to any category of parcels; provided, however, that any such modifications shall not result in an increase in the tax applicable to any category of parcels and can only be made prior to the submission of the tax rolls to the Imperial County Auditor.

**SECTION 4.** All of the collections of the special tax shall be used only as provided for in the Act and Resolution of Formation. The special tax shall be levied only so long as needed to accomplish the purposes described in Resolution of Formation.

**SECTION 5.** The special tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes as such procedure may be modified by law or this City Council from time to time.

**SECTION 6.** The actions of City staff heretofore taken in order to obtain consent from the Imperial County Auditor to a later filing date are hereby ratified and the City Clerk is hereby authorized and directed to transmit a certified copy of this Resolution and the Report to the Imperial County Auditor, together with other supporting documentation as may be required to place said special taxes on the secured property tax roll for Fiscal Year 2017-18 on or before August 10, 2017, and to perform all other acts which are required by the Act, the Ordinance, or by law in order to accomplish the purpose of this Resolution.

**APPROVED, PASSED AND ADOPTED** at a regular meeting held on the 6th day of June, 2017.

**CITY OF BRAWLEY, CALIFORNIA**

\_\_\_\_\_  
**Sam Couchman, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Alma Benavides, City Clerk**

*DAVID*  
**TAUSSIG**  
& *Associates, Inc.*

**CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT  
No. 2005-1  
(VICTORIA PARK)**

May 26, 2017

*Public Finance  
Public Private Partnerships  
Urban Economics*

---

*Newport Beach*  
Riverside  
San Francisco  
San Jose  
Dallas

---

**ADMINISTRATION REPORT  
FISCAL YEAR 2017-2018**

**CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT No. 2005-1  
(VICTORIA PARK)**

---

**Prepared For**

**CITY OF BRAWLEY  
400 Main Street  
Brawley, California 92227**

**Prepared By**

**DAVID TAUSSIG & ASSOCIATES, INC.  
5000 Birch Street, Suite 6000  
Newport Beach, California 92660  
(949) 955-1500**

**May 26, 2017**

## TABLE OF CONTENTS

Section	Page
Introduction .....	1
I. Special Tax Classifications and Development Update .....	2
Special Tax Classifications .....	2
Development Update .....	2
II. Fiscal Year 2016-2017 Special Tax Levy .....	3
III. Fiscal Year 2017-2018 Special Tax Requirement.....	4
IV. Method of Apportionment.....	5
Maximum Special Taxes.....	5
Apportionment of Special Taxes .....	5

### EXHIBITS

Exhibit A:	Boundary Map
Exhibit B:	Rate and Method of Apportionment
Exhibit C:	Fiscal Year 2017-2018 Special Tax Levy

---

## INTRODUCTION

---

This Mello-Roos Community Facilities District Administration Report presents the findings of the research and financial analysis performed by David Taussig & Associates, Inc. to determine the special tax requirement for Community Facilities District No. 2005-1 ("CFD No. 2005-1") of the City of Brawley ("the City") for fiscal year 2017-2018.

CFD No. 2005-1 is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982, (the "Act") as amended. The Act provides an alternative method for the financing of certain public facilities and services. Pursuant to the Rate and Method of Apportionment for CFD No. 2005-1, the Special Tax is an annual Special Tax that shall be levied as long as necessary to (i) pay for maintenance of parks, parkways, and open space, and (ii) pay for police and fire protection services. CFD No. 2005-1 is not authorized to sell bonds.

A map showing the property in CFD No. 2005-1 is included in Exhibit A.

The authorized services are funded through the annual levy and collection of special taxes from all property subject to the tax within the community facilities district. In calculating the special tax liability for fiscal year 2017-2018, this report examines the financial obligations of the current fiscal year and analyzes the level of development within CFD No. 2005-1. Pursuant to the Rate and Method of Apportionment ("RMA"), the special tax shall be levied as long as necessary to meet the Special Tax Requirement. The RMA is included in Exhibit B.

This report is organized into the following sections:

**Section I**

Section I provides an update of the development status of property within CFD No. 2005-1.

**Section II**

Section II analyzes the previous year's special tax levy.

**Section III**

Section III determines the financial obligations of CFD No. 2005-1 for fiscal year 2017-2018.

**Section IV**

Section IV reviews the methodology used to apportion the special tax requirement between Developed Property and Undeveloped Property. A table of the 2017-2018 special taxes for each classification of property is included.

**I. SPECIAL TAX CLASSIFICATIONS AND DEVELOPMENT UPDATE**

**Special Tax Classifications**

The methodology employed to calculate and apportion the special tax is contained in a document entitled the Rate and Method of Apportionment. The Rate and Method of Apportionment defines two categories of property, namely "Developed Property," and "Undeveloped Property." The category of Developed Property is in turn divided into two separate special tax classifications based on the type of structure built. A table of the Developed Property special tax classifications is shown below.

**Community Facilities District No. 2005-1  
Developed Property Classifications**

Land Use Class	Description
1	Single Family Property
2	Non-Residential Property

Developed Property is distinguished from Undeveloped Property by the issuance of a building permit. Specifically, property for which a building permit for new construction was issued as of January 1 of the previous Fiscal Year shall be considered Developed Property. For example, all property in CFD No. 2005-1 for which building permits were issued as of January 1, 2017, will be classified as Developed Property in fiscal year 2017-2018.

**Development Update**

Background research was conducted to determine the amount and type of development activity that occurred during the previous fiscal year. Review of the City of Brawley's building permit records indicated that 14 new building permits within CFD 2005-1 were issued between January 1, 2016 and January 1, 2017. As of January 1, 2017 building permits had been issued for 70 single family units within CFD No. 2005-1. The table below indicates the cumulative Developed Property within CFD No. 2005-1.

**Community Facilities District No. 2005-1  
Fiscal Year 2016-2017  
Cumulative Developed Property**

Class	Land Use	Number of Units / Acres
1	Single Family Property	70 units
2	Non-Residential Property	0 acres

---

**II. FISCAL YEAR 2016-2017 SPECIAL TAX LEVY**

---

The aggregate special tax levy for fiscal year 2016-2017 equaled \$26,563.04. As of May 1, 2017, all \$26,563.04 in special taxes had been collected by the County.

---

### III. FISCAL YEAR 2017-2018 SPECIAL TAX REQUIREMENT

---

Pursuant to the Rate and Method of Apportionment, the special tax may be levied in CFD No. 2005-1 to: pay for (a) maintenance of parks, parkways, and open space, (b) police and fire protection services, and (c) administrative expenses; less (d) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator. For fiscal year 2017-2018, the funds required from CFD No. 2005-1 exceed the maximum special taxes that can be collected from Developed Property. Therefore, the special tax requirement is limited to \$33,868.80, the amount that can be collected through the levy of the maximum special tax.

**IV. METHOD OF APPORTIONMENT**

**Maximum Annual Special Taxes**

The amount of special taxes that CFD No. 2005-1 may levy is strictly limited by the maximum special taxes set forth in the Rate and Method of Apportionment. The Maximum Special Taxes for each classification of Developed Property are specified in Table 1 of Section C of the Rate and Method of Apportionment. On each July 1, commencing on July 1, 2006, the Maximum Special Tax shall be increased by an amount equal to two percent (2%) of the Maximum Special Tax in effect for the previous Fiscal Year.

Please note, pursuant to the Rate and Method of Apportionment, no special tax shall be levied on Undeveloped Property.

**Apportionment of Annual Special Taxes**

The annual special tax that is apportioned to each parcel is determined through the application of Section D of the Rate and Method of Apportionment.

Commencing with Fiscal Year 2005-2006 and for each following Fiscal Year, the Council shall levy the special tax so that the amount of the special tax equals the special tax requirement. The special tax shall be levied proportionally on each Assessor's Parcel of Developed Property at up to 100% of the applicable maximum special tax.

Using this methodology generates special tax revenues of \$33,868.80 from Developed Property. The fiscal year 2017-2018 maximum and actual special taxes are shown for each classification of Developed Property in the following table.

**Community Facilities District No. 2005-1  
Fiscal Year 2017-2018 Annual Special Taxes  
for Developed Property**

Land Use Class	Description	FY 2017-2018 Maximum Special Tax	FY 2017-2018 Actual Special Tax
1	Single Family Property	\$483.84 per unit	\$483.84 per unit
2	Non-Residential Property	\$2,943.61 per acre	\$0.00 per acre

A list of the actual special tax levied against each parcel in CFD No. 2005-1 is included in Exhibit C.

taussig-client/Brawley/Admin/CFD 2005-1/FY 2017-18/2005\_1ADM.doc

**EXHIBIT A**

---

**CFD No. 2005-1 of  
City of Brawley**

**Boundary Map**

---

City of Brawley  
Community Facilities District No. 2005-1  
(Victoria Park)



© 2016 Google

**EXHIBIT B**

---

**CFD No. 2005-1 of  
City of Brawley**

**Rate and Method of Apportionment**

---

**RATE AND METHOD OF APPORTIONMENT FOR  
CITY OF BRAWLEY  
COMMUNITY FACILITIES DISTRICT NO. 2005-1  
(VICTORIA PARK)**

A Special Tax as hereinafter described shall be levied on all Assessor's Parcels in City of Brawley Community Facilities District No. 2005-1 (Victoria Park) ("CFD No. 2005-1") and collected each Fiscal Year commencing in Fiscal Year 2005-2006, in an amount determined by the Council according to the method of apportionment set forth herein. All of the real property in CFD No. 2005-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**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.

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Division 2 of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the costs associated with the determination of the amount of the Special Tax, collection of the Special tax, payment of the Special Tax, or otherwise incurred in order to carry out the authorized purposes of CFD No. 2005-1. Administrative Expenses include costs described in the previous sentence which the City has paid or incurred, is obligated to pay or incur in the future, or reasonably expects to pay or incur. Administrative Expenses also include attorney's fees and other costs related to the consideration and review of any appeal of a Special Tax pursuant to Section F herein, to the defense or prosecution of any legal action related to the Special Tax and to the commencement and pursuit to completion of any foreclosure action related to a lien for the Special Tax.

**"Assessor's Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's parcel number.

**"Assessor's Parcel Map"** means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

**"CFD Administrator"** means the 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. 2005-1"** means Community Facilities District No. 2005-1 (Victoria Park) of the City.

**"City"** means the City of Brawley.

**"Council"** means the City Council of the City, acting as the legislative body of CFD No. 2005-1.

**"County"** means the County of Imperial.

**"Developed Property"** means, for each Fiscal Year all Taxable Property for which a building permit for new construction was issued as of January 1 of the previous Fiscal Year.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Land Use Class"** means any of the classes listed in Table 1.

**"Maximum Special Tax"** with respect to an Assessor's Parcel for a Fiscal Year means the Maximum Special Tax, determined as provided in Section C below, that can be levied in that Fiscal Year on that Assessor's Parcel.

**"Non-Residential Property"** means all Assessor's Parcels of Developed Property for which a building permit has been issued for a non-residential use.

**"Property Owner Association"** means a private entity that owns and maintains property incidental to the development within CFD No. 2005-1 for the common use of its members, as determined by the CFD Administrator.

**"Property Owner Association Property"** means, for each Fiscal Year, any Assessor's Parcel within the boundaries of CFD No. 2005-1 that was owned by, or irrevocably offered for dedication to, a Property Owner Association, including any master or sub-association, as of January 1 of the previous Fiscal Year. Notwithstanding this definition any Assessor's Parcel upon which a dwelling unit is located shall not be classified as Property Owner Association Property, but shall be classified and taxed as Developed Property.

**"Proportionately"** means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Developed Property.

**"Public Property"** means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 2005-1 that was owned by or irrevocably offered for dedication to the federal government, the State, the City or any other public agency as of January 1 of the previous Fiscal Year; provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use; and (ii) any property within the boundaries of CFD No. 2005-1 that was encumbered, as of January 1 of the previous Fiscal Year, by an unmanned utility

easement making impractical its utilization for other than the purpose set forth in the easement.

**"Single Family Property"** means all Assessor's Parcels of Developed Property for which building permits have been issued for residential units.

**"Special Tax"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property to fund the Special Tax Requirement.

**"Special Tax Requirement"** means that amount required in any Fiscal Year for CFD No. 2005-1 to: (i) pay for maintenance of parks, parkways, and open space; (ii) pay for police and fire protection; and (iii) pay Administrative Expenses; less (iv) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of CFD No. 2005-1 which are not exempt from the Special Tax pursuant to law or Section E below.

**"Undeveloped Property"** means, for each Fiscal Year, all Taxable Property not classified as Developed Property.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Taxable Property within CFD No. 2005-1 shall be classified as Developed Property or Undeveloped Property and shall be subject to the Special Tax in accordance with this rate and method of apportionment. Single Family Property shall be assigned to Land Use Class 1. Non-Residential Property shall be assigned to Land Use Class 2 and taxed based on the Acreage of the Assessor's Parcel.

**C. MAXIMUM SPECIAL TAX RATE**

**1. Developed Property**

a. Maximum Special Tax

The Maximum Special Tax for Fiscal Year 2005-2006 for each Land Use Class is shown below in Table 1.

**TABLE 1**

**Maximum Special Taxes for Developed Property  
For Fiscal Year 2005-2006  
Community Facilities District No. 2005-1**

<b>Land Use Class</b>	<b>Description</b>	<b>Maximum Special Tax</b>
1	Single Family Property	\$381.51 per unit
2	Non-Residential Property	\$2,321 per Acre

b. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2006, the Maximum Special Tax shall be increased by an amount equal to two percent (2%) of the Maximum Special Tax in effect for the previous Fiscal Year.

c. Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax that can be levied for each Land Use Class located on that Assessor's Parcel. For an Assessor's Parcel that contains more than one land use, the Acreage of such Assessor's Parcel shall be allocated to each type of property based on the amount of Acreage designated for each land use as determined by reference to the site plan approved for such Assessor's Parcel. The CFD Administrator's allocation to each type of property shall be final.

2. **Undeveloped Property**

No Special Tax shall be levied on Undeveloped Property.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2005-2006 and for each following Fiscal Year, the Council shall levy the Special Tax so that the amount of the Special Tax equals the Special Tax Requirement. The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor's Parcel for which an occupancy permit for private residential use has been issued

be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 2005-1.

**E. EXEMPTIONS**

No Special Tax shall be levied on Property Owner Association Property or Public Property. However, should an Assessor's Parcel no longer be classified as Property Owner Association Property or Public Property, its tax-exempt status will be revoked.

**F. APPEALS AND INTERPRETATIONS**

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Council by filing a written notice of appeal with the City Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for its disagreement with the CFD Administrator's determination.

Interpretations may be made by the Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

**G. 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. 2005-1 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

**H. TERM OF SPECIAL TAX**

The Special Tax shall be levied as long as necessary to meet the Special Tax Requirement.

K:\Clients2\Brawley\Mello\Victoria\rma\ victoria-rma\_final.doc

**EXHIBIT C**

---

**CFD No. 2005-1 of  
City of Brawley**

**Special Tax Levy  
Fiscal Year 2017-2018**

---

## Exhibit C

City of Brawley CFD No. 2005-1  
 FY 2017-2018 Special Tax Levy

<u>APN</u>	<u>TAX CLASS</u>	<u>FY 2017-2018 SPECIAL TAX</u>
048-271-023-000	1	\$483.84
048-271-024-000	1	\$483.84
048-271-025-000	1	\$483.84
048-271-034-000	1	\$483.84
048-271-035-000	1	\$483.84
048-271-036-000	1	\$483.84
048-271-037-000	1	\$483.84
048-271-038-000	1	\$483.84
048-271-039-000	1	\$483.84
048-271-040-000	1	\$483.84
048-271-047-000	1	\$483.84
048-271-048-000	1	\$483.84
048-271-049-000	1	\$483.84
048-271-050-000	1	\$483.84
048-271-051-000	1	\$483.84
048-271-052-000	1	\$483.84
048-271-053-000	1	\$483.84
048-271-054-000	1	\$483.84
048-271-055-000	1	\$483.84
048-271-056-000	1	\$483.84
048-271-057-000	1	\$483.84
048-271-058-000	1	\$483.84
048-271-059-000	1	\$483.84
048-271-060-000	1	\$483.84
048-274-001-000	1	\$483.84
048-274-002-000	1	\$483.84
048-274-003-000	1	\$483.84
048-274-004-000	1	\$483.84
048-274-005-000	1	\$483.84
048-274-006-000	1	\$483.84
048-274-007-000	1	\$483.84
048-274-008-000	1	\$483.84
048-274-009-000	1	\$483.84
048-274-010-000	1	\$483.84
048-274-011-000	1	\$483.84
048-274-012-000	1	\$483.84
048-274-013-000	1	\$483.84
048-275-001-000	1	\$483.84
048-275-002-000	1	\$483.84
048-275-003-000	1	\$483.84
048-275-004-000	1	\$483.84

## Exhibit C

**City of Brawley CFD No. 2005-1  
FY 2017-2018 Special Tax Levy**

---

<u>APN</u>	<u>TAX CLASS</u>	<u>FY 2017-2018 SPECIAL TAX</u>
048-275-005-000	1	\$483.84
048-275-006-000	1	\$483.84
048-275-007-000	1	\$483.84
048-275-008-000	1	\$483.84
048-275-009-000	1	\$483.84
048-275-010-000	1	\$483.84
048-275-011-000	1	\$483.84
048-275-012-000	1	\$483.84
048-275-013-000	1	\$483.84
048-275-014-000	1	\$483.84
048-275-015-000	1	\$483.84
048-275-016-000	1	\$483.84
048-275-017-000	1	\$483.84
048-275-018-000	1	\$483.84
048-401-001-000	1	\$483.84
048-401-002-000	1	\$483.84
048-401-003-000	1	\$483.84
048-401-004-000	1	\$483.84
048-401-005-000	1	\$483.84
048-401-006-000	1	\$483.84
048-401-007-000	1	\$483.84
048-401-008-000	1	\$483.84
048-401-009-000	1	\$483.84
048-402-001-000	1	\$483.84
048-402-002-000	1	\$483.84
048-402-003-000	1	\$483.84
048-402-004-000	1	\$483.84
048-402-005-000	1	\$483.84
048-402-006-000	1	\$483.84
Total Number of Parcels Taxed		<b>70</b>
Total FY 2017-2018 Special Tax		<b>\$33,868.80</b>

**COUNCIL AGENDA REPORT**

City of Brawley

Meeting Date: June 6, 2017

City Manager: 

**PREPARED BY:** Gordon R. Gaste, AICP CEP

**PRESENTED BY:** Gordon R. Gaste, AICP CEP

**SUBJECT:** Annual Planning Report and Progress of the General Plan Year for year 2017

**RECOMMENDATION:** Acceptance of Report

**DISCUSSION:** The California Office of Planning and Research (OPR) per Government Code Section 65400 mandates that the City submit an annual report on the status of the General Plan and progress in its implementation to their legislative bodies. The Annual Progress Report (APR) provides local legislative bodies with information regarding the implementation of the General Plan. The Housing Element portion also needs to be submitted to the Department of Housing and Community Development (HCD). Per HCD requirements, the APR must be presented publically to the local legislative body for its review and acceptance.

**FISCAL IMPACT:** Staff Preparation Time and \$2,500 for Consultant for the Housing Element Portion

**ATTACHMENTS:** General Plan Annual Progress Report

# CITY OF BRAWLEY ANNUAL PLANNING REPORT AND STATUS OF THE GENERAL PLAN 2016

**Submitted To:**

City of Brawley City Council  
383 Main Street  
Brawley, California 92227

City of Brawley Planning Commission  
383 Main Street  
Brawley, California 92227

Governor's Office of Planning and Research  
State Clearinghouse and Planning Unit  
P.O. Box 3044  
Sacramento, California 95812-3044

Department of Housing and Community Development  
Housing Policy Division  
1800 Third Street, Room 430  
Sacramento, California 95814

**Prepared By:**

City of Brawley Planning Department  
400 Main Street  
Suite 2  
Brawley, California 92227

**Date Submitted:**

May 30, 2017

## **2016 Annual Planning Report and Status of the General Plan**

- I. Executive Summary
- II. City of Brawley Overview
- III. City Council Role and Responsibility
- IV. Planning Commission Role and Responsibility
- V. Development Review Committee
- VI. Planning Department Role and Responsibility
- VII. Land Use Permits
- VIII. General Plan Update
- IX. Housing Element Progress

## I. EXECUTIVE SUMMARY

The annual planning report and status of the General Plan for the calendar year 2016 is hereby submitted to the City of Brawley City Council, Planning Commission, and State Office of Planning and Research (OPR).

During the 2016 Calendar Year, the staff, the Planning Commission, and the City Council addressed a variety of challenging and progressive land-use related projects and/or issues. Applications are steady and consistent with last year's levels. There was an increase in residential developments, some that were already entitled and require no further land use applications.

As Director of the Planning Department, I sincerely thank the City Council and the Planning Commission for their assistance and support in my thirteenth full years with the City of Brawley. A sincere thank you is also given to the staff of the Planning Department, Community Development Services, and Public Works Department for their coordination and assistance in carrying out the year's projects. A particular thank you is also given to the members of the Development Review Committee (DRC) for working with the Planning Department on all the projects listed herein.



Gordon R. Gaste, AICP CEP

Planning Director

## II. CITY OF BRAWLEY OVERVIEW

The City of Brawley, incorporated April 6, 1908, is located in the southeast corner of the state of California, in the agriculturally rich Imperial Valley.

Brawley is located 210 miles southeast of Los Angeles, 290 miles southwest of Las Vegas, Nevada, 120 miles east of San Diego, 60 miles west of Yuma, Arizona, and 23 miles north of Mexicali, Baja California, Mexico.

Brawley's climate is characterized as arid with hot summers and mild winters. The City lies 113 feet below sea level and receives approximately 3 inches of rain per year. The average annual temperature is 73.2 degrees. Brawley also has more days of sunshine per year than San Diego making the area ideal for outdoor recreation.

Brawley's 2016 California Department of Finance population figures estimate 26,629 residents. The City encompasses 8.09 square miles giving the city a population density of 3,292 persons per square mile.

## III. CITY COUNCIL ROLE AND RESPONSIBILITY

The City of Brawley is a General Law City operating under the laws of the State of California. There are five (5) Council members elected at large who serve four-year terms. This Council is the community legislative body. It sets policies, approves the budget, and determines tax rates.

### 2016 Brawley City Council

Sam A. Couchman (Mayor)

Helen Noriega (Mayor Pro-Tempore)

Norma Kastner-Jauregui

George A. Nava

Donald L. Wharton

#### **IV. PLANNING COMMISSION ROLE AND RESPONSIBILITY**

California Government Code, Section 65101, authorizes the creation of a Planning Commission by the City Council. The Planning Commission consists of seven (7) members, appointed by City Council for a term of four years.

One of the Planning Commission's primary roles is to prepare and recommend to the City Council, a comprehensive, long-term general plan for the physical development of the City. The Planning Commission also rules on matters from individual citizens pertaining to the enforcement of zoning.

##### 2016 Brawley Planning Commission

Robert Palacio (Chairman)

Ramon Castro (Vice Chairman)

Eugene Bumbera

Jay Goyal

Kevan Hutchinson

George A. Marquez

Darren Smith

## V. DEVELOPMENT REVIEW COMMITTEE ROLE AND RESPONSIBILITY

The Development Review Committee (DRC) is an internal decision-making body that consists of six (6) voting members representing the following departments:

- Planning
- Community Development Services
- Public Works
- Police
- Fire
- Parks and Recreation

The Committee also consists of advisory members to include the following:

- Administrative Services
- Library
- Brawley Airport Advisory Commission
- Utilities (Imperial Irrigation District, Southern California Gas Company, Time/Warner Communications, AT&T, Union Pacific Railroad, Imperial Valley Telecommunications Authority)
- School Districts (Brawley Union High School District and Brawley Elementary School District)
- California Department of Transportation (CALTRANS) District 11
- California Fish & Game Region 6
- County of Imperial (LAFCO/ALUC/Planning & Development Service, Air Pollution Control District)
- Naval Air Facility – El Centro

The Department Heads serve on the committee or may choose alternates to represent their departments.

The role of the DRC is to make recommendations and decisions on projects subject to the California Environmental Quality Act (CEQA) and projects requiring close coordination with other agencies. It also approves site plans and adjustment plats not requiring a zone change, general plan amendment, conditional use permit, variance, or subdivision.

## VI. PLANNING DEPARTMENT ROLE AND RESPONSIBILITY

Planning is an approach to problem solving, a process to formulate future plans and ordinances, ensuring full public participation, and providing all advisory bodies (e.g., Planning Commission) and the legislative body (City Council) with the necessary information to make intelligent and informed decisions.

Through the California Constitution, the State has delegated the responsibility of implementing local policies and development to each City through the City General Plan.

Some of the specific functions of the Planning Department are to revise the General Plan, made up of seven (7) mandatory elements and one (1) optional element, review of specific plans, amending the General Plan, keeping the Zoning and Subdivision Ordinances current through amendments thereto, handling Conditional Use Permits, Specific Plans, Zone Changes, Variances, Major/Minor Subdivisions (Tract Maps/Parcel Maps), Site Plans, Adjustment Plats (Lot Line Adjustments, Lot Mergers) and Certificates of Compliance among others. The Planning Department also works with other city departments providing administrative and technical assistance with their projects.

One of the necessary functions of the review for any project submitted to the Planning Department is the California Environmental Quality Act (CEQA) application. Through the preparation of an "Initial Study", the City determines whether or not a particular project may create a significant impact on the environment.

Policies of the General Plan and city ordinances must be consistently applied across the board without regard as to who the applicant is and what the project may be.

### Planning Department Staff

Gordon R. Gaste, AICP CEP, Planning Director

Lisa Tylenda, Planning Technician

## VII. LAND USE PERMITS

The City of Brawley processed a significant amount of land use applications. The applications have remained stable for the last three years.

Below are brief definitions of the various permits, standard procedures, and the number of permits processed during the 2016 Calendar Year. The definitions are not comprehensive; therefore, they should only be used as a reference.

**Subdivision:** Generally, a subdivision is any division of land for the purpose of sale, lease, or financing and is governed by the State Subdivision Map Act (Government Code, Section 66410).

**Major Subdivision:** With a few exceptions, a major subdivision is the division of five or more lots. During the 2016 Calendar Year, the Planning Department processed 3 Major Subdivision applications.

**Minor Subdivision:** A minor subdivision consisting of four or fewer parcels that requires a parcel map. During the 2016 Calendar Year, the Planning Department processed 0 Minor Subdivision applications.

**Zone Change:** Zoning is a state-mandated requirement and all properties within the City are classified into various zones or "zoning districts." Zoning regulations establish groups of permitted uses that vary from district to district. If a property owner desires to conduct a land use upon his property that is not permitted in the existing zoning district, he or she may apply for a Zone Change. During the 2016 Calendar Year, the Planning Department processed 3 Zone Change applications.

**Conditional Use Permit:** A procedure established whereby an applicant can request a certain land use to be permitted in an area in which it is not usually permitted by the Zoning Ordinance, and where such uses are deemed essential or desirable to the public convenience and welfare, and are compatible with the various elements or objectives of the General Plan. During the 2016 Calendar Year, the Planning Department processed 1 Conditional Use Permit application.

**Variance:** A procedure established by state law and the ordinances of the City of Brawley whereby an applicant can request a deviation from the provisions of the minimum property development standards established relating to building height, lot area, structural coverage, building setbacks, or accessory structures (e.g., carports, signs). During the 2016 Calendar Year, the Planning Department processed 0 Variance applications.

**Adjustment Plat:** Lot Line Adjustment and Lot Merger. These are required to adjust property lines between adjacent parcels when no new parcels are created. During the 2016 Calendar Year, the Planning Department processed 7 Adjustment Plat applications.

**General Plan Amendment:** During the 2016 Calendar Year, the Planning Department processed 2 General Plan Amendment applications.

**Site Plan Review:** A procedure for review of site-specific requirements for a project. A site plan review may be an ordained requirement or mandated by a condition of approval. During the 2016 Calendar Year, the Planning Department processed 3 Site Plan Review applications.

Cumulatively, the Planning Department processed 19 land use permit applications for the 2016 Calendar Year. This is comparable to last year's numbers.

## VIII. THE GENERAL PLAN UPDATE

The City of Brawley, in 2008, prepared a revised General Plan that serves to guide future development. The Housing Element was last updated in 2013 and is being implemented to achieve the regional housing needs.

The objective of the General Plan is to promote orderly growth and development and to maintain and improve the kind of environment that makes Brawley an excellent place to live, work, and enjoy leisure time. The General Plan contains information on the physical, economic, and social environment of Brawley.

The California Government Code requires that the plan be long-term, clearly written, comprehensive, and the policies of the plan must be internally consistent.

The City of Brawley General Plan is an official statement by the City Council. It can be viewed as the constitution for the City's physical development, for the protection of the environment, and for the enhancement of the quality of life in Brawley. It is used by the Planning Commission and City Council to support their decisions on major land use, zoning, and future public/private projects. The General Plan policies and programs shall also provide information and guidance to the general public. In context, the General Plan addresses the following mandatory plans and other optional elements:

- Land Use Element
- Infrastructure Element
- Resource Management Element
- Open Space/Recreation Element
- Public Safety/Noise Element
- Economic Development Element
- Housing Element
- Implementation Element

The City adopted a Non-Motorized Transportation Plan in May 2013.

The Water Master Plan was adopted in September 2012

The Wastewater Master Plan was adopted in May 2013.

A Climate Action Plan has been completed to the State's requirements and is ready for adoption by the City at any time the City Council deems appropriate.

#### **IX. HOUSING ELEMENT PROGRESS**

This report contains the data from the new 2014-2021 Housing Element.

Tables A, B, and C are attached.

**ANNUAL ELEMENT PROGRESS REPORT**  
**Housing Element Implementation**  
(CCR Title 25 §6202 )

Jurisdiction City of Brawley  
Reporting Period 1/1/2016 - 12/31/2016

**Table A**  
**Annual Building Activity Report Summary - New Construction**  
**Very Low-, Low-, and Mixed-Income Multifamily Projects**

1 Project Identifier (may be APN No., project name or address)	2 Unit Category	3 Tenure R=Renter O=Owner	4 Affordability by Household Incomes			5 Total Units per Project	5a Est. # Infill Units*	6 Housing with Financial Assistance and/or Deed Restrictions		7 Deed Restricted Units	8 Housing without Financial Assistance or Deed Restrictions
			Very Low- Income	Low- Income	Moderate- Income			Above Moderate- Income	Assistance Programs for Each Development		
049-121-042	SF	O		1			1	USDA loans	yes		Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
049-051-034-000	SF	O	1				1	USDA loans	yes		
049-502-044	SF	O	1				1	USDA loans	yes		
049-150-025	SF	O		1			1	USDA loans	yes		
047-073-062	SF	O	1				1	USDA loans	yes		
047-073-063	SF	O	1				1	USDA loans	yes		
047-073-063	SF	O		1			1	USDA loans	yes		
047-073-065	SF	O		1			1	USDA loans	yes		
049-113-014	SF	O		1			1	USDA loans	yes		
049-112-009-000	SF	O	1				1	USDA loans	yes		
047-363-025-000	SF	O		1			1	USDA loans	yes		
049-161-004-000	SF	O		1			1	USDA loans	yes		
049-50-031	SF	O	1				1	USDA loans	yes		
<b>(9) Total of Moderate and Above Moderate from Table A3</b>						<b>54</b>	<b>0</b>				
<b>(10) Total by Income Table A/A3</b>						<b>6</b>	<b>7</b>	<b>54</b>			
<b>(11) Total Extremely Low-Income Units*</b>											

\* Note: These fields are voluntary

**ANNUAL ELEMENT PROGRESS REPORT**  
***Housing Element Implementation***  
(CCR Title 25 §6202 )

<b>Jurisdiction</b>	<b>Reporting Period</b>
City of Brawley	1/1/2016 - 12/31/2016

**ANNUAL ELEMENT PROGRESS REPORT**  
**Housing Element Implementation**  
(CCR Title 25 §6202 )

Jurisdiction: City of Brawley  
Reporting Period: 1/1/2016 - 12/31/2016

**Table A2**  
**Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)**

Please note: Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				TOTAL UNITS	(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	Low-Income		
(1) Rehabilitation Activity					0	funded by HOME Grant 11HOME77664
(2) Preservation of Units At-Risk					0	
(3) Acquisition of Units					0	
(5) Total Units by Income	0	0	0	0	0	

\* Note: This field is voluntary

**Table A3**  
**Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)**

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate	54	0	0	0	0	54	0
No. of Units Permitted for Above Moderate	0	0	0	0	0	0	0

\* Note: This field is voluntary

**ANNUAL ELEMENT PROGRESS REPORT  
Housing Element Implementation**  
(CCR Title 25 §6202 )

Jurisdiction City of Brawley  
Reporting Period 1/1/2016 - 12/31/2016

**Table B**

**Regional Housing Needs Allocation Progress**

**Permitted Units Issued by Affordability**

Income Level	Permitted Units Issued by Affordability										Total Units to Date (all years)	Total Remaining RHNA by Income Level	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9				
Very Low	Deed	244			4	20	6					313	443
	Restricted Non-deed restricted		39										
Low	Deed	165	44		6	27	7					249	262
	Restricted Non-deed restricted												
Moderate	Deed											198	285
	Restricted Non-deed restricted	132		5	8		54						
Above Moderate		143	9	5	9							166	1,160
Total RHNA by COG. Enter allocation number:		684	92	10	27	47	67					927	2,160
Total Units													
Remaining Need for RHNA Period													

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

RESOLUTION NO. 2017-

**RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF BRAWLEY,  
CALIFORNIA ALYCE A. GEREAX PARK SPLASH PAD RULES FOR THE  
UNSUPERVISED FACILITY.**

**WHEREAS**, the City Council of the City of Brawley, California seeks to establish rules and regulations governing the Alyce A. Gereaux Park Splash Pad Rules for the Unsupervised Facility; and

**WHEREAS**, the City Council finds that its approval of the rules for the unsupervised facility will be in the best interest of the City of Brawley, California.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BRAWLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

1. That the foregoing is true, correct and adopted.
2. That the City Council does hereby approve the Brawley Parks & Recreation Department rules and regulations for Alyce A. Gereaux Park Splash Pad Rules for the Unsupervised Facility, a copy of which is on file in the Office of the City Clerk.



**ALYCE A. GEREAX PARK**

Splash Pad Rules for the Unsupervised Facility

- Open from the last Saturday of May through the last Saturday in September
- Normal hours of operation are 10AM - 9PM daily
- Swimsuits and/or appropriate attire must be worn at all times
- Footwear appropriate for splash pad use is strongly recommended
- Swim diapers are required for all children under the age of 4
- Individuals who are sick, have diarrhea, or open sores should not enter the splash pad area
- Users must conduct themselves in a courteous, safe and family oriented manner
- Running, climbing on splash pad equipment, roughhousing or violent play is prohibited
- Children under the age of 12 should be supervised by an adult at all times
- The splash pad surface may be hot; please inspect surface before starting to play
- Alcohol consumption and tobacco use are prohibited
- Pets, food/beverages, and glass containers are not allowed in the splash pad area
- Drinking splash pad water is prohibited

- Skateboards, roller blades, bicycles, scooters, motorized vehicles and like items are prohibited
- Play items or equipment, such as athletic equipment, bats, balls, beach balls, noodles are prohibited
- The splash pad may be closed at any time due to weather, maintenance or other operational concerns
- The City reserves the right to remove any user/spectator from the park for violating splash pad rules or engaging in illegal, disruptive, destructive, or inappropriate behavior
- The City reserves the right to recover the cost of repairs/replacement of damaged property
- To report concerns, call the Parks & Recreation Dept. at 760-344-5675 or the Police Dept. at 760-344-2120

**Please Help Keep Our Park Facility Clean and Safe,  
Have Fun and Enjoy Safe Play**

APPROVED, PASSED AND ADOPTED at a regular meeting held on the 6th day of June, 2017.

CITY OF BRAWLEY, CALIFORNIA

Sam Couchman, Mayor

ATTEST:

Alma Benavides, City Clerk

STATE OF CALIFORNIA)  
COUNTY OF IMPERIAL)  
CITY OF BRAWLEY)

I, *Alma Benavides, City Clerk* of the City of Brawley, California, DO HEREBY CERTIFY, that the foregoing Resolution No. 2017- as passed and adopted by the City Council of the City of Brawley, California, at a regular meeting held on the 6th day of June, 2017 and that it was so adopted by the following roll call vote:

AYES:  
NAYES:  
ABSTAIN:  
ABSENT:

Dated: June 6, 2017

Alma Benavides, City Clerk



**CARL WARREN & COMPANY**  
Claims Management and Solutions

May 23, 2017

TO: City of Brawley

ATTENTION: Shirley Bonillas, Personnel and Risk Management Administrator

RE: Claim : Garcia v. Brawley  
Claimant : Javier Garcia, et al.  
Member : City of Brawley  
Date Rec'd by Mbr: 5/22/17  
Date of Event: 12/21/17  
CW File Number: 1964842

Dear Shirley:

Please allow this correspondence to acknowledge receipt of the captioned claim. Please take the following action:

- **CLAIM REJECTION: Send a standard rejection letter to the claimant's attorney.**

Please include a Proof of Mailing with your rejection notice to the claimant. An exemplar copy of a Proof of Mailing is attached. Please provide us with a copy of the Notice of Rejection and copy of the Proof of Mailing. If you have any questions feel free to contact the assigned adjuster or the undersigned supervisor.

Very truly yours

CARL WARREN & COMPANY  
*Richard D. Marque*  
Richard D. Marque  
Supervisor

**COUNCIL AGENDA REPORT**  
City of Brawley

Meeting Date: 06/06/17

City Manager:



**PREPARED BY:** Kelly Brown, Interim Chief of Police

**PRESENTED BY:** Kelly Brown, Interim Chief of Police

**SUBJECT:** Travel Authorization for Interim Chief of Police to Attend Academy Graduation Ceremony from June 14 to June 16, 2017 in Eureka, California

**CITY MANAGER RECOMMENDATION:** Authorize travel request.

**DISCUSSION:** In accordance with Brawley City Council action taken on March 18, 2008 regarding the City's Employee Travel Policy, travel of 500 miles or greater requires City Council approval. The Brawley Police Department has two (2) new officers attending the academy in Eureka, CA. Approval is requested for the Interim Chief of Police to travel to Eureka to attend the graduation ceremony.

**FISCAL IMPACT:** Estimated at \$479.54 for accommodations and per diem  
2016/2017 Travel Budget

**ATTACHMENTS:** Hotel confirmation



**BW** Best Western PLUS

## Humboldt Bay Inn

232 W 5th Street  
Eureka, California 95501

Toll Free Number: 800-780-7234  
Hotel Number: 707-443-2234

Confirmation #  
334382369

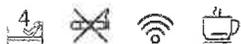
Check-In: 06/14/2017 3:00 PM  
Check-Out: 06/15/2017 12:00 PM

1 Night	1 Room	2 Guests
------------	-----------	-------------

Room 1

2 Queen Beds

2 Guests
-------------



### Best Western Rewards Members

Daily Rates	06/14/2017 to 06/14/2017	1x	143.99
-------------	--------------------------	----	--------

Rates  
**\$ 143.99**

### Taxes, Fees & Policies

#### Other Taxes and Fees.

Tax 10% - \$14.40USD

Humboldt Tourism Assessment 2% - \$2.88USD

Deposit Policy: Guaranteed to your credit card for late arrival.

Cancellation Policy: Cancel before 04:00 PM hotel time on 06/13/2017 to avoid a charge.  
Child Policy: Children 12 And Under Are Free In Room With One Paying Adult In Existing Bedding.

Reservation Amount

Room 1 SubTotal: \$ 143.99  
Taxes: \$ 17.28  
Total: \$ 161.27

## Courtyard San Luis Obispo

1605 Calle Joaquin Road

San Luis Obispo, CA 93405

USA

Phone: +1-805-786-4200

### Confirmation Number: 87087260

Thank you for your reservation. Your reservation is guaranteed to your American Express card. We look forward to greeting you.

#### Your Stay

Thursday, June 15, 2017, Friday, June 16, 2017, 1 rooms, 1 guests/room.

#### Room(s)

Guest room, 2 Queen.

1 night at **146.00 USD**

**165.26 USD** Total hotel currency (incl. est. taxes)

#### Room Preferences

Please Note: Non-Commissionable Rate, Qualifying Rate ID Required.

#### Guest Information

Jonathan Blackstone

#### Summary of Charges

Summary of Room Charges	Cost per night per room (USD)
Thursday, June 15, 2017 - Friday, June 16, 2017 (1 night , federal government ID required )	146.00
Estimated government taxes and fees	19.26
<b>Total for stay (per room)</b>	<b>165.26</b>

#### Additional Charges

### Rate Details

federal government ID required

#### Cancelling Your Reservation

You may cancel your reservation for no charge until June 13, 2017 (2 day[s] before arrival).

**COUNCIL AGENDA REPORT**  
City of Brawley

Meeting Date: June 06, 2017

City Manager: 

**PREPARED BY:** Ruby D. Walla, Brawley Finance Director

**PRESENTED BY:** Ruby D. Walla, Brawley Finance Director

**SUBJECT:** Issuance of Pension Obligation Bonds - Preliminary Official Statement, Continuing Disclosure Agreement and Purchase Contract

**CITY MANAGER RECOMMENDATION:** It is recommended that the City adopt the attached Resolution No. 2017- : Resolution of the City Council of the City of Brawley, California Approving the Form of and Authorizing the Execution and Delivery of a Preliminary Official Statement, a Purchase Contract and a Continuing Disclosure Agreement in Connection with the Issuance, Sale and Delivery of Pension Obligation Bonds.

**DISCUSSION:** On February 21, 2017, the City adopted Resolution No. 2017-10, authorizing the City to issue pension obligation bonds to refinance outstanding pension obligations of the City, approving the form of and authorizing the execution and delivery of a Trust Agreement and authorizing a validation action. On May 2, 2017, the Superior Court of the State of California, County of Imperial, entered a judgment validating the issuance and sale of the proposed pension obligation bonds for the purpose of refunding certain obligations owed by the City to the California Public Employee Retirement System.

To proceed with the issuance, the City must now approve a Preliminary Official Statement, a Continuing Disclosure Agreement and a Purchase Contract. The Preliminary Official Statement describes the terms of the pension obligation bonds, the City, the City's General Fund revenues and other information for potential investors. It also discloses certain risks to investors. The Continuing Disclosure Agreement is the contract by which the City is obligated to provide to the municipal marketplace certain annual financial and operating information and notice of events specified by Rule 15c2-12 of the Securities and Exchange Commission. The Purchase Contract is the contract between the City and the underwriter, pursuant to which the underwriter agrees to buy the pension obligation bonds when issued, subject to certain termination events, for resale to investors.

**FISCAL IMPACT:** Potential Annual Savings of Over \$300,000 per Year for 15 Years (Net of Costs of Issuance)

**ATTACHMENTS:** Resolution No. 2017- : Resolution of the City Council of the City Of Brawley, California Approving the Form of and Authorizing the Execution and Delivery of a Preliminary Official Statement, a Purchase Contract and a Continuing Disclosure Agreement in Connection with the Issuance, Sale and Delivery of Pension Obligation Bonds  
Preliminary Official Statement  
Continuing Disclosure Agreement

Purchase Contract

RESOLUTION NO. 2017-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRAWLEY, CALIFORNIA APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PRELIMINARY OFFICIAL STATEMENT, A PURCHASE CONTRACT AND A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF PENSION OBLIGATION BONDS.

WHEREAS, on February 21, 2017, the City Council passed and adopted Resolution No. 2017-10, authorizing the issuance of pension obligation bonds to refinance outstanding pension fund obligations of the City to the California Public Employees' Retirement System, approving the form of and authorizing the execution and delivery of a Trust Agreement and authorizing a validation action and other matters relating thereto; and

WHEREAS, on February 24, 2017, a Complaint for Validation was filed pursuant to California Code of Civil Procedure Section 860 and Government Code Section 53511 in the Superior Court of the State of California, County of Imperial to obtain an order of the court declaring the validity of bonds to be issued to refund certain obligations the City owes to the Public Employees Retirement System (the "Pension Obligation Bonds").

WHEREAS, on May 2, 2017, the Superior Court of the State of California, County of Imperial, entered into a judgment validating all proceedings by and for the City in connection with Resolution No. 2017-10, authorizing the issuance of Pension Obligation Bonds and validating any and all contracts and agreements executed in connection therewith; and determining the Pension Obligation Bonds to be exempt from and not subject to the debt limitation set forth in Article XVI. 1, Section 18 of the California Constitution.

WHEREAS, the City Council has determined to proceed with the issuance of Pension Obligation Bonds; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BRAWLEY AS FOLLOWS:

**Section 1.** The proposed form of Preliminary Official Statement with respect to the issuance of the Pension Obligation Bonds, substantially in the form on file with the City Clerk, is hereby approved, with such revisions, amendments and completions as shall be approved by any Authorized Representative with the advice of Bond Counsel or Disclosure Counsel, in order to make the Preliminary Official Statement final as of its date, except for the omission of certain information, as permitted by Section 240.15c2-12(b)(1) of Title 17 of the Code of Federal Regulations ("Rule 15c2-12"), and any certificate relating to the finality of the Preliminary Official Statement under Rule 15c2-12. Any Authorized Representative is authorized and directed to execute and deliver a final Official Statement in the form of the Preliminary Official Statement, with such additions and changes as may be approved by Bond Counsel or Disclosure Counsel and any Authorized Representative executing the same, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 2.** The proposed form of Purchase Contract, on file with the City Clerk, is hereby approved. The City Manager, the Finance Director and the City Clerk are each hereby authorized and directed, severally, or any such officer's designee (the "Authorized Representatives"), for and on behalf

of the City, to execute and deliver the Purchase Contract, substantially in the form on file with the City Clerk, with such changes therein, deletions therefrom and additions thereto (including, but not limited to changes, deletions and additions as may be required) as such Authorized Representative shall approve, such approval to be conclusively evidenced by the execution and delivery of the Purchase Contract.

**Section 3.** The proposed form of Continuing Disclosure Agreement, on file with the City Clerk, is hereby approved. Any Authorized Representative is hereby authorized and directed for and on behalf of the City, to execute and deliver the Continuing Disclosure Agreement, substantially in the form on file with the City Clerk, with such changes therein, deletions therefrom and additions thereto (including, but not limited to changes, deletions and additions as may be required) as such Authorized Representative shall approve, such approval to be conclusively evidenced by the execution and delivery of the Continuing Disclosure Agreement.

**Section 4.** The Authorized Representatives of the City are, and each of them hereby is, authorized and directed to do any and all things and to take any and all actions and execute and deliver any and all documents which they or any of them deem necessary or advisable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution. All actions heretofore taken by any Authorized Representative or any officer, employee or agent of the City with respect to the issuance, delivery and sale of the Pension Obligation Bonds or in connection with or related to any of the agreements referred to herein, are hereby approved, confirmed and ratified.

**Section 5.** This Resolution shall take effect from and after its date of adoption.

**APPROVED, PASSED AND ADOPTED** at a regular meeting held on the 6th day of June, 2017.

**CITY OF BRAWLEY, CALIFORNIA**

\_\_\_\_\_  
**Sam Couchman, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Alma Benavides, City Clerk**

STATE OF CALIFORNIA)  
COUNTY OF IMPERIAL)  
CITY OF BRAWLEY)

I, *Alma Benavides*, *City Clerk* of the City of Brawley, California, DO  
HEREBY CERTIFY, that the foregoing Resolution No. 2017- as passed and adopted  
by the City Council of the City of Brawley, California, at a regular meeting  
held on the 6th day of June, 2017 and that it was so adopted by the following  
roll call vote:

AYES:  
NAYES:  
ABSTAIN:  
ABSENT:

Dated: June 6, 2017

Alma Benavides, *City Clerk*

## PRELIMINARY OFFICIAL STATEMENT DATED \_\_\_\_\_, 2017

## NEW ISSUE — BOOK - ENTRY ONLY

## RATING:

*In the opinion of Norton Rose Fulbright US LLP, under existing law, interest on the 2017 Bonds is exempt from personal income taxes of the State of California. The City has taken no action to cause, and does not intend, interest on the 2017 Bonds to be excluded pursuant to Section 103(a) of the Internal Revenue Code of 1986 from the gross income of the owners thereof for federal income tax purposes. See "TAX MATTERS" herein.*

\$ \_\_\_\_\_  
 \*  
**CITY OF BRAWLEY**  
**TAXABLE PENSION OBLIGATION BONDS**  
**SERIES 2017**

Dated: Date of Delivery

Due: \_\_\_\_\_ 1; see inside cover

**The Bonds.** The bonds captioned above (the "Bonds") will be issued as fully registered bonds in book-entry form only, initially registered in the name of Cede & Co., New York, New York, as nominee of The Depository Trust Company ("DTC"), New York, New York. Individual purchases of the Bonds will be in principal amounts of \$5,000 or in any integral multiples thereof. Interest on the Bonds will be payable on March 1 and September 1 of each year, commencing September 1, 2017, and principal payable on the Bonds will be paid on September 1 in the years set forth on the maturity schedule on the inside cover of this Official Statement. Payments of principal of and interest on the Bonds will be paid by The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), to DTC for subsequent disbursement to DTC Participants who will remit such payments to the Beneficial Owners of the Bonds. See "THE BONDS."

**Purpose.** The Bonds are being issued pursuant to the provisions of a Trust Agreement, dated as of June 1, 2017 (the "Trust Agreement"), between the City and the Trustee, to (i) refinance the City's outstanding "side fund" obligation to the California Public Employees' Retirement System with respect to certain of the City's defined benefit retirement plans for its public safety employees and miscellaneous employees, and (ii) pay the costs of issuing the Bonds. See "FINANCING PLAN."

**Redemption.** The Bonds are subject to optional and mandatory sinking fund redemption prior to maturity. See "THE BONDS - Redemption of Bonds."

**Security.** Payment of the principal of and interest on the Bonds is not limited to any special source of funds and is payable from any legally available moneys or funds of the City. The City is neither empowered nor obligated to levy or pledge taxes to make payments on the Bonds. See "SECURITY FOR THE BONDS" and "RISK FACTORS." **The City has not established a debt service reserve fund for the Bonds.**

**Judicial Validation.** The City filed a complaint in the Superior Court of the State of California for the County of Imperial pursuant to the procedures available to it under California Code of Civil Procedure Section 860 and following, seeking judicial validation of the transactions relating to the issuance of the Bonds. On May 2, 2017, the court entered a default judgment to the effect, among other things, that the PERS Contract (as defined in this Official Statement) and the Bonds are valid and binding obligations of the City under the Constitution and laws of the State. Pursuant to Section 870 of the California Code of Civil Procedure and Rule 2(a) of the California Rules of Court, the period during which a notice of appeal of this judgment could be timely filed expired on June 1, 2017. As no challenge to the judgment was filed by the time of such expiration, the judgment has become final, binding, and conclusive in accordance with California law. See "VALIDATION PROCEEDINGS" in this Official Statement.

\_\_\_\_\_  
**MATURITY SCHEDULE**  
 (See inside cover)  
 \_\_\_\_\_

THE OBLIGATIONS OF THE CITY UNDER THE TRUST AGREEMENT, INCLUDING THE OBLIGATION TO MAKE ALL PAYMENTS OF INTEREST AND PRINCIPAL WHEN DUE ON THE BONDS, ARE OBLIGATIONS OF THE CITY IMPOSED BY LAW AND ARE ABSOLUTE AND UNCONDITIONAL WITHOUT ANY RIGHT OF SET-OFF OR COUNTERCLAIM. THIS BOND DOES NOT CONSTITUTE AN OBLIGATION OF THE CITY FOR WHICH THE CITY IS OBLIGATED OR PERMITTED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY HAS LEVIED OR PLEDGED OR WILL LEVY OR PLEDGE ANY FORM OF TAXATION. NEITHER THE BONDS NOR THE OBLIGATION OF THE CITY TO MAKE PAYMENTS ON THE BONDS CONSTITUTE AN INDEBTEDNESS OF THE CITY, THE STATE OF CALIFORNIA, OR ANY OF ITS POLITICAL SUBDIVISIONS IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

This cover page contains information for general reference only. It is not a summary of the security or terms of this issue. Investors must read the entire official statement, including the section entitled "Risk Factors," for a discussion of special factors which should be considered, in addition to the other matters set forth in this official statement, in considering the investment quality of the bonds. Capitalized terms used on this cover page and not otherwise defined shall have the meanings set forth in this official statement.

BOK Financial Securities, Inc.

Dated: \_\_\_\_\_, 2017

\* Preliminary; subject to change.

22901876.8

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. 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.

*The Bonds are offered when, as and if sold and issued, subject to the approval as to their legality by Norton Rose Fulbright US LLP, Los Angeles, California, Bond Counsel to the City. Norton Rose Fulbright US LLP is serving as Disclosure Counsel to the City. Certain legal matters will be passed upon for the City by Oswald & Associates, El Centro, California, counsel to the City. Stradling, Yocca Carlson & Rauth, Newport Beach, a Professional Corporation, California is serving as counsel to the Underwriter. It is anticipated that the Bonds in book-entry form, will be available for delivery to DTC in New York, New York, on or about \_\_\_\_\_, 2017.*

\$ \_\_\_\_\_ \*

**CITY OF BRAWLEY**  
**TAXABLE PENSION OBLIGATION BONDS**  
**SERIES 2017**  
**MATURITY SCHEDULE**

<b>Maturity Date</b> <u>( )</u>	<b>Principal</b> <b>Amount</b>	<b>Interest</b> <b>Rate</b>	<b>Yield</b>	<b>CUSIP†</b>
------------------------------------	-----------------------------------	--------------------------------	--------------	---------------

\$ \_\_\_\_\_ % Term Bonds due \_\_\_\_\_, \_\_\_\_\_ - Yield \_\_\_\_\_, \_\_\_\_\_ %, Price: \_\_\_\_\_ %, CUSIP: \_\_\_\_\_

---

\* Preliminary; subject to change.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC 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 Services. CUSIP numbers have been assigned by an independent company not affiliated with the Successor Agency and are included solely for the convenience of investors. None of the City, the Underwriter, or the Municipal Advisor, is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as included herein. 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, 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.

**CITY OF BRAWLEY, CALIFORNIA**

**CITY COUNCIL**

Sam Couchman, *Mayor*  
Helen M. Noriega, *Mayor Pro tem*  
George A. Nava, *Council Member*  
Norma Kastner-Jauregui, *Council Member*  
Donald L. Wharton, *Council Member*

**CITY OFFICIALS**

Rosanna Bayon Moore, *City Manager*  
Ruby D. Walla, *Finance Director and City Treasurer*  
Alma Benavides, *City Clerk*

**SPECIAL SERVICES**

**Bond Counsel and Disclosure Counsel**

Norton Rose Fulbright US LLP  
Los Angeles, California

**City Attorney**

William S. Smerdan, *City Attorney*  
Oswald & Associates  
El Centro, California

**Municipal Advisor**

Bartle Wells Associates  
Berkeley, California

**Trustee**

The Bank of New York Mellon Trust Company, N.A.  
Los Angeles, California

## GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

The information set forth herein has been obtained from the City and other sources believed to be reliable. This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Estimates and opinions are included and should not be interpreted as statements of fact. Summaries of documents do not purport to be complete statements of their provisions. No dealer, broker, salesperson or any other person has been authorized by the City, the Municipal Advisor or the Underwriter to give any information or to make any representations other than those contained in this Official Statement in connection with the offering contained herein and, if given or made, such information or representations must not be relied upon as having been authorized by the City or the Underwriter.

This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any offer or solicitation of such offer or any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither delivery of this Official Statement nor any sale of the Bonds made thereafter shall under any circumstances create any implication that there has been no change in the affairs of the City or in any other information contained herein, since the date hereof.

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 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 or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICES OF THE 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 UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS, INSTITUTIONAL INVESTORS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGES, AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

This Official Statement, including any supplement or amendment hereto, is intended to be deposited with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access ("EMMA") website.

The City of Brawley (the "City") maintains a website with information pertaining to the City. However, the information presented therein is not incorporated into this Official Statement and should not be relied upon in making investment decisions with respect to the Bonds.

## **FORWARD-LOOKING STATEMENTS**

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements.” Such statements are generally identifiable by the terminology used, such as “plan,” “project,” “expect,” “anticipate,” “intend,” “believe,” “estimate,” “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 that 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 City does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

TABLE OF CONTENTS

	Page
INTRODUCTION .....	1
General.....	1
The City .....	1
Authority for the Bonds .....	1
Purpose .....	1
Security for the Bonds .....	2
Limited Obligations .....	2
Redemption.....	2
Additional Bonds .....	2
Judicial Validation .....	2
Summaries Not Definitive .....	3
FINANCING PLAN.....	3
General.....	3
Refunding of Obligations under the PERS Contract .....	3
Estimated Sources and Uses of Funds .....	4
THE BONDS .....	5
General.....	5
Redemption of the Bonds .....	6
Book-Entry System.....	8
DEBT SERVICE SCHEDULE .....	9
SECURITY FOR THE BONDS.....	10
Source of Payment .....	10
Bond Fund .....	10
No Reserve Fund .....	11
Additional Bonds .....	11
RISK FACTORS .....	12
Limitations on Remedies Available; Bankruptcy .....	12
Assessed Value of Taxable Property; Delinquent Payment of Property Taxes.....	13
Pension Benefit Liability .....	13
Articles XIIC and XIID of the California Constitution .....	14
Natural Calamities .....	14
Hazardous Substances .....	14
Litigation.....	14
Impact of State Budget on City Revenues .....	15
State Law Limitations on Appropriations.....	15
Change in Law.....	15
Secondary Market.....	15
CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS.....	15
Article XIIA of the State Constitution .....	15

TABLE OF CONTENTS  
(continued)

	Page
Article XIII B of the State Constitution.....	16
Proposition 62.....	17
Articles XIII C and XIII D of the State Constitution.....	17
Proposition 1A; Proposition 22 .....	18
Unitary Property .....	19
Future Initiatives.....	19
<b>VALIDATION PROCEEDINGS .....</b>	<b>19</b>
Underwriting.....	20
Municipal Advisor .....	20
Legal Opinions.....	20
<b>TAX MATTERS .....</b>	<b>20</b>
Litigation.....	24
Financial Statements.....	24
<b>LEGALITY FOR INVESTMENT IN CALIFORNIA.....</b>	<b>25</b>
<b>RATING .....</b>	<b>25</b>
<b>CONTINUING DISCLOSURE.....</b>	<b>25</b>
<b>APPROVAL OF LEGAL PROCEEDINGS .....</b>	<b>26</b>
Miscellaneous .....	26
<b>APPENDIX A - CITY OF BRAWLEY FINANCIAL AND GENERAL DEMOGRAPHIC     INFORMATION.....</b>	<b>A-1</b>
<b>APPENDIX B - SUMMARY OF THE TRUST AGREEMENT .....</b>	<b>B-1</b>
<b>APPENDIX C - COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR     ENDED JUNE 30, 2016 .....</b>	<b>C-1</b>
<b>APPENDIX D - FORM OF BOND COUNSEL OPINION .....</b>	<b>D-1</b>
<b>APPENDIX E - FORM OF CONTINUING DISCLOSURE AGREEMENT.....</b>	<b>E-1</b>
<b>APPENDIX F - BOOK ENTRY PROVISIONS .....</b>	<b>F-1</b>

**OFFICIAL STATEMENT**  
§ \_\_\_\_\_  
**CITY OF BRAWLEY**  
**TAXABLE PENSION OBLIGATION BONDS**  
**SERIES 2017**

**INTRODUCTION**

*This introduction contains only a brief summary of certain of the terms of the Bonds being offered, and a brief description of the Official Statement. All statements contained in this introduction are qualified in their entirety by reference to the entire Official Statement.*

**General**

The purpose of this Official Statement (which includes the cover page and the Appendices) is to provide information concerning the issuance of the bonds captioned above (the “**Bonds**”).

**The City**

The City of Brawley (the “**City**”) is a general law city that is located in the center of the County of Imperial (the “**County**”) in the southeastern part of the State of California: The City is situated approximately 210 miles southeast of Los Angeles, 126 miles east of San Diego, 230 miles west of Phoenix and 30 miles north of Mexicali, Mexico. The City is a general law city incorporated in 1908 and has a Council Manager form of government and covers an area of approximately [7.68] square miles.

For selected financial, economic and demographic information about the City, see “APPENDIX A - City of Brawley Financial and General Demographic Information.”

The City’s audited financial statements for the fiscal year ended June 30, 2016, are attached as APPENDIX C.

**Authority for the Bonds**

The City is authorized under the provisions of Articles 10 and 11 (commencing with 53570) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “**Act**”), to issue its bonds for the purpose of refunding certain outstanding obligations of the City. The Bonds are being issued pursuant to the Act, a resolution of the City Council of the City adopted on June \_\_, 2017 and the provisions of a Trust Agreement, dated as of June 1, 2017 (the “**Trust Agreement**”), between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the “**Trustee**”).

**Purpose**

The proceeds of the sale of the Bonds will be used to (i) refinance the City’s outstanding “side fund” obligation to the California Public Employees’ Retirement System (“**PERS**”) with respect to certain of the City’s defined benefit pension plans for its public safety employees and miscellaneous employees, which obligation is due pursuant to a contract between the City Council of the City and the Board of Administration of PERS, effective \_\_\_\_, 19 \_\_\_\_, as subsequently amended (the “**PERS Contract**”), and (ii) pay the costs of issuing the Bonds. See “FINANCING PLAN.”

---

\* Preliminary; subject to change.

## **Security for the Bonds**

The obligations of the City under the Bonds, including the obligation to make all payments of interest and principal when due, are obligations of the City imposed by law payable from funds to be appropriated by the City pursuant to the Public Employees' Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended (the "**Retirement Law**"). The Trust Agreement provides that in order to meet the City's obligations under the Retirement Law, the City will deposit or cause to be deposited with the Trustee on or before \_\_\_\_\_ 1 of each Fiscal Year (or such other date as provided in a Supplemental Trust Agreement) the amount which, together with excess moneys remaining in the Bond Fund after the last interest payment date of each fiscal year, is sufficient to pay the City's debt service obligations on the Bonds payable during such fiscal year.

The Trust Agreement secures the payment of the Bonds and obligates the Trustee to hold all the amounts on deposit in the Bond Fund and its accounts in trust for the payment of the principal of and interest and premium (if any) on the Bonds in accordance with their terms and the provisions of the Trust Agreement.

### **The City has not established a debt service reserve fund for the Bonds.**

See "SECURITY FOR THE BONDS" and "APPENDIX B - Summary of the Trust Agreement."

## **Limited Obligations**

The Bonds do not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation. Neither the Bonds nor the obligation of the City to make payments on the Bonds constitute an indebtedness of the City, the State of California, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

## **Redemption**

The Bonds are subject to optional and mandatory redemption as described in this Official Statement. See "THE BONDS - Redemption of the Bonds."

## **Additional Bonds**

The City may at any time issue additional bonds on a parity with the Bonds ("**Additional Bonds**"), solely for the purpose of (i) satisfying any obligation to make payments to PERS pursuant to the Retirement Law relating to pension benefits accruing to the PERS' members, and/or for payment of all costs incidental to or connected with the issuance of Additional Bonds for such purpose, and/or (ii) refunding any Bonds then Outstanding, including payment of all costs incidental to or connected with such refunding, subject to certain conditions that are specified in the Trust Agreement. See "SECURITY FOR THE BONDS" and "APPENDIX B - Summary of the Trust Agreement - Issuance of Additional Bonds." The City has the capacity to enter into other obligations payable from the City's General Fund without the consent of or prior notice to the Holders or owners of the Bonds.

## **Judicial Validation**

The City filed a complaint in the Superior Court of the State of California for the County pursuant to the procedures available to it under California Code of Civil Procedure Section 860 and following, seeking judicial validation of the transactions relating to the issuance of the Bonds. On May 2, 2017, the court entered a default judgment to the effect, among other things, that the PERS Contract and the Bonds

are valid and binding obligations of the City under the Constitution and laws of the State. Pursuant to Section 870 of the California Code of Civil Procedure and Rule 2(a) of the California Rules of Court, the period during which a notice of appeal of this judgment could be timely filed expired on June 1, 2017. As no challenge to the judgment was filed by the time of such expiration, the judgment has become final, binding, and conclusive in accordance with California law. See "VALIDATION PROCEEDINGS" in this Official Statement.

### **Summaries Not Definitive**

The summaries and references of documents, statutes, reports and other instruments referred to in this Official Statement do not purport to be complete, comprehensive or definitive, and each such summary and reference is qualified in its entirety by reference to each document, statute, report, or instrument. The capitalization of any word not conventionally capitalized or otherwise defined in this Official Statement indicates that such word is defined in a particular agreement or other document and, as used in this Official Statement, has the meaning given to it in such agreement or document. See "APPENDIX B - Summary of the Trust Agreement" for summaries of certain of the definitions.

Copies of the documents described in this Official Statement will be available at the office of the Finance Director, City of Brawley, 400 Main Street, Brawley, California 92227.

## **FINANCING PLAN**

### **General**

The Bonds are being issued to (i) refinance the City's outstanding "side fund" obligation to PERS with respect to the its Tier I Safety Plan (\_\_\_% at \_\_\_) ("**Tier I Safety Plan**") and Tier I Miscellaneous Plan (\_\_\_% at \_\_\_) ("**Tier I Miscellaneous Plan**"), which is due pursuant to the PERS Contract, and (ii) pay the costs of issuing the Bonds.

### **Refunding of Obligations under the PERS Contract**

*City Pension Plans in General.* PERS maintains \_\_\_ defined benefit pension plans for the City's public safety employees and miscellaneous employees (each, a "**PERS Plan**"). The City contributes to PERS amounts equal to the recommended employer contribution rate for each PERS Plan as determined by the PERS actuary, multiplied by the payroll of those employees of the City who are eligible under PERS. See "APPENDIX A - City of Brawley Financial and General Demographic Information - Employee Retirement System" for additional information.

*Side Funds in General.* Since June 30, 2003, when a pension plan has fewer than 100 members, PERS includes such members in a risk pool with other public agency plans. At the time a local agency enters a risk pool, if it has an existing unfunded actuarial accrued liability (the "**UAAL**"), the UAAL is put into a side fund (a "**Side Fund**") for the individual agency to pay outside of the risk pool. A Side Fund functions like a loan with possible negative amortization. The loan repayment schedule to pay off the UAAL is developed by PERS and amortized over a fixed number of years. The current annual interest rate applied by PERS to Side Funds is [7.50%.]

*The City's Side Funds.* Each of the City's Tier I Safety Plan and Tier I Miscellaneous Plan had less than 100 members at the time it was established, and therefore, the plan members have been included in risk pools with other public agency plans. The Tier I Safety Plan and Tier I Miscellaneous Plan have UAAL in Side Funds being amortized through fiscal years [20\_\_] and [20\_\_], respectively.

**Purpose of the Bonds.** The City will use a portion of the proceeds of the Bonds, solely to refinance, and consequently extinguish, the City's Side Fund obligations to PERS with respect to the Tier I Safety Plan and Tier I Miscellaneous Plan; **however, the City will continue to have obligations to PERS under its ongoing City pension plans.** See "APPENDIX A - City of Brawley Financial and General Demographic Information - Employee Retirement System."

[PERS has provided a "pay-off" letter to the City, dated \_\_\_\_\_, 201\_, stating that the lump sum payment due with respect to the Side Fund obligation for the Tier I Safety Plan is if paid by \_\_\_\_\_, 2017. PERS has also provided a "pay-off" letter to the City, dated \_\_\_\_\_, stating that the lump sum payment due with respect to the Side Fund obligation for the Tier I Miscellaneous Plan is \$ \_\_\_\_\_, if paid by \_\_\_\_\_, 2017.]

The PERS Contract is an absolute and unconditional obligation imposed upon the City by law, and is payable from any source of funds of the City. Upon the refunding of the PERS Contract with the proceeds of the Bonds, the City's obligation with respect to the Bonds will also be an absolute and unconditional obligation imposed upon the City by law, and will not be limited as to payment from any special source of funds of the City. See "SECURITY FOR THE BONDS," "RISK FACTORS - Limitations of Remedies Available; Bankruptcy" and "VALIDATION PROCEEDINGS."

### Estimated Sources and Uses of Funds

The City expects to apply the proceeds to be received from the sale of the Bonds as follows:

#### SOURCES OF FUNDS:

Principal Amount of Bonds	\$
Less: Original Issue Discount	
	_____
<i>Total Sources:</i>	\$

#### USES OF FUNDS:

[Payment of Tier I Misc. Plan Side Fund Balance]	
[Payment of Tier I Safety Plan Side Fund Balance]	
Costs of Issuance Fund <sup>(1)</sup>	
Underwriter's Discount	
	_____
<i>Total Uses:</i>	\$

<sup>(1)</sup> Includes legal fees, municipal advisory fees, trustee fees, printing expenses and other costs of issuing the Bonds.

## THE BONDS

### General

The Bonds will be issued in the form of fully registered bonds, without coupons, in denominations of \$5,000 or any integral multiple of thereof, and will be dated the date of issuance to the original purchaser. The Bonds will mature on the dates and in the amounts set forth on the inside front cover of this Official Statement.

The Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York (“DTC”). So long as DTC, or Cede & Co. as its nominee, is the registered owner of all Bonds, all payments on the Bonds will be made directly to DTC, and disbursement of such payments to the DTC “Participants” (as defined in APPENDIX F) will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners (as defined in APPENDIX F) will be the responsibility of the Participants, as more fully described in “- Book-Entry Only System” below.

Interest on the Bonds is payable on March 1 and September 1 of each year (each, an “**Interest Payment Date**”), commencing September 1, 2017, and continuing to and including the date of maturity or redemption, whichever is earlier. Payment of interest on the Bonds due on or before the maturity or prior redemption thereof shall be made to the person whose name appears in the Bonds registration books kept by the Trustee as the registered owner thereof as of the close of business on the Record Date for an Interest Payment Date, whether or not such day is a Business Day, such interest to be paid by check mailed on the Interest Payment Date by first-class mail to such registered owner at the address as it appears in such books; provided that upon the written request of a Holder of \$1,000,000 or more in aggregate principal amount of Bonds received by the Trustee prior to the applicable Record Date, interest shall be paid by wire transfer in immediately available funds. As defined in the Trust Agreement, the term “**Record Date**” means the close of business on the 15th day of the month preceding any Interest Payment date, whether or not such day is a Business Day.

Principal represented by the Bonds is payable on September 1 in each of the years and in the amounts set forth on the inside front cover of this Official Statement.

Any Bond may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of the Trust Agreement by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bonds for cancellation at the corporate trustee office of the Trustee, accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee. The Trustee will require the payment by the holder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege.

Bonds may be exchanged at the corporate trust office of the Trustee for a like aggregate principal amount of Bonds of the same series and maturity of other authorized denominations. The Trustee will require the payment by the holder requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a condition precedent to the exercise of such privilege. The Trustee is not required to exchange any Bond which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bond selected for redemption in whole or in part as below under “- Redemption of the Bonds.”

**Redemption of the Bonds**

**Optional Redemption.** The Bonds maturing on or before September 1, 2027 are not subject to optional redemption prior to maturity. The Bonds maturing on and after September 1, 2028 are subject to redemption prior to their respective stated maturities, at the option of the City, from any source of available funds, as a whole or in part on any date (by such maturities as may be specified by the City), on or after September 1, 2027, at a redemption price equal to the principal amount of Bonds called for redemption, plus accrued interest to the date fixed for redemption, without premium.

**Mandatory Sinking Fund Redemption.** The Bonds maturing on \_\_\_\_\_, 20\_\_ are subject to mandatory sinking fund redemption on \_\_\_\_\_ 1 in each year, commencing \_\_\_\_\_, 20\_\_ at a redemption price equal to the principal amount thereof to be redeemed, without premium, plus accrued interest to the date of redemption, in the aggregate principal amounts and on September 1 in the years set forth in the following table.

**TERM BONDS MATURING ON \_\_\_\_\_ 1, 20\_\_**

Sinking Fund  
Redemption Date<sup>(1)</sup>

Principal Amount

(Maturity)

**Selection of Bonds for Redemption.** If less than all the outstanding Bonds are to be redeemed prior to maturity, redemption payments will be made on a pro rata basis to each holder in whose name such Bonds are registered at the close of business on the 15th day of the calendar month immediately preceding the redemption date.

The City will select the portions of the Bonds equal to \$5,000 or any integral multiple thereof to be redeemed on a pro rata pass-through distribution of principal basis in accordance with DTC procedures; provided that, so long as the Bonds are held in book-entry form, the selection for redemption of such Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, the portions of the Bonds will be selected for redemption, in accordance with DTC procedures, by lot.

It is the City’s intent that the redemption allocations described in the Trust Agreement with respect to the Bonds be made on a pro rata pass-through distribution of principal basis. However, the City can provide no assurance that DTC, the Participants or any other intermediaries will allocate redemptions among Beneficial Owners on such basis.

“**Pro rata**” means, in connection with any mandatory sinking fund redemption or any optional redemption in part, with respect to the allocation of amounts to be redeemed, the application to such amounts of a fraction, the numerator of which is equal to the amount of the specific maturity of the Bonds held by a holder of such Bonds, and the denominator of which is equal to the total amount of such maturity of Bonds, then Outstanding.

**Notice of Redemption.** Notice of redemption will be mailed by first class mail by the Trustee, on

behalf and at the expense of the City, not less than 30 nor more than 60 days prior to the redemption date to the respective registered owners of Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee. The Trustee will also provide additional notice of prepayment of Bonds at the time and as may be required by the Municipal Securities Rulemaking Board.

Each notice of redemption will state the date of such notice, the Bonds to be redeemed, the Series and date of issue of such Bonds, the redemption date, the redemption price, the place or places of redemption (including the name and appropriate address or addresses), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity are to be redeemed, the distinctive certificate numbers of the Bonds of such maturity to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed.

Each notice of redemption will also state that such redemption may be rescinded by the City and that, unless such redemption is so rescinded, and provided that on said date funds are available for payment in full of the Bonds then called for redemption, on said date the redemption price will become due and payable on each of such Bonds, or in the case of a Bond to be redeemed in part only the specified portion of the principal amount thereof, together with the interest accrued to the redemption date, and that from and after such the redemption date the interest will cease to accrue, and will require that such Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice.

Failure by the Trustee to give notice pursuant to the Trust Agreement to any one or more of the Information Services or Securities Depositories, or the insufficiency of any such notice will not affect the sufficiency of the proceedings for redemption. The failure of any Holder or owner to receive any redemption notice mailed to such Holder and any defect in the notice so mailed will not affect the sufficiency of the proceedings for redemption.

***Conditional Notice of Redemption.*** The City has the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption will be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute an Event of Default under the Trust Agreement. The Trustee will mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

### **Book-Entry System**

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered certificates registered in the name of Cede & Co. (DTC's partnership nominee). One fully registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See "APPENDIX F - Book- Entry Provisions."

The City and the Trustee cannot and do not give any assurances that DTC, DTC Participants or others will distribute payments of principal, interest or premium, if any, with respect to the Bonds paid to DTC or its nominee as the registered owner, or will distribute any redemption notices or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. The City and the Trustee are not responsible or liable for the failure of DTC or any DTC Participant to make any payment or give any notice to a Beneficial Owner with respect to the Bonds or an error or delay relating thereto.

**DEBT SERVICE SCHEDULE**

The following table shows the debt service schedule with respect to the Bonds (assuming no optional redemptions).

**CITY OF BRAWLEY  
TAXABLE PENSION OBLIGATION BONDS  
SERIES 2017  
DEBT SERVICE SCHEDULE**

<b>Period Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
----------------------------------	------------------	-----------------	---------------------------

## SECURITY FOR THE BONDS

### Source of Payment

The Bonds are obligations imposed by law payable from funds to be appropriated by the City pursuant to the Retirement Law. The Trust Agreement provides that in order to meet the City's obligations under the Retirement Law, the City will deposit or cause to be deposited with the Trustee (i) on or before [August] 1 of each Fiscal Year (or such other date as provided in a Supplemental Trust Agreement) the amount which, together with excess moneys remaining in the Bond Fund after the last interest payment date of each fiscal year, which is sufficient to pay the principal and interest coming due on the Interest Payment Date succeeding such [August] 1 and (i) on or before [February] 1 of each Fiscal Year (or such other date as provided in a Supplemental Trust Agreement) the amount which is sufficient to pay the interest coming due on the Interest Payment Date succeeding such [February] 1.

The Trust Agreement secures the payment of the Bonds and obligates the Trustee to hold all the amounts on deposit in the Bond Fund and its accounts in trust for the payment of the principal of and interest and premium (if any) on the Bonds in accordance with their terms and the provisions of the Trust Agreement.

The Bonds do not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation. Neither the Bonds nor the obligation of the City to make payments on the Bonds constitute an indebtedness of the City, the State of California, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

### Bond Fund

All amounts payable by the City will be promptly deposited by the Trustee upon receipt in a special fund designated as the "**Bond Fund**" and will be held in trust by the Trustee.

On or before each Interest Payment Date or date fixed for redemption of Bonds, the Trustee will transfer from the Bond Fund, in immediately available funds, for deposit into the following respective accounts (each of which is created under the Trust Agreement and which the Trustee will maintain in trust separate and distinct from the other funds and accounts established under the Trust Agreement), 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 funds sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any deposit is made to any account subsequent in priority. All money in each of such accounts will be held in trust by the Trustee and applied, used and withdrawn only for the purposes described below.

Interest Account: On each Interest Payment Date, the Trustee will set aside from the Bond Fund and deposit into the Interest Account that amount of money which is equal to the amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date. No deposit need be made into the Interest Account if the amount that it contains is at least equal to the aggregate amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date. All money in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it becomes due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

Principal Account: On or before each principal payment date, the Trustee will set aside from the Bond Fund and deposit into the Principal Account an amount of money equal to the amount of all sinking fund payments required to be made on such principal payment date into the respective sinking fund

accounts for all Outstanding Term Bonds and the principal amount of all Outstanding Serial Bonds maturing on such principal payment date. No deposit need be made into the Principal Account if the amount it contains is at least equal to the aggregate amount of the principal of all Outstanding Serial Bonds maturing by their terms on such principal payment date plus the aggregate amount of all sinking fund payments required to be made on such principal payment date for all Outstanding Term Bonds.

All money in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds, as applicable, as they become due and payable, whether at maturity or redemption, except that any money in any sinking fund account will be used and withdrawn by the Trustee only to purchase or to redeem or to pay Term Bonds for which such Sinking Account was created.

The Trustee will establish and maintain within the Principal Account a separate subaccount for the Term Bonds of each series and maturity, designated as the "Sinking Account" (if more than one such account is established for such series, inserting the series and maturity designation of such Bonds).

With respect to each Sinking Account, on each mandatory sinking account payment date established for such Sinking Account, the Trustee will apply the mandatory sinking account payment required on that date to the redemption (or payment at maturity, as the case may be) of Term Bonds of the series and maturity for which such Sinking Account was established, upon the notice and in the manner pursuant to the Trust Agreement; provided that, at any time prior to giving such notice of such redemption, the Trustee may, upon the Written Request of the City, apply moneys in such Sinking Account to the purchase for cancellation of Term Bonds of such series and maturity at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account), as may be directed by the City, except that the purchase price (excluding accrued interest) will not exceed the redemption price that would be payable for such Bonds upon redemption by application of such Mandatory Sinking Account Payment.

If, during the twelve-month period immediately preceding said mandatory sinking account payment date, the Trustee has purchased Term Bonds of such series and maturity with moneys in such Sinking Account, such Bonds so purchased will be applied, to the extent of the full principal amount thereof, as applicable, to reduce said mandatory sinking account payment.

Surplus Account: On the Business Day following the last Interest Payment Date of each Fiscal Year, or on such other date as provided in a Supplemental Trust Agreement, any moneys remaining in the Bond Fund will be deposited by the Trustee in the Surplus Account. So long as no Event of Default has occurred and is continuing, moneys deposited in the Surplus Account will be transferred by the Trustee to or upon the order of the City, as specified in a Written Request of the City.

#### **No Reserve Fund**

The City has not established a debt service reserve fund for the Bonds.

#### **Additional Bonds**

The City may at any time issue Additional Bonds solely for the purpose of (i) satisfying any obligation to make payments to PERS pursuant to the Retirement Law relating to pension benefits accruing to the PERS' members, and/or for payment of all costs incidental to or connected with the issuance of Additional Bonds for such purpose, and/or (ii) refunding any Bonds then Outstanding, including payment of all costs incidental to or connected with such refunding, subject to certain conditions that are specified in the Trust Agreement. See "SECURITY FOR THE BONDS" and "APPENDIX B - Summary of the Trust

Agreement - Issuance of Additional Bonds.” The City has the capacity to enter into other obligations payable from the City’s General Fund without the consent of or prior notice to the Holders or owners of the Bonds.

## **RISK FACTORS**

*The following factors, along with other information in this Official Statement, should be considered by potential investors in evaluating the risks in the purchase of the Bonds. However, the following is not an exhaustive listing of risk factors and other considerations that may be relevant to an investment in the Bonds. There can be no assurance that other risk factors will not become evident at any future time.*

### **Limitations on Remedies Available; Bankruptcy**

The enforceability of the rights and remedies of the Owners and the obligations of the City may become subject to the following: the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors’ rights generally, now or hereafter in effect; usual equitable principles which may limit the specific enforcement under state law of certain remedies; the exercise by the United States of America of the powers delegated to it by the Federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State of California and its governmental bodies in the interest of servicing a significant and legitimate public purpose.

In addition to the limitation on remedies contained in the Trust Agreement, the rights and remedies provided in the Trust Agreement may be limited by and are subject to the provisions of federal bankruptcy laws. The City is a governmental unit and therefore cannot be the subject of an involuntary case under the United States Bankruptcy Code (the “**Bankruptcy Code**”); however, the City is a municipality and therefore may seek voluntary protection from its creditors pursuant to Chapter 9 of the Bankruptcy Code for purposes of adjusting its debts. If the City were to become a debtor under the Bankruptcy Code, the City would be entitled to all of the protective provisions of the Bankruptcy Code as applicable in a Chapter 9 case. Such a bankruptcy could adversely affect the payments under the Trust Agreement. Among the adverse effects might be: (i) the application of the automatic stay provisions of the Bankruptcy Code, which, until relief is granted, would prevent collection of payments from the City or the commencement of any judicial or other action for the purpose of recovering or collecting a claim against the City and could prevent the Trustee from making payments from funds in its possession; (ii) the avoidance of preferential transfers occurring during the relevant period prior to the filing of a bankruptcy petition; (iii) the existence of unsecured or secured debt that may have priority of payment superior to that of the Owners of the Bonds; and (iv) the possibility of the adoption of a plan (the “**Plan**”) for the adjustment of the City’s debt without the consent of the Trustee or all of the Owners of the Bonds, which Plan may restructure, delay, compromise or reduce the amount of any claim of the Owners if the Bankruptcy Court finds that the Plan is fair and equitable and in the best interests of creditors.

**Recent bankruptcies in the City of Stockton, the City of San Bernardino and the City of Detroit have brought scrutiny to pension obligation bonds. Specifically, in the Stockton bankruptcy, the Court found that PERS was an unsecured creditor of the city with a claim on parity with those of other unsecured creditors. Additionally, in the San Bernardino bankruptcy, the Court held that in the event of a municipal bankruptcy, payments on pension obligation bonds, such as the Bonds, were unsecured obligations and not entitled to the same priority of payments made to PERS. A variety of events, including, but not limited to, additional rulings adverse to the interests of bond owners bankruptcy cases could prevent or materially adversely affect the rights of Owners to receive payments on the Bonds in the event the City files for bankruptcy. Accordingly, in the event of bankruptcy, it is likely that the Owners may not recover all of their principal and interest.**

The opinions of counsel, including Bond Counsel, delivered in connection with the issuance of the Bonds will be so qualified. Bankruptcy proceedings, or the exercising of powers by the federal or state government, if initiated, could subject the Owners to judicial discretion and interpretation of their rights in bankruptcy or otherwise and consequently may entail risks of delay, limitation, or modification of their rights.

### **Assessed Value of Taxable Property; Delinquent Payment of Property Taxes**

Property taxes account for a significant portion of the General Fund revenues. Natural and economic forces can affect the assessed value of taxable property within the City. The City is located in a seismically active region, and damage from an earthquake in or near the area could cause moderate to extensive damage to taxable property. Other natural or manmade disasters, such as flood, fire, ongoing drought, toxic dumping, or acts of terrorism, could cause a reduction in the assessed value of taxable property within the City. Economic and market forces, such as a downturn in the regional economy generally, can also affect assessed values, particularly as these forces might reverberate in the residential housing and commercial property markets. In addition, the total assessed value can be reduced through the reclassification of taxable property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes).

Reductions in the market values of taxable property may cause property owners to appeal assessed values and may also be associated with an increase in delinquency rates for taxes. Section 2(b) of Article XIII A of the California Constitution and Section 51 of the Revenue and Taxation Code, which follow from "Proposition 8," require the County assessor to annually enroll either a property's adjusted base year value (its "**Proposition 13 Value**") or its current market value, whichever is less. When the current market value replaces the higher Proposition 13 Value on the assessor's roll, that lower value is referred to as its "**Proposition 8 Value.**"

Although the annual increase for a Proposition 13 Value is limited to no more than 2%, the same restriction does not apply to a Proposition 8 Value. The Proposition 8 Value of a property is reviewed annually as of January 1; the current market value must be enrolled as long as the Proposition 8 Value falls below the Proposition 13 Value. Thus, any subsequent increase or decrease in market value is enrolled regardless of any percentage increase or decrease. Only when a current Proposition 8 Value exceeds its Proposition 13 Value attributable to a piece of property (adjusted for inflation), the County assessor reinstates the Proposition 13 Value.

Decreases in the aggregate value of taxable property within the City resulting from natural disaster or other calamity, reclassification by ownership or use, or as a result of the operation of Proposition 8 all may have an adverse impact on the General Fund revenues available to make debt service payments on the Bonds.

In addition, failure by large property owners to pay property taxes when due may also cause a decrease in General Fund revenues available to make debt service payments on the Bonds.

See "- Natural Calamities" and "APPENDIX A - City of Fountain Valley Financial and General Demographic Information - Property Taxes."

### **Pension Benefit Liability**

Many factors influence the amount of the City's pension benefit liabilities, including, without limitation, inflationary factors, changes in statutory provisions of PERS retirement system laws, changes in

the levels of benefits provided or in the contribution rates of the City, increases or decreases in the number of covered employees, changes in actuarial assumptions or methods (including but not limited to the assumed rate of return), and differences between actual and anticipated investment experience of PERS. Any of these factors could give rise to additional liability of the City to its pension plans as a result of which the City would be obligated to make additional payments to its pension plans in order to fully fund of the City's obligations to its pension plans.

### **Articles XIIC and XIID of the California Constitution**

See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS - Articles XIIC and XIID of the State Constitution," for information about certain risks to the General Fund revenues under Articles XIIC and Article XIID of the California Constitution.

### **Natural Calamities**

From time to time, the City is subject to natural calamities, including, but not limited to, earthquake, drought, or severe weather that may adversely affect economic activity in the City, and which could have a negative impact on the City's finances.

The following information is excerpted from the City's General Plan.

*Seismic.* Brawley, like most cities in California, is located in a seismically active region. It can be expected, therefore, that a significant seismic event will affect the community.

### **Hazardous Substances**

Discovery of hazardous substances on parcels within the City could impact the City's ability to pay debt service with respect to the Bonds.

In general, the owners and operators of a property may be required by law to remedy conditions of the property 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 substantial amount of property within the City be affected by a hazardous substance, would be to reduce the marketability and value of the property by the costs of, and any liability incurred by, remedying the condition, since the purchaser, upon becoming an owner, will become obligated to remedy the condition just as is the seller. Reduction in the value of property in the City as a whole could reduce property tax revenues received by the City and deposited in the General Fund, which could significantly and adversely affect the ability of the City to make payments on the Bonds.

### **Litigation**

The City may be or become a party to litigation that has an impact on the General Fund. Although the City maintains certain insurance policies that provide coverage under certain circumstances and with respect to certain types of incidents (see Appendices A and C for further information), the City cannot predict what types of liabilities may arise in the future. See also "CONCLUDING INFORMATION - Litigation."

## **Impact of State Budget on City Revenues**

The City cannot predict what actions will be taken in future years by the State Legislature and the Governor to address the State's current or future budget deficits. Future State budgets will be affected by national and state economic conditions and other factors over which the City has no control. To the extent that the State budget process results in reduced revenues to the City, the City will be required to make adjustments to its budget.

See "APPENDIX A - City of Brawley Financial and General Demographic Information" for more information about recent State budgets and their impact on City finances.

## **State Law Limitations on Appropriations**

Article XIII B of the California Constitution limits the amount that local governments can appropriate annually. The ability of the City to make debt service payments on the Bonds may be affected if the City should exceed its appropriations limit. The State may increase the appropriation limit of cities in the State by decreasing the State's own appropriation limit. The City does not anticipate exceeding its appropriations limit. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS - Article XIII B of the State Constitution" below.

## **Change in Law**

No assurance can be given that the State or the City electorate will not at some future time adopt initiatives, or that the State Legislature will not enact legislation that will amend the laws of the State in a manner that could result in a reduction of the City's revenues and therefore a reduction of the funds legally available to the City to make debt service payments on the Bonds. See, for example, "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS - Articles XIII C and XIII D of the State Constitution."

## **Secondary Market**

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that any Bonds can be sold for any particular price. Prices of bond 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.

No assurance can be given that the market price for the Bonds will not be affected by the introduction or enactment of any future legislation, or changes in interpretation of existing law.

## **CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS**

### **Article XIII A of the State Constitution**

Article XIII A of the State Constitution, known as Proposition 13, was approved by the voters in June 1978 and has been amended on occasions, including most recently on November 7, 2000 to reduce the voting percentage required for the passage of school bonds. Section 1(a) of Article XIII A limits the maximum ad valorem tax on real property to 1% of "full cash value," and provides that such tax shall be collected by the counties and apportioned according to State statutes. Section 1(b) of Article XIII A provides that the 1% limitation does not apply to ad valorem taxes levied to pay interest or redemption charges on any (1) indebtedness approved by the voters prior to July 1, 1978, (2) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes

cast by the voters voting on the proposition and (3) bonded indebtedness incurred by a school district, community college district or county office of education for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities, approved by 55 percent of the voters voting on the proposition.

Section 2 of Article XIII A defines “**full cash value**” to mean the county assessor’s valuation of real property as shown on the 1975-76 Fiscal Year tax bill, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or to reflect a reduction in the consumer price index or comparable data for the taxing jurisdiction, or may be reduced in the event of declining property value caused by substantial damage, destruction or other factors. Legislation implementing Article XIII A provides that, notwithstanding any other law, local agencies may not levy any ad valorem property tax except to pay debt service on indebtedness approved by the voters as described above. Such legislation further provides that each county will levy the maximum tax permitted by Article XIII A, which is \$1.00 per \$100 of assessed market value.

Since its adoption, Article XIII A has been amended a number of times. These amendments have created a number of exceptions to the requirement that property be reassessed when it is purchased, newly constructed or undergoes a change in ownership. These exceptions include certain transfers of real property between family members, certain purchases of replacement dwellings for persons over age 55 and by property owners whose original property has been destroyed in a declared disaster, and certain improvements to accommodate disabled persons and for seismic upgrades to property. These amendments have resulted in marginal reductions in the property tax revenues of the City.

Both the State Supreme Court and the United States Supreme Court have upheld the validity of Article XIII A.

### **Article XIII B of the State Constitution**

In addition to the limits Article XIII A imposes on property taxes that may be collected by local governments, certain other revenues of the State and most local governments are subject to an annual “**appropriations limit**” imposed by Article XIII B which effectively limits the amount of such revenues those entities are permitted to spend. Article XIII B, approved by the voters in July 1979, was modified substantially by Proposition 111 in 1990. The appropriations limit of each government entity applies to “**proceeds of taxes**,” which consist of tax revenues, State subventions and certain other funds, including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed “the cost reasonably borne by such entity in providing the regulation, product or service.” “Proceeds of taxes” excludes tax refunds and some benefit payments such as unemployment insurance. No limit is imposed on the appropriation of funds that are not “proceeds of taxes,” such as reasonable user charges or fees, and certain other non-tax funds. Article XIII B also does not limit appropriation of local revenues to pay debt service on bonds existing or authorized by January 1, 1979, or subsequently authorized by the voters, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified capital outlay projects, and appropriation by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. The appropriations limit may also be exceeded in case of emergency; however, the appropriations limit for the next three years following such emergency appropriation must be reduced to the extent by which it was exceeded, unless the emergency arises from civil disturbance or natural disaster declared by the Governor, and the expenditure is approved by two-thirds of the legislative body of the local government.

The State and each local government entity has its own appropriations limit. Each year, the limit is adjusted to allow for changes, if any, in the cost of living, the population of the jurisdiction, and any transfer to or from another government entity of financial responsibility for providing services.

Proposition 111 requires that each agency's actual appropriations be tested against its limit every two years. If the aggregate "proceeds of taxes" for the preceding two-year period exceeds the aggregate limit, the excess must be returned to the agency's taxpayers through tax rate or fee reductions over the following two years.

### **Proposition 62**

On November 4, 1986, California voters adopted Proposition 62, which requires that (i) any local tax for general governmental purposes (a "**general tax**") must be approved by a majority vote of the electorate; (ii) any local tax for specific purposes (a "**special tax**") must be approved by a two-thirds vote of the electorate; (iii) any general tax must be proposed for a vote by two-thirds of the legislative body; and (iv) proceeds of any tax imposed in violation of the vote requirements must be deducted from the local agency's property tax allocation.

Most of the provisions of Proposition 62, which was a statutory initiative, were affirmed by the 1995 California Supreme Court decision in *Santa Clara County Local Transportation Authority v. Guardino*, which invalidated a special sales tax for transportation purposes because fewer than two-thirds of the voters voting on the measure had approved the tax.

The City believes that none of its General Fund revenues are subject to challenge under Proposition 62.

### **Articles XIII C and XIII D of the State Constitution**

**General.** On November 5, 1996, the voters of the State approved Proposition 218, known as the "Right to Vote on Taxes Act." Proposition 218 adds Articles XIII C and XIII D to the California Constitution and contains a number of interrelated provisions affecting the ability of the City to levy and collect both existing and future taxes, assessments, fees and charges.

On November 2, 2010, California voters approved Proposition 26, entitled the "Supermajority Vote to Pass New Taxes and Fees Act." Section 1 of Proposition 26 declares that Proposition 26 is intended to limit the ability of the State Legislature and local government to circumvent existing restrictions on increasing taxes by defining the new or expanded taxes as "fees." Proposition 26 amended Articles XIII A and XIII C of the State Constitution. The amendments to Article XIII A limit the ability of the State Legislature to impose higher taxes (as defined in Proposition 26) without a two-thirds vote of the Legislature. The amendments to Article XIII C define "taxes" that are subject to voter approval as "any levy, charge, or exaction of any kind imposed by a local government," with certain exceptions.

**Taxes.** Article XIII C requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of the City ("general taxes") require a majority vote; taxes for specific purposes ("special taxes"), even if deposited in the General Fund, require a two-thirds vote. The voter approval requirements of Article XIII C reduce the flexibility of the City to raise revenues for the General Fund, and no assurance can be given that the City will be able to impose, extend or increase such taxes in the future to meet increased expenditure needs.

**Property-Related Fees and Charges.** Article XIII D also adds several provisions making it generally more difficult for local agencies to levy and maintain property-related fees, charges, and

assessments for municipal services and programs. These provisions include, among other things, (i) a prohibition against assessments which exceed the reasonable cost of the proportional special benefit conferred on a parcel, (ii) a requirement that assessments must confer a “special benefit,” as defined in Article XIID, over and above any general benefits conferred, (iii) a majority protest procedure for assessments which involves the mailing of notice and a ballot to the record owner of each affected parcel, a public hearing and the tabulation of ballots weighted according to the proportional financial obligation of the affected party, and (iv) a prohibition against fees and charges which are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners.

***Reduction or Repeal of Taxes, Fees and Charges.*** Article XIIC also removes limitations on the initiative power in matters of reducing or repealing local taxes, assessments, fees or charges. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges currently comprising a substantial part of the General Fund. If such repeal or reduction occurs, the City’s ability to pay debt service on the Bonds could be adversely affected.

***Burden of Proof.*** Article XIIC provides that local government “bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor’s burdens on, or benefits received from, the governmental activity.” Similarly, Article XIID provides that in “any legal action contesting the validity of a fee or charge, the burden shall be on the agency to demonstrate compliance” with Article XIID.

***Impact on City’s General Fund.*** The approval requirements of Articles XIIC and XIID reduce the flexibility of the City to raise revenues for the General Fund, and no assurance can be given that the City will be able to impose, extend or increase the taxes, fees, charges or taxes in the future that it may need to meet increased expenditure needs.

The City does not believe that any material source of General Fund revenue is subject to challenge under Proposition 218 or Proposition 26.

***Judicial Interpretation.*** The interpretation and application of Articles XIIC and XIID will ultimately be determined by the courts with respect to a number of the matters discussed below, and it is not possible at this time to predict with certainty the outcome of such determination.

### **Proposition 1A; Proposition 22**

***Proposition 1A.*** Proposition 1A, proposed by the Legislature in connection with the State’s fiscal year 2004-05 Budget, approved by the voters in November 2004 and generally effective in fiscal year 2006-07, provided that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain exceptions. Proposition 1A generally prohibited the State from shifting to schools or community colleges any share of property tax revenues allocated to local governments for any fiscal year, as set forth under the laws in effect as of November 3, 2004. Any change in the allocation of property tax revenues among local governments within a county had to be approved by two-thirds of both houses of the Legislature.

Proposition 1A provided, however, that beginning in fiscal year 2008-09, the State may shift to schools and community colleges up to 8% of local government property tax revenues, which amount must be repaid, with interest, within three years, if the Governor proclaimed that the shift is needed due to a

severe state financial hardship, the shift was approved by two-thirds of both houses and certain other conditions were met. The State could also approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county.

See the section entitled “RISK FACTORS - Impact of State Budget on City Revenues.”

**Proposition 22.** Proposition 22, entitled “The Local Taxpayer, Public Safety and Transportation Protection Act,” was approved by the voters of the State in November 2010. Proposition 22 eliminates or reduces the State’s authority to (i) temporarily shift property taxes from cities, counties and special districts to schools, (ii) use vehicle license fee revenues to reimburse local governments for State-mandated costs (the State will have to use other revenues to reimburse local governments), (iii) redirect property tax increment from redevelopment agencies to any other local government, (iv) use State fuel tax revenues to pay debt service on State transportation bonds, or (v) borrow or change the distribution of State fuel tax revenues.

Proposition 22 has resulted in more stable revenues for the City, and the City expects this to continue to be the case.

### **Unitary Property**

AB 454 (Chapter 921, Statutes of 1986) provides that revenues derived from most utility property assessed by the State Board of Equalization (“**Unitary Property**”), commencing with the 1988-89 fiscal year, will be allocated as follows: (i) each jurisdiction will receive up to 102% of its prior year State-assessed revenue; and (ii) if county-wide revenues generated from Unitary Property are less than the previous year’s revenues or greater than 102% of the previous year’s revenues, each jurisdiction will share the burden of the shortfall or benefit of the excess revenues by a specified formula. This provision applies to all Unitary Property except railroads, whose valuation will continue to be allocated to individual tax rate areas.

The provisions of AB 454 do not constitute an elimination of the assessment of any State-assessed properties nor a revision of the methods of assessing utilities by the State Board of Equalization. Generally, AB 454 allows valuation growth or decline of Unitary Property to be shared by all jurisdictions in a county.

### **Future Initiatives**

Article XIII A, Article XIII B, Article XIII C, Article XIII D and Propositions 62, 1A and 22 were each adopted as measures that qualified for the ballot through California’s initiative process. From time to time other initiative measures could be adopted, further affecting the City’s revenues.

## **VALIDATION PROCEEDINGS**

The City, acting pursuant to the provisions of Sections 860 et seq. of the California Code of Civil Procedure, filed a complaint in the Superior Court of the State of California for the County seeking judicial validation of the transactions relating to the issuance of the Bonds, and certain other matters (*City of Brawley vs. All Persons Interested, etc.*, Case No. ECU09693). On May 2, 2017, the court entered a default judgment (the “**Default Judgment**”) and issued a court judgment to the effect, among other things, that the PERS Contract and Bonds are valid and binding obligations of the City under the Constitution and laws of the State. Pursuant to Section 870 of the California Code of Civil Procedure and Rule 8.104 of the California Rules of Court, the period during which a notice of appeal of this judgment could be timely filed expired on June 1, 2017. As no challenge to the judgment was filed by the time of such expiration, the judgment has become final, binding, and conclusive in accordance with California law. In issuing its

approving opinion, Norton Rose Fulbright US LLP, Bond Counsel, will rely on the Default Judgment, among other things.

**Underwriting**

BOK Financial Services, Inc. the (“**Underwriter**”) has agreed, subject to certain conditions, to purchase the Bonds from the City at a purchase price of (being the principal amount of the Bonds, [less an original issue discount of \$] and less an Underwriter’s discount in the amount of (\$).

The obligations of the Underwriter are subject to certain conditions precedent, and it will be obligated to purchase all such Bonds if any Bonds are purchased. The Underwriter intends to offer the Bonds to the public initially at the prices or yields set forth on the inside cover page of this Official Statement, which prices or yields may subsequently change without any requirement of prior notice.

The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering prices, and such dealers may re-allow any such discounts on sales to other dealers. In reoffering Bonds to the public, the Underwriter may overallocate or effect transactions that stabilize or maintain the market prices for Bonds at levels above those that might otherwise prevail. Such stabilization, if commenced, may be discontinued at any time.

**Municipal Advisor**

The City has retained Bartle Wells Associates as its Municipal Advisor (the “**Municipal Advisor**”) in connection with the authorization and delivery of the Bonds. The payment of the Municipal Advisor’s fees for services rendered with respect to the sale of the Bonds is contingent on the authorization and delivery of the Bonds. The Municipal Advisor assumes no responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Municipal Advisor is not obligated to undertake, and has not undertaken, to make an independent verification or assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

**Legal Opinions**

Norton Rose Fulbright US LLP, Los Angeles, California, Bond Counsel to the City, will render an opinion substantially in the form of APPENDIX D with respect to the validity of the Bonds. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of the Official Statement. Norton Rose Fulbright US LLP is also serving as Disclosure Counsel to the City. Certain matters will be passed upon for the City by the City Attorney.

Fees payable to Bond Counsel and Disclosure Counsel are contingent on issuance of the Bonds.

**TAX MATTERS**

**State Tax Exemption.** In the opinion of Bond Counsel, under existing law interest on the Bonds is exempt from personal income taxes of the State of California. Except as set forth in the preceding sentence,

Bond Counsel will provide no opinion in connection with the issuance or offering of the Bonds with regard to any federal, state or local tax consequence of the ownership or disposition of or the receipt of interest on any Bond. A copy of the form of opinion of Bond Counsel relating to the Bonds is included in Appendix C.

**Federal Income Tax Considerations.** The following is a general summary of certain United States federal income tax consequences of the purchase and ownership of the Bonds. The discussion is based upon the Internal Revenue Code of 1986 (the "Code"), United States Treasury Regulations, rulings and decisions now in effect, all of which are subject to change (possibly, with retroactive effect) or possibly differing interpretations. No assurance can be given that future changes in the law will not alter the conclusions reached herein.

The discussion below does not purport to deal with United States federal income tax consequences applicable to all categories of investors and generally does not address consequences relating to the disposition of a Bond by the owner thereof for federal income tax purposes. Further, the discussion below does not discuss all aspects of federal income taxation that may be relevant to a particular investor in the Bonds in light of the investor's particular circumstances or to certain types of investors subject to special treatment under the federal income tax laws (including insurance companies, tax exempt organizations and other entities, financial institutions, broker-dealers, persons who have hedged the risk of owning the Bonds, traders in securities that elect to use a mark to market method of accounting, thrifts, regulated investment companies, pension and other employee benefit plans, partnerships and other pass through entities, certain hybrid entities and owners of interests therein, persons who acquire Bonds in connection with the performance of services, or persons deemed to sell Bonds under the constructive sale provisions of the Code). The discussion below also does not discuss any aspect of state, local, or foreign law or United States federal tax laws other than United States federal income tax law. The discussion below is limited to certain issues relating to initial investors who will hold the Bonds as "capital assets" within the meaning of section 1221 of the Code, and acquire such Bonds for investment and not as a dealer or for resale. The discussion below addresses certain federal income tax consequences applicable to owners of the Bonds who are United States persons within the meaning of section 7701(a)(30) of the Code ("United States persons") and, except as discussed below, does not address any consequences to persons other than United States persons. Prospective investors should note that no rulings have been or will be sought from the Internal Revenue Service (the "Service") with respect to any of the United States federal income tax consequences discussed below, and no assurance can be given that the Service will not take contrary positions.

Prospective investors should note that no rulings have been or will be sought from the Service with respect to any of the United States federal income tax consequences discussed below, and no assurance can be given that the Service will not take contrary positions.

ALL PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS IN DETERMINING THE FEDERAL, STATE, LOCAL, FOREIGN AND ANY OTHER TAX CONSEQUENCES TO THEM FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE BONDS.

**Interest on the Bonds.** Bond Counsel has rendered no opinion regarding the exclusion pursuant to section 103(a) of the Code of interest on the Bonds from gross income for federal income tax purposes. The City has taken no action to cause, and does not intend, interest on the Bonds to be excluded pursuant to section 103(a) of the Code from the gross income of the owners thereof for federal income tax purposes. The City intends to treat the Bonds as debt instruments for all federal income tax purposes, including any applicable reporting requirements under the Code. THE CITY EXPECTS THAT THE INTEREST PAID ON A BOND GENERALLY WILL BE INCLUDED IN THE GROSS INCOME OF THE OWNER THEREOF FOR FEDERAL INCOME TAX PURPOSES WHEN RECEIVED OR ACCRUED, DEPENDING UPON THE TAX ACCOUNTING METHOD OF THAT OWNER.

**Disposition of Bonds, Inclusion of Acquisition Discount and Treatment of Market Discount.** An owner of Bonds will generally recognize gain or loss on the sale or exchange of the Bonds equal to the

difference between the sales price (exclusive of the amount paid for accrued interest) and the owner's adjusted tax basis in Bonds. Generally, the owner's adjusted tax basis in the Bonds will be the owner's initial cost, increased by original issue discount (if any) previously included in the owner's income to the date of disposition. Any gain or loss generally will be capital gain or loss and will be long-term or short-term, depending on the owner's holding period for the Bonds.

Under current law, a purchaser of a Bond who did not purchase that Bond in the initial public offering (a "subsequent purchaser") generally will be required, on the disposition (or earlier partial principal payment) of such Bond, to recognize as ordinary income a portion of the gain (or partial principal payment), if any, to the extent of the accrued "market discount." In general, market discount is the amount by which the price paid for such Bond by such a subsequent purchaser is less than the stated redemption price at maturity of that Bond (or, in the case of a Bond bearing original issue discount, is less than the "revised issue price" of that Bond (as defined below) upon such purchase), except that market discount is considered to be zero if it is less than one quarter of one percent of the principal amount times the number of complete remaining years to maturity. The Code also limits the deductibility of interest incurred by a subsequent purchaser on funds borrowed to acquire Bonds with market discount. As an alternative to the inclusion of market discount in income upon disposition, a subsequent purchaser may elect to include market discount in income currently as it accrues on all market discount instruments acquired by the subsequent purchaser in that taxable year or thereafter, in which case the interest deferral rule will not apply. The recharacterization of gain as ordinary income on a subsequent disposition of such Bonds could have a material effect on the market value of such Bonds.

**Stated Interest and Reporting of Interest Payments.** The stated interest on the Bonds will be included in the gross income, as defined in section 61 of the Code, of the owners thereof as ordinary income for federal income tax purposes at the time it is paid or accrued, depending on the tax accounting method applicable to the owners thereof. Subject to certain exceptions, the stated interest on the Bonds will be reported to the Service. Such information will be filed each year with the Service on Form 1099-INT (or other appropriate reporting form) which will reflect the name, address, and taxpayer identification number of the owner. A copy of such Form 1099-INT will be sent to each owner of a Bond for federal income tax purposes.

**Original Issue Discount.** If the first price at which a substantial amount of the Bonds of any stated maturity is sold (the "Issue Price") is less than the stated redemption price at maturity of those Bonds, the excess of the stated redemption price at maturity of each Bond of that maturity over the Issue Price of that maturity is "original issue discount." If the original issue discount on a Bond is less than the product of one quarter of one percent of its face amount times the number of complete years to its maturity, the original issue discount on that Bond will be treated as zero. Original issue discount on a Bond will be amortized over the life of the Bond using the "constant yield method" provided in the Treasury Regulations. As original issue discount on a Bond would accrue under the constant yield method, the owner of a Bond issued with original issue discount generally will be required to include such accrued amount in its gross income as interest, regardless of its regular method of accounting. This can result in taxable income to the beneficial owner of such a Bond that exceeds actual cash distributions to that owner in a taxable year. To the extent that a Bond is purchased at a price that exceeds the sum of the Issue Price of that Bond and all original issue discount on that Bond previously includible by any holder in gross income (the "revised issue price" of that Bond), the subsequent inclusion of original issue discount by that purchaser must be reduced to reflect that excess.

The amount of the original issue discount that accrues on the Bonds each taxable year will be reported annually to the Service and to the owners. The portion of the original issue discount included in each owner's gross income while the owner holds the Bonds will increase the adjusted tax basis of the Bonds in the hands of such owner.

**Amortizable Bond Premium.** An owner that purchases a Bond for an amount that is greater than its stated redemption price at maturity will be considered to have purchased the Bond with “amortizable bond premium” equal in amount to such excess. The owner may elect to amortize such premium using a constant yield method over the remaining term of the Bond and may offset interest otherwise required to be included in respect of the Bond during any taxable year by the amortized amount of such excess for the taxable year. Bond premium on a Bond held by an owner that does not make such an election will decrease the amount of gain or increase the amount of loss otherwise recognized on the sale, exchange, redemption or retirement of a Bond. However, if the Bond may be optionally redeemed after the beneficial owner acquires it at a price in excess of its stated redemption price at maturity, special rules would apply under the Treasury Regulations which could result in a deferral of the amortization of some bond premium until later in the term of the Bond. Any election to amortize bond premium applies to all taxable debt instruments held by the beneficial owner on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the Service.

**Medicare Contribution Tax.** Pursuant to Section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals beginning January 1, 2013. The additional tax is 3.8% of the lesser of (i) net investment income (defined as gross income from interest, dividends, net gain from disposition of property not used in a trade or business, and certain other listed items of gross income), or (ii) the excess of “modified adjusted gross income” of the individual over \$200,000 for unmarried individuals (\$250,000 for married couples filing a joint return and a surviving spouse). Owners of the Bonds should consult with their own tax advisor concerning this additional tax, as it may apply to interest earned on the Bonds as well as gain on the sale of a Bond.

**Defeasance.** Persons considering the purchase of a Bond should be aware that the bond documents permit the City under certain circumstances to deposit monies or securities with the Trustee, resulting in the release of the lien of the Indenture (a “defeasance”). A defeasance could be a taxable event resulting in the realization of gain or loss by the owner of a defeased Bond for federal income tax purposes, without any corresponding receipt of monies by the owner. Such gain or loss generally would be subject to recognition for the tax year in which such realization occurs, as in the case of a sale or exchange; in addition, the defeased instrument may be treated as having been reissued with original issue discount or bond issuance premium with the consequences described above. Owners of Bonds are advised to consult their own tax advisers with respect to the tax consequences resulting from such events.

**Backup Withholding.** Under section 3406 of the Code, an owner of a Bond who is a United States person may, under certain circumstances, be subject to “backup withholding” of current or accrued interest on a Bond or with respect to proceeds received from a disposition of the Bond. This withholding applies if such owner of a Bond: (i) fails to furnish to the payor such owner’s social security number or other taxpayer identification number (“TIN”); (ii) furnishes the payor an incorrect TIN; (iii) fails to properly report interest, dividends, or other “reportable payments” as defined in the Code; or (iv) under certain circumstances, fails to provide the payor with a certified statement, signed under penalty of perjury, that the TIN provided to the payor is correct and that such owner is not subject to backup withholding.

Backup withholding will not apply, however, with respect to payments made to certain owners of the Bonds. Owners of Bonds should consult their own tax advisors regarding their qualification for exemption from backup withholding and the procedures for obtaining such exemption.

**Withholding on Payments to Nonresident Alien Individuals and Foreign Corporations.** Under sections 1441 and 1442 of the Code, nonresident alien individuals and foreign corporations are generally subject to withholding at the current rate of 30% (subject to change) on periodic income items arising from sources within the United States, provided such income is not effectively connected with the conduct of a United States trade or business.

Assuming the interest income of such an owner of the Bonds is not treated as effectively connected income within the meaning of section 864 of the Code, such interest will be subject to 30% withholding, or

any lower rate specified in an income tax treaty, unless such income is treated as portfolio interest. Interest will be treated as portfolio interest if: (i) the owner provides a statement to the payor certifying, under penalties of perjury, that such owner is not a United States person and providing the name and address of such owner; (ii) such interest is treated as not effectively connected with the owner's United States trade or business; (iii) interest payments are not made to a person within a foreign country that the Service has included on a list of countries having provisions inadequate to prevent United States tax evasion; (iv) interest payable with respect to the Bonds is not deemed contingent interest within the meaning of the portfolio debt provision; (v) such owner is not a controlled foreign corporation, within the meaning of section 957 of the Code; and (vi) such owner is not a bank receiving interest on the Bonds pursuant to a loan agreement entered into in the ordinary course of the bank's trade or business.

Assuming payments on the Bonds are treated as portfolio interest within the meaning of sections 871 and 881 of the Code, then no withholding under section 1441 and 1442 of the Code and no backup withholding under section 3406 of the Code is required with respect to owners or intermediaries who have furnished Form W-8 BEN, Form W-8 EXP or Form W-8 IMY, as applicable, provided the payor does not have actual knowledge or reason to know that such person is a United States person.

The preceding discussion of certain United States federal income tax consequences is for general information only and is not tax advice. Accordingly, each investor should consult its own tax advisor as to particular tax consequences to it of purchasing, owning, and disposing of the Bonds, including the applicability and effect of any state, local, or foreign tax laws, and of any proposed changes in applicable laws.

### **Litigation**

The City is not aware of any pending or threatened litigation concerning the validity of the Bonds or challenging any action taken by the City with respect to the Bonds. Furthermore, the City is not aware of any pending or threatened litigation to restrain, enjoin, question or otherwise affect the Trust Agreement or in any way contesting or affecting the validity or enforceability of any of the foregoing or any proceedings of the City taken with respect to any of the foregoing.

There are a number of lawsuits and claims pending and threatened against the City unrelated to the Bonds or actions taken with respect to the Bonds. For more information, see "APPENDIX A - City of Brawley Financial and General Demographic Information.

It is the opinion of the City as of this date that none of the litigation, claims and threatened litigation will materially affect the City's finances or impair its ability to make debt service payments on the Bonds.

### **Financial Statements**

\_\_\_\_\_, California (the "Auditor"), audited the financial statements of the City for the fiscal year ended June 30, 2016. The Auditor's examination was made in accordance with generally accepted auditing standards and Governmental Auditing Standards, issued by the Comptroller General of the United States. See "APPENDIX C - Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2016."

The City has not requested nor did the City obtain permission from the Auditor to include the audited financial statements as an appendix to this Official Statement. Accordingly, the Auditor has not performed any post-audit review of the financial condition or operations of the City.

## LEGALITY FOR INVESTMENT IN CALIFORNIA

The Redevelopment Law provides that obligations authorized and issued under the Redevelopment Law will be legal investments for all banks, trust companies and savings banks, insurance companies, and various other financial institutions, as well as for trust funds. The Bonds are also authorized security for public deposits under the Redevelopment Law.

### RATING

S&P Global Ratings (“S&P”) has assigned the Bonds the ratings of “\_\_\_\_\_.” No application has been made to any other rating agency for the purpose of obtaining any additional rating on the Bonds. Any desired explanation of such ratings should be obtained from the rating agency furnishing the same. Generally, rating agencies base their ratings on information and materials furnished to them and on investigations, studies and assumptions by the rating agencies. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in the judgment of such rating agency, circumstances so warrant. Any such change in or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

### CONTINUING DISCLOSURE

The City has covenanted for the benefit of the holders and beneficial owners of the Bonds pursuant to a Continuing Disclosure Agreement, dated the date of issuance of the Bonds (the “Continuing Disclosure Agreement”), by and between the City and Bartle Wells Associates (the “Dissemination Agent”), to provide certain financial information and operating data relating to the City (the “Annual Report”) no later than March 31 following the end of each fiscal year, commencing with the report for Fiscal Year 2016-17, and to provide notices of the occurrence of certain enumerated events through the EMMA System. The specific nature of the information to be contained in the Annual Report and the enumerated events is set forth in APPENDIX D – “FORM OF CONTINUING DISCLOSURE AGREEMENT.” These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12, as amended (the “Rule”) promulgated by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

The City, and the City as successor agency to the now dissolved Brawley Community Redevelopment Agency (the “**Successor Agency**”) (which is not an obligor of the Bonds or under the continuing disclosure undertakings for the Bonds, but shares staff with the City), have entered into prior continuing disclosure undertakings under the Rule in connection with the issuance of long-term obligations and have provided annual financial information and event notices in accordance with their respective undertakings.

[The City is [unaware] of any instances of non-compliance by itself with the requirements of its continuing disclosure undertakings during the past five years.

The City is [aware] of the following instances of non-compliance with the requirements of the continuing disclosure undertakings of the Successor Agency during the past five years:]

The Brawley Redevelopment Agency was obligated to file financial information and operating data under the Rule pursuant to a continuing disclosure agreement delivered in connection with the 2006 Redevelopment Agency Bonds. The Brawley Redevelopment Agency and the Successor Agency, as applicable, did not (i) timely file its annual report the fiscal year ended June 30, 2013, (ii) timely file audited financial statements for the fiscal years ended June 30, 2010 through June 30, 2013, or (iii) file notices of failure to file with respect to the foregoing. The Successor Agency has retained Bartle Wells Associates, as

Dissemination Agent, to assist the Successor Agency with respect to compliance with the Rule for Successor Agency Bonds. The City has also retained Bartle Wells Associates, as Dissemination Agent, to assist the City with respect to the Bonds.

### **APPROVAL OF LEGAL PROCEEDINGS**

The issuance of the Bonds is subject to the respective approving opinion of Bond Counsel, to be delivered in substantially the forms set forth in APPENDIX B herein. Norton Rose Fulbright US LLP has undertaken no responsibility to the Owners for the accuracy, completeness or fairness of this Official Statement or any other offering material related to the Bonds, and expresses no opinion to the Owners with respect thereto.

### **Miscellaneous**

All of the descriptions of applicable law, the Trust Agreement, the City, and the agreements and other documents contained in this Official Statement 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.

This Official Statement does not constitute a contract with the purchasers of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will realize.

The execution and delivery of this Official Statement have been duly authorized by the City Council of the City.

**CITY OF BRAWLEY, CALIFORNIA**

By: \_\_\_\_\_  
City Manager

[THIS PAGE INTENTIONALLY LEFT BLANK]

## APPENDIX A

### THE CITY OF BRAWLEY FINANCIAL AND GENERAL DEMOGRAPHIC INFORMATION

#### Accounting and Financial Reporting

The City maintains its accounting records in accordance with Generally Accepted Accounting Principles and the standards established by the Governmental Accounting Standards Board (“GASB”). Financial statements of the City and its component units are produced following the close of each Fiscal Year.

The City Council employs an independent certified public accountant who examines at least annually the financial statements of the City in accordance with generally accepted auditing standards, including tests of the accounting records and other auditing procedures as such accountant considers necessary. As soon as practicable, after the end of the Fiscal Year, a final audit and report is submitted by the independent accountant to the City Council.

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. It is expected that the payment of principal of and interest on the Pension Obligation Bonds will be paid in part from amounts in the General Fund and from each Enterprise Fund. The tables below set forth certain historical and current Fiscal Year budget information for the General Fund. Information on the remaining governmental funds of the City as of June 30, 2016 is set forth in Appendix B.

#### General Economic Condition and Outlook of the City

As of June 30, 2016, the General Fund had a year-end balance (revenues in excess of expenditures) of \$3.6 million. For Fiscal Year 2017, the adopted General Fund operating budget projects revenues of \$15,141,763 which is approximately \$990,489 (7%) above Fiscal Year 2016 actual revenues. The adopted Fiscal Year 2017 General Fund operating budget projects expenditures of \$15,355,703, an increase of approximately \$381,801 (3%) over Fiscal Year 2016 actual expenditures. The City projects that sales taxes will increase in Fiscal Year 2017, increasing by approximately 9%, over the Fiscal Year 2016 actual amount, and that utility taxes will increase by 16% in Fiscal Year 2017 from the Fiscal Year 2016 actual amount. See the caption “— Budget Procedure, Current Budget and Historical Budget Information” for additional information relating to the adopted budget for Fiscal Year 2017.

#### Budget Procedure, Current Budget and Historical Budget Information

The City currently operates on a one-year budget cycle. The current budget was approved on June 21, 2016 and governs the period beginning on July 1, 2016 for Fiscal Year 2017. The budget includes all funding sources of the City. At such time as the City Manager determines, each department head must furnish to the City Manager an estimate of revenues and expenditures for the applicable department for the ensuing Fiscal Year, detailed in such manner as may be prescribed by the City Manager. In preparing the proposed budget, the City Manager reviews the estimates, holds conferences regarding the estimates with the respective department heads, and revises the estimates as the City Manager deems advisable. Prior to June 30 of every Fiscal Year, the City Manager submits to the City Council a proposed budget for the 12 month period commencing the following July 1. The budget includes proposed expenditures and the means of financing them. Prior to June 30 of the applicable Fiscal Year, public meetings, which include public comment and discussion, are conducted to obtain

public comments and the budget is legally enacted through the passage of a resolution. The budget is subject to amendment throughout the year to reflect actual financial performance.

From the effective date of the budget, the amounts stated as proposed expenditures become appropriated to the several departments, offices and agencies for the objects and purposes named. The City Manager is authorized to transfer budgeted amounts between line items within a department or activity, and between departments and programs within the same fund, provided that the total appropriation does not exceed the budgeted amount. All other transfers or amendments require City Council approval. The City Manager and affected department heads are mutually responsible for controlling expenditures within budgeted appropriations.

The City Council adopted a balanced budget for Fiscal Year 2017 on June 21, 2016. The budget for all funds totaled approximately \$48,090,936 for Fiscal Year 2017 and the General Fund operating budget totaled approximately \$15,355,703 for Fiscal Year 2017. The Fiscal Year 2017 General Fund operating budget projected an increase in revenues of approximately 7% over the Fiscal Year 2016 General Fund operating budget, derived principally from increases in property tax revenues resulting from increased assessed valuations, increases in sales tax revenues and increased development activity within the City.

Set forth in Table 1 are the General Fund budgets for Fiscal Years 2014 through 2017 and the audited General Fund results for Fiscal Years 2014 through 2016. During the course of each Fiscal Year, the budget is amended and revised as necessary by the City Council.

**TABLE 1  
CITY OF BRAWLEY  
GENERAL FUND BUDGETS AND RESULTS**

	<i>Adopted Fiscal Year 2014 Budget</i>	<i>Fiscal Year 2014 Results</i>	<i>Adopted Fiscal Year 2015 Budget</i>	<i>Fiscal Year 2015 Results</i>	<i>Adopted Fiscal Year 2016 Budget</i>	<i>Fiscal Year 2016 Results</i>	<i>Adopted Fiscal Year 2017 Budget</i>
<b>REVENUES</b>							
Taxes							
Utility users	\$ 2,111,892	\$ 2,242,076	\$ 1,753,685	\$ 1,978,806	\$ 1,878,807	\$ 1,695,929	\$ 1,975,091
Transient lodging	270,746	322,764	270,746	334,776	361,325	340,506	361,325
Franchise	639,000	509,074	639,000	615,888	600,000	599,042	616,000
Business license	45,000	47,495	45,000	25,856	45,000	49,901	25,856
Licenses and permits	169,550	264,354	23,850	23,010	10,000	13,041	13,000
Fines and forfeitures	100,000	42,139	57,650	48,660	49,025	55,712	49,025
Use of money and property	20,000	49,942	36,000	73,415	26,000	51,867	64,000
Intergovernmental <sup>(1)</sup>	6,844,427	6,952,639	7,587,179	6,993,860	7,249,623	7,234,089	7,683,228
Charges for services	3,669,749	3,600,023	3,519,564	3,684,635	3,748,719	3,694,910	3,783,615
Miscellaneous	133,000	179,429	2,380,002	267,498	130,000	293,760	523,468
Total Revenues	14,003,364	14,209,935	16,312,676	14,046,404	14,134,499	14,028,757	15,094,608
<b>EXPENDITURES</b>							
Current:							
General government	2,147,478	2,369,996	2,062,782	2,337,336	2,509,378	2,412,426	2,740,597
Public safety	7,768,250	7,736,750	8,310,526	8,132,772	8,475,067	8,888,206	8,784,509
Culture and leisure	2,155,204	2,087,036	2,195,519	2,227,347	2,293,376	2,281,851	2,361,559
Community development	1,729,432	1,560,253	1,508,003	1,479,657	1,593,849	1,524,752	1,602,371
Transportation	--	--	--	--	--	--	--
Capital outlay	310,000	300,270	--	25,036	375,700	292,780	105,000
Total Expenditures	14,110,364	14,054,305	14,076,830	14,202,148	15,247,370	15,400,015	15,594,036
Excess of revenues over (under) expenditures	(107,000)	--	2,235,846	(155,744)	(1,112,871)	(1,371,258)	(499,428)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	--	--	--	200,419	--	122,517	60,155
Transfers out	--	--	(2,280,002)	--	--	--	(737,500)
Total other financing sources (uses)	--	--	(2,280,002)	200,419	--	122,517	(677,345)
Net change in fund balances	(107,000)	155,630	(44,156)	44,675	(1,112,871)	(1,248,741)	(1,176,773)
Fund Balances – July 1	--	--	4,628,152	4,628,152	4,916,355	4,916,355	3,667,614
Prior Period Adjustments	--	--	--	243,528	--	--	--
Fund Balances – July 1, Restated	4,107,880	4,472,522	4,628,152	4,871,680	4,916,355	4,916,335	3,667,614
Fund Balances – June 30	\$ 4,000,880	\$ 4,628,152	\$ 9,212,148	\$ 4,916,355	\$ 8,719,839	\$ 3,667,614	\$ 2,490,841

Sources: Adopted budgets of the City for Fiscal Years 2014, 2015 and 2016; audited financial statements of the City for Fiscal Years 2014, 2015 and 2016.  
<sup>(1)</sup> "Intergovernmental" includes Sales Taxes, Motor Vehicle In-Lien Payments, Property Taxes and Grants and Reimbursements.



## General Fund Balance Sheets of the City

Set forth in Table 3 are the City's audited General Fund balance sheets for Fiscal Years 2012 through 2016.

**TABLE 3  
CITY OF BRAWLEY  
GENERAL FUND BALANCE SHEETS**

	<i>Fiscal Year Ending June 30,</i>				
	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>
<b>ASSETS</b>					
Cash and investments	\$ 2,234,870	\$ 6,262,256	\$ 5,513,738	\$ 6,511,798	\$ 3,271,740
Interest receivable	1,692	3,216	2,531	5,594	2,322
Accounts receivable	--	--	36,297	30,617	51,252
Due from other governments	1,390,165	578,305	284,450	711,986	1,075,156
Due from other funds	1,219,962	989,317	2,274,211	210,223	2,019,148
Total assets	<u>\$ 4,846,689</u>	<u>\$ 7,833,094</u>	<u>\$ 8,111,227</u>	<u>\$ 7,470,218</u>	<u>\$ 6,419,618</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 545,875	\$ 603,820	\$ 418,723	\$ 361,609	\$ 396,177
Deposits payable	192,675	2,756,493	2,897,148	2,179,715	2,322,111
Deferred revenue	259	259	--	--	--
Due to other funds	--	--	--	--	--
Total liabilities	<u>738,809</u>	<u>3,360,572</u>	<u>3,315,871</u>	<u>2,541,324</u>	<u>2,718,288</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unearned revenue	--	--	167,204	12,539	33,716
Total deferred inflows of resources	<u>--</u>	<u>--</u>	<u>167,204</u>	<u>12,539</u>	<u>33,716</u>
Total liabilities and deferred inflows of resources	<u>--</u>	<u>--</u>	<u>3,483,075</u>	<u>2,553,863</u>	<u>2,752,004</u>
Fund balances:					
Restricted for:					
Library	62,945	62,945	63,010	63,010	57,742
Unassigned	4,044,935	4,409,577	4,565,142	4,853,345	3,609,872
Total fund balances	<u>4,107,880</u>	<u>4,472,522</u>	<u>4,628,152</u>	<u>4,916,355</u>	<u>\$ 3,667,614</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,846,689</u>	<u>\$ 7,833,094</u>	<u>\$ 8,111,227</u>	<u>\$ 7,470,218</u>	<u>\$ 6,419,618</u>

Sources: Audited financial statements for Fiscal Years 2012 through 2016.

### Property Taxes

Property in the State which is subject to *ad valorem* taxes is classified as "secured" or "unsecured." The secured classification includes property on which any property tax levied by a county becomes a lien on that property. A tax levied on unsecured property does not become a lien against the taxed unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens, arising pursuant to State law, on the secured property, regardless of the time of the creation of other liens. The valuation of property is determined as of January 1 each year, and installments of taxes levied upon secured property become delinquent on the following December 10th and April 10th of the subsequent calendar year. Taxes on unsecured property are due July 1 and become delinquent August 31.

Secured and unsecured properties are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property. The exclusive means of forcing the payment of delinquent taxes with respect to property on the secured roll is the sale of the property securing the taxes of the State for the amount of taxes that are delinquent. The taxing authority has four methods of collecting unsecured personal property taxes: (1) filing a civil action against the taxpayer; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for recording in the county recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizing and selling personal property, improvements or possessory interests belonging or taxable to the assessee.

A 10% penalty is added to delinquent taxes which have been levied with respect to property on the secured roll. In addition, beginning on the July 1 following a delinquency, interest begins accruing at the rate of 1.5% per month on the amount delinquent. Such property may thereafter be redeemed by the payment of the delinquent taxes and the 10% penalty, plus interest at the rate of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is deeded to the State and then is subject to sale by the county tax collector. A 10% penalty also applies to the delinquent taxes or property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning on the varying dates related to the tax billing date.

Legislation enacted in 1984 (Section 25 *et seq.* of the California Revenue and Taxation Code), provides for the supplemental assignment and taxation of property as of the occurrence of a change in ownership or completion of new construction. Previously, statutes enabled the assessment of such changes only as of the next tax lien date following the change and thus delayed the realization of increased property taxes from the new assessment for up to 14 months. Collection of taxes based on supplemental assessments occurs throughout the year.

For a number of years, the State Legislature shifted property taxes from cities, counties and special districts to the Educational Revenue Augmentation Fund ("ERAF"). In Fiscal Years 1993 and 1994, in response to serious budgetary shortfalls, the State Legislature and administration permanently redirected over \$3 billion of property taxes from cities, counties, and special districts to schools and community college districts pursuant to ERAF shifts. The Fiscal Year 2005 State Budget included an additional \$1.3 billion shift of property taxes from certain local agencies, including the City, in Fiscal Years 2005 and 2006.

On November 2, 2004, State voters approved Proposition 1A, which amended the State Constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State may not: (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes; (ii) shift property taxes from local governments to schools or community colleges; (iii) change how property tax revenues are shared among local governments without two-thirds approval of both houses of the State Legislature; or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Beginning in Fiscal Year 2009, the State may shift to schools and community colleges a limited amount of local government property tax revenue if certain conditions are met, including: (a) a proclamation by the Governor that the shift is needed due to a severe financial hardship of the State; and (b) approval of the shift by the State Legislature with a two-thirds vote of both houses. Under such a shift, the State must repay local governments for their property tax losses, with interest, within three years. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county.

Set forth in Table 4 are the secured and unsecured assessed valuations for property in the City for the Fiscal Years 2012 through 2016.

**TABLE 4  
CITY OF BRAWLEY  
ASSESSED VALUATION HISTORY<sup>(1)</sup>**

	<i>Local Secured</i>	<i>Utility</i>	<i>Unsecured</i>	<i>Total</i>
2012-13	\$ 939,841,673	\$558,304	\$ 98,648,139	\$1,039,048,116
2013-14	947,111,746	558,304	114,286,493	1,061,956,543
2014-15	956,253,141	558,304	129,220,362	1,086,031,807
2015-16	1,030,175,590	558,304	131,240,511	1,161,974,405
2016-17	1,073,691,789	558,304	123,556,978	1,197,807,071

<sup>(1)</sup> Figures have been rounded to the nearest thousand dollars.  
Source: California Municipal Statistics, Inc.

Set forth in Table 5 are property tax collections (including amounts that do not constitute General Fund moneys) and delinquencies in the City as of June 30 for Fiscal Years 2010 through 2016. The County has formally adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (known as the Teeter Plan), as provided for in Section 4701 *et seq.* of the Revenue and Taxation Code of the State. Basically, this means that the County, schools and districts receive 100% of the amount charged on the original tax roll, less any corrections made during the year. There can be no assurance that the County Auditor-Controller will not change its policies with respect to delinquencies in property tax payments in the future.

**TABLE 5  
CITY OF BRAWLEY  
PROPERTY TAX LEVIES AND COLLECTIONS**

<i>Fiscal Year</i>	<i>Total Tax Levy</i>	<i>Collections within the Fiscal Year of Levy<sup>(1)</sup></i>	<i>Percent of Levy Collected within the Fiscal Year of Levy</i>	<i>Collections in Subsequent Years</i>	<i>Percent of Levy Collected to Date</i>
2012					
2013					
2014					
2015					
2016					

<sup>(1)</sup> The amounts shown in this column reflect all property tax collections of the City, including non-General Fund moneys. See Table 2 under the caption “—Change in Fund Balance of the City General Fund” for historic General Fund property tax revenues alone.

Source: California Municipal Statistics, Inc.

The twenty largest taxpayers in the City as shown on the Fiscal Year 2017 tax roll, the assessed valuation and the percentage of the City's total property tax revenues attributable to each are set forth in Table 6.

**TABLE 6  
CITY OF BRAWLEY  
TWENTY LARGEST TAXPAYERS**

	<i>Property Owner</i>	<i>Primary Land Use</i>	<i>Fiscal Year 2017 Assessed Valuation</i>	<i>% of Total<sup>(1)</sup></i>
1.	OWB Real Estate Holdings LLC	Industrial	\$ 59,590,928	5.55%
2.	Five Crowns Inc.	Industrial	18,834,889	1.75
3.	Brawley Housing Investors LP	Apartments	14,016,858	1.31
4.	Wal-Mart Stores Inc.	Commercial	12,242,154	1.14
5.	Brawley Gardens LP	Apartments	11,370,674	1.06
6.	Sonterra Housing Investors LP	Apartments	11,223,804	1.05
7.	Brawley Pioneers LP	Apartments	8,395,176	0.78
8.	BFA LP	Apartments	8,265,245	0.77
9.	Inland Valley Investments LLC	Apartments	6,764,674	0.63
10.	BESA LP	Apartments	6,454,579	0.60
11.	Brawley Inn LLC	Hotel/Motel	6,201,162	0.58
12.	Amcal Valle Del Sol Fund LP	Apartments	4,794,819	0.45
13.	K. Hovnanian Forecast Homes, Inc.	Residential	3,971,844	0.37
14.	IVHA-1	Development		
		Apartments	3,967,664	0.37
15.	RLH Corporation	Shopping Center	3,925,171	0.37
16.	HPD Spring-Encino LP	Apartments	3,899,696	0.36
17.	Brawley Investment LP	Office Building	3,390,000	0.32
18.	The Vons Companies Inc.	Commercial	3,238,647	0.30
19.	Sun Community Federal Credit Union	Bank/Credit Union	3,024,017	0.28
20.	Brawley Self Storage LLC	Public Storage	2,872,185	0.27
<b>TOTAL</b>			<b>\$196,444,186</b>	<b>18.30%</b>

<sup>(1)</sup> 2016-17 Local Secured Assessed Value: \$1,073,691,789  
Source: California Municipal Statistics, Inc.

The City reports its property tax receipts as a component of Intergovernmental Revenues in its audited financial statements. As set forth in Table 7 below, for Fiscal Year 2016, the City received \$2,170,298 in total property tax revenues.

**TABLE 7  
CITY OF BRAWLEY  
PROPERTY TAXES**

<i>Source</i>	<i>Fiscal Year</i>				
	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>
Property Taxes Source: The City.	\$1,536,157	\$2,428,195	\$1,990,122	\$1,877,978	\$2,170,298

**Sales Taxes**

A sales tax is imposed on retail sales or consumption of personal property and collected and distributed by the State Board of Equalization. The basic sales tax rate is established by the State Legislature, and local overrides may be approved by voters. The current sales tax rate in the City is 7.75%.

Sales tax receipts of \$2,483,142 provided the largest tax revenue source for the City in Fiscal Year 2016, contributing approximately 22% of General Fund tax revenues and approximately 15% of total General Fund revenues during Fiscal Year 2016. The City reports its Sales Tax receipts as a component of Intergovernmental Revenues in its audited financial statements. The City's Sales Tax receipts for the Fiscal Years 2012 through 2016 are provided in Table 8 below.

**TABLE 8  
CITY OF BRAWLEY  
SALES TAXES**

<i>Source</i>	<i>Fiscal Year</i>				
	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>
Sales Taxes Source: The City.	\$2,352,185	\$2,281,026	\$2,390,192	\$2,695,538	\$2,483,142

**Utility Taxes**

The City collected utility taxes of \$1,695,929 in Fiscal Year 2016, contributing approximately \_\_\_% of General Fund tax revenues and approximately 12% of total General Fund revenues during Fiscal Year 2016. The City's historical revenues from Utility Taxes for Fiscal Years 2012 through 2016 are provided in Table 2 above. The utility tax is imposed upon utility users in the City, including users of electricity, gas, telephone, mobile telephone and water services, at the rate of 4%. Exemptions are available for low-income residents. Proceeds of the utility tax are used to fund police, fire, library, school crossing guard, animal control, code enforcement and street maintenance programs and other activities funded by the General Fund.

The City's current Utility Tax is subject to expiration on May 31, 2018. The City Council is considering placing the renewal of the utility tax on the ballot in November 2017. The utility tax as it is a major revenue source to the City's General Fund. No measure to repeal the City's utility tax has been placed on recent ballots, but there can be no assurance as to whether such a measure may be placed on future ballots.

**Other Taxes**

Other taxes of \$989,449 collected by the City in Fiscal Year 2016, including transient occupancy taxes, business licenses and franchise fees, provided approximately \_\_\_% of General Fund tax revenues and [29]% of total General Fund revenues during Fiscal Year 2016.

**Services**

Fees of \$[4,085,945] collected for services provided by the City in Fiscal Year 2016, including but not limited to fees for plan checks and other planning services, issuance of building permits, police services, public works projects and parks and recreation programs, provided approximately 80.49% of General Fund revenues during Fiscal Year 2016. Such amounts reflect the sum of the "Licenses & Permits," "Charges for Services," "Fines & Forfeitures" and "Miscellaneous" line items shown in Tables 1 and 2 above.

**State of California Motor Vehicle In-Lieu Payments**

The State imposes a Vehicle License Fee (the "VLF"), which is the portion of the fees paid in lieu of personal property taxes on a vehicle. The VLF is based on vehicle value and declines as the vehicle ages. Prior to the adoption of the Fiscal Year 2005 State Budget, the VLF was 2% of the value of a vehicle. Through legislation in prior Fiscal Years, the State enacted VLF reductions under which the State was required to "backfill" local governments for their revenue losses resulting from the lowered fee. The Fiscal Year 2005 State Budget permanently reduced the VLF from 2% to 0.65% of the value of a vehicle and deleted the requirement for backfill payments, providing instead that the amount of the backfill requirement will be met by an increase in the

property tax allocation to cities and counties. See the caption "STATE OF CALIFORNIA BUDGET INFORMATION."

The City reports its Sales Tax receipts as a component of Intergovernmental Revenues in its audited financial statements. As set forth in Table 9 below, for Fiscal Year 2016, the City received \$2,107,253 (in total VLF revenues, all of which was distributed from property tax receipts.

**TABLE 9  
CITY OF BRAWLEY  
STATE OF CALIFORNIA MOTOR VEHICLE IN-LIEU PAYMENTS**

<i>Source</i>	<i>Fiscal Year</i>				
	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>
Motor Vehicle In-Lieu Payments	\$1,876,938	\$1,891,258	\$1,925,300	\$1,966,290	\$2,107,253

Source: City.

**Other Indebtedness**

**Long-Term Debt.** The following is a summary of long-term debt activity of the City's governmental activities for the fiscal year ended June 30, 2016:

	<u>Balance as of July 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance as of June 30, 2016</u>	<u>Due Within One Year</u>
Governmental Activities					
Capital lease	\$ 37,870		\$ (18,344)	\$ 19,526	\$ 19,526
Net pension liability	14,824,206	\$ 840,578		15,664,784	
Compensated absences	1,278,498	193,610	(193,610)	1,278,498	
Total long-term liabilities	<u>\$ 16,140,574</u>	<u>\$ 1,034,188</u>	<u>\$(211,954)</u>	<u>\$ 16,962,808</u>	<u>\$ 19,526</u>

**Capital Lease.** The City has entered into a lease agreement as lessee for financing the acquisition of a park facility lighting system having a purchase price of \$149,731. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2016, including interest are as follows;

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 37,870	\$ 1,258	\$ 39,128
Total	<u>\$ 37,870</u>	<u>\$ 1,258</u>	<u>\$ 39,128</u>

**Business-Type Activities.** The following is a summary of long-term debt activity of the City's business-type activities for the fiscal year ended June 30, 2016:

	Balance as of July 1, 2015	Additions	Reductions	Balance as of June 30, 2016	Due Within One Year
Business-type Activities					
Contracts payable	\$ 7,816,016	\$ -	\$ (1,159,765)	\$ 6,656,251	\$ 1,164,014
Deferred gain	524,440		(148,228)	376,212	124,806
Unamortized discount	(795,917)		223,975	(571,942)	(189,520)
Certificates of participation	220,000		(220,000)		
Unamortized discount	(1,108)		1,108		
MFC Note payable	2,350,000		(170,000)	2,180,000	230,991
Unamortized premium	11,584		(2,166)	9,418	2,020
Bonds payable	39,300		(19,100)	20,200	20,200
CSWRCB Loan	12,635,167		(685,500)	11,949,667	692,355
Net pension liability	1,771,129	162,812		1,933,941	
Compensated absences	221,820	40,544	(40,544)	221,820	
Total long-term liabilities	<u>\$ 24,792,431</u>	<u>\$ 203,356</u>	<u>\$ (2,220,220)</u>	<u>\$ 22,775,567</u>	<u>\$ 2,044,866</u>

**Short-Term Debt.** The City currently has no short-term debt outstanding.

**Estimated Direct and Overlapping Bonded Debt.** The estimated direct and overlapping bonded debt of the City as of June 1, 2017 is set forth in Table 10. The information in Table 8 has been derived from data assembled and reported to the City by California Municipal Statistics, Inc. None of the City nor the Underwriter has independently verified the information in Table 10 and the City and the Underwriter do not guarantee its accuracy.

**TABLE 10**  
**CITY OF BRAWLEY**  
**ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT AS OF JUNE 1, 2017**

2016-17 Assessed Valuation: \$1,197,807,071

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 6/1/17</u>
Imperial Community College District	10.131%	\$ 7,218,287
Brawley Union High School District	60.238	4,180,517
Brawley School District	82.686	8,099,094
Pioneers Memorial Hospital	32.594	<u>3,345,774</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		\$22,843,672
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
Imperial County Certificates of Participation	9.893%	\$ 795,397
Imperial County Pension Obligation Bonds	9.893	3,772,201
Imperial Community College District General Fund Obligations	10.131	29,886
Brawley Union High School District Qualified Zone Academy Bonds (QZABs)	60.238	2,710,710
<b>City of Brawley</b>	<b>100.000</b>	<b><u>0</u></b> <sup>(1)</sup>
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		\$7,308,194
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>		\$4,575,000
COMBINED TOTAL DEBT		\$34,726,866 <sup>(2)</sup>

(1) Excludes Bonds to be sold.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2016-17 Assessed Valuation:

Total Overlapping Tax and Assessment Debt .....	1.91%
<b>Combined Direct Debt .....</b>	<b>0.00%</b>
Combined Total Debt .....	2.90%

Ratio to Redevelopment Incremental Valuation (\$221,733,536):

Total Overlapping Tax Increment Debt.....	2.06%
---	-------

Source: California Municipal Statistics, Inc.

## Retirement Contributions

*This caption contains certain information relating to the California Public Employees Retirement System ("PERS"). The information is primarily derived from information produced by PERS, its independent accountants and actuaries. The City has not independently verified the information provided by PERS and make no representations nor express any opinion as to the accuracy of the information provided by PERS.*

*The comprehensive annual financial reports of PERS are available on its Internet website at [www.calpers.ca.gov](http://www.calpers.ca.gov). The PERS website also contains PERS' most recent actuarial valuation reports and other information concerning benefits and other matters. Such information is not incorporated by reference herein. The City cannot can guarantee the accuracy of such information. Actuarial assessments are forward-looking statements that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or be changed in the future. Actuarial assessments will change with the future experience of the pension plans.*

The City contributes to PERS, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California. All qualified employees are eligible to participate in the City's separate Safety (police and fire) and Miscellaneous (all other) Plans (each, a "Plan"). The contribution requirements of the plan members are established by State statute. The actuarial methods and assumptions used for determining the rates are based on those adopted by Board of Administration of PERS (the "PERS Board").

PERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. The Plans' provisions and benefits in effect at June 30, 2016, are summarized as follows:

Hire date	City Misc Plan		City Safety Plan	
	Prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 62	3.0% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	55	62	50	62
Monthly benefits, as a % of eligible compensation	2.00%	2.00%	3.0%	1.0% to 2.5%

All members are eligible for non-duty disability benefits after 5 years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive so-called 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least 5 years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The benefits for the PERS pension plans are funded by contributions from members and employers, and earnings from investment. Member and employer contributions are a percentage of applicable member compensation. Member contributions rates are established pursuant to the Public Employees' Retirement Law and depend on the respective employer's benefit formulas. In certain circumstances, a portion of member contributions are paid for by the employer. Employer paid member contributions are reported as member contributions. Employer contribution rates are determined by periodic actuarial valuations or by statute. Actuarial valuations are based on the benefit formulas and employee groups of each employer. Employer contributions are credited with a market value adjustment in determining contribution rates. The cost of administering PERS is financed through contributions and investment earnings. For Fiscal Year 2018, active plan miscellaneous members hired on or before December 31, 2012 will be required to contribute 7.0% of their monthly salary and those hired on or after January 1, 2013 are required to contribute 6.25% of their monthly salary. For Fiscal Year 2018, active plan safety members hired on or before December 31, 2012 will be required

to contribute 9.0% of their monthly salary and those hired on or after January 1, 2013 are required to contribute 11.5% of their monthly salary.

The City's required contribution rate is the difference between the actuarially determined rate and the contribution rate of employees. The staff actuaries at PERS prepare annually an actuarial valuation which covers a fiscal year ending approximately 15 months before the actuarial valuation is prepared. The actuarial valuations express the City's required contribution rates in percentages of payroll, which percentages the City must contribute in the fiscal year immediately following the fiscal year in which the actuarial valuation is prepared. PERS rules require the City to implement the actuary's recommended rates. The actuarial methods and assumptions used for determining the rates are based on those adopted by the PERS Board. The contribution rates for each Plan for the Fiscal Years 2016 through 2018.

**TABLE 11  
CITY OF BRAWLEY  
REQUIRED CONTRIBUTION RATE BY PLAN**

<i>Plan</i>	<i>Fiscal Year 2016</i>	<i>Fiscal Year 2017</i>	<i>Fiscal Year 2018</i>
Miscellaneous	19.532%	21.357%	23.973%
Miscellaneous - PEPRA	N/A <sup>(1)</sup>	6.569	6.740
Safety	42.930	48.226	54.146
Safety - Police PEPRA	11.140	12.113	12.654
Safety - Fire PEPRA	N/A <sup>(1)</sup>	12.116	12.534

Source: PERS Actuarial Reports for June 30, 2013 through June 30, 2015.

<sup>(1)</sup> This information is not available for such Fiscal Year.

In calculating the annual actuarially recommended contribution rates, the PERS actuary calculates on the basis of certain assumptions the actuarial present value of benefits that PERS will fund under the PERS Plans, which include two components, the normal cost and the unfunded actuarial accrued liability (the "UAAL"). The normal cost represents the actuarial present value of benefits that PERS will fund under the PERS Plans that are attributed to the current year, and the UAAL represents the actuarial present value of benefits that PERS will fund that are attributed to past years. The UAAL represents an estimate of the actuarial shortfall between assets on deposit at PERS and the present value of the benefits that PERS will pay under the PERS Plans to retirees and active employees upon their retirement. The UAAL is based on several assumptions such as, among others, the rate of investment return, average life expectancy, average age of retirement, inflation, salary increases and occurrences of disabilities. The assumed rate of investment return utilized in the actuarial valuation is established by PERS and the City has no ability to predict the assumed rate of return, currently 7.5%, from time to time. In addition, the UAAL includes certain actuarial adjustments such as, among others, the actuarial practice of smoothing losses and gains over multiple years. As a result, the UAAL may be considered an estimate of the unfunded actuarial present value of the benefits that PERS will fund under the PERS Plans to retirees and active employees upon their retirement and not as a fixed expression of the liability the City owes to PERS under the Plans.

On April 17, 2013, the PERS Board approved a recommendation to change the PERS amortization and smoothing policies. Prior to this change, PERS employed an amortization and smoothing policy, which spread investment returns over a 15-year period while experience gains and losses were amortized over a rolling 30-year period. Effective with the June 30, 2014 actuarial valuation, PERS no longer uses actuarial value of assets and employs an amortization and smoothing policy that spreads rate increases or decreases over a 5-year period, and amortizes all experience gains and losses over a fixed 30-year period.

In 2014, the PERS Board approved several changes to the demographic assumptions that more closely align with actual experience, including recognition of the mortality improvement among the PERS membership. These actuarial assumptions were incorporated into the June 30, 2015 actuarial valuation. The increase in liability due to the revised actuarial assumptions will be amortized over 20 years and phased in over 5 years in accordance with PERS Board policy, beginning with the contribution requirement for Fiscal Year 2016-17.

In November 2015, the PERS Board adopted a funding risk mitigation policy that incrementally lowers the discount rate in years of good investment returns to help pay down the pension fund's unfunded liability and provide greater predictability and less volatility in contribution rates for employers. Under the policy adopted by the PERS Board, a mechanism will be established to reduce the assumed rate of return by a minimum of 0.05 percentage points to a maximum of 0.25 percentage points in years when investment returns outperform the existing discount rate, currently 7.5 percent, by at least four percentage points. The four percentage point threshold is expected to offset increases to employer contribution rates that would otherwise increase when the discount rate is lowered, and help pay down PERS' unfunded liability.

According to the PERS Annual Review of Funding Levels and Risks, dated September 20, 2016 (the "2016 Funding Levels Review"), the funded status of the PERS system has fallen to approximately 68%. The 2016 Funding Levels Review also states that employer contribution levels are climbing, resulting in stress on employers, and recent economic conditions have increased the risk that the 7.5% rate of return will not be achieved in the medium term. The 2016 Funding Levels Review further states that there is an emerging concern that there may be certain degradation of the membership and revenue base of the schools pool which would increase the risk to the funding of the pool. PERS is expected to review its asset allocation, capital market assumptions and discount rate over the next 18 months. The PERS Board made changes to its actuarial assumptions at its December 21, 2016 meeting, including a reduction in the assumed rate of return to 7.0%, phased in over the next three years. The three-year reduction of the discount rate to 7.0% is expected to result in average employer rate increases of approximately 1-3% of normal cost as a percent of payroll for most miscellaneous retirement plans and a 2-5% increase for most safety plans.

***California Public Employees' Pension Reform Act of 2013.*** On September 12, 2012, the California Governor signed AB 340, a bill that enacted the California Public Employees' Pension Reform Act of 2012 ("PEPRA") and that also amended various sections of the California Education and Government Codes, including the County Employees Retirement Law of 1937. Effective January 1, 2013, AB 340: (i) requires public retirement systems and their participating employers to share equally with employees the normal cost rate for such retirement systems; (ii) prohibits employers from paying employer-paid member contributions to such retirement systems for employees hired after January 1, 2013; (iii) establishes a compulsory maximum non-safety benefit formula of 2.5% at age 67; (iv) defines final compensation as the highest average annual pensionable compensation earned during a 36-month period; and (v) caps pensionable income at \$110, 100 (\$132, 120 for employees not enrolled in Social Security) subject to Consumer Price Index increases. Other provisions reduce the risk of the City incurring additional unfunded liabilities, including prohibiting retroactive benefits increases, generally prohibiting contribution holidays, and prohibiting purchases of additional non-qualified service credit. If AB 340 is implemented fully, PERS estimates savings for local agency plans of approximately \$1.653 billion to \$2.355 billion over the next 30 years due primarily to increased employee contributions and, as the workforce turns over, lower benefit formulas that will gradually reduce normal costs. Savings specific to the City have not been quantified.

Local government employee associations, including all of the City's represented employees, will have a five-year window to negotiate compliance with the cost-sharing provisions of PEPRA through collective bargaining. Under PEPRA, if no deal is reached by January 1, 2018 which meets the terms set forth in PEPRA, a city, public agency or school district may force employees who entered the pension system prior to January 1, 2013 to pay one half of the normal costs of PERS pension benefits, but not to exceed 8% of pay for miscellaneous workers and 12% for public safety workers. PEPRA will not likely have a material effect on the City's contributions in the short term. However, additional employee contributions, limits on pensionable

compensation and higher retirement ages for new members will reduce the City's unfunded actuarial accrued liability and potentially reduce City contribution levels in the long term.

The City's contributions to PERS for the Miscellaneous Plan for the Fiscal Years 2012, 2013, 2014, 2015 and 2016 were \$603,260, \$754,826, \$784,232, \$736,175 and \$752,328, respectively. The City's contributions to PERS for the Safety Plan for the Fiscal Years 2012, 2013, 2014, 2015 and 2016 were \$603,260, \$754,826, \$784,232, \$736,175 and \$752,328, respectively.

Funding Status. As of June 30, 2015, the date of the most recent PERS valuation report, the market value of assets in the Safety Plan was approximately \$27,633,646 and the accrued liability was approximately \$38,399,728. The Safety Plan was approximately 72.0% funded on a market value of assets basis as of June 30, 2015, with an Unfunded Liability of approximately \$10,766,082. The market value of the PEPRA Safety Plan-Police was approximately \$101,089 and the accrued liability was approximately \$108,580. The PEPRA Safety Plan – Police was approximately 93.1% funded on a market value of assets basis as of June 30, 2015, with any Unfunded Liability of approximately \$7,491. The market value of the PEPRA Safety Plan- Fire was approximately \$40,493 and the accrued liability was approximately \$43,338. The PEPRA Safety Plan – Police was approximately 93.4% funded on a market value of assets basis as of June 30, 2015, with any Unfunded Liability of approximately \$2,845.

As of June 30, 2015, the date of the most recent actuarial valuation report, the market value of assets in the Miscellaneous Plan was approximately \$28,039,737, and the accrued liability was approximately \$35,723,044. The Miscellaneous Plan was approximately 78.5% funded on a market value of assets basis as of June 30, 2015, with an Unfunded Liability of approximately \$7,683,307. The market value of the PEPRA Miscellaneous Plan was approximately \$51,508 and the accrued liability was approximately \$54,143. The PEPRA Miscellaneous Plan was approximately 95.1% funded on a market value of assets basis as of June 30, 2015, with any Unfunded Liability of approximately \$2,634.

The following tables, for the Miscellaneous Plan, the PEPRA Miscellaneous Plan, the Safety Plan, the PEPRA Safety Plan – Police and the PEPRA Safety Plan-Fire respectively, set forth the market value of the Plans' assets, the market value of the Plans' assets and funded status as of the valuation dates from June 30, 2011 through June 30, 2015. The five tables are based on PERS Actuarial Reports for those years:

**TABLE 12  
CITY OF BRAWLEY  
HISTORICAL FUNDING STATUS  
(Miscellaneous Plan)**

<i>Valuation Date June 30</i>	<i>Accrued liability</i>	<i>Market Value of Assets (MVA)</i>	<i>Unfunded Liability<sup>(1)</sup></i>	<i>MVA Funded Status</i>	<i>Annual Covered Payroll</i>
2011	\$28,534,978	\$21,873,680	\$6,661,298	76.7%	\$5,126,559
2012	29,069,335	21,151,178	7,918,157	72.8	4,621,504
2013	31,082,393	24,044,272	7,038,121	77.4	4,505,850
2014	34,488,424	28,229,153	6,259,271	81.9	4,430,423
2015	35,723,044	28,039,737	7,683,307	78.5	4,204,387

Source: PERS Actuarial Reports for June 30, 2013 through June 30, 2015.

<sup>(1)</sup> Prior to fiscal year 2012-13, unfunded liability was based on the actuarial value of assets. As a result of the PERS Board's adoption of modifications to smoothing and amortization policies, beginning in fiscal year 2012-13 and continuing thereafter, the unfunded liability will be based on the market value of assets.

**TABLE 13  
CITY OF BRAWLEY  
HISTORICAL FUNDING STATUS  
(PEPRA Miscellaneous Plan)**

<i>Valuation Date June 30</i>	<i>Accrued liability</i>	<i>Market Value of Assets (MVA)</i>	<i>Unfunded Liability<sup>(1)</sup></i>	<i>MVA Funded Status</i>	<i>Annual Covered Payroll</i>
2014	\$15,221	\$15,898	\$ (677)	\$104.5%	\$144,631
2015	54,143	51,509	2,634	95.1	382,214

Source: PERS Actuarial Reports for June 30, 2014 through June 30, 2015.

**TABLE 14  
CITY OF BRAWLEY  
HISTORICAL FUNDING STATUS  
(Safety Plan)**

<i>Valuation Date June 30</i>	<i>Accrued liability</i>	<i>Market Value of Assets (MVA)</i>	<i>Unfunded Liability<sup>(1)</sup></i>	<i>MVA Funded Status</i>	<i>Annual Covered Payroll</i>
2011	\$31,057,112	22,040,434	9,016,678	71.0%	3,322,492
2012	32,444,244	21,378,358	10,705,886	67.0	3,006,426
2013	34,509,077	24,608,625	9,900,452	71.3%	2,857,657
2014	37,512,165	28,218,200	9,900,452	71.3	2,866,032
2015	38,399,728	27,633,646	10,766,082	72.0	2,527,382

Source: PERS Actuarial Reports for June 30, 2013 through June 30, 2015.

<sup>(1)</sup> Prior to fiscal year 2012-13, unfunded liability was based on the actuarial value of assets. As a result of the PERS Board's adoption of modifications to smoothing and amortization policies, beginning in fiscal year 2012-13 and continuing thereafter, the unfunded liability will be based on the market value of assets.

**TABLE 15  
CITY OF BRAWLEY  
HISTORICAL FUNDING STATUS  
(PEPRA Safety Fire Plan)**

<i>Valuation Date June 30</i>	<i>Accrued liability</i>	<i>Market Value of Assets (MYA)</i>	<i>Unfunded Liability</i>	<i>MVA Funded Status</i>	<i>Annual Covered Payroll</i>
2014	\$15,829	\$16,501	\$ (672)	104.2%	\$129,434
2015	43,338	40,493	2,845	93.4	179,837

Source: PERS Actuarial Reports for June 30, 2014 through June 30, 2015.

**TABLE 16**  
**CITY OF BRAWLEY**  
**HISTORICAL FUNDING STATUS**  
**(PEPRA Safety Police Plan)**

<i>Valuation Date June 30</i>	<i>Accrued liability</i>	<i>Market Value of Assets (MYA)</i>	<i>Unfunded Liability</i>	<i>MVA Funded Status</i>	<i>Annual Covered Payroll</i>
2013	\$ 423	\$ 621	\$ (198)	146.8%	\$ 96,445
2014	39,921	41,848	(1,927)	104.2	385,581
2015	108,580	101,089	7,491	93.1	404,206

Source: PERS Actuarial Reports for June 30, 2013 through June 30, 2015.

**GASB Statement Nos. 67 and 68.** On June 25, 2012, the Governmental Accounting Standards Board (“GASB”) approved two new standards (“Statements”) with respect to pension accounting and financial reporting standards for state and local governments and pension plans. The new Statements, No. 67 and No. 68, replace GASB Statement No. 27 and most of Statements No. 25 and No. 50. The changes impact the accounting treatment of pension plans in which state and local governments participate. Major changes include: (1) the inclusion of unfunded pension liabilities on the government’s balance sheet (currently, such unfunded liabilities are typically included as notes to the government’s financial statements); (2) more components of full pension costs being shown as expenses regardless of actual contribution levels; (3) lower actuarial discount rates being required to be used for underfunded plans in certain cases for purposes of the financial statements; (4) closed amortization periods for unfunded liabilities being required to be used for certain purposes of the financial statements; and (5) the difference between expected and actual investment returns being recognized over a closed five-year smoothing period. In addition, according to GASB, Statement No. 68 means that, for pensions within the scope of the Statement, a cost-sharing employer that does not have a special funding situation is required to recognize a net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions and pension expense based on its proportionate share of the net pension liability for benefits provided through the pension plan. Because the accounting standards do not require changes in funding policies, the full extent of the effect of the new standards on the City is not known at this time. The reporting requirements took effect in Fiscal Year 2015.

As of June 30, 2016, the City reported net pension liabilities for its proportionate share of the net position liability of the Plans as follows:

Proportionate Share of Net Pension Liability	
Misc. Plan	Safety Plan
\$ 7,246,090	\$ 10,352,636

The City’s net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2014, and the total pension liability for the Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City’s proportionate share of the net pension liability for the Plan as of June 30, 2014 and 2015 was as follows:

	City Miscellaneous Plan	City Safety Plan
Proportion – June 30, 2014	0.28967%	0.25157%
Proportion – June 30, 2015	0.26412%	0.25125%
Change – Increase (Decrease)	-0.02555%	-0.00032%

For the fiscal year ended June 30, 2016, the Local Government recognized pension expense of \$1,886,990. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,219,094	\$ -
Differences between projected and actual contributions	281,124	(19,375)
	48,218	(138,613)
Differences between expected and actual experience		613
Changes in assumption		(1,093,724)
Differences between projected and actual earnings		(551,800)
Changes in proportion		(427,358)
Total	<u>\$ 2,548,436</u>	<u>\$ (2,230,870)</u>

An amount of \$2,219,094 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30,	
2017	\$ (624,341)
2018	(621,909)
2019	(517,328)
2020	(137,950)
Total	<u>\$ (1,901,528)</u>

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2015, using an annual actuarial valuation as of June 30, 2014 rolled forward from June 30, 2013 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2014 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2014	June 30, 2014
Measurement Date	June 30, 2015	June 30, 2015
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	7.65%	7.65%
Inflation	2.75%	2.75%
Payroll Growth	3.00%	3.00%
Projected Salary Increase	3.30%-14.20% (1)	330%-14.20% <sup>(1)</sup>
Investment Rate of Return	7.50% (2)	7.50% <sup>(2)</sup>
Mortality	Derived using PERS' Membership Data for all Funds	

Source: Audited financial statements for Fiscal Year 2016

(1) Depending on age, service and type of employment

(2) Net of pension plan investment expenses, including inflation

**Discount Rate** – The discount rate used to measure the total pension liability was 7.65% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan,

PERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65% will be applied to all plans in the Public Employees Retirement Fund (“PERF”). The stress test results are presented in a detailed report that can be obtained from the PERS website. According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.65 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. PERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference. PERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (“ALM”) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, PERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the fiscal year 2018. PERS will continue to check the materiality of the difference in calculation until such time as the City has changed its methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, PERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds’ asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Year 1 - 10<sup>(a)</sup></u>	<u>Real Return Years 11+<sup>(b)</sup></u>
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infrastructure and Forestland	3.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%
Total	100.00%		

Source: Audited financial statements for Fiscal Year 2016

<sup>(a)</sup> An expected inflation of 2.5% used for this period.

<sup>(b)</sup> An expected inflation of 3.0% used for this period.

The following table presents the net pension liability of the Local Government for each Plan, calculated using the discount rate for each Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	6.65%	6.65%
Net Pension Liability	\$12,152,198	\$16,598,831
Current Discount Rate	7.65%	7.65%
Net Pension Liability	\$7,246,090	\$10,352,636
1% Increase	8.65%	8.65%
Net Pension Liability	\$3,195,527	\$5,230,871

## City Investment Policy

The City invests its funds in accordance with the City's investment policy (the "Investment Policy"). In accordance with Section 53600 *et seq.* of the California Government Code, idle cash management and investment transactions are the responsibility of the City Treasurer. The City's Investment Policy sets forth the policies and procedures applicable to the investment of City funds and designates eligible investments. The Investment Policy sets forth a stated objective, among others, of insuring the safety of invested funds by limiting credit and market risks. Eligible investments are generally limited to the Local Agency Investment Fund which is operated by the California State Treasurer, the County investment pool for local agencies, local agency bonds, U.S. Treasury Bills, Notes and Bonds, obligations issued by United States Government agencies, FDIC-insured or negotiable certificates of deposit, repurchase agreements, banker's acceptances and commercial paper rated A1/P1, as applicable, or better, and money market funds rated in the highest category by Moody's or S&P or administered by a domestic bank with long-term debt rated in one of the top two categories of Moody's and S&P.

The City Treasurer is required to provide a quarterly report to the City Manager and the City Council showing the type of investment, date of maturity, amount invested, current market value, rate of interest, and other such information as may be required by the City Council.

A summary of the City's investments as of June 30, 2016 is set forth in the below table.

**TABLE 17  
CITY OF BRAWLEY  
INVESTMENTS AS OF JUNE 30, 2016**

<i>Investment Type</i>	<i>Investment Maturity</i>				
	<i>Totals</i>	<i>12 Months or Less</i>	<i>13 to 24 Months</i>	<i>25 to 60 Months</i>	<i>More Than 60 Months</i>
State Investment Pool (LAIF)	\$ 20,532,780	\$ 20,532,780	\$	\$	\$
Certificates of Deposit	13,097,487	4,243,638	3,475,945	5,377,904	
Money Market Investments	1,000,000	1,000,000	-	-	-
Held by Bond Trustee:					
Money Market Funds	470,087	470,087			
Totals	<u>\$ 35,100,354</u>	<u>\$ 26,246,505</u>	<u>\$ 3,475,945</u>	<u>\$ 5,377,904</u>	<u>\$</u>

Source: City.

See Note 3 in Appendix B for further information with respect to City investments.

## State of California Budget Information

### State Budget

Information about the State budget is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the State Department of Finance (the "DOF"), <http://www.dof.ca.gov>, under the heading "California Budget." An impartial analysis of the budget is posted by the Legislative Analyst's Office (the "LAO") at <http://www.lao.ca.gov>. In addition, various State official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on cities in the State, may be found at the website of the State Treasurer, <http://www.treasurer.ca.gov>. The information referred to is prepared by the respective State agency maintaining each website and not by the City, and the City can take no responsibility for the continued accuracy of these Internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

## **Budget for State Fiscal Year 2016-17**

On June 27, 2016, the Governor signed into the law the State budget for fiscal year 2016-17 (the "2016-17 Budget"). The following information is drawn from the Department of Finance's summary of the 2016-17 Budget and the LAO's preliminary review of the 2016-17 Budget.

The 2016-17 Budget projects, for fiscal year 2016-17, total general fund revenues and transfers of \$117.0 billion and total expenditures of \$115.6 billion. The State is projected to end fiscal year 2016-17 with total available reserves of \$7.3 billion, including \$3.9 billion in the traditional general fund reserve and \$3.4 billion in the Budget Stabilization Account (the "BSA"), the State's basic reserve account. For fiscal year 2016-17, the 2016-17 Budget projects a growth in State general fund revenues driven primarily by total general fund revenues of \$120.3 billion and authorizes expenditures of \$122.5 billion. The State is projected to end the fiscal year 2016-17 with total available reserves of \$8.5 billion, including \$1.8 billion in the traditional general fund reserve and \$6.7 billion in the BSA.

As a result of higher general fund revenue estimates for fiscal years 2015-16 and 2016-17, and after accounting for expenditures that are controlled by State Constitutional funding requirements such as Proposition 2 and Proposition 98, the 2016-17 Budget allocates over \$6 billion in discretionary funding for various purposes. These include: (i) additional deposits of \$2 billion to the BSA and \$600 million to the State's discretionary budget reserve fund; (ii) approximately \$2.9 billion in one-time funding for infrastructure, affordable housing, public safety and other purposes; and (iii) \$700 million in on-going funding commitments for higher education (the California State University and the University of California systems), corrections and rehabilitation and State courts.

As required by Proposition 2, the 2016-17 Budget applies \$1.3 billion towards the repayment of existing State liabilities, including loans from special funds, State and University of California pension and retiree health benefits and settle-up payments to K-14 school districts resulting from an underfunding of the Proposition 98 minimum funding guarantee in a prior fiscal year. With respect to education funding, the 2016-17 Budget sets the Proposition 98 minimum funding guarantee at \$71.9 billion, an increase of \$2.8 billion over the revised level from the prior fiscal year.

For additional information regarding the 2016-17 Budget, see the DOF website at [www.dof.ca.gov](http://www.dof.ca.gov) and the LAO's website at [www.lao.ca.gov](http://www.lao.ca.gov). The information presented on such websites is not incorporated herein by reference.

## **2017-18 Proposed State Budget**

On January 10, 2017 Governor Brown released his 2017-18 Proposed State Budget (the "2017-18 Proposed Budget.") which sets forth a \$179.5-billion spending plan and seeks to resolve a projected \$1.6-billion deficit resulting from slower-than-expected growth in public school funding and the rolling back of a series of one-time expenses. The 2017-18 Proposed Budget, however, does not take into account the possible repeal of the Affordable Care Act (the "ACA.") which could have a significant impact on the State which currently receives federal subsidies to Medi-Cal in excess of \$16 billion. The 2017-18 Proposed Budget allocates \$154.6 billion for all health and human services programs, approximately the same amount as in the 2016-17 Fiscal Year; approximately \$18.1 billion on the State's roads and highways and transit agencies; and includes a transportation funding package that would generate a further \$1.8 billion in the first year, with revenues ultimately rising to about \$4.2 billion annually. Under the 2017-18 Proposed Budget, the State would allocate \$178 million in drought relief and \$2.2 billion from cap-and-trade auctions on high-speed rail, light rail systems and other energy efficiency programs. The 2017-18 Proposed Budget also allocates \$14.6 billion from the State's General Fund to higher education, including financial aid, so that California community colleges would receive a total of approximately \$121 million in excess of the amount received in the 2016-17 Fiscal Year. The 2017-18 Proposed Budget also provides that K-12 schools would receive \$73.5 billion in the 2017-18 Fiscal Year under the State's minimum funding guarantee, an increase of approximately 3 percent from the 2016-17 Fiscal Year, and provides

for an amount spent per K-12 student averaging \$15,216, an increase of \$394 per student from the 2016-17 Fiscal Year.

Significant features of the 2017-18 Proposed Budget pertaining to local agencies, including cities and counties include the following:

- *Traffic Safety.* The 2017-18 Proposed Budget includes total funding of \$18.1 billion for all programs administered within the Traffic Safety Administration Agency. In addition, the shared revenues budget in the General Government area allocates over \$1.6 billion in fuel excise tax to cities and counties for local streets and roads (including \$200 million from the Governor's transportation package).
- *Local Streets and Roads* — Approximately \$11.4 billion in revenues to be allocated by the State Controller to cities and counties for local road maintenance according to existing statutory formulas, and over \$2.2 billion in state-local partnership grants. In addition, the 2017-18 Proposed Budget includes \$52.7 million General Fund for the Office of Emergency Services to provide assistance to counties through the California Disaster Assistance Act, which can be used to aid local agencies in the removal of dead or dying trees that threaten public safety.
- *Elimination of Community Infrastructure Grants* — The Budget includes the reversion of the one-time \$67.5 million General Fund augmentation included in the 2016 Budget Act for community infrastructure grants to cities and/or counties to promote public safety diversion programs and services by increasing the number of treatment facilities for mental health, substance use disorder, and trauma-related services.
- *Dissolution of Redevelopment Agencies.* In 2011-12 through 2015-16, approximately \$1.7 billion was returned to cities, \$2.1 billion to counties, and \$658 million to special districts. The Budget anticipates that cities will receive an additional \$733 million in general purpose revenues in 2016-17 and 2017-18 combined, with counties receiving \$869 million and special districts \$260 million. The Budget anticipates that additional ongoing property tax revenues of more than \$900 million annually will be distributed to cities, counties, and special districts.
- *CalWORKs* — The 2017-18 Proposed Budget recognizes that, as a result of the Affordable Care Act, county costs and responsibilities for indigent health care continue to decrease as indigent care costs previously paid by counties shift to the state. Due to the realignment of distributions to capture and redirect savings counties are experiencing due to the implementation of federal health care reform, net savings are being redirected for county CalWORKs expenditures, which reduce General Fund spending on the CalWORKs program. County savings are estimated to be \$585.9 million in fiscal year 2016-17 and \$546.2 million in fiscal year 2017-18.
- *Medi-Cal Administration* — The 2017-18 Proposed Budget maintains the augmentation to counties of \$655.3 million (\$217.1 million General Fund) in fiscal year 2017-18, as was provided in fiscal year 2016-17, to administer the program. As the eligibility system continues to achieve greater stabilization, the State is in the initial process of developing a new Medi-Cal county administration budgeting methodology. The 2017-18 Proposed Budget continues to include \$1.5 million (\$731,000 General Fund) to make recommendations for a new methodology.
- *Drug Medi-Cal Organized Delivery System* — In August 2015, the federal Centers for Medicare and Medicaid Services approved the waiver necessary to begin implementation of the Drug Medi-Cal Organized Delivery System pilot program. The 2017-18 Proposed Budget includes

\$661.9 million (\$141.6 million General Fund) in fiscal year 2017-18 for increased services for the pilot program.

- *Child Welfare Digital Services* — The 2017-18 Proposed Budget includes \$175.9 million (\$88 million General Fund) to support an increase in activity for the Child Welfare Services New System case management project, including increased funding for county engagement as individual digital services are designed, developed, and implemented.
- *Statewide Automated Welfare Systems* — The 2017-18 Proposed Budget includes \$38.5 million (\$7.5 million General Fund) for migration of 39 counties using the Consortium IV system to the LEADER Replacement System. The first year of funding for migration activities will be available after the county consortia negotiations are complete and the Department of Finance and the Department of Technology have reviewed and approved detailed project documents.
- *Indigent Health Savings* — The 2017-18 Proposed Budget includes a one-time General Fund decrease of \$265.9 million resulting from additional county savings related to federal health care reform. Actual statewide indigent health savings in 2014-15 were higher than previously estimated. Pursuant to current law, these additional county savings are redirected to the CalWORKs program to offset General Fund costs.
- *Post Release Community Supervision* — The 2017-18 Proposed Budget includes \$11 million General Fund for county probation departments to supervise the temporary increase in the average daily population of offenders on Post Release Community Supervision as a result of the implementation of court-ordered measures and Proposition 57.

### **May Revision to Proposed 2017-18 Budget**

On May 11, 2017, Governor Brown released the May Revision to the Proposed 2017-18 Budget (the “May Revision”). Under the May Revision, the \$5.8 billion revenue shortfall forecast in the Proposed 2017-18 Budget is reflected as a \$3.3 billion shortfall, based primarily on higher capital gains. The State’s modestly improved fiscal outlook allows the May Revision to advance several key priorities, including increasing funding for schools – a total funding of \$92.3 billion (\$54.2 billion General Fund and \$38.1 billion other funds) for all K-12 education programs and \$1.4 billion in fiscal year 2017-18 to continue implementation of the LCFF to 97 percent complete. This increased funding eliminates the deferral of funding that was included in the Proposed 2017-18 Budget. For K-12 schools, funding levels will increase by about \$4,058 per student in 2017-18 over 2011-12 levels, an increase designed to correct historical inequities in school district funding, with \$1.4 billion in new funding to continue implementation of the LCFF. While the Proposed 2017-18 State Budget proposed almost \$290 million in discretionary one-time Proposition 98 funding for school districts, charter schools, and county offices of education, the May Revision proposes almost \$750 million in additional funds, providing more than \$1 billion in one-time discretionary funding to schools in fiscal year 2017-18. For higher education, the May Revision continues to provide each university system and the community colleges with annual General Fund growth and while the Proposed 2017-18 Budget called for a one-year delay in providing rate increases to child care providers that were reflected in the 2016 Budget Act, the May Revision proposes to restore this funding and maintain the \$500 million child care package from the 2016 Budget. The May Revision also includes funding for (i) the rising State minimum wage, which is scheduled to increase to \$11 per hour in 2018 and to \$15 per hour over time; (ii) the expansion of health care coverage to undocumented children and the millions of Californians covered under the federal Affordable Care Act (iii) the provision of preventative dental benefits to adults covered by Medi-Cal; (iv) a cost-of-living adjustment for Supplemental Security Income/State Supplementary Payment recipients; (v) the repeal of the maximum family grant rule in

CalWORKs which denied aid to children who were born while their parents were receiving aid; and (vi) an Earned Income Tax Credit to assist working families. The May Revision also recognizes that the State must continue to plan and save for tougher budget times ahead as a result of the Federal government contemplating actions such as defunding health care for millions of Californians, eliminating the deductibility of state taxes and zeroing out funding for organizations like Planned Parenthood that could create budget challenges for the State.

In addition, Proposition 2 establishes a constitutional goal of having 10 percent of tax revenues in the State's Rainy Day Fund. The May revision recognizes that by the end of fiscal year 2017-18, the Rainy Day Fund will have a total balance of \$8.5 billion (66 percent of the constitutional target). While a full Rainy Day Fund might not eliminate the need for further spending reductions in case of a recession or major federal policy changes that trigger a budget crisis, saving now is designed to allow the State to spend from its Rainy Day Fund later to soften the magnitude and length of any necessary cuts.

Significant features of the May Revision affecting cities and other local agencies include:

- *Local Road Maintenance* – The May Revision includes a \$445 million Road Maintenance and Rehabilitation Account for cities and counties to be distributed by the State Controller.
- *Community Based Transitional Housing Program* – The May Revision broadens the purposes for which funds allocated to this program under the 2016 Budget Act (\$25 million) may be used to support transitional housing in furtherance of the program's goals.
- *Maintaining County Fiscal Health* -- Under current law, with the end of the Coordinated Care Initiative, county realignment funds would experience an increase in annual In-Home Support Services ("IHSS") costs of approximately \$600 million. The May Revision mitigates this increase in county costs by contributing \$400 million from the General Fund and then smaller amounts in future years as realignment revenues grow.
- *Transportation System* – The May Revision enhances oversight of Caltrans and allows the state and local governments to implement the Road Repair and Accountability Act of 2017 (SB 1) plan in a cost-effective manner without delay. The plan includes a combination of new revenues, accelerated loan repayments, reforms, accountability measures, and constitutional protections. The new revenues are split evenly between state and local transportation priorities, and a ten-year funding plan with features including (i) focusing on "fix-it-first" investments to repair neighborhood roads and state highways and bridges; making key investments in trade and commute corridors to support continued economic growth and implement a sustainable freight strategy; (iii) matching locally generated funds for high-priority transportation projects; and (iv) investing in passenger rail and public transit modernization and improvement.
- *Reducing Pension Liabilities* -- The May Revision proposes a \$6 billion supplemental payment to PERS with a loan from the Surplus Money Investment Fund, a step that will save the state \$11 billion over the next two decades while continuing to reduce unfunded liabilities and stabilize state contribution rates. The General Fund share of the repayment will come from Proposition 2's revenues dedicated to reducing debts and long-term liabilities.

The complete 2016-17 State Budget, the 2017-18 Proposed Budget and the May Revision are available from the California Department of Finance website at [www.dof.ca.gov](http://www.dof.ca.gov). The City can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated in this Official Statement by such reference. The information referred to above should not be relied upon in making an investment decision with respect to the Bonds.

## **Potential Impact of State Financial Condition on the City**

The State has experienced significant financial stress in recent years, with budget shortfalls in the several billions of dollars. There can be no assurance that, as a result of such State financial stress, the State will not significantly reduce revenues to local governments (including the City) or shift financial responsibility for programs to local governments as part of its efforts to address the State financial difficulties. Although the State is not a significant source of City revenues, no prediction can be made by the City as to what measures the State will adopt to respond to the current or potential future financial difficulties. There can be no assurance that State actions to respond to State financial difficulties will not adversely affect the financial condition of the City.

## **Redevelopment Dissolution**

**General.** On December 29, 2011, the State Supreme Court upheld Assembly Bill 1x26 (“AB 1x26”), which dissolved redevelopment agencies in the State. The effect of AB 1x26 upon the City is the termination of the redevelopment functions of the Community Redevelopment Agency of the City of Brawley (the “Former Agency”) and the transfer of such functions to a successor agency (the City, referred to in the capacity of a successor agency, and being referred to in this context as the “Successor Agency”) tasked with winding down the Former Agency’s redevelopment activities. Under AB 1x26, the Successor Agency cannot enter into new redevelopment projects or obligations and its assets can be used only to pay enforceable obligations, which enforceable obligations are generally limited to obligations in existence in mid-2011, when AB 1x26 was signed by the Governor. In addition, the Successor Agency will receive tax increment revenues in amounts that are sufficient to pay 100% (but no greater amount) of such enforceable obligations until such obligations (including accrued interest, as applicable) are paid in full, at which time the Successor Agency will be dissolved. Certain tax revenues formerly allocable to the Former Agency will continue to be available to the Successor Agency to pay certain obligations, and a portion of such revenues may be redirected to other taxing agencies, such as the County, school districts and the City. The Successor Agency’s activities are subject to review by an oversight board established under AB 1x26. Under AB 1x26, liabilities of the Successor Agency are not liabilities of the City.

On June 27, 2012, the Governor signed Assembly Bill 1484 (“AB 1484”), which made certain amendments to AB 1x26. Under AB 1484, the County Auditor-Controller, the DOF and the State Controller may require the return of funds improperly spent or transferred to a public entity in conflict with the provisions of the Community Redevelopment Law, as amended by AB 1x26 and AB 1484, and if such funds are not returned within 60 days, they may be recovered through an offset of sales and use tax or property tax allocations to the local agency, which, in the case of the Successor Agency, is the City.

On September 22, 2015, the following amendments to the dissolution legislation discussed under the caption “ — General” were enacted as Senate Bill 107 (“SB 107”): (1) redevelopment successor agencies that enter into a written agreement with the DOF to remit unencumbered cash to the county auditor-controller will receive a finding of completion, which provides successor agencies with additional fiscal tools and reduced State oversight; (2) successor agencies that that have a “Last and Final” ROPS (as discussed below) may expend a portion of proceeds of bonds issued in 2011, which proceeds are currently frozen; (3) pension or State Water Project override revenues that are not pledged to or not needed for redevelopment bond debt service will be returned to the entity that levies the override; (4) agreements relating to State highway improvements and money loaned to successor agencies to pay costs associated with redevelopment dissolution litigation will be considered enforceable obligations; and (5) reentered agreements entered into after the passage of AB 1484 are unenforceable unless entered into for the purpose of providing administrative support.

SB 107 also: (a) requires the preparation of a Recognized Obligation Payment Schedule with respect to enforceable obligations (a “ROPS”), which are required to be submitted to the oversight board and the DOF in accordance with AB 1x26, once a year beginning with the ROPS period that commences on July 1, 2016 (rather than twice a year under current law); (b) establishes an optional “Last and Final” ROPS process beginning in September 2015; under this process, a successor agency that elected to submit a “Last and Final ROPS would no

longer submit a periodic ROPS and the enforceable obligations set forth in the "Last and Final" ROPS would be binding on all parties; and (c) clarifies that former tax increment caps and plan limits do not apply for the purposes of paying approved enforceable obligations.

**Impact on the City.** Significant provisions of AB 1x26, AB 1484, SB 107 and implementing actions of affected parties, including the Successor Agency, the oversight board, the County and the DOF, may be subject to legal challenge, statutory or administrative changes and other clarifications which could affect the impact of the dissolution of redevelopment on the City and its General Fund. The DOF has periodically proposed additional legislation which would modify statutes affecting redevelopment dissolution; it is not known whether additional legislation will be enacted. The full extent of the impact of the implementation of AB 1x26, AB 1484 and SB 107 or potential future legislation on the City's General Fund is unknown at this time. While certain administrative costs previously charged to the Former Agency by the General Fund will no longer be supported by the Successor Agency, certain property tax revenues formerly allocated to the Former Agency will now be received by the City's General Fund.

The City does not believe that it has received material amounts from the Former Agency or the Successor Agency which may be asserted to be in violation of AB 1x26 or AB 1484.

There can be no assurance that the City and the Successor Agency will not enter into additional loan agreements in the future to enable the Successor Agency to meet its payment obligations in future years.

### **Future State Budgets**

No prediction can be made by the City as to whether the State will continue to encounter budgetary problems in future years, and if it were to do so, it is not clear what measures would be taken by the State to balance its budget, as required by law. In addition, the City cannot predict the final outcome of future State budget negotiations, the impact that such budgets will have on City finances and operations or what actions will be taken in the future by the State Legislature and the Governor to deal with changing State revenues and expenditures. There can be no assurance that actions taken by the State to address its financial condition will not materially adversely affect the financial condition of the City. Current and future State budgets will be affected by national and State economic conditions and other factors, including the current economic downturn, over which the City has no control.

### **Constitutional And Statutory Limitations On Taxes And Appropriations**

There are a number of provisions in the State Constitution that limit the ability of the City to raise and expend tax revenues.

### **Article XIII A of the State Constitution**

On June 6, 1978, State voters approved an amendment (commonly known as both Proposition 13 and the Jarvis-Gann Initiative) to the State Constitution. The amendment, which added Article XIII A to the State Constitution, among other things affects the valuation of real property for the purpose of taxation in that it defines the full cash property value to mean "the county assessor's valuation of real property as shown on the 1975/76 tax bill under 'full cash value', or thereafter, the appraised value of real property newly constructed, or when a change in ownership has occurred after the 1975 assessment." The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or a reduction in the consumer price index or comparable local data at a rate not to exceed 2% per year, or reduced in the event of declining property value caused by damage, destruction or other factors including a general economic downturn. The amendment further limits the amount of any *ad valorem* tax on real property to 1% of the full cash value, except that additional taxes may be levied to pay debt service on indebtedness approved by the voters prior to December 1, 1978, and bonded indebtedness for the acquisition or improvement of real property approved on or after December 1, 1978 by two-thirds of the votes cast by the voters voting on the proposition (55% in the case of certain school facilities).

Property taxes subject to Proposition 13 are a significant source of the City's General Fund revenues. See the caption "CITY FINANCIAL INFORMATION."

Legislation enacted by the State Legislature to implement Article XIII A provides that all taxable property is shown at full assessed value as described above. Tax rates for voter approved bonded indebtedness are also applied to 100% of assessed value.

Future assessed valuation growth allowed under Article XIII A (new construction, change of ownership, 2% annual value growth) is allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and school districts share the growth of "base" revenue from the tax rate area. Each year's growth allocation becomes part of each agency's allocation the following year. Article XIII A effectively prohibits the levying of any other *ad valorem* property tax above the 1% limit except for taxes to support indebtedness approved by the voters as described above.

Article XIII A has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, and to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster and in certain other limited circumstances.

### **Article XIII B of the State Constitution**

At the Statewide special election on November 6, 1979, the voters approved an initiative entitled "Limitation on Government Appropriations," which added Article XIII B to the State Constitution. Under Article XIII B, State and local government entities have an annual "appropriations limit" which limits the ability to spend certain moneys which are called "appropriations subject to limitation" (consisting of tax revenues and investment proceeds thereof, certain State subventions and regulatory license fees, user charges and user fees to the extent that the proceeds thereof exceed the costs of providing such services, together called "proceeds of taxes," and certain other funds) in an amount higher than the "appropriations limit." Article XIII B does not affect the appropriation of moneys which are excluded from the definition of "appropriations limit," including debt service on indebtedness existing or authorized as of October 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the "appropriations limit" is to be based on certain 1978-79 expenditures and is to be adjusted annually to reflect changes in the consumer price index, population and services provided by these entities. Among other provisions of Article XIII B, if those entities' revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

The City's appropriations have never exceeded the limitation on appropriations under Article XIII B of the State Constitution.

### **Proposition 62**

A statutory initiative ("Proposition 62") was adopted by the voters of the State at the November 4, 1986 general election which: (a) requires that any tax for general governmental purposes imposed by local governmental entities be approved by resolution or ordinance adopted by two-thirds vote of the governmental agency's legislative body and by a majority of the electorate of the governmental entity; (b) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local governmental entity be approved by a two-thirds vote of the voters within the jurisdiction; (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax is imposed; (d) prohibits the imposition of *ad valorem* taxes on real property by local governmental entities except as permitted by Article XIII A; (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities; and (f) requires that any tax imposed by a local governmental entity on or after August 1, 1985 be ratified by a majority vote of the electorate within two years of the adoption of the initiative or be

terminated by November 15, 1988. The requirements imposed by Proposition 62 were upheld by the State Supreme Court in *Santa Clara County Local Transportation Authority v. Guardino*, 11 Cal.4th 220 (1995).

Proposition 62 applies to the imposition of any taxes or the implementation of any tax increases after its enactment in 1986, but the requirements of Proposition 62 are largely subsumed by the requirements of Proposition 218 for the imposition of any taxes or the effecting of any tax increases after November 5, 1996. See the caption “— Proposition 218” below.

### **Proposition 218**

On November 5, 1996, State voters approved Proposition 218, an initiative measure entitled the “Right to Vote on Taxes Act.” Proposition 218 added Articles XIII C and XIII D to the State Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges. Proposition 218 states that all taxes imposed by local governments are deemed to be either general taxes or special taxes. Special purpose districts, including school districts, have no power to levy general taxes. No local government may impose, extend or increase any general tax unless and until such tax is submitted to the electorate and approved by a majority vote. No local government may impose, extend or increase any special tax unless and until such tax is submitted to the electorate and approved by a two-thirds vote.

Proposition 218 also provides that no tax, assessment, fee or charge may be assessed by any agency upon any parcel of property or upon any person as an incident of property ownership except: (a) the *ad valorem* property tax imposed pursuant to Articles XIII and XIII A of the State Constitution; (b) any special tax receiving a two-thirds vote pursuant to the State Constitution; and (c) assessments, fees and charges for property related services as provided in Proposition 218. Proposition 218 then goes on to add voter requirements for assessments and fees and charges imposed as an incident of property ownership, other than fees and charges for sewer, water, and refuse collection services. In addition, all assessments and fees and charges imposed as an incident of property ownership, including sewer, water, and refuse collection services, are subjected to various additional procedures, such as hearings and stricter and more individualized benefit requirements and findings. The effect of such new provisions will presumably be to increase the difficulty a local agency will have in imposing, increasing or extending such assessments, fees and charges.

Proposition 218 also extended the initiative power to reducing or repealing any local taxes, assessments, fees and charges. This extension of the initiative power is not limited to taxes imposed on or after November 6, 1996, the effective date of Proposition 218, and could result in retroactive repeal or reduction in any existing taxes, assessments, fees and charges, subject to overriding federal constitutional principles relating to the impairments of contracts. Legislation implementing Proposition 218 provides that the initiative power provided for in Proposition 218 “shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights” protected by the United States Constitution. However, no assurance can be given that the voters of the City will not, in the future, approve an initiative which reduces or repeals local taxes, assessments, fees or charges that currently are deposited into the City’s General Fund.

Although a portion of the City’s General Fund revenues are derived from general taxes purported to be governed by Proposition 218 as discussed under the caption “CITY FINANCIAL INFORMATION — Other Taxes,” all of such taxes were imposed in accordance with the requirements of Proposition 218. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges which support the City’s General Fund.

## **Unitary Property**

Some amount of property tax revenue of the City is derived from utility property which is considered part of a utility system with components located in many taxing jurisdictions (“unitary property”). Under the State Constitution, such property is assessed by the State Board of Equalization (the “SBE”) as part of a “going concern” rather than as individual pieces of real or personal property. State-assessed unitary and certain other property is allocated to the counties by the SBE, taxed at special county-wide rates, and the tax revenues distributed to taxing jurisdictions (including the City) according to statutory formula generally based on the distribution of taxes in the prior year.

## **Proposition 22**

On November 2, 2010, voters in the State approved Proposition 22, which eliminates the State’s ability to borrow or shift local revenues and certain State revenues that fund transportation programs. It restricts the State’s authority over a broad range of tax revenues, including property taxes allocated to cities (including the City), counties and special districts, the VLF, State excise taxes on gasoline and diesel fuel, the State sales tax on diesel fuel, and the former State sales tax on gasoline. It also makes a number of significant other changes, including restricting the State’s ability to use motor vehicle fuel tax revenues to pay debt service on voter-approved transportation bonds.

## **Proposition 1A**

As part of former Governor Schwarzenegger’s agreement with local jurisdictions, Senate Constitutional Amendment No. 4 was enacted by the State Legislature and subsequently approved by the voters as Proposition 1A (“Proposition 1A”) at the November 2, 2004 general election. Proposition 1A amended the State Constitution to, among other things, reduce the State Legislature’s authority over local government revenue sources by placing restrictions on the State’s access to local governments’ property, sales, and vehicle license fee revenues as of November 3, 2004. Beginning with Fiscal Year 2009, the State may borrow up to 8% of local property tax revenues, but only if the Governor proclaims that such action is necessary due to a severe State fiscal hardship and two-thirds of both houses of the State Legislature approve the borrowing. The amount borrowed is required to be paid back within three years. The State also will not be able to borrow from local property tax revenues for more than two Fiscal Years within a period of ten Fiscal Years. In addition, the State cannot reduce the local sales tax rate or restrict the authority of local governments to impose or change the distribution of the Statewide local sales tax.

## **Proposition 26**

On November 2, 2010, voters in the State approved Proposition 26. Proposition 26 amends Article XIIC of the State Constitution to expand the definition of “tax” to include “any levy, charge, or exaction of any kind imposed by a local government” except the following: (a) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (b) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (c) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (d) a charge imposed for entrance to or use of local government property, or the purchase, rental or lease of local government property; (e) a fine, penalty or other monetary charge imposed by the judicial branch of government or a local government as a result of a violation of law; (f) a charge imposed as a condition of property development; and (g) assessments and property-related fees imposed in accordance with the provisions of Article XIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the

manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. The City does not believe that Proposition 26 will adversely affect its General Fund revenues.

**Future Initiatives**

Articles XIII A and XIII B and Propositions 62, 218, 22, 1A and 26 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting the City's current revenues or its ability to raise and expend revenues.

**GENERAL INFORMATION REGARDING THE CITY OF BRAWLEY AND THE REGION**

*The following information is presented as general background data. The Bonds are payable solely as described in the Official Statement. The taxing power of the City, the State or any political subdivision thereof is not pledged to the payment of the Bonds.*

**Government and Administration**

The City of Brawley (the "City") is a general law city that is located in the center of the County of Imperial (the "County") in the southeastern part of the State of California: The City is situated approximately 210 miles southeast of Los Angeles, 126 miles east of San Diego, 230 miles west of Phoenix and 30 miles north of Mexicali, Mexico. The City is a general law city incorporated in 1908 and has a Council Manager form of government and covers an area of approximately [7.68] square miles with a population of 26,566 as of January 1, 2016.

**General.** The City operates under the council-manager form of government. The City Council consists of five members elected to four-year staggered terms of office. The Mayor is selected from the City Council members and serves a one-year term. The City's other elected officials are the City Treasurer and City Clerk, each of whom serves a one-year term.

The City Council appoints the City Manager to function as the chief administrator of the City. The City Council sets the policy direction for the City, incorporating public input received directly from local citizens and several Council-appointed city commissions. The City Manager is charged with implementing City Council directions, keeping the City Council informed of City operations, preparing the annual budget and coordinating department activities.

**City Council.** The current City Council members and the expiration dates of their terms of office are set forth below.

<u>Name and Office</u>	<u>Expiration of Term</u>
Sam Couchman, <i>Mayor</i>	November 2017
Helen M. Noriega, <i>Mayor Pro-tem</i>	November 2017
George A. Nava, <i>Member</i>	November 2019
Norma Kastner-Jauregui, <i>Member</i>	November 2019
Donald L. Wharton, <i>Member</i>	November 2019

**City Staff.** The professional staff of the Successor Agency presently consists of the following members:

<u>Name</u>	<u>Title</u>
Rosanna Bayon Moore	<i>City Manager</i>
Ruby D. Walla	<i>Finance Director/City Treasurer</i>
Alma Benavides	<i>City Clerk</i>

**Risk Management**

An internal service fund is used to account for the City’s risk management and insurance programs, including self-insurance, commercial insurance, and participation in a public entity risk pool. Operating revenues of this fund consist of payments from other City Funds and are based upon estimated cost of excess insurance premiums, self-insurance losses, and other operating expenses. The City is self-insured for unemployment claims. Health insurance is purchased from an independent carrier. The City is a member of the California Joint Powers Insurance Authority (the “Authority”) for workers’ compensation and for liability and property damage coverage as outlined below.

The Authority is a consortium of 107 California public entities. The Authority’s governing board consists of one member from each participating agency and is responsible for the selection of management as well as budgeting and financing, insurance activities are financed by charges to members, and no long-term debt has been incurred. Actual annual premiums are determined using a retrospective method. At June 30, 2016, and as in the prior fiscal year, the City was self-insured for each general liability loss to the extent of [\$30,000]. At June 30, 2016, and as in the prior fiscal year, the City was self-insured for each workers’ compensation loss to the extent of [\$50,000]. Losses above [\$30,000] for general liability, and above [\$50,000] for workers’ compensation, are shared by the participating agencies, or covered by excess insurance coverage obtained by the Authority.

The City has had no settlements which exceeded insurance coverage in the last three fiscal years, and no changes in insurance coverage from the prior year.

**Population**

The City had a population of 26,566 as of January 2016, as reported by the Department of Finance. January 1, 2017 population figures are not yet available.

**TABLE 16  
CITY, COUNTY, STATE POPULATION DATA**

<u>Year</u> <u>January 1</u>	<u>City of</u> <u>Brawley</u>	<u>Imperial</u> <u>County</u>	<u>State of</u> <u>California</u>
2012	25,559	178,015	37,678,563
2013	25,229	179,060	37,984,138
2014	25,967	180,998	38,340,074
2015	26,273	183,429	38,714,725
2016	26,566	185,831	39,255,883

Source: State of California Department of Finance.

**Commercial Activity**

The following table provides information with respect to taxable transactions in the City for the years shown. Annual 2015 and 2016 figures are not yet available.

**TABLE 17  
CITY OF BRAWLEY  
Taxable Transactions  
(In Thousands)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Retail and Food Stores	107,311	115,458	118,007	123,278	118,597
Total All Outlets	166,976	182,080	186,852	191,201	205,080

Source: California State Board of Equalization Statistical Research and Consulting Division.

**Employment and Industry**

The following table provides a historical view of employment within the City and the County of Imperial for the period from 2011 through 2015. Annual figures for 2016 are unavailable.

**TABLE 18  
CITY AND COUNTY  
LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT RATES  
Yearly Average for Years 2011 to 2015**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<i>Imperial County</i>					
Unemployment Rate	29.1%	27.4%	24.9%	24.0%	24.0%
Employment	55,900	57,500	59,200	59,800	60,000
Unemployment	22,900	21,700	19,600	18,900	18,900
Civilian Labor Force	78,800	79,200	78,800	78,700	78,900
<i>City of Brawley</i>					
Unemployment Rate	31.6%	29.9%	27.2%	26.2%	26.2%
Employment	9,100	8,800	8,500	8,900	8,900
Unemployment	3,200	3,300	3,600	3,200	3,200
Civilian Labor Force	12,100	12,100	12,000	12,000	12,100

Source: State of California Employment Development Department.

The following tables show the largest employers located in Imperial County for Fiscal Year 2015. Figures for 2016 are not yet available.

## Construction

The following table provides building permit valuations for the fiscal years shown. Annual figures for Fiscal Year 2015-16 are not yet available.

**TABLE 20**  
**CITY OF BRAWLEY**  
**BUILDING PERMIT VALUATIONS**  
**Fiscal Years 2010-11 through 2014-15**

<b>Fiscal Year</b>	<b>Residential</b>	<b>Retail</b>
	<b><u>Valuation</u></b>	<b><u>Valuation</u></b>
2010-11	N/A	\$6,335,141
2011-12	\$ 2,080,504	1,093,158
2012-13	5,348,214	832,746
2013-14	4,141,827	865,000
2014-15	14,294,072	641,000

Source: Construction Industry Research Board/CIRB.

**Industry**

The following table provides major employers for the County of Imperial for 2015.

**COUNTY OF IMPERIAL  
MAJOR EMPLOYERS FOR 2015**

<u>Employer</u>	<u>Location</u>	<u>Type of Organizations</u>
8 A Packing LLC	El Centro	Labor Organizations
Allstar Seed Co	El Centro	Seeds & Bulbs-Wholesale
Calipatria State Prison	Calipatria	Government Offices-State
Centinela State Prison	Imperial	Government Offices-State
Central Union High School	El Centro	Schools
<b>Clinicas De Salud Del Pueblo</b>	<b>Brawley</b>	<b>Clinics</b>
El Centro Naval Air Facility	El Centro	Federal Government-National Security
El Centro Regional Medical Ctr	El Centro	Hospitals
Imperial County Behavioral Health	El Centro	Government Offices-County
Imperial County Coroner	El Centro	Government Offices-County
Imperial County Office-Educ	El Centro	Schools
Imperial County Sheriff	El Centro	Government Offices-County
Imperial Date Gardens	Winterhaven	Nurserymen
Imperial Irrigation District	El Centro	Distribution Services
Imperial Irrigation District	Imperial	Utilities
Maui Harvesting	El Centro	Harvesting-Contract
Paradise Casino	Winterhaven	Casinos
<b>Pioneers Memorial Hospital</b>	<b>Brawley</b>	<b>Hospitals</b>
Quechan Casino Resort	Felicity	Casinos
United States Gypsum Co	El Centro	Gypsum & Gypsum Products (mfrs)
US Border Patrol	El Centro	Government Offices-Us
Walmart Supercenter	Calexico	Department Stores
<b>Walmart Supercenter</b>	<b>Brawley</b>	<b>Department Stores</b>
Walmart Supercenter	El Centro	Department Stores

Source: America's Labor Market Information System (ALMIS) Employer Database.

**Commercial Activity**

Trade outlet and retail sales activity are summarized below based on reports of the State Board of Equalization. Annual 2015 and 2016 figures are not yet available.

**TOTAL TAXABLE TRANSACTIONS AND NUMBER OF SALES PERMITS**

**City of Brawley  
2010 through 2014  
(Dollars in Thousands)**

<i>Calendar Year</i>	<i>Total Retail Stores</i>	<i>Total Retail Stores Permits</i>	<i>Total Taxable Transactions</i>	<i>Total Issued Permits</i>
2010	107,311	156	166,976	284
2011	115,458	153	182,080	281
2012	118,007	157	186,852	282
2013	123,278	164	191,201	286
2014	118,597	182	205,080	302

Source: California State Board of Equalization.

## Agriculture

Agriculture is a significant source of income in the County. The following table sets forth the value of agricultural production in the County for the years 2011 through 2015. Annual 2016 figures are not available.

### COUNTY OF RIVERSIDE VALUE OF AGRICULTURAL PRODUCTION

	2011	2012	2013	2014	2015
Citrus Fruits	\$ 119,942,513	\$ 125,711,000	\$ 142,404,000	\$ 170,891,000	\$ 187,673,000
Trees and Vines	232,649,262	217,214,000	232,536,000	223,593,000	434,928,000
Vegetables, Melons, Misc.	278,628,295	286,234,000	340,407,000	337,404,000	327,199,000
Field and Seed Crops	149,198,052	147,352,000	154,582,000	156,757,000	122,794,000
Nursery	200,154,964	190,878,000	191,215,000	172,910,000	158,648,000
Apiculture	4,844,400	4,983,000	4,715,000	4,819,000	4,897,000
Aquaculture	4,808,250	4,205,000	2,262,000	5,078,000	5,397,000
Livestock and Poultry	<u>292,030,380</u>	<u>276,553,000</u>	<u>259,683,000</u>	<u>290,746,000</u>	<u>260,015,000</u>
Grand Total	<u>\$1,282,256,116</u>	<u>\$1,253,130,000</u>	<u>\$1,327,804,000</u>	<u>\$1,362,016,000</u>	<u>\$1,301,551,000</u>

Source: County of Riverside 2015 Crop Report.

## Education

Brawley Elementary School District comprises five schools, Barbara Worth Junior High School, Phil D. Swing Elementary School, Miguel Hidalgo Elementary School, J.W. Oakley Elementary School and Myron D. Witter Elementary School. Brawley Union High School District comprises one high school, Brawley Union High School and is home to Brawley Christian Academy, a private institution. The City is located in the Imperial Community College District of which there is one junior college, Imperial Valley College. In addition, San Diego State University operates a satellite campus in Brawley.

## APPENDIX B

### SUMMARY OF THE TRUST AGREEMENT

*The following is a summary of certain provisions of the Trust Agreement which are not described elsewhere in the Official Statement. This summary does not purport to be comprehensive, and reference should be made to the Trust Agreement for a full and complete statement of its provisions.*

#### DEFINITIONS

##### Act

The term “Act” means Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California.

##### Additional Bonds

The term “Additional Bonds” means all Bonds of the City authorized by and at any time Outstanding pursuant to the Trust Agreement and executed, issued and delivered in accordance with the Trust Agreement.

##### Aggregate Principal Amount

The term “Aggregate Principal Amount” means, as of any date of calculation, the principal amount of the Bonds referred to.

##### Authorized Denominations

The term “Authorized Denominations” means \$5,000 principal amount or any integral multiple thereof.

##### Authorized Representatives

The term “Authorized Representatives” means the Mayor, the Finance Director and the City Manager of the City of Brawley.

##### Beneficial Owner

The term “Beneficial Owner” means the beneficial owner of each such Bond, determined under the rules of DTC.

##### Bond Fund

The term “Bond Fund” means the Bond Fund established in the Trust Agreement.

##### Bonds

The term “Bonds” means the Series 2017 Bonds and all Additional Bonds.

### Business Day

The term “Business Day” means any day other than a Saturday or Sunday or day upon which the Trustee is authorized by law to remain closed.

### Certificate of the City

The term “Certificate of the City” means an instrument in writing signed by any one of the Authorized Representatives of the City or such officer’s designee, or by any other officer of the City duly authorized by the City Council of the City in writing to the Trustee for that purpose. If and to the extent required by the provisions of the Trust Agreement as summarized herein under the heading “MISCELLANEOUS—Content of Certificates,” each Certificate of the City shall include the statements provided for in the Trust Agreement as summarized herein under the heading “MISCELLANEOUS-Content of Certificates.”

### Closing Date for the Series 2017 Bonds

The term “Closing Date” means the date on which the Series 2017 Bonds are delivered to the original purchaser for the Series 2017 Bonds.

### Continuing Disclosure Certificate

The term Continuing Disclosure Certificate shall mean that certain Continuing Disclosure Certificate executed by the City dated the date of issuance and delivery of the Series 2017 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

### Corporate Trust Office

The term “Corporate Trust Office” means such corporate trust office of the Trustee as may be designated from time to time by written notice from the Trustee to the City, initially being in Los Angeles, California. The Trustee may designate in writing to the City and the Holder such other office or agency from time to time for purposes of registration, transfer, exchange, payment or redemption of Bonds.

### Costs of Issuance

The term “Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the City and related to the Bonds, including, but not limited to, costs of preparation and reproduction of documents, costs of rating agencies and costs to provide information required by rating agencies, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, fees and expenses of the underwriter or placement agent, fees and charges for preparation, execution and safekeeping of the Bonds, premiums for bond insurance, if any, and any other cost, charge or fee in connection with the original execution and delivery of the Bonds.

### Costs of Issuance Fund

The term “Costs of Issuance Fund” means the Costs of Issuance Fund established in the Trust Agreement.

## Defeasance Securities

The term "Defeasance Securities" means:

- (1) Cash; and
- (2) obligation of or obligations guaranteed as to principal and interest by, the United States or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the United States, including:
  - U.S. Treasury obligations
  - All direct of fully guaranteed obligations
  - Farmers Home Administration
  - General Services Administration
  - Guaranteed Title XI financing
  - Government National Mortgage Association (GNMA)
  - State and Local Government Series

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

## DTC

The term "DTC" means The Depository Trust Company, New York, New York, a limited- purpose trust company organized under the laws of the State of New York, and its successors as securities depository for the Bonds including any such successor appointed pursuant to the Trust Agreement.

## Financial Newspaper

The term "Financial Newspaper" means The Wall Street Journal or The Bond Buyer, or any other newspaper or journal printed in the English language, publishing financial news and selected by the Trustee, who shall be under no liability by reason of such selection.

## Fiscal Year

The term "Fiscal Year" means the twelve-month period terminating on June 30 of each year, or any other annual accounting period selected and designated by the City as its fiscal year in accordance with applicable law.

## Holder

The term "Holder" means any person who shall be the registered owner of any Outstanding Bond.

Independent Certified Public Accountant

The term “Independent Certified Public Accountant” means any certified public accountant or firm of such accountants duly licensed and entitled to practice and practicing as such under the laws of the State or a comparable successor, appointed and paid by the City, and who, or each of whom --

(1) is in fact independent according to the Statement of Auditing Standards No. 1 and not under the domination of the City;

(2) does not have a substantial financial interest, direct or indirect, in the operations of the City; and

(3) is not connected with the City as a member, officer or employee of the City, but who may be regularly retained to audit the accounting records of and make reports thereon to the City.

Interest Account

The term “Interest Account” means the account by that name established in the Trust Agreement.

Interest Payment Date

The term “Interest Payment Date” means each \_\_\_\_ 1 and \_\_\_\_ 1, commencing \_\_\_\_ 1, 2017.

City

The term “City” means the City of Brawley, California.

MSRB

The term “MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

Opinion of Counsel

The term “Opinion of Counsel” means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the City.

Outstanding

The term “Outstanding,” when used as of any particular time with reference to Bonds, means (subject to the provisions of the Trust Agreement as summarized herein under the heading “AMENDMENT OF THE TRUST AGREEMENT—Disqualified Bonds”) all Bonds except

(1) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;

(2) Bonds paid or deemed to have been paid within the meaning of the Trust Agreement as summarized herein under the heading “DEFEASANCE—Discharge of Bonds;” and

(3) Bonds in lieu of or in substitution for which other Bonds shall have been executed, issued and delivered by the City pursuant to the Trust Agreement.

Permitted Investments

The term "Permitted Investment" means any of the following to the extent permitted by the laws of the State:

(1) Defeasance Securities;

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

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

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

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

(4) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks (including the Trustee and its affiliates) which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by Standard & Poor's Ratings Services and which mature not more than three hundred sixty (360) calendar days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank):

(5) Commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by Standard & Poor's Ratings Services and which matures not more than two hundred seventy (270) calendar days after the date of purchase;

(6) Investments in a money market fund rated at the time of purchase “AAAm” or “AAAm-G” or better by Standard & Poor’s Ratings Services, including funds for which the Trustee or its affiliates provide investment advisory or other management services;

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

(A) which are rated at the time of purchase, based on an irrevocable escrow account or fund (the “escrow”), in the highest rating category of Standard & Poor’s Ratings Services or any successors thereto; or

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

(8) Municipal obligations rated at the time of purchase “Aaa/AAA” or general obligations of States with a rating of “A2/A” or higher by Standard & Poor’s Ratings Services; and

(9) The Local Agency Investment Fund (as that term is defined in Section 16429.1 of the Government Code of the State, as such Section may be amended or recodified from to time).

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

(b) For the purpose of determining the amount in any fund, all Permitted Investments credited to such fund shall be valued at fair market value. The Trustee shall determine the fair market value based on accepted industry standards and from accepted industry providers;

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

(d) As to any investment not specified above, the value thereof established by prior agreement among the City and the Trustee.

#### Principal Account

The term “Principal Account” means the account by that name established in the Trust Agreement.

#### PERS Contract

[The term “PERS Contract” means the contract dated May 1, 1965 and amended on August 1, 1965, March 1, 1966, December 1, 1972, July 1, 1973, October 18, 1975, October 22, 1977, January 5, 1980, February 9, 1985, October 8, 1997, June 23, 2001, October 13, 2001, October 8, 2005, December 17,

2005, August 20, 2009, October 30, 2010, December 25, 2010, March 31, 2012 and September 21, 2012, between the City and the System, as heretofore and hereafter amended from time to time.]

Principal Amount

The term "Principal Amount" means as to any Bond, the principal amount thereof.

Principal Payment Date

The term "Principal Payment Date" means each \_\_\_\_ September 1, commencing \_\_\_\_ 1, 201\_\_.

Rating Agencies

The term "Rating Agencies" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, or, in the event that Standard & Poor's Ratings Services no longer maintains a rating on the Bonds, any other nationally recognized bond rating agency then maintaining a rating on the Bonds, but, in each instance, only so long as Standard & Poor's Ratings Services or other nationally recognized rating agency then maintains a rating on the Bonds.

Record Date

The term "Record Date" means the close of business on the 15th day of the month preceding any Interest Payment Date, whether or not such day is a Business Day.

Refunding Fund

The term "Refunding Fund" means the fund by that name established in the Trust Agreement.

Representation Letter

The term "Representation Letter" means the Letter of Representations from the City and the Trustee to DTC, or any successor securities depository for the Bonds.

Retirement Law

The term "Retirement Law" means the Public Employees' Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended.

Serial Bonds

The term "Serial Bonds" means Bonds for which no sinking fund payments are provided.

Series

The term "Series" means all of the Bonds designated as being within a certain series, regardless of variations in maturity date, interest rate, redemption and other provisions, and any Bonds thereafter issued in transfer or exchange for such Bonds pursuant to the Trust Agreement.

Series 2017 Bonds

The term "Series 2017 Bonds" means the Bonds of the City of that Series designation authorized by and at any time Outstanding pursuant to the Trust Agreement and executed, issued and delivered in

accordance with the Trust Agreement.

State

The term "State" means the State of California.

Surplus Account

The term "Surplus Account" means the account by that name established in the Trust Agreement.

Supplemental Trust Agreement

The term "Supplemental Trust Agreement" means any trust agreement then in full force and effect which has been duly executed and delivered by the City and the Trustee amendatory of the Trust Agreement or supplemental to the Trust Agreement; but only if and to the extent that such Supplemental Trust Agreement is specifically authorized under the Trust Agreement.

System

The term "System" means the California Public Employees' Retirement System.

Term Bonds

The term "Term Bonds" means Bonds which are payable on or before their specified maturity dates from sinking fund payments established for that purpose and calculated to retire such Bonds on or before their specified maturity dates.

Trust Agreement

The term "Trust Agreement" means the Trust Agreement, dated as of \_\_\_\_ 1, 2017, between the City and the Trustee, as originally executed and as it may from time to time be amended or supplemented by all Supplemental Trust Agreements executed pursuant to the provisions of the Trust Agreement.

Trustee

The term "Trustee" mean The Bank of New York Trust Company N.A. or any other association or corporation which may at any time be substituted in its place as provided in the Trust Agreement.

Underwriter

The term "Underwriter" means BOK Financial Securities, Inc.

Written Request of the City

The term "Written Request of the City means an instrument in writing signed by any one of the Authorized Representatives of the City or such officer's designee, or by any other officer of the City duly authorized by the City Council of the City in writing to the Trustee for that purpose.

## ISSUANCE OF SERIES 2017 BONDS; GENERAL BOND PROVISIONS

Transfer and Payment of Bonds. Any Bond may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of the Trust Agreement by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bonds for cancellation at the Corporate Trustee Office of the Trustee, accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds of the same series and maturity for a like aggregate principal amount. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the City. The Trustee shall require the payment by the Holder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege.

The City and the Trustee may deem and treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of receiving payment thereof and for all other purposes, whether such Bonds shall be overdue or not, and neither the City nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on, principal of, and redemption premium (if any) on, such Bonds shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on such Bonds to the extent of the sum or sums so paid.

The Trustee shall not be required to register the transfer of or exchange any Bond which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bond selected for redemption in whole or in part as provided in the Trust Agreement.

Book-Entry Bonds. Notwithstanding any provision of the Trust Agreement to the contrary, the transfer provisions of the Trust Agreement as summarized herein under the heading "ISSUANCE OF SERIES 2017 BONDS; GENERAL BOND PROVISIONS-Transfer and Payment of Bonds" do not apply if the ownership of the Bonds is in book-entry form.

(a) Except as provided in subparagraph (d) below, the registered Holder of all of the Bonds shall be DTC, and the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Notwithstanding anything to the contrary contained in the Trust Agreement, payment of interest with respect to any Bond registered as of each Record Date in the name of Cede & Co. shall be made by wire transfer of same-day funds to the account of Cede & Co. on the Interest Payment Date for the Bonds at the address indicated on the Record Date or special record date for Cede & Co. in the Bond registration books required to be kept by the Trustee pursuant to the provisions of the Trust Agreement or as otherwise provided in the Representation Letter.

(b) The Bonds shall be initially executed and delivered in the form of separate single fully registered Bonds in the amount of each separate stated maturity of the Bonds. Upon initial execution and delivery, the ownership of such Bonds shall be registered in the Bond registration books required to be kept by the Trustee pursuant to the provisions of the Trust Agreement in the name of Cede & Co., as nominee of DTC. The Trustee and the City shall treat DTC (or its nominee) as the sole and exclusive Holder of the Bonds registered in its name for the purposes of payment of the principal, premium, if any, or interest with respect to the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Holders under the Trust Agreement, registering the transfer of Bonds, obtaining any consent or other action to be taken by Holders and for all other purposes whatsoever, and neither the Trustee nor the City shall be affected by any notice to the contrary. Neither the Trustee nor the City shall have any responsibility or obligation to any person claiming a beneficial ownership interest in the Bonds under or through DTC, or any other person which is not shown on the Bond registration books

required to be kept by the Trustee pursuant to the provisions of the Trust Agreement as being an Holder, with respect to (i) the accuracy of any records maintained by DTC; (ii) the payment by DTC of any amount of the principal, premium, if any, or interest on the Bonds; (iii) any notice which is permitted or required to be given to Holders under the Trust Agreement or the selection by DTC of any person to receive payment in the event of a partial redemption of the Bonds; or (iv) any consent given or other action taken by DTC as Holder. The Trustee shall pay all principal, premium, if any, and interest on the Bonds only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Except under the conditions of (d) below, no person other than DTC shall receive an executed Bond representing the right to receive principal, premium, if any and interest pursuant to the Trust Agreement. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in the Trust Agreement with respect to Record Dates, the term "Cede & Co." in the Trust Agreement shall refer to such new nominee of DTC.

(c) In order to qualify the Bonds for DTC's book-entry system, the City and the Trustee (if required) will execute, countersign and deliver to DTC the Representation Letter. The execution and delivery of the Representation Letter shall not in any way limit the provisions of the Trust Agreement as summarized herein under this section or in any other way impose upon the Trustee or the City any obligation whatsoever with respect to persons having interests in the Bonds other than the Holders, as shown on the Bond registration books required to be kept by the Trustee pursuant to the provisions of the Trust Agreement.

(d) In the event (i) DTC, including any successor as securities depository for the Bonds, determines not to continue to act as securities depository for the Bonds, or (ii) the City determines that the incumbent securities depository shall no longer so act and delivers a written certificate to the Trustee to that effect, then the City will discontinue the book-entry system with the incumbent securities depository for the Bonds. If the City determines to replace the incumbent securities depository for the Bonds with another qualified securities depository, the City shall prepare or direct the preparation of a new single, separate fully registered Bond for the aggregate outstanding principal amount of Bonds of each maturity, registered in the name of such successor or substitute qualified securities depository, or its nominee, or make such other arrangement acceptable to the City, the Trustee and the successor securities depository for the Bonds as are not inconsistent with the terms of the Trust Agreement. If the City fails to identify another qualified successor securities depository for the Bonds to replace the incumbent securities depository, then the Bonds shall no longer be restricted to being registered in the Bond registration books required to be kept by the Trustee pursuant to the provisions of the Trust Agreement in the name of the incumbent securities depository or its nominee, but shall be registered in whatever name or the incumbent securities depository for the Bonds, or its nominee, shall designate. In such event the City shall execute and deliver a sufficient quantity of Bonds as to carry out the transfer and exchanges provided in the Trust Agreement. All such Bonds shall be fully registered form in denominations authorized by the Trust Agreement.

(e) Notwithstanding any other provision of the Trust Agreement to the contrary, so long as any Bond is registered in the name of DTC, or its nominee, all payments with respect to the principal, premium, if any, and interest on such Bond and all notices with respect to such Bonds shall be made and given, respectively, as provided in the Representation Letter.

(f) In connection with any notice or other communication to be provided to Holders pursuant to the Trust Agreement by the City or the Trustee with respect to any consent or other action to be taken by Holder, the City or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent possible.

Exchange of Bonds. Bonds may be exchanged at the Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of the same series and maturity of other Authorized Denominations. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the City. The Trustee shall require the payment by the Holder requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a condition precedent to the exercise of such privilege. The Trustee shall not be required to exchange any Bond which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bond selected for redemption in whole or in part as provided in the Trust Agreement.

Bond Registration Books. The Trustee will keep at its Corporate Trust Office sufficient books for the registration and transfer of the Bonds which shall during normal business hours be open to inspection by the City, and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer the Bonds in such books as provided in the Trust Agreement.

Mutilated, Destroyed, Stolen or Lost Bonds. If any Bond shall become mutilated the Trustee at the expense of the Holder shall thereupon authenticate and deliver, a new Bond of like tenor and amount 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.

If any Bond 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 the Trustee and indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Holder, 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.

The Trustee may require payment of a reasonable sum for each new Bond issued under this section and of the expenses which may be incurred by the City and the Trustee in the premises. Any Bond issued under the provisions of this section in lieu of any Bond alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of the Trust Agreement with all other Bonds of the same series secured by the Trust Agreement. Neither the City nor the Trustee shall be required to treat both the original Bond and any replacement Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued under the Trust Agreement or for the purpose of determining any percentage of Bonds Outstanding under the Trust Agreement, but both the original and replacement Bond shall be treated as one and the same.

Temporary Bonds. The Bonds issued under the Trust Agreement may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the City, shall be in fully registered form and may contain such reference to any of the provisions of the Trust Agreement as may be appropriate. Every temporary Bond shall be executed and authenticated as authorized by the City, in accordance with the terms of the Act. If the City 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 Corporate Trust Office of the Trustee, and the Trustee shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of Authorized Denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under the Trust Agreement as definitive Bonds delivered under the Trust Agreement.

Procedure for the Issuance of Series 2017 Bonds. At any time after the sale of the Series 2017 Bonds in accordance with the Act, the City shall execute the Series 2017 Bonds for issuance under the Trust Agreement and shall deliver them to the Trustee, and thereupon the Series 2017 Bonds shall be authenticated and delivered by the Trustee to the Underwriter of the Series 2017 Bonds upon the Certificate

of the City. The proceeds of the purchase of the Series 2017 Bonds shall be applied to pay Costs of Issuance and the obligation of the City to the System pursuant to the Retirement Law, as set forth in the Certificate of the City.

Upon receipt of the purchase price of Additional Bonds, if any, the Trustee shall set aside and deposit the proceeds received from such sale as set forth in the Supplemental Trust Agreement authorizing such Additional Bonds, which proceeds may be deposited in the following respective accounts or funds:

(a) The Trustee shall deposit the amount, if any, set forth in the Supplemental Trust Agreement authorizing such Additional Bonds in the Refunding Fund. On the Closing Date for such bonds, the Trustee shall promptly transfer all amounts in the Refunding Fund to the System or to refund Bonds, as set forth in the Supplemental Trust Agreement authorizing such Additional Bonds.

(b) The Trustee shall deposit the amount, if any, set forth in the Supplemental Trust Agreement authorizing such Additional Bonds in the Costs of Issuance Fund, which fund the City agrees to maintain with the Trustee. All money in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay or reimburse the Costs of Issuance of the Additional Bonds upon receipt of a Written Request of the City filed with the Trustee, each of which shall be sequentially numbered and shall state the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is six months following the Closing Date for the Additional Bonds or upon the earlier Written Request of the City, any remaining balance in the Costs of Issuance Fund shall be transferred to the Interest Account.

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

## **ISSUANCE OF ADDITIONAL BONDS**

Conditions for the Issuance of Additional Bonds. The City may at any time issue Additional Bonds on a parity with the Series 2017 Bonds, but only subject to the following specific conditions, which are made conditions precedent to the issuance of any such Additional Bonds:

(a) The City shall be in compliance with all agreements and covenants contained in the Trust Agreement.

(b) The issuance of such Additional Bonds shall have been authorized pursuant to the Act and shall have been provided for by a Supplemental Trust Agreement which shall specify the following:

(1) The purpose for which such Additional Bonds are to be issued; provided that such Additional Bonds shall be applied solely for (i) the purpose of satisfying any obligation to make payments to the System pursuant to the Retirement Law relating to pension benefits accruing to the System's members, and/or for payment of all costs incidental to or connected with the issuance of Additional Bonds for such purpose, and/or (ii) the purpose of refunding any Bonds then Outstanding, including payment of all costs incidental to or connected with such refunding;

- Bonds;
- (2) The authorized principal amount and designation of such Additional Bonds;
  - (3) The date and the maturity dates of and the sinking fund payment dates, if any, for such Additional Bonds;
  - (4) The interest payment dates for such Additional Bonds;
  - (5) The denomination or denominations of and method of numbering such Additional Bonds;
  - (6) The redemption premiums, if any, and the redemption terms, if any, for such Additional Bonds;
  - (7) The amount, if any, to be deposited from the proceeds of sale of such Additional Bonds in the Interest Account referred to in the Trust Agreement; and
  - (8) Such other provisions (including the requirements of a book-entry Bond registration system, if any) as are necessary or appropriate and not inconsistent with the Trust Agreement.

Procedure for the Issuance of Additional Bonds. At any time after the sale of any Additional Bonds in accordance with the Act, the City shall execute such Additional Bonds for issuance under the Trust Agreement and shall deliver them to the Trustee, and thereupon such Additional Bonds shall be delivered by the Trustee to the purchaser thereof upon the Written Request of the City, but only upon receipt by the Trustee of 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 Additional Bonds by the Trustee:

- (a) An executed copy of the Supplemental Trust Agreement authorizing the issuance of such Additional Bonds;
- (b) A Written Request of the City as to the delivery of such Additional Bonds;
- (c) An Opinion of Counsel to the effect that (1) the City has executed and delivered the Supplemental Trust Agreement, and the Supplemental Trust Agreement is valid and binding upon the City and (2) such Additional Bonds are valid and binding obligations of the City;
- (d) A Certificate of the City stating that all requirements of the Trust Agreement have been complied with and containing any other such statements as may be reasonably necessary to show compliance with the conditions for the issuance of such Additional Bonds contained in the Trust Agreement;
- (e) Such further documents, money or securities as are required by the provisions of the Supplemental Trust Agreement providing for the issuance of such Additional Bonds.

## FUNDS AND ACCOUNTS

### Bond Fund; Deposits to Bond Fund

- (a) In order to meet the City's obligations under the Retirement Law, the City shall deposit or cause to be deposited with the Trustee on or before \_\_\_\_ 1 of each Fiscal Year (or such other date as provided in a Supplemental Trust Agreement) the amount which, together with moneys transferred

pursuant to the Trust Agreement as summarized herein in paragraph (c) under the heading “FUNDS AND ACCOUNTS—Allocation of Moneys in Bond Fund,” is sufficient to pay the City’s debt service obligations on the Bonds payable during such Fiscal Year. In addition, in the event debt service is payable on the Bonds in July of any year, the deposit made pursuant to this paragraph (a) shall also include an amount equal to debt service on the Bonds payable in July of the next succeeding Fiscal year.

(b) All amounts payable by the City under the Trust Agreement shall be promptly deposited by the Trustee upon receipt thereof in a special fund designated as the “Bond Fund” which fund is created by the Trust Agreement and shall be held in trust by the Trustee.

Allocation of Moneys in Bond Fund. On or before each Interest Payment Date or date fixed for redemption of Bonds, the Trustee shall transfer from the Bond Fund, in immediately available funds, for deposit into the following respective accounts (each of which is created by the Trust Agreement and which the Trustee shall maintain in trust separate and distinct from the other funds and accounts established under the Trust Agreement), 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 funds sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any deposit is made to any account subsequent in priority:

- (a) Interest Account,
- (b) Principal Account, and
- (c) Surplus Account.

All money in each of such accounts shall be held in trust by the Trustee and shall be applied, used and withdrawn only for the purposes authorized as summarized in this section.

(a) Interest Account. On each Interest Payment Date, the Trustee shall set aside from the Bond Fund and deposit in the Interest Account that amount of money which is equal to the amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date.

No deposit need be made in the Interest Account if the amount contained therein is at least equal to the aggregate amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date.

All money in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

(b) Principal Account. On or before each Principal Payment Date, the Trustee shall set aside from the Bond Fund and deposit in the Principal Account an amount of money equal to the amount of all sinking fund payments required to be made on such Principal Payment Date into the respective sinking fund accounts for all Outstanding Term Bonds and the principal amount of all Outstanding Serial Bonds maturing on such Principal Payment Date.

No deposit need be made in the Principal Account if the amount contained therein is at least equal to the aggregate amount of the principal of all Outstanding Serial Bonds maturing by their terms on such Principal Payment Date plus the aggregate amount of all sinking fund payments required to be made on such Principal Payment Date for all Outstanding Term Bonds.

The Trustee shall establish and maintain within the Principal Account a separate subaccount for the Term Bonds of each series and maturity, designated as the "2017 Term Bond Sinking Account" (the "Sinking Account"), inserting therein the series and maturity (if more than one such account is established for such series) designation of such Bonds. With respect to each Sinking Account, on each mandatory sinking account payment date established for such Sinking Account, the Trustee shall apply the mandatory sinking account payment required on that date to the redemption (or payment at maturity, as the case may be) of Term Bonds of the series and maturity for which such Sinking Account was established, upon the notice and in the manner provided in the Trust Agreement; provided that, at any time prior to giving such notice of such redemption, the Trustee may upon the Written Request of the City, apply moneys in such Sinking Account to the purchase for cancellation of Term Bonds of such series and maturity at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account), as may be directed by the City, except that the purchase price (excluding accrued interest) shall not exceed the redemption price that would be payable for such Bonds upon redemption by application of such Mandatory Sinking Account Payment. If, during the twelve-month period immediately preceding said mandatory sinking account payment date, the Trustee has purchased Term Bonds of such series and maturity with moneys in such Sinking Account, such Bonds so purchased shall be applied, to the extent of the full principal amount thereof, as applicable, to reduce said mandatory sinking account payment.

All money in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds, as applicable, as they shall become due and payable, whether at maturity or redemption, except that any money in any sinking fund account shall be used and withdrawn by the Trustee only to purchase or to redeem or to pay Term Bonds for which such Sinking Account was created.

(c) Surplus Account. On the Business Day following the last Interest Payment Date of each Fiscal Year, or on such other date as provided in a Supplemental Trust Agreement, any moneys remaining in the Bond Fund shall be deposited by the Trustee in the Surplus Account. So long as no Event of Default has occurred and is continuing, moneys deposited in the Surplus Account shall be transferred by the Trustee to or upon the order of the City, as specified in a Written Request of the City.

Deposit and Investments of Money in Accounts and Funds. All money held by the Trustee in any of the accounts or funds established pursuant to the Trust Agreement shall be invested in Permitted Investments at the Written Request of the City. If no Written Request of the City is received, the Trustee shall invest funds held by it in Permitted Investments described in clause 6 of the definition thereof. Such investments shall, as nearly as practicable, mature on or before the dates on which such money is anticipated to be needed for disbursement under the Trust Agreement. All interest, profits and other income received from any money so invested shall be deposited in the Bond Fund. The Trustee shall have no liability or responsibility for any loss resulting from any investment made or sold in accordance with the provisions of the Trust Agreement, except for any loss due to the negligence or willful misconduct of the Trustee. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charge therefor.

## COVENANTS OF THE CITY

Punctual Payment and Performance. The City will punctually pay the interest on and the principal of and redemption premiums, if any, to become due on every Bond issued under the Trust Agreement in strict conformity with the terms of the Trust Agreement and of the Bonds, and will faithfully observe and perform all the agreements and covenants to be observed or performed by the City contained in the Trust Agreement and in the Bonds.

Extension of Payment of Bonds. The City shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any 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 under the Trust Agreement, to the benefits of the Trust Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this paragraph shall be deemed to limit the right of the City to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

Additional Debt. The City expressly reserves the right to enter into one or more other agreements or indentures for any of its purposes, and reserves the right to issue other obligations for such purposes.

Power to Issue Bonds. The City is duly authorized pursuant to law to issue the Bonds and to enter into the Trust Agreement. The Bonds and the provisions of the Trust Agreement are the legal, valid and binding obligations of the City in accordance with their terms. The Bonds constitute obligations imposed by law.

Accounting Records and Reports. The City will keep or cause to be kept proper books of record and accounts in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocation and application of moneys on deposit in the funds and accounts established under the Trust Agreement.

Prosecution and Defense of Suits. The City will defend against every suit, action or proceeding at any time brought against the Trustee upon any claim to the extent involving the failure of the City to fulfill its obligations under the Trust Agreement; provided that the Trustee or any affected Holder at its election may appear in and defend any such suit, action or proceeding. The City, to the extent permitted by law, will indemnify and hold harmless the Trustee against any and all liability claimed or asserted by any person to the extent arising out of such failure by the City, and will indemnify and hold harmless the Trustee against any attorney's fees or other expenses which it may incur in connection with any litigation to which it may become a party by reason of its actions under the Trust Agreement, except for any loss, cost, damage or expense resulting from the negligence, willful misconduct or breach of duty by the Trustee. Notwithstanding any contrary provision of the Trust Agreement, this covenant shall remain in full force and effect even though all Bonds secured by the Trust Agreement may have been fully paid and satisfied.

Further Assurances. Whenever and so often as reasonably requested to do so by the Trustee or any Holder, the City will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments, and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Holders all rights, interests, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by the Trust Agreement.

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

Compliance with Continuing Disclosure Certificate. The City has undertaken responsibility for compliance with continuing disclosure requirements with respect to S.E.C. Rule 15c2-12. The failure of the City to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default under the Trust Agreement; however, the Trustee may (and, at the request of any Participating Underwriter (as

defined in the Continuing Disclosure Certificate) or the Holders of at least 25% aggregate principal amount in Outstanding Bonds, and upon receipt of indemnification satisfactory to it, shall) or any Holder 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 City to comply with its obligations under this Section. For such purposes, "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 or other intermediaries).

### THE TRUSTEE

The Trustee. U.S. Bank National Association shall serve as the Trustee for the Bonds for the purpose of receiving all money which the City is required to deposit with the Trustee under the Trust Agreement and for the purpose of allocating, applying and using such money as provided in the Trust Agreement and for the purpose of paying the interest on and principal of and redemption premiums, if any, on the Bonds presented for payment at the Corporate Trust Office of the Trustee with the rights and obligations provided in the Trust Agreement. The City agrees that it will at all times maintain a Trustee having a corporate trust office in Los Angeles or San Francisco, California.

The City may at any time, unless there exists any event of default as defined in the Trust Agreement as summarized herein under the heading "EVENTS OF DEFAULT AND REMEDIES OF HOLDERS—Events of Default," remove the Trustee initially appointed and any successor thereto and may appoint a successor or successors thereto by an instrument in writing; provided that any such successor shall be a bank or trust company doing business and having a corporate trust office in Los Angeles or San Francisco, California, having a combined capital (exclusive of borrowed capital) and surplus of at least one fifty million dollars (\$50,000,000) and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Trustee may at any time resign by giving written notice of such resignation to the City and by mailing to the Holders notice of such resignation. Upon receiving such notice of resignation, the City shall promptly appoint a successor Trustee by an instrument in writing. Any removal or resignation of a Trustee and appointment of a successor Trustee shall become effective only upon the acceptance of appointment by the successor Trustee. If, within thirty (30) days after notice of the removal or resignation of the Trustee no successor Trustee shall have been appointed and shall have accepted such appointment, the removed or resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Trustee having the qualifications required by the Trust Agreement.

The Trustee is authorized to pay or redeem the Bonds when duly presented for payment at maturity or on redemption prior to maturity. The Trustee shall cancel all Bonds upon payment thereof or upon the surrender thereof by the City and shall destroy such Bonds and a certificate

**APPENDIX C**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED  
JUNE 30, 2016**

**APPENDIX D**

**FORM OF BOND COUNSEL OPINION**

[Delivery Date]

## APPENDIX E

### FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”) is executed and delivered by the City of Brawley, California (the “City”) and Bartle Wells Associates, as dissemination agent (the “Dissemination Agent”), in connection with the issuance of the City of Brawley Taxable Pension Obligation Bonds, Series 2017 (the “Bonds”). The Bonds are being issued pursuant to an Indenture of Trust, dated as of July \_\_, 2017, by and between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”). The City and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of this Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the City and the Dissemination Agent for the benefit of the Bondholders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters (as defined herein) in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth above and 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 City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Beneficial Owner” shall mean any person who (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 tax purposes.

“Dissemination Agent” shall mean Bartle Wells Associates, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the City and which has filed a written acceptance of such designation.

“Fiscal Year” shall mean the period beginning on July 1 of each year and ending on the next succeeding June 30, or any twelve-month or fifty-two week period hereafter selected by the City, with notice of such selection or change in fiscal year to be provided as set forth herein.

“Holder” shall mean either the registered owners of the Bonds or, if the Bonds are registered in the name of The Depository Trust Company or another recognized depository, any applicable participant in such depository system.

“Listed Event” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (“EMMA”) website of the MSRB, currently located at <http://emma.msrb.org>.

“Official Statement” shall mean the Official Statement for the Bonds dated \_\_\_\_\_, 2017.

“Participating Underwriter” shall mean the original underwriter of the Bonds listed in the Official Statement required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the United States Securities and Exchange Commission.

“State” shall mean the State of California.

### SECTION 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than nine (9) months after the end of the Fiscal Year, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report must be submitted in electronic format, accompanied by such identifying information as prescribed by the MSRB. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; *provided*, that if the audited financial statements of the City are not available by the date required above for the filing of the Annual Report, the City shall submit the audited financial statements as soon as available. In addition, if the Report on Internal Control Related Matters Identified in the Audit (as described in Section 4(c) below) is not available by the date required above for filing, the City shall, or shall cause the Dissemination Agent to, provide to the MSRB such Report on Internal Control Related Matters Identified in the Audit not less than 60 days following the receipt of such report by the City. If the City’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(f).

(b) If the City is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Dissemination Agent shall send, in a timely manner, to the MSRB a notice in substantially the form attached hereto as Exhibit A.

(c) The Dissemination Agent shall:

- (i) determine the electronic filing address of, and then-current procedures for submitting Annual Reports to, the MSRB each year prior to the date for providing the Annual Report; and
- (ii) file a report with the City certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Agreement, and stating the date it was provided.

SECTION 4. Content of Annual Reports. The City’s Annual Report shall contain or include by reference the following categories or similar categories of information updated to incorporate information for the most recent fiscal or calendar year, as applicable (the tables referred to below are those appearing in the Official Statement relating to the Bonds):

(a) The audited financial statements of the City for the prior Fiscal Year, 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’s audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a),

the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

1. General Fund Balance Sheet for the most recent Fiscal Year;
2. General Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the most recent Fiscal Year;
3. Assessed Valuation of Taxable Property for the Current Fiscal Year;
4. Property Tax Levies and Collections for the most recent Fiscal Year

(b) In addition to any of the information expressly required to be provided under paragraphs (a), (b) and (c) of this Section, the City shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading;

(c) 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 City or related public entities, which have been submitted to the MSRB or the SEC. If any document included by reference is a final official statement, it must be available from the MSRB. The City shall clearly identify each such other document so included by reference.

#### SECTION 5. Reporting of Listed Events.

(a) Pursuant to the provisions of this section, upon the occurrence of any of the following events (in each case to the extent applicable) with respect to the Bonds, the City shall give, or cause to be given by so notifying the Dissemination Agent in writing and instructing the Dissemination Agent to give, notice of the occurrence of such event, in each case, pursuant to Section 5(c) hereof:

1. principal or interest payment delinquencies;
2. non-payment related defaults, if material;
3. modifications to the rights of the Bondholders, if material;
4. Bond calls, if material, and tender offers;
5. defeasances;
6. rating changes;
7. adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
8. unscheduled draws on the debt service reserves reflecting financial difficulties;
9. unscheduled draws on the credit enhancements reflecting financial difficulties;

10. substitution of the credit or liquidity providers or their failure to perform;
11. release, substitution or sale of property securing repayment of the Bonds, if material;
12. bankruptcy, insolvency, receivership or similar proceedings of the City, which shall occur as described below;
13. appointment of a successor or additional trustee or the change of name of a trustee, if material, or;
14. the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City 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, if material.

For these purposes, any event described in item 12 of this Section 5(a) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States 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 City, or if such jurisdiction has been assumed by leaving the existing governing 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 City.

(b) Upon receipt of notice from the City and instruction by the City to report the occurrence of any Listed Event, the Dissemination Agent shall provide notice thereof to the MSRB in accordance with Section 5(c) hereof. In the event the Dissemination Agent shall obtain actual knowledge of the occurrence of any of the Listed Events, the Dissemination Agent shall, immediately after obtaining such knowledge, contact the Disclosure Representative, inform such person of the event, and request that the City promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to Section 5(c). For purposes of this Disclosure Agreement, "actual knowledge" of the occurrence of such Listed Event shall mean actual knowledge by the Dissemination Agent, if other than the Trustee, and if the Dissemination Agent is the Trustee, then by the officer at the corporate trust office of the Trustee with regular responsibility for the administration of matters related to the Indenture. The Dissemination Agent shall have no responsibility to determine the materiality, if applicable, of any of the Listed Events.

(c) The City, or the Dissemination Agent, if the Dissemination Agent has been instructed by the City to report the occurrence of a Listed Event, shall file a notice of such occurrence with the MSRB in a timely manner not more than ten business days after the occurrence of the event.

**SECTION 6. Termination of Reporting Obligation.** The City'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 City shall give notice of such termination in the same manner as for a Listed Event under Section 5(f).

**SECTION 7. Dissemination Agent.** The City 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 City pursuant to this Disclosure Agreement. The Dissemination Agent shall receive compensation for the services provided pursuant to this Disclosure Agreement. The Dissemination Agent may resign by providing thirty (30) days written notice to the City. If at any time there is no designated Dissemination Agent appointed by the City, of the Dissemination Agent is unwilling or unable to perform the duties of the Dissemination Agent hereunder, the City shall be the Dissemination Agent and undertake or assume its obligations hereunder.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the City and the Dissemination Agent may amend this Disclosure Agreement provided, the Dissemination Agent shall not be obligated to enter into any such amendment that modifies or increases its duties or obligations hereunder, and any provision of this Disclosure Agreement may be waived, provided that in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule. In the event of any amendment or waiver of a provision of this Disclosure Agreement, the City 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 City.

SECTION 9. Filings with the MSRB. All information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Disclosure Agreement shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the City 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 City 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 City shall have no obligation under this Disclosure 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 City or the Dissemination Agent to comply with any provision of this Disclosure Agreement, any Holder 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 City or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. 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 in the event of any failure of the City or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance hereunder.

SECTION 12. Duties, Immunities and Liabilities of Trustee and Dissemination Agent. Article VIII of the Indenture is hereby made applicable to this Disclosure Agreement as if the Disclosure Agreement were (solely for this purpose) contained in the Indenture. The Dissemination Agent shall be entitled to the protections and limitations on liability afforded to the Trustee thereunder. The Dissemination Agent (if other than the Trustee in its capacity as Dissemination Agent) shall have only such duties as are specifically set forth in this Disclosure Agreement, and the City agrees to indemnify and save the Trustee and the Dissemination Agent, their 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 any loss, expense and liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review or verify any information, disclosures or notices provided to it by the City and shall not be deemed to be acting in any fiduciary capacity for the City, the Holders of the Bonds or any other party. The obligations of the City under this Section 12 shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the City, the Trustee, the Dissemination Agent, the Participating Underwriter and the Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, this Disclosure Agreement has been executed on behalf of the City and the Dissemination Agent by their duly authorized representatives as of \_\_\_\_\_, 2017.

THE CITY OF BRAWLEY

By: \_\_\_\_\_  
City Manager

BARTLE WELLS ASSOCIATES,  
as Dissemination Agent

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT**

Name of Obligated Party: City of Brawley

Name of Bond Issue: \$ \_\_\_\_\_ aggregate principal amount of City of Brawley  
[ \_\_\_\_\_ ] (the "Bonds")

Date of Issuance: \_\_\_\_\_, 2017

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement, dated \_\_\_\_\_, 2017, with respect to the Bonds. [The City anticipates that the Annual Report will be filed by \_\_\_\_\_.]

Dated: \_\_\_\_\_, 201\_\_

\_\_\_\_\_, as Dissemination  
Agent, on behalf of the City of Brawley

## APPENDIX F

### BOOK-ENTRY SYSTEM

The information in this APPENDIX F concerning The Depository Trust Company ("DTC"), New York, New York, and DTC's book-entry system has been obtained from DTC and the City takes no responsibility for the completeness or accuracy thereof. The City cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, NY, 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 certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with 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 City" 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). The information set forth on such website is not incorporated herein by 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 certificates 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 affect 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 City 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).

Principal, premium (if any), and interest 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 City 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 City, subject to any statutory or regulatory requirements as may be in effect from time to time. Principal, premium (if any), and interest payments with respect to the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City 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.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates representing the Bonds are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, representing the Bonds will be printed and delivered to DTC in accordance with the provisions of the Indenture.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

**TRUST AGREEMENT**

between the

**CITY OF BRAWLEY**

and

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,**  
as Trustee

Dated as of June 1, 2017

City of Brawley

Taxable Pension Obligation Bonds

Series 2017

---

TABLE OF CONTENTS

ARTICLE I DEFINITIONS; EQUAL SECURITY .....2

    Section 1.01. Definitions .....2

    Section 1.02. Trust Agreement Constitutes Contract .....11

ARTICLE II ISSUANCE OF SERIES 2017 BONDS; GENERAL BOND PROVISIONS .....11

    Section 2.01. Authorization and Purpose of Series 2017 Bonds .....11

    Section 2.02. Terms of the Series 2017 Bonds; General Bond Provisions.....12

    Section 2.03. Redemption of Series 2017 Bonds .....13

    Section 2.04. Form of Bonds .....16

    Section 2.05. Execution of Bonds.....16

    Section 2.06. Transfer and Payment of Bonds .....16

    Section 2.07. Book-Entry Bonds .....17

    Section 2.08. Exchange of Bonds .....18

    Section 2.09. Bond Registration Books .....19

    Section 2.10. Mutilated, Destroyed, Stolen or Lost Bonds .....19

    Section 2.11. Temporary Bonds .....19

    Section 2.12. Procedure for the Issuance of Series 2017 Bonds; Application of Bond Proceeds; City Contribution .....20

    Section 2.13. Validity of Bonds.....21

ARTICLE III ISSUANCE OF ADDITIONAL BONDS .....21

    Section 3.01. Conditions for the Issuance of Additional Bonds .....21

    Section 3.02. Procedure for the Issuance of Additional Bonds .....22

ARTICLE IV FUNDS AND ACCOUNTS .....22

    Section 4.01. Bond Fund; Deposits to Bond Fund .....22

    Section 4.02. Allocation of Moneys in Bond Fund .....22

    Section 4.03. Deposit and Investments of Money in Accounts and Funds .....24

ARTICLE V COVENANTS OF THE CITY .....25

    Section 5.01. Punctual Payment and Performance .....25

    Section 5.02. Extension of Payment of Bonds .....25

    Section 5.03. Additional Debt .....25

    Section 5.04. Power to Issue Bonds.....25

    Section 5.05. Accounting Records and Reports .....25

    Section 5.06. Prosecution and Defense of Suits .....25

    Section 5.07. Further Assurances .....26

    Section 5.08. Waiver of Laws.....26

    Section 5.09. Compliance with Continuing Disclosure Certificate .....26

ARTICLE VI THE TRUSTEE .....26

    Section 6.01. The Trustee .....26

    Section 6.02. Liability of Trustee .....27

TABLE OF CONTENTS (cont'd)

	Page
Section 6.03. Compensation and Indemnification of Trustee.....	29
ARTICLE VII AMENDMENT OF THE TRUST AGREEMENT .....	30
Section 7.01. Amendment of the Trust Agreement .....	30
Section 7.02. Disqualified Bonds .....	31
Section 7.03. Endorsement or Replacement of Bonds After Amendment .....	31
Section 7.04. Amendment by Mutual Consent.....	31
Section 7.05. Attorney's Opinion Regarding Supplemental Agreements .....	31
ARTICLE VIII EVENTS OF DEFAULT AND REMEDIES OF HOLDERS .....	31
Section 8.01. Events of Default .....	31
Section 8.02. Application of Funds Upon Acceleration .....	32
Section 8.03. Institution of Legal Proceedings by Trustee.....	33
Section 8.04. Non-Waiver .....	33
Section 8.05. Actions by Trustee as Attorney-in-Fact.....	33
Section 8.06. Remedies Not Exclusive.....	34
Section 8.07. Limitation on Holders' Right to Sue .....	34
Section 8.08. Absolute Obligation of City.....	34
ARTICLE IX DEFEASANCE .....	34
Section 9.01. Discharge of Bonds.....	34
Section 9.02. Unclaimed Money .....	35
ARTICLE X MISCELLANEOUS .....	36
Section 10.01. Benefits of the Trust Agreement Limited to Parties .....	36
Section 10.02. Successor Is Deemed Included in All References to Predecessor .....	36
Section 10.03. Execution of Documents by Holders.....	36
Section 10.04. Waiver of Personal Liability.....	36
Section 10.05. Acquisition of Bonds by City .....	36
Section 10.06. Destruction of Cancelled Bonds .....	36
Section 10.07. Content of Certificates.....	37
Section 10.08. Publication for Successive Weeks .....	37
Section 10.09. Accounts and Funds; Business Days .....	37
Section 10.10. Notices .....	37
Section 10.11. Article and Section Headings and References.....	38
Section 10.12. Partial Invalidity .....	38
Section 10.13. Execution in Several Counterparts .....	38
Section 10.14. Governing Law .....	38
Section 10.15. CUSIP Numbers .....	38
EXHIBIT A FORM OF BOND.....	A-1

THIS TRUST AGREEMENT made and entered into as of June 1, 2017 (the "Trust Agreement") by and between THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as Trustee (the "Trustee") and the CITY OF BRAWLEY (the "City"), a duly organized, validly existing and operating municipal corporation, under the laws of the State of California.

**WITNESSETH:**

**WHEREAS**, the City is obligated by the Public Employees' Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended (the "Retirement Law"), to make payments to the California Public Employees' Retirement System (the "System") relating to pension benefits accruing to the System's members; and

**WHEREAS**, the City is obligated to make certain payments to the System in respect of retired safety and miscellaneous employees under the Pension Programs of the System which amortizes such obligations over a fixed period of time (the "Pension Obligation") which obligation is evidenced by a contract or contracts with the System with respect to public safety employees and miscellaneous employees of the City, as heretofore and hereafter amended from time to time (collectively, the "PERS Contract"); and

**WHEREAS**, the City is authorized pursuant to Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California (the "Act") to issue bonds for the purpose of refunding any evidence of indebtedness of the City; and

**WHEREAS**, for the purpose of refunding the City's obligations to the System evidenced by the PERS Contract and thereby providing funds to the System in payment of the Pension Obligation, the City has determined to issue its City of Brawley Taxable Pension Obligation Bonds, Series 2017, in the aggregate principal amount of \$\_\_\_\_\_ (the "Series 2017 Bonds" and, collectively with Additional Bonds, the "Bonds"), all pursuant to and secured by this Trust Agreement providing for the issuance of Bonds, all 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 City has authorized the execution and delivery of this Trust Agreement; and

**WHEREAS**, all acts and proceedings required by law necessary to make the Bonds, when executed by the City, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal obligations of the City payable in accordance with their terms, and to constitute this Trust Agreement a valid and binding agreement of the parties hereto for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Trust Agreement have been in all respects duly authorized;

**NOW, THEREFORE, THIS TRUST AGREEMENT WITNESSETH**, that in order to secure the payment of the principal of, premium, if any, and the interest on all Bonds at any time issued and outstanding under this Trust Agreement, 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 holders thereof, and for other valuable considerations, the receipt whereof is hereby acknowledged, the City does hereby covenant and agree with the Trustee, for the benefit of the respective holders from time to time of the Bonds, as follows:

## ARTICLE I

### DEFINITIONS; EQUAL SECURITY

**Section 1.01. Definitions.** Unless the context otherwise requires, the terms defined in this section shall for all purposes hereof and of any Supplemental Trust Agreement and of any certificate, opinion, request or other document herein or therein mentioned have the meanings herein specified:

#### Act

The term “Act” means Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California.

#### Additional Bonds

The term “Additional Bonds” means all Bonds of the City authorized by and at any time Outstanding pursuant hereto and executed, issued and delivered in accordance with Article III.

#### Aggregate Principal Amount

The term “Aggregate Principal Amount” means, as of any date of calculation, the principal amount of the Bonds referred to.

#### Authorized Denominations

The term “Authorized Denominations” means \$5,000 principal amount or any integral multiple thereof.

#### Authorized Representatives

The term “Authorized Representatives” means the Mayor, the City Manager and the Finance Director of the City of Brawley.

#### Beneficial Owner

The term “Beneficial Owner” means the beneficial owner of each such Bond, determined under the rules of DTC.

#### Bond Fund

The term "Bond Fund" means the Bond Fund established in Section 4.01(b) of this Trust Agreement.

Bond Insurance Policy

The term "Bond Insurance Policy" means the municipal bond insurance policy issued by the Bond Insurer, if any, insuring the payment when due of principal of and interest on a Series of Bonds as provided therein.

Bond Insurer

The term "Bond Insurer" shall mean the provider, if any, of a Bond Insurance Policy, or any successor thereto.

Bonds

The term "Bonds" means the Series 2017 Bonds and all Additional Bonds.

Business Day

The term "Business Day" means any day other than a Saturday or Sunday or day upon which the Trustee is authorized by law to remain closed.

Certificate of the City

The term "Certificate of the City" means an instrument in writing signed by any one of the Authorized Representatives of the City or such officer's designee, or by any other officer of the City duly authorized by the City Council of the City in writing to the Trustee for that purpose. If and to the extent required by the provisions of Section 10.07, each Certificate of the City shall include the statements provided for in Section 10.07.

City Contribution

The term "City Contribution" means the amount of \$ \_\_\_\_\_, to be transferred by the City to the Trustee to be deposited in the Refunding Fund.

Closing Date for the Series 2017 Bonds

The term "Closing Date" means the date on which the Series 2017 Bonds are delivered to the original purchaser for the Series 2017 Bonds.

Continuing Disclosure Certificate

The term Continuing Disclosure Certificate shall mean that certain Continuing Disclosure Certificate executed by the City dated the date of issuance and delivery of the Series 2017 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

### Corporate Trust Office

The term "Corporate Trust Office" means such corporate trust office of the Trustee as may be designated from time to time by written notice from the Trustee to the City, initially being in Los Angeles, California. The Trustee may designate in writing to the City and the Holder such other office or agency from time to time for purposes of registration, transfer, exchange, payment or redemption of Bonds.

### Costs of Issuance

The term "Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the City and related to the Bonds, including, but not limited to, costs of preparation and reproduction of documents, costs of rating agencies and costs to provide information required by rating agencies, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, fees and expenses of the underwriter or placement agent, fees and charges for preparation, execution and safekeeping of the Bonds, premiums for bond insurance, if any, and any other cost, charge or fee in connection with the original execution and delivery of the Bonds.

### Costs of Issuance Fund

The term "Costs of Issuance Fund" means the Costs of Issuance Fund established in Section 2.12(b) of this Trust Agreement.

### Defeasance Securities

The term "Defeasance Securities" means:

- (1) Cash; and
- (2) Obligations of or obligations guaranteed as to principal and interest by, the United States or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the United States, including:
  - U.S. Treasury obligations
  - All direct or fully guaranteed obligations
  - Farmers Home Administration
  - General Services Administration
  - Guaranteed Title XI financing
  - Government National Mortgage Association (GNMA)
  - State and Local Government Series

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

DTC

The term "DTC" means The Depository Trust Company, New York, New York, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for the Bonds including any such successor appointed pursuant to Section 2.07 hereof.

Financial Newspaper

The term "Financial Newspaper" means The Wall Street Journal or The Bond Buyer, or any other newspaper or journal printed in the English language, publishing financial news and selected by the Trustee, who shall be under no liability by reason of such selection.

Fiscal Year

The term "Fiscal Year" means the twelve-month period terminating on June 30 of each year, or any other annual accounting period hereafter selected and designated by the City as its fiscal year in accordance with applicable law.

Holder

The term "Holder" means any person who shall be the registered owner of any Outstanding Bond.

Independent Certified Public Accountant

The term "Independent Certified Public Accountant" means any certified public accountant or firm of such accountants duly licensed and entitled to practice and practicing as such under the laws of the State or a comparable successor, appointed and paid by the City, and who, or each of whom --

- (1) is in fact independent according to the Statement of Auditing Standards No. 1 and not under the domination of the City;
- (2) does not have a substantial financial interest, direct or indirect, in the operations of the City; and
- (3) is not connected with the City as a member, officer or employee of the City, but who may be regularly retained to audit the accounting records of and make reports thereon to the City.

Interest Account

The term "Interest Account" means the account by that name established in Section 4.02 of this Trust Agreement.

Interest Payment Date

The term "Interest Payment Date" means each March 1 and September 1, commencing September 1, 2017.

City

The term "City" means the City of Brawley, California.

MSRB

The term "MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

Opinion of Counsel

The term "Opinion of Counsel" means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the City.

Outstanding

The term "Outstanding," when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 7.02) all Bonds except

- (1) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;
- (2) Bonds paid or deemed to have been paid within the meaning of Section 9.01; and
- (3) Bonds in lieu of or in substitution for which other Bonds shall have been executed, issued and delivered by the City pursuant hereto.

Permitted Investments

The term "Permitted Investments" means any of the following to the extent permitted by the laws of the State:

- (1) Defeasance Securities;

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

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

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

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

(4) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks (including the Trustee and its affiliates) which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by Standard & Poor's Ratings Services and which mature not more than three hundred sixty (360) calendar days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(5) Commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by Standard & Poor's Ratings Services and which matures not more than two hundred seventy (270) calendar days after the date of purchase;

(6) Investments in a money market fund rated at the time of purchase "AAAm" or "AAAm-G" or better by Standard & Poor's Ratings Services, including funds for which the Trustee or its affiliates provide investment advisory or other management services;

(7) Pre-refunded municipal obligations defined as follows: Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor

prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

(A) which are rated at the time of purchase, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Standard & Poor's Ratings Services or any successors thereto; or

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

(8) Municipal obligations rated at the time of purchase "Aaa/AAA" or general obligations of States with a rating of "A2/A" or higher by Standard & Poor's Ratings Services;

(9) Investment agreements approved in writing by the Bond Insurer (supported by appropriate opinions of counsel);

(10) The Local Agency Investment Fund (as that term is defined in Section 16429.1 of the Government Code of the State, as such Section may be amended or recodified from time to time); and

(11) Other forms of investments (including repurchase agreements) approved in writing by the Bond Insurer.

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

(b) For the purpose of determining the amount in any fund, all Permitted Investments credited to such fund shall be valued at fair market value. The Trustee shall determine the fair market value based on accepted industry standards and from accepted industry providers;

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

(d) As to any investment not specified above, the value thereof established by prior agreement among the City, the Trustee and, if applicable, the Bond Insurer.

#### Principal Account

The term "Principal Account" means the account by that name established in Section 4.02 of this Trust Agreement.

PERS Contract

The term “PERS Contract” means the contract dated \_\_\_\_\_ and amended on \_\_\_\_\_ and \_\_\_\_\_ between the City and the System, as heretofore and hereafter amended from time to time.

Principal Amount

The term “Principal Amount” means as to any Bond, the principal amount thereof.

Principal Payment Date

The term “Principal Payment Date” means each September 1, commencing [September 1, 2017].

Rating Agencies

The term “Rating Agencies” means S&P Global Ratings or, in the event that S&P Global Ratings no longer maintains a rating on the Bonds, any other nationally recognized bond rating agency then maintaining a rating on the Bonds, but, in each instance, only so long as Standard & Poor’s Ratings Services or other nationally recognized rating agency then maintains a rating on the Bonds.

Record Date

The term “Record Date” means the close of business on the 15th day of the month preceding any Interest Payment Date, whether or not such day is a Business Day.

Refunding Fund

The term “Refunding Fund” means the fund by that name established in Section 2.12(a) of this Trust Agreement.

Representation Letter

The term “Representation Letter” means the Letter of Representations from the City and the Trustee to DTC, or any successor securities depository for the Bonds.

Retirement Law

The term “Retirement Law” means the Public Employees’ Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended.

Serial Bonds

The term “Serial Bonds” means Bonds for which no sinking fund payments are provided.

Series

The term "Series" means all of the Bonds designated as being within a certain series, regardless of variations in maturity date, interest rate, redemption and other provisions, and any Bonds thereafter issued in transfer or exchange for such Bonds pursuant to this Trust Agreement.

#### Series 2017 Bonds

The term "Series 2017 Bonds" means the Bonds of the City of that Series designation authorized by and at any time Outstanding pursuant hereto and executed, issued and delivered in accordance with Section 2.02(a) hereof.

#### State

The term "State" means the State of California.

#### Surplus Account

The term "Surplus Account" means the account by that name established in Section 4.02 of this Trust Agreement.

#### Supplemental Trust Agreement

The term "Supplemental Trust Agreement" means any trust agreement then in full force and effect which has been duly executed and delivered by the City and the Trustee amendatory hereof or supplemental hereto; but only if and to the extent that such Supplemental Trust Agreement is specifically authorized hereunder.

#### System

The term "System" means the California Public Employees' Retirement System.

#### Term Bonds

The term "Term Bonds" means Bonds which are payable on or before their specified maturity dates from sinking fund payments established for that purpose and calculated to retire such Bonds on or before their specified maturity dates.

#### Trust Agreement

The term "Trust Agreement" means this Trust Agreement, dated as of June 1, 2017, between the City and the Trustee, as originally executed and as it may from time to time be amended or supplemented by all Supplemental Trust Agreements executed pursuant to the provisions hereof.

#### Trustee

The term "Trustee" means The Bank of New York Trust Company, N.A., or any other association or corporation which may at any time be substituted in its place as provided in Section 6.01.

## Underwriter

The term "Underwriter" means BOK Financial Securities, Inc.

## Written Request of the City

The term "Written Request of the City" means an instrument in writing signed by any one of the Authorized Representatives of the City or such officer's designee, or by any other officer of the City duly authorized by the City Council of the City in writing to the Trustee for that purpose.

**Section 1.02. Trust Agreement Constitutes Contract.** In consideration of the acceptance of the Bonds by the Holders thereof, the Trust Agreement shall be deemed to be and shall constitute a contract among the City, the Trustee and the Holders from time to time of all Bonds authorized, executed, issued and delivered hereunder and then Outstanding to provide for the payment of the interest on, principal of, and redemption premium (if any) on, all Bonds which may from time to time be authorized, executed, issued and delivered hereunder, subject to the agreements, conditions, covenants and provisions contained herein; and all agreements and covenants set forth herein to be performed by or on behalf of the City shall be for the equal and proportionate benefit, protection and security of all Holders of the Bonds without distinction, preference or priority as to security or otherwise of any Bonds over any other Bonds by reason of the number or date thereof or the time of authorization, sale, execution, issuance or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein.

## ARTICLE II

### ISSUANCE OF SERIES 2017 BONDS; GENERAL BOND PROVISIONS

**Section 2.01. Authorization and Purpose of Series 2017 Bonds.** The City has reviewed all proceedings heretofore taken relative to the authorization of the Series 2017 Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Series 2017 Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that the City is now duly authorized, pursuant to each and every requirement of the Act, to issue the Series 2017 Bonds in the form and manner and for the purpose provided herein and that the Series 2017 Bonds shall be entitled to the benefit, protection and security of the provisions hereof.

The obligations of the City under the Bonds, including the obligation to make all payments of interest and principal when due, are obligations of the City imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. The Bonds do not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation. Neither the Bonds nor the obligation of the City to make payments on the Bonds constitute an indebtedness of the City, the State of California, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

**Section 2.02. Terms of the Series 2017 Bonds; General Bond Provisions.** The Series 2017 Bonds shall be designated "City of Brawley Taxable Pension Obligation Bonds, Series

2017” and shall be in the aggregate principal amount of \$\_\_\_\_\_. The Series 2017 Bonds shall be dated the date of original delivery, shall be issued only in fully registered form in denominations of five thousand dollars (\$5,000) or any integral multiple of five thousand dollars (\$5,000) (not exceeding the principal amount of Series 2017 Bonds maturing at any one time), and shall mature on the dates and in the principal amounts and bear interest at the rates as set forth in the following table:

<u>Payment Date</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Rate of</u> <u>Interest</u>
---	-----------------------------------	-----------------------------------

---

\* Final Maturity

The Series 2017 Bonds shall bear interest at the rates (based on a 360-day year of twelve 30-day months) set forth above, payable on the Interest Payment Dates for the Series 2017 Bonds. The Series 2017 Bonds shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless such date of authentication is an Interest Payment Date or during the period from the sixteenth day of the month preceding an Interest Payment Date to such Interest Payment Date, in which event they shall bear interest from such Interest Payment Date, or unless such date of authentication is prior to the first Record Date, in which event they shall bear interest from their dated date; provided, however, that if at the time of authentication of any Series 2017 Bond interest is then in default on the Outstanding Series 2017 Bonds, such Series 2017 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Outstanding Series 2017 Bonds. Payment of interest on the Series 2017 Bonds due on or before the maturity or prior redemption thereof shall be made to the person whose name appears in the Series 2017 Bonds registration books kept by the Trustee pursuant to Section 2.08 as the registered owner thereof as of the close of business on the Record Date for an Interest Payment Date, whether or not such day is a Business Day, such interest to be paid by check mailed on the Interest Payment Date by first-class mail to such registered owner at the address as it appears in such books; provided that upon the written request of a Holder of \$1,000,000 or more in aggregate principal amount of Bonds received by the Trustee prior to the applicable Record Date, interest shall be paid by wire transfer in immediately available funds. Any such written request shall remain in effect until rescinded in writing by the Holder.

The principal of the Series 2017 Bonds shall be payable in lawful money of the United States of America at the Corporate Trust Office of the Trustee. Payment of the principal of the Series 2017 Bonds shall be made upon the surrender thereof at maturity or on redemption prior to maturity at the Corporate Trust Office of the Trustee.

**Section 2.03. Redemption of Series 2017 Bonds.**

(a) Optional Redemption. The Series 2017 Bonds maturing on or before September 1, 2027 are not subject to optional redemption prior to maturity. The Series 2017 Bonds maturing on and after September 1, 2028 are subject to redemption prior to their respective stated maturities, at the option of the City, from any source of available funds, as a whole or in part on any date (by such maturities as may be specified by the City), on or after September 1, 2027, at a redemption price equal to the principal amount of Series 2017 Bonds called for redemption, plus accrued interest to the date fixed for redemption, without premium.

(b) Mandatory Sinking Fund Redemption. The Series 2017 Term Bonds maturing on September 1, \_\_\_ are subject to mandatory sinking fund redemption on the dates and in the amounts specified below, at a redemption price equal to the principal amount thereof, plus accrued interest to the date fixed for redemption, without premium. The principal amount of such term bonds to be so redeemed and the dates therefor shall be as follows:

<u>Redemption Date</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>
--	-----------------------------------

---

\* Maturity Date

(c) Selection of Bonds for Redemption. If less than all of the outstanding Series 2017 Bonds are to be redeemed prior to maturity, redemption payments will be made on a pro rata basis to each holder in whose name such Series 2017 Bonds are registered at the close of business on the fifteenth day of the calendar month immediately preceding the redemption date. The City will select the portions of the Series 2017 Bonds equal to \$5,000 or any integral multiple thereof to be redeemed on a pro rata pass-through distribution of principal basis in accordance with DTC procedures; provided that, so long as the Series 2017 Bonds are held in book-entry form, the selection for redemption of such Series 2017 Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, the portions of the Series 2017 Bonds will be selected for redemption, in accordance with DTC procedures, by lot.

It is the City's intent that the redemption allocations described herein with respect to the Series 2017 Bonds be made on a pro rata pass-through distribution of principal basis. However, the City can provide no assurance that DTC, the Participants or any other intermediaries will allocate redemptions among Beneficial Owners on such basis.

"Pro rata" means, in connection with any mandatory sinking fund redemption or any optional redemption in part, with respect to the allocation of amounts to be redeemed, the application to such amounts of a fraction, the numerator of which is equal to the amount of the specific maturity of the Series 2017 Bonds held by a holder of such Bonds, and the denominator of which is equal to the total amount of such maturity of Series 2017 Bonds, then Outstanding.

(d) Notice of Redemption. Notice of redemption shall be mailed by first class mail by the Trustee, on behalf and at the expense of the City, not less than 30 nor more than 60 days prior to the redemption date to the respective Holders of Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee. The Trustee shall also provide such additional notice of redemption of Bonds at the time and as may be required by the MSRB. Each notice of redemption shall state the date of such notice, the Bonds to be redeemed, the Series and date of issue of such Bonds, the redemption date, the redemption price, the place or places of redemption (including the name and appropriate address or addresses), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity are to be redeemed, the distinctive certificate numbers of the Bonds of such maturity to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that such redemption may be rescinded by the City and that, unless such redemption is so rescinded, and provided that on said date funds are available for payment in full of the Bonds then called for redemption, on said date there will become due and payable on each of such Bonds the redemption price thereof or of said specified portion of the principal amount thereof in the case of a Bond to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice.

Failure by the Trustee to give notice pursuant to this Section to any one or more of the Information Services or Securities Depositories, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for redemption. The failure of any Holder to receive any redemption notice mailed to such Holder and any defect in the notice so mailed shall not affect the sufficiency of the proceedings for redemption.

The City shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default hereunder. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

**Section 2.04. Form of Bonds.** The Bonds and the authentication endorsement and assignment to appear thereon shall be substantially in the forms set forth in Exhibit A or Exhibit

B attached hereto, as appropriate, and by this reference herein incorporated and in the forms set forth in a Supplemental Trust Agreement.

**Section 2.05. Execution of Bonds.** The City Manager is hereby authorized and directed to execute each of the Bonds on behalf of the City and the City Clerk of the City is hereby authorized and directed to countersign each of the Bonds on behalf of the City. The signatures of such City Manager and City Clerk may be by printed, lithographed, engraved or otherwise reproduced by facsimile reproduction. In case any officer whose signature appears on the Bonds shall cease to be such officer before the delivery of the Bonds to the purchaser thereof, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery of the Bonds.

Only those Bonds bearing thereon a certificate of authentication in the form hereinbefore recited, executed manually and dated by the Trustee, shall be entitled to any benefit, protection or security hereunder or be valid or obligatory for any purpose, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly authorized, executed, issued and delivered hereunder and are entitled to the benefit, protection and security hereof.

**Section 2.06. Transfer and Payment of Bonds.** Any Bond may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of Section 2.08 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bonds for cancellation at the Corporate Trustee Office of the Trustee, accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds of the same series and maturity for a like aggregate principal amount. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the City. The Trustee shall require the payment by the Holder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege.

The City and the Trustee may deem and treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of receiving payment thereof and for all other purposes, whether such Bonds shall be overdue or not, and neither the City nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on, principal of, and redemption premium (if any) on, such Bonds shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on such Bonds to the extent of the sum or sums so paid.

The Trustee shall not be required to register the transfer of or exchange any Bond which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bond selected for redemption in whole or in part as provided in Section 2.03.

**Section 2.07. Book-Entry Bonds.** Notwithstanding any provision of this Trust Agreement to the contrary, the transfer provisions of Section 2.06 hereof do not apply if the ownership of the Bonds is in book-entry form.

(a) Except as provided in subparagraph (d) of this Section 2.07, the registered Holder of all of the Bonds shall be DTC, and the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Notwithstanding anything to the contrary contained in this Trust Agreement, payment of interest with respect to any Bond registered as of each Record Date in the name of Cede & Co. shall be made by wire transfer of same-day funds to the account of Cede & Co. on the Interest Payment Date for the Bonds at the address indicated on the Record Date or special record date for Cede & Co. in the Bond registration books required to be kept by the Trustee pursuant to the provisions of Section 2.09 hereof or as otherwise provided in the Representation Letter.

(b) The Bonds shall be initially executed and delivered in the form of separate single fully registered Bonds in the amount of each separate stated maturity of the Bonds. Upon initial execution and delivery, the ownership of such Bonds shall be registered in the Bond registration books required to be kept by the Trustee pursuant to the provisions of Section 2.09 hereof in the name of Cede & Co., as nominee of DTC. The Trustee and the City shall treat DTC (or its nominee) as the sole and exclusive Holder of the Bonds registered in its name for the purposes of payment of the principal, premium, if any, or interest with respect to the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Holders under this Trust Agreement, registering the transfer of Bonds, obtaining any consent or other action to be taken by Holders and for all other purposes whatsoever, and neither the Trustee nor the City shall be affected by any notice to the contrary. Neither the Trustee nor the City shall have any responsibility or obligation to any person claiming a beneficial ownership interest in the Bonds under or through DTC, or any other person which is not shown on the Bond registration books required to be kept by the Trustee pursuant to the provisions of Section 2.09 hereof as being an Holder, with respect to (i) the accuracy of any records maintained by DTC; (ii) the payment by DTC of any amount of the principal, premium, if any, or interest on the Bonds; (iii) any notice which is permitted or required to be given to Holders under this Trust Agreement or the selection by DTC of any person to receive payment in the event of a partial redemption of the Bonds; or (iv) any consent given or other action taken by DTC as Holder. The Trustee shall pay all principal, premium, if any, and interest on the Bonds only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Except under the conditions of (d) below, no person other than DTC shall receive an executed Bond representing the right to receive principal, premium, if any and interest pursuant to this Trust Agreement. 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 term "Cede & Co." in this Trust Agreement shall refer to such new nominee of DTC.

(c) In order to qualify the Bonds for DTC's book-entry system, the City and the Trustee (if required) will execute, countersign and deliver to DTC the Representation Letter. The execution and delivery of the Representation Letter shall not in any way limit the provisions of this Section 2.07 or in any other way impose upon the Trustee or the City any obligation

whatsoever with respect to persons having interests in the Bonds other than the Holders, as shown on the Bond registration books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof.

(d) In the event (i) DTC, including any successor as securities depository for the Bonds, determines not to continue to act as securities depository for the Bonds, or (ii) the City determines that the incumbent securities depository shall no longer so act and delivers a written certificate to the Trustee to that effect, then the City will discontinue the book-entry system with the incumbent securities depository for the Bonds. If the City determines to replace the incumbent securities depository for the Bonds with another qualified securities depository, the City shall prepare or direct the preparation of a new single, separate fully registered Bond for the aggregate outstanding principal amount of Bonds of each maturity, registered in the name of such successor or substitute qualified securities depository, or its nominee, or make such other arrangement acceptable to the City, the Trustee and the successor securities depository for the Bonds as are not inconsistent with the terms of this Trust Agreement. If the City fails to identify another qualified successor securities depository for the Bonds to replace the incumbent securities depository, then the Bonds shall no longer be restricted to being registered in the Bond registration books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof in the name of the incumbent securities depository or its nominee, but shall be registered in whatever name or names the incumbent securities depository for the Bonds, or its nominee, shall designate. In such event the City shall execute and deliver a sufficient quantity of Bonds as to carry out the transfers and exchanges provided in this Section and Sections 2.06 and 2.10 hereof. All such Bonds shall be in fully registered form in denominations authorized by this Trust Agreement.

(e) Notwithstanding any other provision of this Trust Agreement to the contrary, so long as any Bond is registered in the name of DTC, or its nominee, all payments with respect to the principal, premium, if any, and interest on such Bond and all notices with respect to such Bonds shall be made and given, respectively, as provided in the Representation Letter.

(f) In connection with any notice or other communication to be provided to Holders pursuant to this Trust Agreement by the City or the Trustee with respect to any consent or other action to be taken by Holder, the City or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent possible.

**Section 2.08. Exchange of Bonds.** Bonds may be exchanged at the Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of the same series and maturity of other Authorized Denominations. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the City. The Trustee shall require the payment by the Holder requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a condition precedent to the exercise of such privilege. The Trustee shall not be required to exchange any Bond which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bond selected for redemption in whole or in part as provided in Section 2.03.

**Section 2.09. Bond Registration Books.** The Trustee will keep at its Corporate Trust Office sufficient books for the registration and transfer of the Bonds which shall during normal business hours be open to inspection by the City, and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer the Bonds in such books as hereinabove provided.

**Section 2.10. Mutilated, Destroyed, Stolen or Lost Bonds.** If any Bond shall become mutilated the Trustee at the expense of the Holder shall thereupon authenticate and deliver, a new Bond of like tenor and amount 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.

If any Bond 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 the Trustee and indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Holder, 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.

The Trustee may require payment of a reasonable sum for each new Bond issued under this Section and of the expenses which may be incurred by the City and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Trust Agreement with all other Bonds of the same series secured by this Trust Agreement. Neither the City nor the Trustee shall be required to treat both the original Bond and any replacement Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued hereunder or for the purpose of determining any percentage of Bonds Outstanding hereunder, but both the original and replacement Bond shall be treated as one and the same.

**Section 2.11. Temporary Bonds.** The Bonds issued under this Trust Agreement may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the City, shall be in fully registered form and may contain such reference to any of the provisions of this Trust Agreement as may be appropriate. Every temporary Bond shall be executed and authenticated as authorized by the City, in accordance with the terms of the Act. If the City 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 Corporate Trust Office of the Trustee, and the Trustee shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of Authorized Denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Trust Agreement as definitive Bonds delivered hereunder.

**Section 2.12. Procedure for the Issuance of Series 2017 Bonds; Application of Bond Proceeds; City Contribution.** At any time after the sale of the Series 2017 Bonds in accordance with the Act, the City shall execute the Series 2017 Bonds for issuance hereunder and shall deliver them to the Trustee, and thereupon the Series 2017 Bonds shall be authenticated and delivered by the Trustee to the Underwriter of the Series 2017 Bonds upon the Certificate of the

City. The proceeds of the purchase of the Series 2017 Bonds and the City Contribution shall be applied to pay Costs of Issuance and the obligation of the City to the System pursuant to the Retirement Law, as set forth in the Certificate of the City.

(a) The Trustee shall deposit \$ \_\_\_\_\_ of proceeds of the Series 2017 Bonds and the City Contribution in the amount of \$ \_\_\_\_\_ in the Refunding Fund. On the Closing Date for such Bonds, the Trustee shall promptly transfer all amounts in the Refunding Fund to the System.

(b) The Trustee shall deposit \$ \_\_\_\_\_ in the Costs of Issuance Fund, which fund the City hereby agrees to maintain with the Trustee. All money in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay or reimburse the Costs of Issuance of the Series 2017 Bonds upon receipt of a Written Request of the City filed with the Trustee, each of which shall be sequentially numbered and shall state the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is six months following the Closing Date for the Series 2017 Bonds or upon the earlier Written Request of the City, any remaining balance in the Costs of Issuance Fund shall be transferred to the Interest Account.

Upon receipt of the purchase price of Additional Bonds, if any, the Trustee shall set aside and deposit the proceeds received from such sale as set forth in the Supplemental Trust Agreement authorizing such Additional Bonds, which proceeds may be deposited in the following respective accounts or funds:

(c) The Trustee shall deposit the amount, if any, set forth in the Supplemental Trust Agreement authorizing such Additional Bonds in the Refunding Fund. On the Closing Date for such Bonds, the Trustee shall promptly transfer all amounts in the Refunding Fund to the System or to refund Bonds, as set forth in the Supplemental Trust Agreement authorizing such Additional Bonds.

(d) The Trustee shall deposit the amount, if any, set forth in the Supplemental Trust Agreement authorizing such Additional Bonds in the Costs of Issuance Fund, which fund the City hereby agrees to maintain with the Trustee. All money in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay or reimburse the Costs of Issuance of the Additional Bonds upon receipt of a Written Request of the City filed with the Trustee, each of which shall be sequentially numbered and shall state the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is six months following the Closing Date for the Additional Bonds or upon the earlier Written Request of the City, any remaining balance in the Costs of Issuance Fund shall be transferred to the Interest Account.

**Section 2.13. Validity of Bonds.** The recital contained in the Bonds that the same are issued pursuant to the Act and pursuant hereto shall be conclusive evidence of their validity and of the regularity of their issuance, and all Bonds shall be incontestable from and after their issuance. The Bonds shall be deemed to be issued, within the meaning hereof, whenever the definitive Bonds (or any temporary Bonds exchangeable therefor) shall have been delivered to the purchaser thereof and the proceeds of sale thereof received.

## ARTICLE III

### ISSUANCE OF ADDITIONAL BONDS

**Section 3.01. Conditions for the Issuance of Additional Bonds.** The City may at any time issue Additional Bonds on a parity with the Series 2017 Bonds, but only subject to the following specific conditions, which are hereby made conditions precedent to the issuance of any such Additional Bonds:

(a) The City shall be in compliance with all agreements and covenants contained herein.

(b) The issuance of such Additional Bonds shall have been authorized pursuant to the Act and shall have been provided for by a Supplemental Trust Agreement which shall specify the following:

(1) The purpose for which such Additional Bonds are to be issued; provided that such Additional Bonds shall be applied solely for (i) the purpose of satisfying any obligation to make payments to the System pursuant to the Retirement Law relating to pension benefits accruing to the System's members, and/or for payment of all costs incidental to or connected with the issuance of Additional Bonds for such purpose, and/or (ii) the purpose of refunding any Bonds then Outstanding, including payment of all costs incidental to or connected with such refunding;

(2) The authorized principal amount and designation of such Additional Bonds;

(3) The date and the maturity dates of and the sinking fund payment dates, if any, for such Additional Bonds;

(4) The interest payment dates for such Additional Bonds;

(5) The denomination or denominations of and method of numbering such Additional Bonds;

(6) The redemption premiums, if any, and the redemption terms, if any, for such Additional Bonds;

(7) The amount, if any, to be deposited from the proceeds of sale of such Additional Bonds in the Interest Account hereinafter referred to; and

(8) Such other provisions (including the requirements of a book- entry Bond registration system, if any) as are necessary or appropriate and not inconsistent herewith.

**Section 3.02. Procedure for the Issuance of Additional Bonds.** At any time after the sale of any Additional Bonds in accordance with the Act, the City shall execute such Additional Bonds for issuance hereunder and shall deliver them to the Trustee, and thereupon such Additional Bonds shall be delivered by the Trustee to the purchaser thereof upon the Written

Request of the City, but only upon receipt by the Trustee of 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 Additional Bonds by the Trustee:

- (a) An executed copy of the Supplemental Trust Agreement authorizing the issuance of such Additional Bonds;
- (b) A Written Request of the City as to the delivery of such Additional Bonds;
- (c) An Opinion of Counsel to the effect that (1) the City has executed and delivered the Supplemental Trust Agreement, and the Supplemental Trust Agreement is valid and binding upon the City and (2) such Additional Bonds are valid and binding obligations of the City;
- (d) A Certificate of the City stating that all requirements of Article III have been complied with and containing any other such statements as may be reasonably necessary to show compliance with the conditions for the issuance of such Additional Bonds contained herein;
- (e) Such further documents, money or securities as are required by the provisions of the Supplemental Trust Agreement providing for the issuance of such Additional Bonds.

## ARTICLE IV

### FUNDS AND ACCOUNTS

#### **Section 4.01. Bond Fund; Deposits to Bond Fund.**

(a) In order to meet the City's obligations under the Retirement Law, the City shall deposit or cause to be deposited with the Trustee (i) on or before [August 1] of each Fiscal Year (or such other date as provided in a Supplemental Trust Agreement) the amount which, together with moneys transferred pursuant to Section 4.02(c) hereof, is sufficient to pay the principal and interest coming due on the Interest Payment Date succeeding such [August 1]; and (ii) on or before [February 1] of each Fiscal Year (or such other date as provided in a Supplemental Trust Agreement) the amount which is sufficient to pay the interest coming due on the Interest Payment Date succeeding such [February 1]. In addition, in the event debt service is payable on the Bonds in [July] of any year, the deposit made pursuant to this Section 4.01(a) shall also include an amount equal to debt service on the Bonds payable in July of the next succeeding Fiscal Year.

(b) All amounts payable by the City hereunder shall be promptly deposited by the Trustee upon receipt thereof in a special fund designated as the "Bond Fund" which fund is hereby created and shall be held in trust by the Trustee.

**Section 4.02. Allocation of Moneys in Bond Fund.** On or before each Interest Payment Date or date fixed for redemption of Bonds, the Trustee shall transfer from the Bond Fund, in immediately available funds, for deposit into the following respective accounts (each of which is hereby created and which the Trustee shall maintain in trust separate and distinct from the other funds and accounts established hereunder), 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 funds sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any deposit is made to any account subsequent in priority:

- (a) Interest Account,
- (b) Principal Account, and
- (c) Surplus Account.

All money in each of such accounts shall be held in trust by the Trustee and shall be applied, used and withdrawn only for the purposes hereinafter authorized in this section.

(a) Interest Account. On each Interest Payment Date, the Trustee shall set aside from the Bond Fund and deposit in the Interest Account that amount of money which is equal to the amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date.

No deposit need be made in the Interest Account if the amount contained therein is at least equal to the aggregate amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date.

All money in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

(b) Principal Account. On or before each Principal Payment Date, the Trustee shall set aside from the Bond Fund and deposit in the Principal Account an amount of money equal to the amount of all sinking fund payments required to be made on such Principal Payment Date into the respective sinking fund accounts for all Outstanding Term Bonds and the principal amount of all Outstanding Serial Bonds maturing on such Principal Payment Date.

No deposit need be made in the Principal Account if the amount contained therein is at least equal to the aggregate amount of the principal of all Outstanding Serial Bonds maturing by their terms on such Principal Payment Date plus the aggregate amount of all sinking fund payments required to be made on such Principal Payment Date for all Outstanding Term Bonds.

The Trustee shall establish and maintain within the Principal Account a separate subaccount for the Term Bonds of each series and maturity, designated as the "Sinking Account" (the "Sinking Account"), inserting therein the series and maturity (if more than one such account is established for such series) designation of such Bonds. With respect to each Sinking Account, on each mandatory sinking account payment date established for such Sinking Account, the Trustee shall apply the mandatory sinking account payment required on that date to the redemption (or payment at maturity, as the case may be) of Term Bonds of the series and maturity for which such Sinking Account was established, upon the notice and in the manner provided in Article II; provided that, at any time prior to giving such notice of such redemption, the Trustee may upon the Written Request of the City, apply moneys in such Sinking Account to the purchase for cancellation of Term Bonds of such series and maturity at public or private sale,

as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account), as may be directed by the City, except that the purchase price (excluding accrued interest) shall not exceed the redemption price that would be payable for such Bonds upon redemption by application of such Mandatory Sinking Account Payment. If, during the twelve-month period immediately preceding said mandatory sinking account payment date, the Trustee has purchased Term Bonds of such series and maturity with moneys in such Sinking Account, such Bonds so purchased shall be applied, to the extent of the full principal amount thereof, as applicable, to reduce said mandatory sinking account payment.

All money in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds, as applicable, as they shall become due and payable, whether at maturity or redemption, except that any money in any sinking fund account shall be used and withdrawn by the Trustee only to purchase or to redeem or to pay Term Bonds for which such Sinking Account was created.

(c) Surplus Account. On the Business Day following the last Interest Payment Date of each Fiscal Year, or on such other date as provided in a Supplemental Trust Agreement, any moneys remaining in the Bond Fund shall be deposited by the Trustee in the Surplus Account. So long as no Event of Default has occurred and is continuing, moneys deposited in the Surplus Account shall be transferred by the Trustee to or upon the order of the City, as specified in a Written Request of the City.

**Section 4.03. Deposit and Investments of Money in Accounts and Funds.** All money held by the Trustee in any of the accounts or funds established pursuant hereto shall be invested in Permitted Investments at the Written Request of the City. If no Written Request of the City is received, the Trustee shall invest funds held by it in Permitted Investments described in clause 6 of the definition thereof. Such investments shall, as nearly as practicable, mature on or before the dates on which such money is anticipated to be needed for disbursement hereunder. All interest, profits and other income received from any money so invested shall be deposited in the Bond Fund. The Trustee shall have no liability or responsibility for any loss resulting from any investment made or sold in accordance with the provisions of this Article IV, except for any loss due to the negligence or willful misconduct of the Trustee. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charge therefor. The City acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive brokerage confirmations of security transactions as they occur, the City agrees it will not receive such confirmations from the Trustee to the extent permitted by law. The Trustee will furnish the City periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

## ARTICLE V

### COVENANTS OF THE CITY

**Section 5.01. Punctual Payment and Performance.** The City will punctually pay the interest on and the principal of and redemption premiums, if any, to become due on every Bond issued hereunder in strict conformity with the terms hereof and of the Bonds, and will faithfully observe and perform all the agreements and covenants to be observed or performed by the City contained herein and in the Bonds.

**Section 5.02. Extension of Payment of Bonds.** The City shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any 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 Trust Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section shall be deemed to limit the right of the City to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

**Section 5.03. Additional Debt.** The City expressly reserves the right to enter into one or more other agreements or indentures for any of its purposes, and reserves the right to issue other obligations for such purposes.

**Section 5.04. Power to Issue Bonds.** The City is duly authorized pursuant to law to issue the Bonds and to enter into this Trust Agreement. The Bonds and the provisions of this Trust Agreement are the legal, valid and binding obligations of the City in accordance with their terms. The Bonds constitute obligations imposed by law.

**Section 5.05. Accounting Records and Reports.** The City will keep or cause to be kept proper books of record and accounts in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocation and application of moneys on deposit in the funds and accounts established hereunder.

**Section 5.06. Prosecution and Defense of Suits.** The City will defend against every suit, action or proceeding at any time brought against the Trustee upon any claim to the extent involving the failure of the City to fulfill its obligations hereunder; provided that the Trustee or any affected Holder at its election may appear in and defend any such suit, action or proceeding. The City, to the extent permitted by law, will indemnify and hold harmless the Trustee against any and all liability claimed or asserted by any person to the extent arising out of such failure by the City, and will indemnify and hold harmless the Trustee against any attorney's fees or other expenses which it may incur in connection with any litigation to which it may become a party by reason of its actions hereunder, except for any loss, cost, damage or expense resulting from the negligence, willful misconduct or breach of duty by the Trustee. Notwithstanding any contrary provision hereof, this covenant shall remain in full force and effect even though all Bonds secured hereby may have been fully paid and satisfied.

**Section 5.07. Further Assurances.** Whenever and so often as reasonably requested to do so by the Trustee or any Holder, the City will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments, and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Holders all rights, interests, powers, benefits, privileges and advantages conferred or intended to be conferred upon them hereby.

**Section 5.08. Waiver of Laws.** The City shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Trust Agreement or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the City to the extent permitted by law.

**Section 5.09. Compliance with Continuing Disclosure Certificate.** The City has undertaken responsibility for compliance with continuing disclosure requirements with respect to S.E.C. Rule 15c2-12. Notwithstanding any other provision of this Trust Agreement, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee may (and, at the request of any Participating Underwriter (as defined in the Continuing Disclosure Certificate) or the Holders of at least 25% aggregate principal amount in Outstanding Bonds, and upon receipt of indemnification satisfactory to it, shall) or any Holder 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 City to comply with its obligations under this Section. 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 or other intermediaries).

## ARTICLE VI

### THE TRUSTEE

**Section 6.01. The Trustee.** The Bank of New York Trust Company, N.A., shall serve as the Trustee for the Bonds for the purpose of receiving all money which the City is required to deposit with the Trustee hereunder and for the purpose of allocating, applying and using such money as provided herein and for the purpose of paying the interest on and principal of and redemption premiums, if any, on the Bonds presented for payment at the Corporate Trust Office of the Trustee with the rights and obligations provided herein. The City agrees that it will at all times maintain a Trustee having a corporate trust office in Los Angeles or San Francisco, California.

The City may at any time, unless there exists any event of default as defined in Section 8.01, remove the Trustee initially appointed and any successor thereto and may appoint a successor or successors thereto by an instrument in writing; provided that any such successor shall be a bank or trust company doing business and having a corporate trust office in Los Angeles or San Francisco, California, having a combined capital (exclusive of borrowed capital) and surplus of at least one fifty million dollars (\$50,000,000) and subject to supervision or

examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Trustee may at any time resign by giving written notice of such resignation to the City and by mailing to the Holders notice of such resignation. Upon receiving such notice of resignation, the City shall promptly appoint a successor Trustee by an instrument in writing. Any removal or resignation of a Trustee and appointment of a successor Trustee shall become effective only upon the acceptance of appointment by the successor Trustee. If, within thirty (30) days after notice of the removal or resignation of the Trustee no successor Trustee shall have been appointed and shall have accepted such appointment, the removed or resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Trustee having the qualifications required hereby.

The Trustee is hereby authorized to pay or redeem the Bonds when duly presented for payment at maturity or on redemption prior to maturity. The Trustee shall cancel all Bonds upon payment thereof or upon the surrender thereof by the City and shall destroy such Bonds and a certificate of destruction shall be delivered to the City. The Trustee shall keep accurate records of all Bonds paid and discharged and cancelled by it.

The Trustee shall, prior to an event of default, and after the curing of all events of default that may have occurred, perform such duties and only such duties as are specifically set forth in this Trust Agreement and no implied duties or obligations shall be read into this Trust Agreement. The Trustee shall, during the existence of any event of default (that has not been cured), exercise such of the rights and powers vested in it by this Trust Agreement, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

**Section 6.02. Liability of Trustee.** The recitals of facts, agreements and covenants herein and in the Bonds shall be taken as recitals of facts, agreements and covenants of the City, and the Trustee assumes no responsibility for the correctness of the same or makes any representation as to the sufficiency or validity hereof or of the Bonds, or shall incur any responsibility in respect thereof other than in connection with the rights or obligations assigned to or imposed upon it herein, in the Bonds or in law or equity. The Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence, willful misconduct or breach of duty.

The Trustee shall not be bound to recognize any person as the Holder of a Bond unless and until such Bond is submitted for inspection, if required, and such Holder's title thereto satisfactorily established, if disputed.

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

The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in Aggregate Principal Amount of the Bonds at the time Outstanding, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Trust Agreement.

The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Trust Agreement at the request, order or direction of any of the Holders pursuant to the provisions of this Trust Agreement unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities that may be incurred therein or thereby. The Trustee has no obligation or liability to the Holders for the payment of interest on, principal of or redemption premium, if any, with respect to the Bonds from its own funds; but rather the Trustee's obligations shall be limited to the performance of its duties hereunder.

The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of a default or event of default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it.

The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through attorneys-in-fact, agents or receivers, shall not be answerable for the negligence or misconduct or any such attorney-in-fact, agent or receiver appointed by it in accordance with the standards specified above. The Trustee shall be entitled to advice of counsel and other professionals concerning all matters of trust and its duty hereunder, but the Trustee shall not be answerable for the professional malpractice of any attorney-in-law or certified public accountant in connection with the rendering of his professional advice in accordance with the terms of this Trust Agreement, if such attorney-in-law or certified public accountant was selected by the Trustee with due care.

Whether or not therein expressly so provided, every provision of this Trust Agreement, or related documents relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article.

The Trustee shall be protected in acting upon any notice, resolution, requisition, request (including any Written Request of the City), consent, order, certificate, report, opinion, 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 of or to the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its rights and obligations hereunder the Trustee shall deem it necessary or desirable that a matter be established or proved 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 Certificate of the City, which certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions hereof 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 it may deem reasonable.

No provision of this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers.

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

All immunities, indemnifications and releases from liability granted herein to the Trustee shall extend to the directors, employees, officers and agents thereof.

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 6.01, shall be the successor to the Trustee hereunder 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 hereunder, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

**Section 6.03. Compensation and Indemnification of Trustee.** The City covenants to pay to the Trustee from time to time, and the Trustee shall be entitled to, reasonable compensation for all services rendered by it in the exercise and performance of any of the powers and duties hereunder of the Trustee, and the City will pay or reimburse the Trustee upon its request for all expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions of this Trust Agreement (including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence, default or willful misconduct, including the negligence or willful misconduct of any of its officers, directors, agents or employees. The City, to the extent permitted by law, shall indemnify, defend and hold harmless the Trustee against any loss, damages, liability or expense incurred without negligence, willful misconduct or bad faith on the part of the Trustee, (i) arising out of or in connection with the acceptance or administration of the trusts created hereby or the exercise or performance of any of its powers or duties hereunder, and (ii) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading in any official statement or other offering circular utilized in connection with the sale of the Bonds, including costs and expenses (including attorneys' fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers hereunder. The rights of the Trustee and the obligations of the City under this Section shall survive the discharge of the Bonds and this Trust Agreement and the resignation or removal of the Trustee.

## ARTICLE VII

### AMENDMENT OF THE TRUST AGREEMENT

**Section 7.01. Amendment of the Trust Agreement.** The Trust Agreement and the rights and obligations of the City and of the Holders may be amended at any time by a Supplemental Trust Agreement which shall become binding when the written consents of the Holders of a majority in Aggregate Principal Amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 7.02, are filed with the Trustee. No such amendment shall (1) extend the maturity of or reduce the interest rate on or amount of interest on or principal of or redemption premium, if any, or extend the time of payment on any Bond without the express written consent of the Holder of such Bond, or (2) reduce the percentage of Bonds required for the written consent to any such amendment.

The Trust Agreement and the rights and obligations of the City and of the Holders may also be amended at any time by a Supplemental Trust Agreement which shall become binding upon adoption without the consent of any Holders, but only to the extent permitted by law and after receipt of an approving Opinion of Counsel, for any purpose that will not materially adversely affect the interests of the Holders, including (without limitation) for any one or more of the following purposes --

(a) to add to the agreements and covenants required herein to be performed by the City other agreements and covenants thereafter to be performed by the City, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power reserved herein to or conferred herein on the City;

(b) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein and in any Supplemental Trust Agreement or in regard to questions arising hereunder which the City may deem desirable or necessary and not inconsistent herewith;

(c) to provide for the issuance of any Additional Bonds and to provide the terms of such Additional Bonds, subject to the conditions and upon compliance with the procedure set forth in Article III (which shall be deemed not to adversely affect Holders);

(d) to modify, amend or add to the provisions herein or in any Supplemental Trust Agreement to permit the qualification thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statutes hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by such statute or similar statute; or

(e) to modify, amend or supplement this Trust Agreement and any Supplemental Trust Agreement in any manner that does not materially adversely affect the interest of Holders of Bonds.

The Trustee shall not be required to enter into or consent to any supplemental trust agreement which, in the sole judgment of the Trustee, may adversely affect the rights, obligations, powers, privileges, indemnities and immunities provided the Trustee herein.

**Section 7.02. Disqualified Bonds.** Bonds owned or held by or for the account of the City shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided in this article, and shall not be entitled to consent to or take any other action provided in this article.

**Section 7.03. Endorsement or Replacement of Bonds After Amendment.** After the effective date of any action taken as hereinabove provided, the City may determine that the Bonds may bear a notation by endorsement in form approved by the City as to such action, and in that case upon demand of the Holder of any Outstanding Bonds and presentation of his Bond for such purpose at the office of the Trustee a suitable notation as to such action shall be made on such Bond. If the City shall so determine, new Bonds so modified as, in the opinion of the City, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the Holder of any Outstanding Bond a new Bond or Bonds shall be exchanged at the office of the Trustee without cost to each Holder for its Bond or Bonds then Outstanding upon surrender of such Outstanding Bonds.

**Section 7.04. Amendment by Mutual Consent.** The provisions of this article shall not prevent any Holder from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

**Section 7.05. Attorney's Opinion Regarding Supplemental Agreements.** The Trustee may obtain an opinion of counsel that any amendments or supplements to the Trust Agreement complies with the provisions of this Article VII and the Trustee may conclusively rely upon such opinion.

## ARTICLE VIII

### EVENTS OF DEFAULT AND REMEDIES OF HOLDERS

**Section 8.01. Events of Default.** If one or more of the following events (herein called "events of default") shall happen, that is to say:

(a) if default shall be made by the City in the due and punctual payment of the interest on any Bond when and as the same shall become due and payable;

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

(c) if default shall be made by the City in the performance of any of the agreements or covenants required herein to be performed by the City, and such default shall have continued for a period of sixty (60) days after the City shall have been given notice in writing of such default by the Trustee or the Holders of not less than twenty-five (25%) in Aggregate Principal Amount of the Bonds at the time Outstanding, specifying such default and requiring the same to be remedied, provided, however, if the default stated in the notice can be corrected, but not within the applicable period, the Trustee and such Holders shall not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the City within the applicable period and diligently pursued until the default is corrected; or

(d) if the City shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the City seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, 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 City or of the whole or any substantial part of its property;

then and in each and every such case during the continuance of such event of default the Trustee may, and upon the written request of the Holders of not less than fifty one percent (51%) in aggregate principal amount of the Bonds then Outstanding shall, by notice in writing to the City, declare the principal of all Bonds then Outstanding and the interest accrued thereon to be due and payable immediately, and upon any such declaration the same shall become due and payable, anything contained herein or in the Bonds to the contrary notwithstanding. The Trustee shall promptly notify all Holders of any such event of default which is continuing.

This provision, however, is subject to the condition that if at any time after the principal of the Bonds then Outstanding shall have been so declared due and payable and before any judgment or decree for the payment of the money due shall have been obtained or entered the City shall deposit with the Trustee a sum sufficient to pay all matured interest on all the Bonds and all principal of the Bonds matured prior to such declaration, with interest at the rate borne by such Bonds on such overdue interest, principal, and the reasonable fees and expenses of the Trustee, and any and all other defaults known to the Trustee (other than in the payment of interest on and principal of the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then and in every such case the Holders of not less than fifty one percent (51%) in aggregate principal amount of Bonds then Outstanding, by written notice to the City and to the Trustee, may on behalf of the Holders of all the Bonds then Outstanding rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

**Section 8.02. Application of Funds Upon Acceleration.** All moneys in the accounts and funds provided in Sections 2.12 and 4.01 hereof, and in such accounts and funds provided in each Supplemental Trust Agreement authorizing Additional Bonds, upon the date of the declaration of acceleration by the Trustee as provided in Section 8.01 and all amounts in the funds and accounts thereafter received by the City hereunder shall be transmitted to the Trustee and shall be applied by the Trustee in the following order:

First, to the payment of the costs and expenses of the Trustee, if any, in carrying out the provisions of this article and incurred in and about the performance of its powers and duties under this Trust Agreement, including reasonable compensation to their accountants and counsel, and to the payment of the costs and expenses of the Holders in providing for the declaration of such event of default, including reasonable compensation to its accountants and counsel; and

Second, 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, to the payment of the whole amount then owing and unpaid upon the Bonds for interest and principal, with (to the extent permitted by law) interest on the overdue interest and principal at the rate borne by such Bonds, and in case such money shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such interest, principal and (to the extent permitted by law) interest on overdue interest, and principal without preference or priority among such interest, principal and interest on overdue interest, and principal ratably to the aggregate of such interest, principal, and interest on overdue interest and principal.

**Section 8.03. Institution of Legal Proceedings by Trustee.** If one or more of the events of default shall happen and be continuing, the Trustee may, and upon the written request of the Holders of not less than fifty-one percent (51%) in Aggregate Principal Amount of the Bonds then Outstanding, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Holders of Bonds under this Trust Agreement by a suit in equity or action at law, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or by mandamus or other appropriate proceeding for the enforcement of any other legal or equitable remedy as the Trustee shall deem most effectual in support of any of its rights and duties hereunder.

**Section 8.04. Non-Waiver.** Nothing in this article or in any other provision hereof or in the Bonds shall affect or impair the obligation of the City, which is absolute and unconditional, to pay the interest on and principal of and redemption premiums, if any, on the Bonds to the respective Holders of the Bonds at the respective dates of maturity or upon prior redemption as provided herein, or shall affect or impair the right of such Holders, which is also absolute and unconditional, to institute suit to enforce such payment by virtue of the contract embodied herein and in the Bonds.

A waiver of any default or breach of duty or contract by the Trustee or any Holder 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 of duty or contract. No delay or omission by the Trustee or any Holder to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Holders by the Act or by this Article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee or the Holders.

If any action, proceeding or suit to enforce any right or exercise any remedy is abandoned, the City, the Trustee and any Holder shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

**Section 8.05. Actions by Trustee as Attorney-in-Fact.** Any action, proceeding or suit which any Holder 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 Holders, whether or not the Trustee is a Holder, and the Trustee is hereby appointed (and the successive Holders, by taking and holding the Bonds issued hereunder, shall be conclusively deemed to have so appointed it) the true and lawful attorney-in-fact of the Holders for the purpose of bringing any such action,

proceeding or suit and for the purpose of doing and performing any and all acts and things for and on behalf of the Holders as a class or classes as may be advisable or necessary in the opinion of the Trustee as such attorney-in-fact.

**Section 8.06. Remedies Not Exclusive.** No remedy herein conferred upon or reserved to the Holders is intended to be exclusive of any other remedy, and each 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.

**Section 8.07. Limitation on Holders' Right to Sue.** No Holder of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or equity, for any remedy under or upon this Trust Agreement, unless (a) such Holder shall have previously given to the Trustee written notice of the occurrence of an event of default as defined in Section 8.01 hereunder; (b) the Holders of at least 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 suit, action or proceeding in its own name; (c) said Holders shall have tendered to the Trustee reasonable security or indemnity 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 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 Trust Agreement, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of the Trust Agreement shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Holders of the Outstanding Bonds.

**Section 8.08. Absolute Obligation of City.** Nothing in this Section or in any other provision of this Trust Agreement or in the Bonds contained shall affect or impair the obligation of the City, which is absolute and unconditional, to pay the principal of, premium, if any and interest on the Bonds to the respective Holders of the Bonds at their respective due dates as herein provided.

## ARTICLE IX

### DEFEASANCE

**Section 9.01. Discharge of Bonds.**

(a) If the City shall pay or cause to be paid or there shall otherwise be paid to the Holders of all Outstanding Bonds the interest thereon and the principal thereof and the redemption premiums, if any, thereon at the times and in the manner stipulated herein and therein, and shall pay or provide for the payment of all fees and expenses of the Trustee, then all

agreements, covenants and other obligations of the City to the Holders of such Bonds hereunder shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the City all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, the Trustee shall pay over or deliver to the City all money or securities held by it pursuant hereto which are not required for the payment of the interest on, principal of, and redemption premium (if any) on, such Bonds.

(b) Any Outstanding Bonds shall prior to the maturity date or redemption date thereof be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this section if (1) in case any of such Bonds are to be redeemed on any date prior to their maturity date, the City shall have given to the Trustee in form satisfactory to it irrevocable instructions to provide notice in accordance with Section 2.03, (2) there shall have been deposited with the Trustee either (A) money in an amount which shall be sufficient or (B) Defeasance Securities which are not subject to redemption prior to maturity (including any such Defeasance Securities issued or held in book-entry form on the books of the City or the Treasury of the United States of America), the interest on and principal of which when paid will provide money which, together with the money, if any, deposited with the Trustee at the same time, shall be sufficient, in the opinion of an Independent Certified Public Accountant, to pay when due the interest to become due on such Bonds on and prior to the maturity date or redemption date thereof, as the case may be, and the principal of and redemption premiums, if any, on such Bonds, and (3) in the event such Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the City shall have given the Trustee in form satisfactory to it irrevocable instructions to mail as soon as practicable, a notice to the Holders of such Bonds that the deposit required by clause (2) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this section and stating the maturity date or redemption date upon which money is to be available for the payment of the principal of and redemption premiums, if any, on such Bonds.

**Section 9.02. Unclaimed Money.** Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of any of the Bonds or interest thereon which remains unclaimed for two (2) years after the date when such Bonds or interest thereon have become due and payable, either at their stated maturity dates or by call for redemption prior to maturity, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when such Bonds have become due and payable, shall be repaid by the Trustee to the City as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Holders shall not look to the Trustee for the payment of such Bonds; provided, however, that before being required to make any such payment to the City, the Trustee may, and at the request of the City shall, at the expense of the City, cause to be published once a week for two (2) successive weeks in a Financial Newspaper of general circulation in Los Angeles and in San Francisco, California and in the same or a similar Financial Newspaper of general circulation in New York, New York a notice that such money remains unclaimed and that, after a date named in such notice, which date shall not be less than thirty (30) days after the date of the first publication of each such notice, the balance of such money then unclaimed will be returned to the City.

## ARTICLE X

### MISCELLANEOUS

**Section 10.01. Benefits of the Trust Agreement Limited to Parties.** Nothing contained herein, expressed or implied, is intended to give to any person other than the City, the Trustee and the Holders any right, remedy or claim under or by reason hereof. Any agreement or covenant required herein to be performed by or on behalf of the City or any member, officer or employee thereof shall be for the sole and exclusive benefit of the Trustee and the Holders.

**Section 10.02. Successor Is Deemed Included in All References to Predecessor.** Whenever herein either the City or any member, officer or employee thereof or the Trustee is named or referred to, such reference shall be deemed to include the successor or assigns thereof, and all agreements and covenants required hereby to be performed by or on behalf of the City or the Trustee, or any member, officer or employee thereof, shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

**Section 10.03. Execution of Documents by Holders.** Any declaration, request or other instrument which is permitted or required herein to be executed by Holders may be in one or more instruments of similar tenor and may be executed by Holders in person or by their attorneys appointed in writing. The fact and date of the execution by any Holder or his attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to make acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer. The ownership of any Bonds and the amount, maturity, number and date of holding the same may be proved by the registration books relating to the Bonds at the office of the Trustee.

Any declaration, request, consent or other instrument or writing of the Holder of any Bond shall bind all future Holders of such Bond with respect to anything done or suffered to be done by the Trustee or the City in good faith and in accordance therewith.

**Section 10.04. Waiver of Personal Liability.** No member, officer or employee of the City or the City shall be individually or personally liable for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds by reason of their issuance, but nothing herein contained shall relieve any such member, officer or employee from the performance of any official duty provided by the Act or any other applicable provisions of law or hereby.

**Section 10.05. Acquisition of Bonds by City.** All Bonds acquired by the City, whether by purchase or gift or otherwise, shall be surrendered to the Trustee for cancellation.

**Section 10.06. Destruction of Cancelled Bonds.** Whenever provision is made for the return to the City of any Bonds which have been cancelled pursuant to the provisions hereof, the Trustee shall destroy such Bonds and furnish to the City a certificate of such destruction.

**Section 10.07. Content of Certificates.** Every Certificate of the City with respect to compliance with any agreement, condition, covenant or provision provided herein shall include (a) a statement that the person or persons making or giving such certificate have read such agreement, condition, covenant or provision 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 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 agreement, condition, covenant or provision has been complied with; and (d) a statement as to whether, in the opinion of the signers, such agreement, condition, covenant or provision has been complied with.

Any Certificate of the City may be based, insofar as it relates to legal matters, upon an Opinion of Counsel unless the person making or giving such certificate knows that the Opinion of Counsel with respect to the matters upon which his certificate may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous. Any Opinion of Counsel may be based, insofar as it relates to factual matters information with respect to which is in the possession of the City, upon a representation by an officer or officers of the City unless the counsel executing such Opinion of Counsel knows that the representation with respect to the matters upon which his opinion may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

**Section 10.08. Publication for Successive Weeks.** Any publication required to be made hereunder for successive weeks in a Financial Newspaper may be made in each instance upon any Business Day of the first week and need not be made on the same Business Day of any succeeding week or in the same Financial Newspaper for any subsequent publication, but may be made on different Business Days or in different Financial Newspapers, as the case may be.

**Section 10.09. Accounts and Funds; Business Days.** Any account or fund required herein to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such accounts and funds shall at all times be maintained in accordance with sound accounting practice and with due regard for the protection of the security of the Bonds and the rights of the Holders. Any action required to occur hereunder on a day which is not a Business Day shall be required to occur on the next succeeding Business Day.

**Section 10.10. Notices.** All written notices to be given hereunder shall be given by mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

If to the City:

Attention: Ruby D. Walla  
Finance Director  
City of Brawley  
400 Main Street  
Brawley, CA 92227

If to the Trustee:

Attention: Corporate Trust Department  
The Bank of New York Mellon Trust Company, N.A.  
400 South Hope Street, Suite 500  
Los Angeles, CA 90071

**Section 10.11. Article and Section Headings and References.** The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof. All references herein to “Articles,” “Sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words “hereby,” “herein,” “hereof,” “hereto,” “herewith,” “hereunder” and other words of similar import refer to the Trust Agreement as a whole and not to any particular article, section, subdivision or clause hereof.

**Section 10.12. Partial Invalidity.** If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the City or the Trustee shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof or of the Bonds, and the Holders shall retain all the benefit, protection and security afforded to them under the Act or any other applicable provisions of law. The City and the Trustee hereby declare that they would have executed and delivered the Trust Agreement and each and every other article, 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 one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

**Section 10.13. Execution in Several Counterparts.** This Trust Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the City and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

**Section 10.14. Governing Law.** This Trust Agreement shall be governed by and construed in accordance with the laws of the State of California.

**Section 10.15. CUSIP Numbers.** Neither the Trustee nor the City shall be liable for any defect or inaccuracy in the CUSIP number that appears on any Bond or in any redemption notice. The Trustee may, in its discretion, include in any redemption notice a statement to the effect that the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Holders and that neither City nor the Trustee shall be liable for any inaccuracies in such numbers.

**Section 10.16.**

IN WITNESS WHEREOF, the CITY OF BRAWLEY has caused this Trust Agreement to be signed in its name by the Authorized Representative and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., in token of its acceptance of the trusts created hereunder, has caused this Trust Agreement to be signed by the officer thereunder duly authorized, all as of the day and year first above written.

CITY OF BRAWLEY

By: \_\_\_\_\_  
City Manager

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A.,  
as Trustee

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**  
**FORM OF BOND**  
**CITY OF BRAWLEY**  
**TAXABLE PENSION OBLIGATION BONDS**  
**SERIES 2016**

No. R- \_\_\_\_\_

\$

THE OBLIGATIONS OF THE CITY OF BRAWLEY HEREUNDER, INCLUDING THE OBLIGATION TO MAKE ALL PAYMENTS OF INTEREST AND PRINCIPAL WHEN DUE, ARE OBLIGATIONS OF THE CITY OF BRAWLEY IMPOSED BY LAW AND ARE ABSOLUTE AND UNCONDITIONAL, WITHOUT ANY RIGHT OF SET-OFF OR COUNTER CLAIM. THIS BOND DOES NOT CONSTITUTE AN OBLIGATION OF THE CITY OF BRAWLEY FOR WHICH THE CITY OF BRAWLEY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY OF BRAWLEY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. NEITHER THE BONDS NOR THE OBLIGATION OF THE CITY OF BRAWLEY TO MAKE PAYMENTS ON THE BONDS CONSTITUTE AN INDEBTEDNESS OF THE CITY OF BRAWLEY, THE STATE OF CALIFORNIA, OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

Interest Rate	Maturity Date	Original <u>Issue Date</u>	<u>CUSIP</u>
------------------	------------------	-------------------------------	--------------

REGISTERED OWNER:      CEDE & CO.

PRINCIPAL SUM:              DOLLARS

The CITY OF BRAWLEY, duly organized and validly existing under and pursuant to the Constitution and laws of the State of California (the "City"), for value received hereby, promises to pay to the registered owner identified above or registered assigns, on the maturity date specified above (subject to any right of prior redemption hereinafter provided for) the principal sum specified above, together with interest on such principal sum from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond (unless this Bond is authenticated as of an Interest Payment Date or following the close of business on the fifteenth day of the month preceding an Interest Payment Date (the "Record Date") to such Interest Payment Date, in which event it shall bear interest from such Interest

Payment Date, or unless this Bond is authenticated prior to the Record Date for the first Interest Payment Date, in which event it shall bear interest from the original issue date specified

above) until the principal hereof shall have been paid at the interest rate per annum specified above, payable on [September 1, 2017], and semiannually thereafter on each March 1 and September 1 (each an "Interest Payment Date"). Interest due on or before the maturity or prior redemption of this Bond shall be payable only by check mailed on the Interest Payment Date by first-class mail to the registered owner hereof; provided that upon the written request of a registered owner of \$1,000,000 or more in aggregate principal amount of Bonds received by the Trustee (as hereinafter defined) prior to the applicable record date, interest shall be paid by wire transfer in immediately available funds. The principal hereof is payable in lawful money of the United States of America at the Corporate Trust Office The Bank of New York Trust Company, N.A., National Association, as Trustee.

This Bond is one of a duly authorized issue of bonds of the City designated as its "Taxable Pension Obligation Bonds, Series 2017" (the "Bonds") in aggregate principal amount of \_\_\_\_\_ million \_\_\_\_\_ (\$ \_\_\_\_\_), all of like tenor and date (except for variations relating to numbers, maturities and interest rates), and is issued under and pursuant to the provisions of Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California and all laws amendatory thereof or supplemental thereto (the "Act") and under and pursuant to the provisions of a trust agreement, dated as of June 1, 2017 (the "Trust Agreement"), between the City and The Bank of New York Trust Company, N.A., as trustee (the "Trustee") (copies of which are on file at the Corporate Trust Office of the Trustee).

Under the Trust Agreement, Additional Bonds and other obligations may be issued on a parity with the Bonds, but subject to the conditions and upon compliance with the procedures set forth in the Trust Agreement. The Bonds and any bonds or other obligations issued on a parity with the Bonds are obligations imposed by law payable from funds to be appropriated by the City pursuant to the Public Employees' Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended (the "Retirement Law"). Reference is hereby made to the Act and to the Trust Agreement and any and all amendments thereof and supplements thereto for a description of the terms on which the Bonds are issued, the rights of the registered owners of the Bonds, security for payment of the Bonds, remedies upon default and limitations thereon, and amendment of the Trust Agreement (with or without consent of the registered owners of the Bonds); and all the terms of the Trust Agreement are hereby incorporated herein and constitute a contract between the City and the registered owner of this Bond, to all the provisions of which the registered owner of this Bond, by acceptance hereof, agrees and consents.

The Bonds are subject to redemption on the dates, at the redemption prices and pursuant to the terms set forth in the Trust Agreement. Notice of redemption of any Bonds or any portions thereof shall be given as set forth in the Trust Agreement. Failure by the Trustee to give notice pursuant to the Trust Agreement to any one or more of the Information Services, or the insufficiency of any such notice or the failure of any registered owner to receive any redemption notice mailed to such registered owner or any immaterial defect in the notice so mailed shall not affect the sufficiency of the proceedings for the redemption of any Bonds.

This Bond is transferable only on a register to be kept for that purpose at the above-mentioned office of the Trustee by the registered owner hereof in person or by his duly

authorized attorney upon payment of the charges provided in the Trust Agreement and upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount of authorized denominations will be issued to the transferee in exchange therefor. The City and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest hereon and principal hereof and for all other purposes, whether or not this Bond shall be overdue, and neither the City nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of this Bond shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on this Bond to the extent of the sum or sums so paid.

This Bond shall not be entitled to any benefit, protection or security under the Trust Agreement or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been manually executed and dated by the Trustee.

It is hereby certified that all acts, conditions and things required by law 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 law and that the amount of this Bond, together with all other indebtedness of the City, does not exceed any limit prescribed by the Constitution or laws of the State of California and is not in excess of the amount of Bonds permitted to be issued under the Trust Agreement.

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of 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.

IN WITNESS WHEREOF, the City of Brawley has caused this Bond to be executed in its name and on its behalf by the facsimile signature of the City Manager and to be countersigned by the facsimile signature of the City Clerk of the City of Brawley, and has caused this Bond to be dated as of the original issue date specified above.

CITY OF BRAWLEY

By \_\_\_\_\_  
City Manager

Countersigned

\_\_\_\_\_  
City Clerk

[FORM OF CERTIFICATE OF AUTHENTICATION]

This is one of the Bonds described in the within-mentioned Trust Agreement which has been authenticated on \_\_\_\_\_, 2017.

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., as Trustee

By \_\_\_\_\_  
Authorized Signatory

[FORM OF ASSIGNMENT]

For value received the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Taxpayer Identification Number: \_\_\_\_\_) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

Note: The signature to this Assignment must correspond with the name as written on the face of the Bond in every particular, without alteration or enlargement or any change whatever.

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

Notice: Signature must be guaranteed by an eligible guarantor institution.

§ \_\_\_\_\_  
**CITY OF BRAWLEY**  
**TAXABLE PENSION OBLIGATION BONDS, SERIES 2017**

**PURCHASE CONTRACT**

\_\_\_\_\_, 2017

City of Brawley  
383 W Main Street  
Brawley, California 92227

Ladies and Gentlemen:

BOK Financial Securities, Inc. (the "Underwriter") offers to enter into this Purchase Contract (the "Purchase Contract") with you, the City of Brawley, California (the "City"), which, upon acceptance will be binding upon the City and the Underwriter.

This offer is made subject to written acceptance by the City at or prior to 5:00 p.m., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the City at any time prior to the acceptance hereof by the City. Upon such acceptance the Purchase Contract shall be in full force and effect in accordance with its terms and shall be binding upon the City and the Underwriter.

1. Purchase and Sale. Upon the terms and conditions and in reliance on the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the \$\_\_\_\_\_ Taxable Pension Obligation Bonds, Series 2017 ("Series 2017 Bonds").

The proceeds of the Series 2017 Bonds will be used by the City to (i) refund the City's "side fund" obligation to the California Public Employees Retirement System ("PERS") with respect to the City's defined benefit retirement plans for its public safety employees and miscellaneous employees; and (ii) pay the costs of issuance of the Series 2017 Bonds.

The purchase price for the Series 2017 Bonds shall be \$\_\_\_\_\_ (representing the \$\_\_\_\_\_ aggregate principal amount of the Series 2017 Bonds [plus/less] \$\_\_\_\_\_ of original issue [premium/discount] and less \$\_\_\_\_\_ of Underwriter's discount).

The Series 2017 Bonds shall be described in the Preliminary Official Statement (as defined below), except for information permitted to be excluded by the Rule (as defined below), and the Official Statement (as defined below). The Series 2017 Bonds will mature, bear interest at the rate per annum, and be subject to redemption as shown on Exhibit B hereto. The Series 2017 Bonds are being issued pursuant to a Trust Agreement, dated as of \_\_\_\_\_ 1, 2017 (the "Trust Agreement"), between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

The execution and delivery of the Trust Agreement and the issuance and sale of the Series 2017 Bonds have been approved by resolutions of the City dated \_\_\_\_\_, 2017 and \_\_\_\_\_, 2017 (the "Resolutions"), and the Series 2017 Bonds shall be as described in, and shall be secured

under and pursuant to, the Trust Agreement. The Series 2017 Bonds shall be payable as provided in the Trust Agreement.

The Trust Agreement, the Series 2017 Bonds, the Continuing Disclosure Agreement dated as of the Closing Date (the "Continuing Disclosure Agreement"), by and between the City and Bartle Wells Associates, as dissemination agent and this Purchase Contract are referred to collectively herein as the "Legal Documents," and all capitalized terms not otherwise defined herein shall have the meanings as defined in the Trust Agreement.

Pursuant to the City's contract with PERS (the "PERS Contract"), the City Council of the City (the "City Council") is obligated to appropriate annually to PERS the amount necessary to pay retirement benefits accruing to City's members of PERS, and to amortize the unfunded accrued actuarial liability with respect to such pension benefits.

The Series 2017 Bonds are absolute and unconditional obligations imposed upon the City by law and enforceable against the City pursuant to the PERS Contract and are not limited as to payment to any special source of funds of the City.

2. Delivery of the Official Statement and Other Documents.

(a) The City agrees to deliver to the Underwriter, at such address as the Underwriter shall specify, as many copies of the Official Statement dated the date hereof relating to the Series 2017 Bonds (as supplemented and amended from time to time, the "Official Statement") as the Underwriter shall reasonably request as necessary to comply with paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule") and with Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board. The City agrees to deliver such Official Statements within the earlier of (i) seven (7) business days after the execution hereof or (ii) two (2) business days prior to the Closing Date, provided, that failure by the City to so deliver such Official Statements due to any action or failure to act of the Underwriter or its counsel shall not constitute a breach hereunder.

(b) The City hereby authorizes the approval of the Official Statement, by execution thereof by a duly authorized officer of the City. By execution of this Purchase Contract, the City confirms that the Preliminary Official Statement dated \_\_\_\_\_, 2017 with respect to the Series 2017 Bonds (the "Preliminary Official Statement") was deemed final by the City for purposes of the Rule on the date thereof.

(c) The Underwriter shall give notice to the City on the Closing if any participating underwriter, as such term is defined in the Rule, remains obligated to deliver Official Statements pursuant to paragraph (b)(4) of the Rule after the Closing. If such notice is given, then the Underwriter shall provide a subsequent notice of the date on which no participating underwriter, as such term is defined in the Rule, remains obligated to deliver Official Statements pursuant to paragraph (b)(4) of the Rule.

(d) If the Underwriter provides notice pursuant to Section 2(c) hereof that Official Statements are required under the Rule after the Closing, then, until the earlier to occur of the date on which no participating underwriter (as such term is defined in the Rule) remains obligated to deliver Official Statements pursuant to paragraph (b)(4) of the Rule or

ninety (90) days after the Closing (as hereinafter defined), the City shall (i) apprise the Underwriter of all material developments, if any, occurring with respect to the City after delivery of the Series 2017 Bonds to the Underwriter, and (ii) provide the Underwriter with such information regarding the City, its current financial condition and ongoing operations as the Underwriter may reasonably request.

3. The Closing. At 8:00 a.m., California Time, on \_\_\_\_\_, 2017, or at such other time or on such earlier or later date as the City and the Underwriter mutually agree upon, the City and the Trustee will deliver or cause to be delivered to the Underwriter the Series 2017 Bonds in book-entry form through the facilities of The Depository Trust Company, New York, New York (“DTC”), duly executed and the other documents hereinafter mentioned shall be delivered at the offices of Norton Rose Fulbright US LLP in Los Angeles, California or at such other location as shall have been mutually agreed upon by the City and the Underwriter. Subject to the terms and conditions hereof, the Underwriter will accept delivery of the Series 2017 Bonds and pay the purchase price thereof by federal funds to the order of the Trustee in an amount equal to the Purchase Price as set forth in Section 1 hereof (which such delivery of and payment for the Series 2017 Bonds is herein called the “Closing,” and which such date is herein called the “Closing Date”).

The Series 2017 Bonds shall be issued in fully registered form and shall be prepared and delivered as one bond per maturity registered in the name of Cede & Co., as nominee of DTC. It is anticipated that CUSIP identification numbers will be inserted on the Series 2017 Bonds, but neither the failure to provide such numbers nor any error with respect thereto shall constitute a cause for failure or refusal by the Underwriter to accept delivery of the Series 2017 Bonds in accordance with the terms of this Purchase Contract.

4. Public Offering. The Underwriter agrees to make a bona fide public offering of all of the Series 2017 Bonds at the offering price set forth in Exhibit B. The Underwriter reserves the right to change such initial public offering price or yield as the Underwriter deems necessary following the initial public offering period in connection with the marketing of the Series 2017 Bonds. The City hereby authorizes the Underwriter to use the forms or copies of the Resolutions, the Legal Documents and the Official Statement and the information contained therein in connection with the public offering and sale of the Series 2017 Bonds. The City hereby ratifies and confirms its authorization of the distribution and use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering and sale of the Series 2017 Bonds.

5. City Representations, Warranties and Agreements. The City represents, warrants to and agrees with the Underwriter that, as of the date hereof and as of the date of the Closing:

(a) Due Organization and Operation; Legal, Valid and Binding Obligations. The City is duly organized and operating pursuant to the Constitution and laws of the State of California and has all necessary power and authority to adopt the Resolutions, and to enter into and perform its duties under the Legal Documents, the Resolutions have been adopted and have not been rescinded, and the Legal Documents, when executed and delivered by the respective parties thereto, will constitute legal, valid and binding obligations of the City enforceable against the City in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles.

(b) No Conflict. The adoption of the Resolutions and the execution and delivery of the Legal Documents, and compliance with the provisions thereof, will not in any material respect conflict with, or constitute a breach of or default under, the City's duties under the Legal Documents, the Resolutions or any law, administrative regulation, court decree, resolution, by-laws, loan agreement, trust agreement, indenture, bond, note or other agreement to which the City is subject or by which it or any of its property is bound which such conflict, breach or default would have a material adverse effect on the financial condition of the City or the ability of the City to perform its obligations under the Legal Documents.

(c) No Consents Required. After due inquiry, except as may be required under blue sky or other securities laws of any state, or with respect to any permits or approvals heretofore received which are in full force and effect or the requirement for which is otherwise disclosed in the Official Statement, there is no consent, approval, authorization or other order of, or filing with, or certification by, any governmental authority, board, agency or commission or other regulatory authority having jurisdiction over the City, other than the approval and authorization of the City Council of the City, required for the adoption of the Resolutions and execution and delivery of the Legal Documents or the consummation by the City of the other transactions contemplated by the Official Statement, the Resolutions or the Legal Documents, including this Purchase Contract.

(d) No Litigation. There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the knowledge of the City, threatened against the City to restrain or enjoin the delivery of the Series 2017 Bonds, or in any way contesting or affecting the validity of the Legal Documents, the Resolutions or the Series 2017 Bonds, or contesting the powers of the City to enter into or perform its obligations under any of the foregoing, or contesting the accuracy or completeness of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto.

(e) Preliminary Official Statement Correct and Complete. The Preliminary Official Statement, as of its date and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit (except as permitted by the Rule) to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading except that no representation and warranty is made concerning statements and information relating to DTC or the Book-Entry System.

(f) Official Statement Correct and Complete. The Official Statement (excluding the statements and information relating to DTC and the Book-Entry System) does not and (unless amended or supplemented pursuant to Section 5(j) hereof) at all times subsequent hereto to and including the Closing Date will 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.

(g) Blue Sky Cooperation. The City agrees to cooperate with the Underwriter in endeavoring to qualify the Series 2017 Bonds for offering and sale under the securities or Blue Sky laws of such jurisdictions of the United States as the Underwriter may request; *provided*, that the City shall not be required to take any action which, in the opinion of the City Counsel, would subject the City to jurisdiction, personal or otherwise, in any jurisdiction

in which it is not now so subject or to qualify to do business in any jurisdiction where it is not now so qualified.

(h) Due Approval of Official Statement Distribution. By official action of the City prior to the execution hereof, the City has duly approved the distribution of the Preliminary Official Statement and the distribution of the Official Statement, has duly adopted the Resolutions and has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in, the Legal Documents and the consummation by it of all other transactions contemplated by the Official Statement and the Legal Documents, including this Purchase Contract.

(i) No Breach or Default. Except as described in the Preliminary Official Statement and the Official Statement, the City is not in breach of or in default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, trust agreement, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject which breach or default would have a material and adverse impact upon the financial condition of the City or on the City's ability to perform its obligations under the Legal Documents, and 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 an event of default under any such instrument. To the best knowledge of the City, without independent investigation, the City is not in default as to the payment of principal or interest with respect to any debt obligation issued by the City or with respect to any debt obligation guaranteed by the City as guarantor.

(j) Agreement to Notify Underwriter Regarding Official Statement. The City will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect any such amendment or supplement without the consent of the Underwriter. The City will advise the Underwriter promptly of the institution of any proceedings known to it seeking to prohibit or otherwise affect the use of the Official Statement in connection with the offering, sale or distribution of the Series 2017 Bonds.

(k) Agreement to Amend Official Statement. If, at any time from the date hereof to and including twenty-five (25) days after the end of the underwriting period, in the reasonable opinion of the Underwriter, the Official Statement as then amended or supplemented includes an untrue statement of a material fact, or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the City will prepare an amendment or supplement to the Official Statement; *provided* that all expenses thereby incurred (including printing expenses) will be paid for by the City.

Unless otherwise notified in writing by the Underwriter on or prior to the date of the Closing, the City may assume that the "end of the underwriting period" for the Series 2017 Bonds for all purposes of Rule 15c2-12 under the Securities and Exchange Act of 1934 is the date of the Closing. In the event such notice is given in writing by the Underwriter, the Underwriter agrees to notify the City in writing following the occurrence of the "end of the underwriting period" as defined in Rule 15c2-12 for the Series 2017 Bonds. The "end of the underwriting period" as used in the Purchase Contract shall mean the Closing Date or such later date as to which notice is given by the Underwriter in accordance with the preceding sentence.

(l) Amendments to Official Statement Correct and Complete. If the information contained in the Official Statement is amended or supplemented pursuant to the immediately preceding subparagraph, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date twenty-five (25) days after the end of the underwriting period, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will be true and correct in all material respects and such information will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the information therein, in the light of the circumstances under which it was made, not misleading except that no representation and warranty is made concerning statements and information relating to DTC or the Book-Entry System. If at any time prior to the earlier of (i) receipt of notice from the Underwriter pursuant to Section 2(c) hereof that Official Statements are no longer required to be delivered; and (ii) twenty-five (25) days after the end of the underwriting period, any event occurs with respect to the City as a result of which the Official Statement as then amended or supplemented might include an 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, the City shall promptly notify the Underwriter in writing of such event. Any information supplied by the City for inclusion in any amendment or supplement to the Official Statement will not contain any untrue statement of a material fact relating to the City or omit to state any material fact relating to the City necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that no representation and warranty is made concerning statements and information relating to DTC or the Book-Entry System.

(m) City Financial Statements. The financial statements of, and other financial information regarding, the City in the Preliminary Official Statement and the Official Statement fairly present the financial position and results of the operations of the City as of the dates and for the periods therein set forth and the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied. Except as disclosed in the Preliminary Official Statement and the Official Statement or otherwise disclosed in writing to the Underwriter, there has not been any material adverse change in the financial condition of the City since [June 30, 2016] and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(n) Compliance with Continuing Disclosure. Except as disclosed in the Preliminary Official Statement, the City is, and at all times during the previous five years has been, in material compliance with all of its prior continuing disclosure undertakings under Rule 15c2-12, and at or prior to the Closing Date, the City will undertake pursuant to the Continuing Disclosure Agreement to provide certain annual financial information and notices of the occurrence of certain events. The form of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

(o) Limitation on Issuance. Except as disclosed in the Official Statement, or in the ordinary course of business, the City will not, prior to the Closing, offer or issue any bonds, notes or other obligations for borrowed money payable from the General Fund of the City.

6. [Reserved].

7. Conditions to the Obligations of the Underwriter. The Underwriter has entered into the Purchase Contract in reliance upon the representations, warranties and agreements of the City contained herein, the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing, the performance by the City of its obligations hereunder and the opinion of Norton Rose Fulbright US LLP, Bond Counsel to the City (“Bond Counsel”), counsel to the Trustee, counsel to the City and counsel to the Underwriter described hereafter. Accordingly, the Underwriter’s obligations under the Purchase Contract to purchase, to accept delivery of and to pay for the Series 2017 Bonds shall be conditioned upon and subject to (i) the performance by the City and the Trustee of their obligations to be performed hereunder and under such documents and instruments as shall reasonably be requested by the Underwriter or its counsel at or prior to the Closing and (ii) the accuracy in all material respects, in the reasonable judgment of the Underwriter, of the representations and warranties of the City herein as of the date hereof and as of the time of the Closing Date, and shall also be subject to the following additional conditions:

(a) Bring-down of Representations. The representations, warranties and agreements of the City contained herein shall be true, complete and correct on the date hereof and on and as of the Closing Date.

(b) Default Judgment. Copies of the default judgment, dated May 2, 2017 entered in favor of the City in connection with *The City of Brawley v. All Persons Interested, etc.*, Case No. ECU09693, filed in the Superior Court of California for the County of Imperial.

(c) Authorization, Execution and Delivery of Documents. At the Closing, the Legal Documents, the Series 2017 Bonds and the Official Statement shall have been duly authorized, executed and delivered by the respective parties thereto, in substantially the forms heretofore submitted to the Underwriter, with only such changes as shall have been agreed to in writing by the Underwriter, and said agreements shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and each shall be in full force and effect.

(d) No Amendment of Official Statement. At the Closing, the Official Statement shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter.

(e) Marketability Adversely Affected. In the reasonable judgment of the Underwriter, between the date hereof and the Closing, the marketability of the Series 2017 Bonds at the initial offering prices set forth in the Official Statement shall not have been materially adversely affected by reason of any of the following:

(1) Legislation, Judicial Decisions or Rulings. An amendment to the Constitution of the United States or the Constitution of the State of California shall have been passed or legislation enacted, introduced in the Congress or in the legislature of the State of California or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States, or an

order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) Regarding State Tax Exemption – by or on behalf of the State of California or the California Franchise Tax Board, with the purpose or effect, directly or indirectly, of imposing California personal income taxation upon payments of the general character of the interest as would be received by the owners of the Series 2017 Bonds; or

(ii) Regarding Federal or State Tax Rates – by or on behalf of the Treasury Department of the United States or the Internal Revenue Service or by or on behalf of the State of California or the California Franchise Tax Board, with the purpose or effect, directly or indirectly, of changing the federal or State of California income tax rates, respectively; or

(iii) Regarding Securities Registration Exemption – by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter, to the effect that obligations of the general character of the Series 2017 Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Trust Agreement is not exempt from qualification under the Trust Agreement Act of 1939, as amended;

(2) War. The declaration of war or engagement in or escalation of major military hostilities by the United States or the occurrence of an act of terrorism or any other national emergency or calamity relating to the effective operation of the government or the financial community in the United States;

(3) Banking Moratorium. The declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange or a material disruption in commercial banking or securities settlement or clearance services;

(4) Securities Exchange Restrictions. Trading generally shall have been suspended or materially limited on or by the New York Stock Exchange or other national securities exchange, or the imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Series 2017 Bonds or obligations of the general character of the Series 2017 Bonds, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(5) Regarding Federal Securities Laws. An order, decree or injunction of any court of competent jurisdiction, or order, ruling, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, issued or made to the effect that the execution, delivery, offering or sale of obligations of the general character of the Series 2017 Bonds, or the execution, delivery, offering or sale of the Series 2017

Bonds, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of any federal securities law as amended and then in effect;

(6) Official Statement Untrue or Incomplete. 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 Official Statement, or has the effect that the Official Statement 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 (regardless of whether or not a supplement to the Official Statement is prepared pursuant to Sections 5(k) or 5(l)); or

(7) Negative Rating Action. Any nationally recognized statistical rating agency shall downgrade, suspend or withdraw (or announce their intent to downgrade, suspend or withdraw) any rating of the Series 2017 Bonds, or shall issue (or announce their intent to issue) any negative qualification with respect to the Series 2017 Bonds) (such as being placed on “credit watch” with negative implications or “negative outlook” or any similar qualification).

(f) At or prior to the Closing, the Underwriter shall have received the following documents, in each case satisfactory in form and substance to the Underwriter and its counsel:

(1) Opinion of Bond Counsel. The approving opinion of Bond Counsel in substantially the form included as Appendix D to the Official Statement, dated the date of Closing, addressed to the City and the Underwriter (or a reliance letter to the Underwriter);

(2) Supplemental Opinion of Bond Counsel. A supplemental opinion of Bond Counsel in substantially the form attached hereto as Exhibit A;

(3) Opinion of City Counsel. An opinion of Counsel to the City, dated the date of Closing, in form and substance satisfactory to the Underwriter, addressed to the City, the Trustee and the Underwriter, to the effect that:

(i) Due Organization and Existence – the City is a general law city duly organized and validly existing under the Constitution and the laws of the State of California;

(ii) Due Adoption – the Resolutions approving the issuance and sale of the Series 2017 Bonds and authorizing the execution and delivery of the Legal Documents and approving the Official Statement were duly adopted at meetings of the City Council of the City 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 have not been modified, amended or rescinded;

(iii) No Litigation – except as disclosed in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened against or affecting the City, which would materially and adversely impact the City’s ability to complete the transactions described in and contemplated by the Official Statement or in any way contesting or affecting the validity of the Legal Documents or the Series 2017 Bonds;

(iv) No Conflict – the execution and delivery of the Legal Documents, the approval of the Official Statement, and compliance with the provisions thereof and hereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement or other instrument to which the City is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the City is subject;

(v) Due Authorization, Execution and Delivery; Legal, Valid and Binding Agreements – the Legal Documents have been duly authorized, executed and delivered by the City, and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the City enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally and by the application of equitable principles and by the limitations on legal remedies imposed on actions against cities in the State of California; and

(vi) No Consents Required – Official Statement, Legal Documents – no authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California, other than the City Council, is required for the valid authorization, execution and delivery of the Legal Documents and the approval of the Official Statement.

(4) Opinion of Trustee’s Counsel. The opinion of counsel to the Trustee, dated the date of Closing, addressed to the Underwriter, to the effect that:

(i) Due Organization and Existence – the Trustee has been duly organized and is validly existing in good standing as a national banking association duly organized and existing under the laws of the United States of America and has full corporate power to undertake the trust of the Trust Agreement;

(ii) Corporate Action – the Trustee has duly authorized, executed and delivered the Trust Agreement and has duly authenticated and delivered the Series 2017 Bonds, and by all proper corporate action has authorized the acceptance of the duties and obligations of the Trustee under the Trust Agreement, and has authorized in its capacity as Trustee the execution and delivery of the Series 2017 Bonds; and

(iii) Due Authorization, Execution and Delivery – assuming due authorization, execution and delivery by the City, the Trust Agreement is a valid, legal and binding agreement of the Trustee, enforceable in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law).

(5) Negative Assurance Letter of Disclosure Counsel. The negative assurance letter of Norton Rose Fulbright US LLP, Los Angeles, California, Disclosure Counsel to the City ("Disclosure Counsel"), dated the Closing Date and addressed to the City and the Underwriter, to the effect that based upon their participation in the preparation of the Preliminary Official Statement and the Official Statement as Disclosure Counsel, without assuming any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement nor making any representation regarding independent verification of the accuracy, completeness or fairness of any of the statements contained in the Official Statement, such counsel advises that during the course of such representation of the City as disclosure counsel on this matter, no information has come to their attention which would lead them to believe that the Official Statement as of its date or as of the date of Closing (except for any financial, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion contained in the Official Statement, the information in Appendices A (only with respect to information under the heading "GENERAL DEMOGRAPHIC INFORMATION"), B, C, D, E and F, the information about book-entry or DTC or the Book Entry system included therein, as to which no opinion or view need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state any 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.

(6) Opinion of Underwriter's Counsel. The opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California ("Underwriter's Counsel"), dated the Closing Date and addressed to the Underwriter, in form and substance satisfactory to the Underwriter.

(7) City No Litigation Certificate. A certificate, dated the date of Closing, signed by a duly authorized official of the City satisfactory in form and substance to the Underwriter and counsel to the Underwriter, to the effect that no action, suit or proceeding is pending or, to the best of his or her knowledge, threatened against the City (a) to restrain or enjoin the execution or delivery of any of the Series 2017 Bonds or the Legal Documents, (b) in any way contesting or affecting the validity of the Series 2017 Bonds, the Legal Documents, or the authority of the City to enter into the Legal Documents, (c) in any way contesting or affecting the powers of the City in connection with any action contemplated by the Official Statement or the Purchase Contract, (d) in anyway contesting the accuracy or completeness of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or (e) in any way materially affecting the ability of the City to perform its obligations under the Legal Documents.

- (8) Legal Documents. A copy of each of the Legal Documents.
- (9) Official Statement. A copy of the Official Statement.
- (10) Trustee Resolution. A copy of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the execution and delivery of the Series 2017 Bonds and the Trust Agreement.
- (11) Trustee's Representations, Warranties and Agreements. At the time of and as a condition to Closing, the Trustee, subject to the limitations provided herein, will represent, warrant to and agree with the Underwriter pursuant to a certificate, dated the date of Closing, that as of the date of Closing:
- (i) Due Organization and Existence - the Trustee is duly organized and existing as a national banking association duly organized and existing under the laws of the United States of America having the full power and authority to enter into and perform its duties under the Trust Agreement and to execute and deliver the Series 2017 Bonds to the Underwriter pursuant to the terms of the Trust Agreement;
  - (ii) Due Authorization; Valid and Binding Obligations - the Trustee is duly authorized to enter into the Trust Agreement;
  - (iii) No Conflict - the execution and delivery by the Trustee of the Trust Agreement, and compliance with the terms thereof, will not, in any material respect, conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, Trust Agreement, bond, note, resolution or any other agreement or instrument to which the Trustee is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties, which conflict breach or default would materially adversely affect the ability of the Trustee to perform its obligations under the Trust Agreement or (except with respect to the lien of the Trust Agreement) result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Trustee;
  - (iv) Consents - exclusive of federal or state securities laws and regulations, other than routine filings required to be made with governmental agencies in order to preserve the Trustee's authority to perform a trust business (all of which routine filing, to the best of the Trustee's knowledge, have been made), no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee is or will be required for the execution and delivery by the Trustee of the Trust Agreement or the execution and delivery of the Series 2017 Bonds; and
  - (v) No Litigation - to the best of the Trustee's knowledge, there is no litigation pending or threatened against or affecting the Trustee to

restrain or enjoin the Trustee's participation in, or in any way contesting the powers of the Trustee with respect to, the transactions contemplated by the Series 2017 Bonds and the Trust Agreement

(12) Resolutions. Copies of the Resolutions adopted by the City and certified by the Clerk of the City Clerk authorizing the execution and delivery of the Legal Documents;

(13) City Bring-Down Certificate. A certificate of an authorized officer of the City, dated the date of Closing, confirming as of such date the representations and warranties of the City contained in the Purchase Contract;

(14) Ratings. Evidence from S&P that the Series 2017 Bonds have been rated "\_\_\_\_" by such agency;

(15) DTC Blanket Letter of Representations. A copy of the executed Blanket Letter of Representations by and between the City and DTC, relating to the book-entry system for the Series 2017 Bonds;

(16) CDIAC Notices. Evidence of required filings with the California Debt and Investment Advisory Commission; and

(17) Miscellaneous. Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel, Disclosure Counsel and Underwriter's Counsel may reasonably request to evidence compliance with legal requirements, the truth and accuracy, as of the time of Closing, of the representations and warranties contained herein and in the Official Statement and the due performance or satisfaction by the Trustee and the City at or prior to such time of all agreements then to be performed and all conditions then to be satisfied.

(g) All matters relating to the Purchase Contract, the Series 2017 Bonds and the sale thereof, the Official Statement, the Legal Documents and the consummation of the transactions contemplated by the Purchase Contract shall have been approved by the Underwriter and counsel for the Underwriter, such approval not to be unreasonably withheld.

If the conditions to the Underwriter's obligations contained in the Purchase Contract are not satisfied or if the Underwriter's obligations shall be terminated for any reason permitted by the Purchase Contract, the Purchase Contract shall terminate and neither the Underwriter nor the City shall have any further obligations hereunder, except that the respective obligations of the City and the Underwriter set forth in Paragraph 8 hereof (relating to expenses) hereof shall continue in full force and effect.

8. Expenses. (a) The City shall pay or cause to be paid from the proceeds of the Series 2017 Bonds or other funds available to it the expenses incident to the performance of its obligations hereunder, including but not limited to: (i) the cost of printing and distribution of the Official Statement in reasonable quantities and all other documents (other than as set forth in the next succeeding paragraph) prepared in connection with the transactions contemplated hereby, including distribution costs and all mailing, including overnight and express delivery, costs; (ii) the fees and disbursements of the Trustee in connection with the execution and delivery of the Series 2017 Bonds;

(iii) the fees and disbursements of Bond Counsel, Disclosure Counsel, Bartle Wells Associates, as Municipal Advisor to the City, and any other experts or consultants retained by the City in connection with the transactions contemplated hereby; and (vi) expenses incurred on behalf of the City's employees which are incidental to the issuance of the Series 2017 Bonds, including, but not limited to, meals, transportation, and lodging.

(b) The Underwriter shall pay, which shall be included in the expense component of the Underwriter's discount: (i) all advertising expenses in connection with the public offering of the Series 2017 Bonds; (ii) the fees and expenses of Underwriter's Counsel, including their fees in connection with the qualification of the Series 2017 Bonds for sale under the Blue Sky or other securities laws and regulations of various jurisdictions; (iii) California Debt and Investment Advisory Commission fees; (iv) [fees of \_\_\_\_\_ for a continuing disclosure undertaking compliance review]; and (v) all other expenses incurred by the Underwriter in connection with its public offering and distribution of the Series 2017 Bonds, including CUSIP fees.

9. Notices.

(a) Underwriter. Any such notice or other communication to be given to the Underwriter may be given by delivering the same to the Underwriter, BOK Financial Securities, Inc., 1301 Dove Street, Suite 350, Newport Beach, CA 92660, Attention: Carmen Vargas, Senior Vice President – Public Finance.

(b) City. Any notice or communication to be given the City under the Purchase Contract may be given by delivering the same to the City of Brawley, 383 W Main Street, Brawley, California 92227, Attention: Finance Director.

All notices or communications hereunder by any party shall be given and served upon each other party.

10. Parties in Interest; Force and Effect. The Purchase Contract is made solely for the benefit of the City and the Underwriter (including the successors or assigns thereof) and no other person shall acquire or have any right hereunder or by virtue hereof.

All representations, warranties and agreements of the City or the Underwriter pursuant to the Purchase Contract, shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of the Underwriter; (ii) delivery of and payment for the Series 2017 Bonds pursuant to the Purchase Contract; or (iii) termination of the Purchase Contract but only to the extent provided by the last paragraph of Paragraph 7 hereof, regarding preconditions of Closing.

11. Counterparts. The Purchase Contract 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.

12. Governing Law. The Purchase Contract shall be governed by the laws of the State of California.

13. Entire Agreement. The Purchase Contract when accepted by you in writing as heretofore specified shall constitute the entire agreement between us and is made solely for the

benefit of the City and the Underwriter (including the successors or assigns thereof). No other person shall acquire or have any right hereunder or by virtue hereof.

14. Headings. The headings of the paragraphs of the Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

15. Unenforceable Provisions. If any provision of the Purchase Contract shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of the Purchase Contract invalid, inoperative or unenforceable to any extent whatsoever.

16. Role of Underwriter. The City acknowledges and agrees that (i) the purchase and sale of the Series 2017 Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the City and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as principal and is not acting as the agent or fiduciary of the City, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City on other matters) and (iv) the City has consulted its own legal, financial and other advisors to the extent it has deemed appropriate.

17. Effectiveness. The Purchase Contract shall become effective upon the execution of the acceptance hereof by the Finance Director of the City or his or her designee and shall be valid and enforceable at the time of such acceptance and acknowledgment.

STIFEL, NICOLAUS & COMPANY,  
INCORPORATED, as Underwriter

By: \_\_\_\_\_  
Authorized Representative

Accepted:

CITY OF BRAWLEY

By: \_\_\_\_\_  
Finance Director

**EXHIBIT A**

**FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL**

\_\_\_\_\_, 2017

BOK Financial Securities, Inc.,  
as Underwriter  
Newport Beach, California

City of Brawley  
Taxable Pension Obligation Bonds, Series 2017  
(Supplemental Opinion)

Ladies and Gentlemen:

This letter is addressed to you, as the Underwriter, pursuant to Section 7(f)(2) of the Purchase Contract, dated \_\_\_\_\_, 2017 (the "Purchase Contract"), between you and the City of Brawley (the "City"), providing for the purchase of \$\_\_\_\_\_ principal amount of the City of Brawley Taxable Pension Obligation Bonds, Series 2017 (the "Bonds"). The Bonds are being issued pursuant to a Trust Agreement, dated as of \_\_\_\_\_ 1, 2017, (the "Trust Agreement"), between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Trust Agreement or, if not defined in the Trust Agreement, in the Purchase Contract.

We have delivered our final legal opinion (the "Bond Opinion") as bond counsel to the City concerning the validity of the Bonds and certain other matters, dated the date hereof and addressed to the City. You may rely on the Bond Opinion as though the same were addressed to you.

In connection with our role as bond counsel to the City, we have reviewed the Purchase Contract; the Trust Agreement; opinions of counsel to the City and the Trustee; certificates of the City, the Trustee and others; and such other documents, opinions and matters to the extent we deemed necessary to provide the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the City. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the third paragraph hereof. We have further assumed compliance with all covenants and agreements contained in such documents. In addition, we call attention to the fact that the rights and obligations under the Bonds, the Trust Agreement and the Purchase Contract and their enforceability may be subject to bankruptcy, insolvency, reorganization, receivership, arrangement, fraudulent conveyance,

moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against cities in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinions with respect to the state or quality of title to or interest in any assets described in or as subject to the lien of the Trust Agreement or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Finally, we undertake no responsibility for the accuracy, except as expressly set forth in numbered paragraph 3 below, completeness or fairness of the Official Statement dated \_\_\_\_\_, 2017 (the "Official Statement") or other offering material relating to the Bonds and express no opinion relating thereto.

Based, on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Trust Agreement is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

2. The Purchase Contract has been duly executed and delivered by the City and is a valid and binding agreement of the City.

3. The statements contained in the Official Statement under the captions "THE BONDS" (excluding any information relating to DTC and its book-entry system), "SECURITY FOR THE BONDS," "VALIDATION PROCEEDINGS," "TAX MATTERS," APPENDIX B — "SUMMARY OF THE TRUST AGREEMENT" and APPENDIX D — "FORM OF BOND COUNSEL OPINION," excluding any material that may be treated as included under such captions by cross reference or reference to other documents or sources, insofar as such statements expressly summarize certain provisions of the Trust Agreement and the form and content of our Bond Opinion, are accurate in all material respects.

This letter is furnished by us as bond counsel to the City. No attorney-client relationship has existed or exists between our firm and you in connection with the Bonds or by virtue of this letter. We disclaim any obligation to update this letter. This letter is delivered to you as Underwriter of the Bonds, is solely for your benefit as such Underwriter, and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,

NORTON ROSE FULBRIGHT US LLP

**EXHIBIT B**  
**MATURITY SCHEDULE**

<u>Maturity</u> (_____)	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>
----------------------------	-----------------------------------	--------------------------------	--------------	--------------

\* Term Series 2017 Bond.

**COUNCIL AGENDA REPORT**  
City of Brawley

Meeting Date: 06/06/2017

City Manager: RBM

**PREPARED BY:** Guillermo Sillas, P.E., Public Works Director

**PRESENTED BY:** Guillermo Sillas, P.E., Public Works Director

**SUBJECT:** Professional Engineering Services for the Preparation of Plans, Specifications, and Cost Estimates for the Volunteer Park - Phase 2 East Parking Lot Improvements Project

**CITY MANAGER RECOMMENDATION:** Authorize Agreement with The Holt Group, Inc. in the amount of \$35,805 to Provide Professional Engineering Services for the Preparation of Plans, Specifications, and Cost Estimates for the Volunteer Park East Parking Lot Improvements project and Authorize the City Manager to execute all documents in relation to this project.

**DISCUSSION:** The City of Brawley has developed a three-phase improvement project for dust mitigation at Volunteer Park with the goal of reducing PM10 pollutants. The Phase 1 project was funded by a grant award of \$300,270 from the Imperial County Air Pollution Control District (ICAPCD) Rule 310 - Operational Development Fee Program. The improvement project was completed in June of 2015.

In a subsequent ICAPCD call for projects, the City of Brawley successfully applied for grant funds in the amount of \$200,000 for additional work to be performed. In September of 2016, the City Council took action to accept the funding and provide a local match of \$86,818 for the second phase of improvements. The proposed project consists of class 2 base, concrete, asphalt pavement, irrigation, landscaping, striping, and drainage.

**FISCAL IMPACT:** \$35,805 as part of \$286,818 total project cost (\$200,000 grant from APCD and \$86,817.90 from Local Match, Maintenance Fund – Grounds and Facilities)

**ATTACHMENTS:** Agreement with Proposal / Preliminary Concept Drawing

**CITY OF BRAWLEY**  
**CONSULTING SERVICES CONTRACT**  
**PROFESSIONAL ENGINEERING SERVICES**  
**FOR**  
**VOLUNTEER PARK EAST PARKING LOT IMPROVEMENTS**

- 1.0 **The Parties.** This Contract is made by and between the City of Brawley ("City") and The Holt Group, Inc., ("Consultant").
- 2.0 **Paragraph Headings and Definitions.** Paragraph headings in this Contract are for convenience only, and are not to be construed to define, limit, expand, interpret, or amplify the provisions of this Contract. When initially capitalized in this Contract or amendments hereto, the following words or phrases shall have the meanings specified:
- 2.1 **Professional Efforts.** Those efforts that a competent, experienced, and prudent Consultant would use to perform and complete the requirements of this Contract in a timely manner, exercising the degree of care, competence, and prudence customarily imposed on a Consultant performing similar work in the State of California.
- 2.2 **Contract.** This Contract, including all referenced documents, between City and Consultant for the performance of the Work, and any subsequent written modifications or amendments executed by City and Consultant.
- 2.3 **Consultant.** The legal entity that executes this Contract with City to perform the Work.
- 2.4 **Force Majeure.** An act of God, or event beyond the control of a party, including an act or omission of government, act or omission of civil or military authority, strike or lockout, act of a public enemy, war, blockade, insurrection, riot, epidemic, landslide, earthquake, fire, storm, lightning, flood, washout, or civil disturbance which could not have been avoided through the exercise of reasonable care and prudence.
- 2.5 **Contract Manager.** The title of the person designated by City to be its representative with authority to act for City regarding this Contract and the Work of Consultant.
- 2.6 **Work.** All or a part or phase of the obligations undertaken by Consultant pursuant to the Contract.
- 3.0 **Time of Contract.** Consultant shall perform the services required under this Contract within 90 calendar days from the date of the Contract.
- 4.0 **Scope of Work.** City hereby retains and engages Consultant, and Consultant accepts such engagement to provide Professional Engineering Services for Volunteer Park East Parking Lot Improvements.
- 4.1 Details of Scope of Work are contained in the Proposal for Professional Engineering Services, dated May 12, 2017, attached herewith as Exhibit A and by this reference made a part hereof.
- 5.0 **Manner of Compensation.** For performance of services rendered pursuant to this Contract, City will pay Consultant fee based on the following, subject to the limitation of the maximum expenditure provided herein:
- 5.1 **Maximum Fee.** The maximum fee under this Contract is Thirty Five Thousand, Eight Hundred Five (\$35,805.00) Dollars without prior express written consent of City. In the event that consultant anticipates the need for services in excess of the amount, the City shall be notified immediately in writing. Details of the Fee Proposal are included as part of Exhibit A.
- 5.2 **Extra Work.** Consultant shall not perform extra work of any kind without prior express written consent of City.

**6.0 Payment**

City shall pay consultant for Services rendered by consultant hereunder on the basis of monthly invoices for the period ending on the final day of the month. City shall pay each invoice within 30 days after receipt. Invoices shall include, project description, the description and breakdown of costs, the month such costs were incurred, total expenses billed to date, invoice number and invoice date. All invoices shall be sent to City. Attention: Guillermo Sillas. See Section 22.2, "Notice and Communications".

6.1 Compensation. Monthly progress payments shall be billed and based on work completed. The progress of the work and payment due shall be recorded on a Progress Payment Form, appearance of which will be approved by City. See Exhibit B for a sample of a typical invoice.

6.2 Billing Dispute. In the event City disputes the amount of an invoice, it shall notify Consultant within 20 days of receipt of the invoice and otherwise timely pay any undisputed portion of the invoice.

**7.0 Records and Audits**

7.1 Books and Records. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City.

7.2 Audit. City may perform an audit of the time based and reimbursable expense costs of any given Work Order. City shall not have access to Consultant's composition of fixed overhead rates or lump sums, the financial make up of payroll burdens or to any costs expressed as a percentage of direct labor costs.

7.3 Document Retention. Consultant shall maintain all above documents and records, which demonstrate performance under this Contract for a minimum of three years, or for any longer period required by law, from the date of termination or completion of this Contract.

**8.0 Control of Work.**

Consultant shall report on all Work performed for City through City's Contract Manager and any designated representatives. Consultant shall comply with any coordination and completion criteria specified by City, and shall diligently prosecute each phase of the Work.

**9.0 Ownership of Documents**

9.1 Documents. Original project documents, including reproducible record prints of drawings, calculations, estimates, designs, specifications, field notes and data prepared in the course of performing the Work with the exception of those standard details and specifications regularly used by the Consultant in its normal course of business shall upon payment of all amounts rightfully owed by the City to the Consultant herein become the property of City. All final reports including reconnaissance reports, pre-feasibility reports and feasibility reports shall be the property of City. Consultant may retain copies of said documents and reports. Any reuse or modification of such Documents for purposes other than those intended herein shall be provided at the City's sole risk and without liability to the Consultant.

9.2 Confidentiality. In performing services under this Contract Consultant will gain access to proprietary information concerning City's business and operations. All ideas memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Contract shall be held confidential by Consultant. Consultant shall not, without the prior written consent of City, use such materials for any purposes other than the performance of the work under this Contract. Nor shall such materials be disclosed to any person or entity not connected with the performance of the work under this Contract. Nothing furnished to Consultant, which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs relating to the project for which Consultant's services are rendered, or any publicity pertaining to the Consultant's services under this Contract in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

It is hereby agreed that the following information is not considered to be confidential under this Agreement:

- a. Information already in the public domain:
- b. Information disclosed to Consultant by a third party who is not under a confidentiality obligation:

- c. Information developed by or in the custody of Consultant before entering into this Agreement;
- d. Information developed by Consultant through its work with other clients; and
- e. Information required to be disclosed by law or regulation including, but not limited to, subpoena, court order or administrative order.

#### **10.0 Duties of Consultant**

- 10.1 Degree of Care. In the performance of its services hereunder, Consultant shall exercise that degree of skill and judgment commensurate with that which is normally exercised by recognized professional Consultants in the same discipline, with respect to services of a similar nature, in accordance with all applicable rules, laws and regulations at the same time and in the same locality.
- 10.2 Licenses. Consultant represents to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature, which are legally required of Consultant to practice its profession. Consultant represents to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Contract, any licenses, permits, insurance and approvals which are legally required of Consultant to practice its profession.
- 10.3 Correction of Improper Services. Consultant shall perform or correct any portions of the work not performed in accordance with the standard of care specified herein, provided that Consultant is notified in writing of nonconformity within a reasonable time after discovery by City of the nonconforming service. Consultant shall perform the remedial services at no additional cost to the City.

#### **11.0 Suspension**

City may, upon 10 calendar day written notice, direct Consultant to suspend performance on any or all of the services under the Contract for a specified period of time. If any suspension is not occasioned by the fault of Consultant, this Contract may be supplemented to compensate Consultant for extra costs incurred due to the suspension, provided that any claim for adjustment is supported by appropriate cost documentation, subject to audit, and asserted within twenty days after the date City issues a notice for resumption of the services under the Contract. Consultant shall be entitled to an extension to any work schedule to the extent a delay was caused by the suspension. Upon receipt of a suspension notice, Consultant shall (1) discontinue the Work under the Contract, (2) place no further orders or subcontracts, (3) suspend all orders and subcontracts, (4) protect and maintain all completed Work, and (5) otherwise mitigate City's costs and liabilities for those areas of work suspended. Services under the Contract shall be resumed by Consultant after such suspension on 10 calendar day written notice from City.

#### **12.0 Termination**

Under the terms hereunder, City may, at any time and for any reason, terminate this Contract upon not less than 21 day written notice to Consultant. Under such circumstances, this Contract shall terminate on the date set forth in such written notice.

- 12.1 Termination for Cause. If Consultant shall fail to diligently, timely and expeditiously perform any of its respective obligations under this Contract, and such failure shall have continued for 10 days after City has delivered written notice thereof to Consultant; or Consultant shall make a general assignment for the benefit of its creditors, a receiver or trustee shall have been appointed on account of Consultant's insolvency, Consultant otherwise shall be or become insolvent, or an order for relief shall have been entered against Consultant under Chapter 7 or Chapter 11 of Title 11 of the United States Code; or Consultant otherwise shall be in default under the Contract and such default shall not have been cured within 10 days after City has delivered written notice to Consultant; then, City, upon 7 days' prior written notice to Consultant, immediately may terminate this Contract for cause.
  - 12.1.1 Upon termination of this Contract for cause, Consultant shall be entitled only to payment of that portion of services performed for which Consultant has not been paid and which Consultant has actually satisfactorily performed, up to the date of such termination; provided, however, that: No allowance shall be included for any out-of-pocket costs and expenses incurred by Consultant by reason of the termination of this Contract.
  - 12.1.2 Nothing contained in this Contract shall limit in any manner any rights or remedies otherwise available to City by reason of a default by Consultant under this Contract including, without limitation, the right to seek full reimbursement from Consultant for all costs and expenses

incurred or to be incurred by City by reason of Consultant's default hereunder and which City would not have otherwise incurred if Consultant had not defaulted hereunder.

- 12.2 Termination For Convenience - In the event that City terminates this Contract for reasons other than those set forth above Consultant shall be entitled to payment for services performed which have not been paid to Consultant and which shall compensate Consultant for all services actually and satisfactorily performed by Consultant up to the date of such termination.
- 12.3 Duties of Consultant Upon Termination - Upon any termination of this Contract Consultant shall:
- 12.3.1 Discontinue all of its services under the Contract from and after the date of the notice of termination, except as may be required to complete any item or portion of work to a point where discontinuance will not cause unnecessary waste or duplicative work or cost.
- 12.3.2 Cancel, or, if so directed by City, transfer to City all or any of the commitments and Contracts made by Consultant relating to the services, to the extent they may be canceled or transferred by Consultant.
- 12.3.3 Transfer to City in the manner, to the extent, and at the time directed by City, all supplies, materials and other property produced as a part of, or acquired in the performance of Consultant's services.
- 12.3.4 Take such other actions as City may reasonably direct.

### 13.0 Insurance

Without limiting Consultant's indemnification of City, and prior to commencement of Work, Consultant agrees to provide insurance in accordance with the requirements set forth herein. If Consultant uses existing coverage to comply with these requirements and that coverage does not meet the requirements, Consultant agrees to modify the existing coverage to do so. The following coverages will be provided by Consultant and maintained on behalf of City and in accordance with the following requirements:

- 13.1 Commercial General Liability Insurance. Commercial General Liability coverage at least as broad as Insurance Services Office form CG 00 01. No claims made or modified occurrence forms will be accepted. Total limits for all coverages shall be no less than \$1,000,000 per occurrence and \$2,000,000 general aggregate. Coverage shall include bodily injury, personal injury, and property damage, including without limitation, blanket contractual liability. The policy shall be endorsed to provide that City of Brawley and its officers, officials, employees, and agents are additional insureds. This provision shall also apply to any excess policies.
- 13.2 Business Auto Liability Insurance. Business auto coverage at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of Consultant arising out of or in connection with the Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles. Limits shall be no less than \$1,000,000 combined single limit per accident.
- 13.3 Workers' Compensation. Workers' Compensation coverage providing workers' compensation statutory benefits as required by law and Employer's Liability Insurance no less than \$1,000,000 per accident. Consultant shall submit to City, along with the certificate of insurance, a Waiver Subrogation endorsement in favor of City of Brawley, its officers, agents, and employees. (This provision shall not apply if Consultant has no employees performing work under this Agreement, however, in such case Consultant must sign the "Certificate of Exemption from Workers Compensation Insurance" included below.
- 13.4 Professional Liability Insurance. Professional Liability (Errors and Omissions) insurance covering the services to be performed in connection with this Agreement shall be maintained with policy limits of not

less than \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement and Consultant agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this Agreement.

#### **14.0 Indemnification**

##### **For Professional Liability**

When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, and hold harmless City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including legal counsel's fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees or sub-consultants (or any agency or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this agreement.

##### **For other than Professional Liability**

Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceeding, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or agency for which Consultant is legally liable, including by not limited to officers, employees or subcontractors of Consultant.

#### **15.0 Relationship of Parties**

Consultant shall, for all purposes, be an independent contractor as to City and under no circumstances shall the relationship of employer and employee arise between the agents or employees of Consultant and City.

#### **16.0 Assignment and Subcontracting**

16.1 **Non-Assignment.** A substantial inducement to City for entering into this Contract is the professional reputation, experience and competence of Consultant. Assignments of any or all rights, duties or obligations of the Consultant under this Contract will be permitted only with the express consent of the City. Consultant shall not subcontract any portion of the work to be performed under this Contract without the written authorization of City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Contract shall create any contractual relationship between City and subcontractor nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise is required by law.

16.2 **Successors and Assigns.** This Contract shall be binding upon the successors and assigns of each of the parties hereto in respect to all of the provisions hereof. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any of the parties, nor shall it be construed as giving any rights or benefits hereunder to anyone other than the parties to this Contract.

#### **17.0 Laws and Regulations**

Consultant will comply in the performance of the Contract with all laws and regulations applicable to Consultant in its performance of the Contract.

#### **18.0 Force Majeure**

In the event either party by reason of a Force Majeure is rendered unable to perform its duties under this Contract then upon the party giving written notice of the particulars and estimated duration of Force Majeure to the other party within 5 calendar days after knowledge of the occurrence of the Force Majeure, the party may have the time for performance of its duties extended for the period equal to the time performance is delayed by the Force Majeure. The effects of the Force Majeure shall be remedied with all reasonable dispatch,

and the party giving notice shall use Best Efforts to eliminate and mitigate all consequences. A Force Majeure for which notice has not been given shall be an un-excused delay.

**19.0 Attorneys' Fees**

If either party to this Contract shall bring any action, claim, appeal, or alternative dispute resolution proceedings, for any relief against the other, declaratory or otherwise, to enforce the terms of or to declare rights under this Contract (collectively, an Action), the losing party shall pay to the prevailing party a reasonable sum for attorneys' fees and costs incurred in bringing and prosecuting such Action and/or enforcing any judgment, order, ruling, or award (collectively, a Decision) granted therein. Any Decision entered in such Action shall provide for the recovery of attorneys' fees and costs incurred in enforcing such Decision. The court or arbitrator may fix the amount of reasonable attorneys' fees and costs on the request of either party. For the purposes of this paragraph, attorneys' fees shall include, without limitation, fees incurred in the following: (1) post-judgment motions and collection actions; (2) contempt proceedings; (3) garnishment, levy, and debtor and third party examinations; (4) discovery; and (5) bankruptcy litigation. "Prevailing party" within the meaning of this paragraph includes, without limitation, a party who agrees to dismiss an Action on the other party's payment of the sums allegedly due or performance of the covenants allegedly breached, or who obtains substantially the relief it seeks.

**20.0 Governing Law and Venue**

This Contract shall be interpreted in accordance with the substantive and procedural laws of the State of California. All actions or proceedings arising in connection with this Contract shall be tried and litigated exclusively in State court located in the County of Imperial, State of California and Federal court located in the County of San Diego, State of California. The aforementioned choice of venue is mandatory, thereby precluding the possibility of litigation between the parties with respect to or arising out of this Contract in any jurisdiction other than that specified in this paragraph. Each party hereby waives any right it may have to assert the doctrine of forum non convenes or a similar doctrine or to object to venue with respect to any proceeding brought in accordance with this paragraph, and stipulates that the State and Federal courts located in the Counties of Imperial and San Diego, respectively, California, shall have in person jurisdiction and venue over each of them for the purpose of litigating any dispute or proceeding arising out of or related to this Contract. Each party hereby authorizes service of process sufficient for personal jurisdiction in any action against it at the address and in the manner for the giving of notice as set forth in this Contract.

**21.0 Integration**

This Contract and any exhibits hereto, as well as other documents referred to in this Contract, constitute the entire Contract between the parties with regard to the subject matter hereof and thereof. This Contract supersedes all previous Contracts between or among the parties. There are no Contracts, representations, or warranties between or among the parties other than those set forth in this Contract.

**22.0 Authorized Representatives and Notices**

22.1 Representatives. Prior to commencement of the work under the Contract, City and Consultant shall agree on the designation of a representative authorized to act in behalf of each party.

22.2 Notice and Communications. All communications relating to the day-to-day activities under this Contract shall be exchanged between the representatives of City and Consultant. All legal notices and communications required under or related to this Contract shall be in writing, and shall be delivered personally or mailed by certified mail, postage prepaid, return receipt requested, to the representatives of City and Consultant identified below. Notice shall be effective on the date of delivery.

**TO:** City of Brawley  
Guillermo Sillas, P.E., Public Works Director/  
City Engineer  
180 South Western Avenue  
Brawley, CA  
Phone: (760) 344-5800 Ext. 19  
Fax: (760) 344-5612  
E-mail: [gsillas@brawley-ca.gov](mailto:gsillas@brawley-ca.gov)

**TO:** The Holt Group, Inc.  
James G. "Jack" Holt, P.E.  
1601 N. Imperial Avenue  
El Centro, CA 92243  
Phone: (760) 337-3883  
Fax: (760) 337-5997  
E-mail: [jholt@theholtgroup.net](mailto:jholt@theholtgroup.net)

22.3 A party may change or supplement the information exchanged concerning authorized representatives and notices by giving the other party written notice of the new information in the manner set forth above.

**23.0 Waiver**

The failure of City to insist upon strict performance of any of the terms and conditions of this Contract, or to exercise or delay the exercise of any rights or remedies provided by this Contract or by law, or the acceptance of work or payment for work shall not release Consultant from any of the responsibilities or obligations imposed by law or by this Contract and shall not be deemed a waiver of any right of City to insist upon strict performance of this Contract. None of the provisions of the Contract shall be considered waived by either party except when such waivers are agreed upon in writing by the parties.

**24.0 Survival of Obligations and Liabilities**

The termination, cancellation, or acceptance of the work under the Contract shall not relieve Consultant of its obligations for work completed prior to the effective date of such termination, cancellation, or acceptance, nor shall it relieve Consultant of its liabilities at law or under this Contract.

**25.0 Severability**

If any provision of this Contract or the application thereof to any person or circumstance shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Contract shall not be affected thereby, and each such provision shall be valid and enforceable to the fullest extent permitted by law. However, if either party in good faith determines that the finding of illegality or un-enforceability adversely affects the material consideration for its performance under this Contract such party may, by giving written notice to the other party, terminate this Contract.

**26.0 Execution and Effective Date.** This Contract has been executed by the duly authorized officers of the parties and shall be effective as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Dated: \_\_\_\_\_, 2017.

**CITY OF BRAWLEY, CALIFORNIA**

By: \_\_\_\_\_  
Rosanna B. Moore, City Manager

**ATTEST:**

By: \_\_\_\_\_  
Alma Benavides, City Clerk

Dated: \_\_\_\_\_, 2017.

**CONSULTANT  
The Holt Group, Inc.**

By: \_\_\_\_\_  
James G. "Jack" Holt, P.E.  
Secretary/CFO

**CITY OF BRAWLEY**  
**EXHIBIT A**  
**SCOPE OF SERVICES**  
**CONSULTING SERVICES CONTRACT**  
**PROFESSIONAL ENGINEERING SERVICES**  
**FOR**  
**VOLUNTEER PARK EAST PARKING LOT IMPROVEMENT**

**1.0 General Scope of Work**

The General Scope of Work is for Consultant to provide Professional Engineer Services for Volunteer Park East Parking Lot Improvements.

**2.0 Specific Scope of Work**

2.1 Details of Scope of work are contained in the Proposal for Professional Engineering Services for Volunteer Park East Parking Lot Improvements dated May 12, 2017.

**EXHIBIT B**

**Typical Monthly Invoice**

**Consultant's Letterhead**

**City of Brawley**

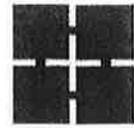
**Project Title:** Professional Engineering Services for Volunteer Park East Parking Lot Improvements.

**Services from: (Date) to (Date)**

Total Contract Amount  
Previously Billed  
Current Billing  
Billed to Date  
Amount Remaining  
Total This Invoice

\*Percent Completion shall be justified and be part of the invoice.

Attach backup information, if applicable.



May 12, 2017

Mr. Guillermo Sillas, P.E.  
City Engineer/Public Works Director  
City of Brawley  
Public Works Department  
180 Southwestern Avenue  
Brawley, California  
92227

Re: Volunteer Park – East Parking Lot Improvements – Parking Lot Design – THG  
Proposal Number 2017-037

Dear Mr. Sillas,

The City of Brawley constructed a parking lot at the southeast corner of River Drive and "A" Street in 2015 to provide parking for the Volunteer Park. It has been requested that a proposal be forwarded to complete the design of an additional parking lot at the southwest corner of River Drive and C Street along the east side of the Volunteer Park.

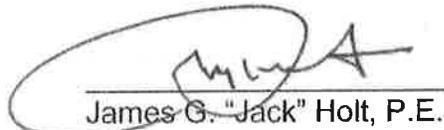
The City of Brawley has prepared a preliminary concept drawing and preliminary estimate for the proposed Volunteer Park - East Parking Lot. A recorded Final Map prepared for Parkside Estates Unit 7 (Final Map 20-78) defines the project property boundaries.

This proposal includes the completion of a preliminary design phase to further evaluate and refine the preliminary concept drawing and components. A review of easements, traffic flow patterns, retention basin size and location, disposal of retention basin water, cover material for the retention basin, the parking lot pavement and class 2 base section, surface water flow patterns, grading, landscaping and similar issues will be assessed during the preliminary design phase. Meetings with the City Staff will be required to review and determine the final parking lot configuration and project components. After the preliminary design phase is completed a final concept drawing and cost estimate will be prepared.

Design documents including the plans, special conditions, technical conditions and Bid Form Schedule will be prepared based upon the approved final concept drawing. An Engineers Opinion of Probable Quantity and Cost Estimate will also be prepared. The 90 percent design documents will be forwarded to the Brawley Public Works Department for review. The final design documents will be prepared after the 90 percent review comments are received. The proposed preliminary engineering and design scope of work follows this introductory letter.

Thank you for allowing The Holt Group an opportunity to provide a proposal to complete the preliminary engineering and design documents for the Volunteer Park – East Parking Lot Improvement Project. Please contact me if questions arise.

Sincerely,



James G. "Jack" Holt, P.E.  
Secretary/CFO  
The Holt Group, Inc.

cc: Rosanna B. Moore, City Manager, City of Brawley

- Attachments:
1. Preliminary Concept Map – Volunteer Park Parking Lot Improvements – Phase 2
  2. Engineers Opinion of Probable Cost dated 10/16/2015
  3. Final Map – Page 20, Book 78 – Parkside Estates Unit No. 7
  4. Holt Group Hourly Rate Schedule – 2017
  5. Standard Agreement Document

**VOLUNTEER PARK – EAST PARKING LOT  
IMPROVEMENTS – PARKING LOT DESIGN PROPOSAL  
SCOPE OF WORK**

**I. Project Objectives**

The area proposed for the Volunteer Park – East Parking Lot is comprised of a native earth area void of vegetation. The dirt area distributes particulate matter pollutants (PM 10) when passed over by vehicular vehicles or on windy days. The project objective is to improve the existing area currently occupied by the proposed Volunteer Park – East Parking Lot to decrease PM 10, increase parking spaces and provide an esthetically pleasing parking lot meeting current landscape requirements.

The project site consists of approximately 32,000 square feet and encompasses a portion of the northeast area of Volunteer Park. This parking lot is located south of River Drive and west of Third Street. The parking lot is triangular shaped with the proposed driveway entrances entering at River Drive and exiting at Third Street.

The existing Parking Lot shall be designed and configured in an efficient way that allows maximizing parking spaces while eliminating PM 10 pollutants.

The proposed parking lot improvements are anticipated to include the installation of class 2 base, A.C. pavement, pcc curb, pcc barrier curb, pcc curb and gutter, pcc driveway entrances and pavement striping. Landscaping may consist of tan colored decomposed granite, crush gravel and boulders.

**II. Preliminary Engineering Design**

The Holt Group proposes to complete the Preliminary Engineering Design scope of work prior to the initiation of the project design to optimize the parking lot configuration and components, review and determine traffic patterns acceptable to all parties and review any easement encumbrances. The preparation of a topographic site plan, existing site plan, locating existing utilities, and completing the field survey work to define the project boundary are included in the Preliminary Engineering scope of work. Following are the proposed Preliminary Engineering Design Services:

- Obtain existing utility as-built maps prior to completing the field survey work.
- Obtain field data for the preparation of existing site plans. Complete a boundary survey and establish the project boundary in the field. Place lath

50 feet on center and at property corners and deflection points along the project boundary. Obtain existing grades on a 50 foot x 50 foot grid across the project site and at points the grid intersects the project boundary lines. Establish a project benchmark at the site. Locate all above grade and known below grade utilities. Utilities include both dry and wet utilities. Locate all other above grade objects including signs, power poles, manhole covers, water valve covers, fences, water meter enclosures, trees, and similar objects.

- Establish easement locations across the project site.
- Prepare existing site plan illustrating the project boundary, property lines, right of ways and easements. Illustrate existing native earth spot elevations on a 50 foot x 50 foot grid across the project site. Illustrate ½ foot contour lines across the existing site plan. Illustrate all above grade utilities and known underground utilities including gas, telephone, electric, television, water pipelines, sanitary sewer pipelines, stormwater pipelines, stormwater catch basins and manholes and similar items. Illustrate all above grade and known below grade objects including signs, power poles, manhole covers, water valve covers, fences, water meter enclosures, trees, and similar objects.
- Prepare conceptual designs and sections for the parking lot improvements that include parking and lane layouts, traffic direction, stormwater flow patterns, driveway entrances, landscaping, retention basins, barrier curb and curb and gutter, surface and underground stormwater facilities and similar items.
- Review the proposed traffic circulation with all pertinent parties as determined by the City of Brawley. It appears that there is an IID easement along the south project boundary. IID may need to be consulted regarding the traffic flow patterns along the south project boundary. It may be advisable, as determined by the City of Brawley, to review the traffic flow patterns with the Brawley Unified School District and National Guard.
- Conduct a value engineering review during the preliminary engineering design to evaluate paving options, cost-effective drainage improvements, cost-effective and esthetically pleasing landscape improvements and similar items.
- Chair meetings with the City of Brawley Staff, Utility Companies, School Representatives and other effected parties to review the conceptual design plan. Prepare meeting agenda and a meeting memorandum memorializing the issues discussed at the meetings.
- Prepare a final preliminary design plan and engineers opinion of probable quantity and cost after the preliminary design requirements are determined.
- A geotechnical report was prepared by Sierra Material Testing and Inspection – Project Number EC389 dated October 24, 2014 for the Volunteer Park – West Parking Lot constructed in the year 2015. Given the close proximity of the West and East Parking Lots, soil conditions at the two (2) parking lots are likely similar. The Geotechnical

Recommendations for the west parking lot A.C. pavement, concrete facilities and retentions basins are likely valid for the proposed east parking lot. The City of Brawley is to determine whether the west parking lot recommendations be implemented for the east parking lot or whether a new Geotechnical Report for the East Parking Lot is to be prepared. This proposal assumes that if a new Geotechnical Report is to be prepared for this project that the City of Brawley will provide the Geotechnical Report.

### III. Final Design Services

The final design documents will be prepared after the Preliminary Engineering Design Work, as listed in the previous section, is complete. The Final Design Services shall consist of the following:

- Prepare the Technical Specifications for the Project. The Technical Specifications shall include the approximate following items. Additional Technical Specification Items will be included as required or as requested by the City of Brawley:
  1. Mobilization, Demobilization, Insurance and Bonding
  2. Surveying and Staking
  3. Construction Area Signs
  4. Traffic Control, Public Safety and Notification
  5. Materials to be Disposed Outside of the City Right of Way
  6. Asphalt Concrete
  7. Utility Cover Adjustment to Grade
  8. Striping and Signage
  9. Access
  10. Erosion Control
  11. Subbase Preparation
  12. Subgrade Preparation
  13. Sand
  14. Crusher Fines
  15. Class 2 Base
  16. PCC Concrete
  17. Crushed Rock
  18. Decomposed Granite
  19. Any other Technical Specification Items Required

- Prepare Special Provisions for the Project. The Special Provisions of the Specifications shall include the approximate following items. Additional Special Provision Items will be included as required or as requested by the City of Brawley:

1. Description and Location of Work
2. Drawings
3. License Requirement
4. Contract Time Limits and Liquidated Damages
5. Order of Work
6. Work Outside Regular Hours
7. Examination of Site of Work
8. Pre-Bid Conference
9. References to Standards, Codes and Rules
10. Certificate of Compliance
11. Record Drawings
12. Contractor Coordination with Others
13. Materials, Storage and Workmanship
14. Sanitary Facilities for Contractor Personnel
15. Subsurface Investigations
16. Existing Utilities, Improvements and Obstructions
17. Asbestos-Containing Building Materials
18. Measurement and Payment
19. Cost Breakdown
20. Clean Up
21. Product Data/Material Lists
22. Submittal Requirements/Submittal List
23. Project Meetings
24. Construction Photographs
25. Contractors Progress Schedule
26. Workplace Safety
27. Materials, Equipment and Work to be furnished by the City
28. Traffic Control and Public Safety
29. Excavations
30. Inspections and Testing
31. Dust Control and Cleanup
32. Insurance
33. Maintaining Traffic
34. Geotechnical Testing and Geotechnical Testing List
35. Construction Staking
36. Construction Water
37. Staging Area
38. Project Signs
39. Any other Special Provision Specification Section required.

- Prepare Improvement Plans. A Tentative Improvement Plan List is as follows. Additional Plan Sheets will be added as required or as requested by the City of Brawley:
  1. **Title Sheet** with Project Description, General Notes, Abbreviations, Vicinity Map, Dig Alert Note, Approval Notes, Sheet Index, City Staff Listing, Council Staff Listing and Project Title with Grant Funding Numbers.
  2. Existing Demolition Site Plan
  3. Grading Improvement Plan @ 10 Scale
  4. Grading Improvement Plan @ 10 Scale
  5. Parking Lot Cross Sections
  6. Parking Lot and Retention Basin Sections
  7. Detail Sheet
  8. Detail Sheet
  9. Detail Sheet
  10. Traffic Control Plan
  11. Erosion Control Plan
  12. Any other Plan Sheets required.
- Submit and review 90 percent review plans and specifications with City of Brawley Public Works Staff.
- Revise plans and specifications after 90 percent plan review by City of Brawley Public Works Staff.
- Submit 100 percent plans, specifications, Engineers Opinion of Probable Quantity and Engineers Opinion of Probable Cost to the City of Brawley Public Works Staff for review and approval. Complete and modify the documents according to any final comments and prepare final design documents.

#### IV. Deliverables

Deliverables provided to the City of Brawley are as follows:

- Three (3) hard copies and an electronic copy of the final preliminary design plan.
- Two (2) hard copies and an electronic copy of the preliminary design engineers opinion of probable cost.
- One (1) hard copy of 90% specifications and an Electronic Copy of the specifications in Word Format.

- Two (2) hard copies of the 90% approved plans and an Electronic Copy of the 90% Plans in AutoCAD 2017 format. Full Size Plans shall be 24" x 36".
- One (1) hard copy of final specifications and an Electronic Copy of the specifications in Word Format
- Two (2) hard copies of the final approved plans and an Electronic Copy of the Plans in AutoCAD 2017 format. Full Size Plans shall be 24" x 36".
- Two (2) hard copies and an electronic copy of the final Engineers Opinion of Probable Quantity and Engineers Opinion of Probable Cost

**V. Exclusions, Exceptions and Assumptions**

The following exclusions, exceptions and assumptions were made regarding this proposal:

- A Geotechnical Report, if required, will be provided by the City of Brawley.
- A Title Report will be provided by the City of Brawley. The Title Report will identify encumbrances including easements across the property to be improved. Encumbrances such as easements will be illustrated on the plans and addressed by the Design Engineer during the project design.
- Quit Claiming and extinguishment of easements is excluded from the scope of work of this project. The Holt Group can provide the services necessary for addressing easement problems on an hourly rate compensation basis.

**VI. Compensation**

The Holt Group proposes to provide the scope of work services for this project for a lump sum fee as listed below:

1. Preliminary Engineering Design per Item II .....	\$5,800
2. Final Design Services per Item III .....	\$29,480
3. Deliverables per Item IV .....	\$525.00
Total	\$35,805

**VII. Hourly Rate Schedule**

The Holt Group Hourly Rate Schedule – 2017 is an attachment to this proposal. Should additional services be authorized by the City of Brawley on an hourly rate basis, the attached Hourly Rate Schedule shall apply.

**THE HOLT GROUP, INC.**  
**Hourly Rate Schedule**  
**Effective January 1, 2017**

<b>PLANNING</b>	
Senior Planner (AICP)/Senior Project Manager	\$130.00/Hour
Associate Planner	\$95.00/Hour
Assistant Planner	\$90.00/Hour
Planning Clerk	\$60.00/Hour
Senior Labor Standards Compliance Monitor	\$94.00/Hour
Assistant Labor Standards Compliance Monitor	\$79.00/Hour
Planning Assistant	\$70.00/Hour
Grant Manager	\$130.00/Hour
Planning Designer/AutoCAD Technician	\$75.00/Hour
<b>ENGINEERING</b>	
Principal Engineer P.E./L.S.	\$170.00/Hour
Project Engineer P.E./L.S.	\$150.00/Hour
Associate Project Engineer	\$130.00/Hour
Assistant Project Engineer	\$130.00/Hour
Project Manager	\$130.00/Hour
Civil Designer III	\$105.00/Hour
Civil Designer II	\$100.00/Hour
Civil Designer I	\$90.00/Hour
Senior Plan Checker	\$130.00/Hour
Plan Checker	\$110.00/Hour
Resident Engineer	\$125.00/Hour
Assistant Resident Engineer	\$110.00/Hour
Designer III	\$90.00/Hour
Designer II	\$80.00/Hour
Designer I	\$75.00/Hour
<b>SURVEYING STAFF</b>	
Survey Project Manager	\$150.00/Hour
2 Man Survey Crew with GPS (Overtime)	\$340.00/Hour
2 Man Survey Crew with GPS	\$270.00/Hour
1 Man Survey Crew with GPS	\$160.00/Hour
Survey Travel Time	Crew Rate x 50%
<b>NOTES:</b>	
1. The minimum time charged for survey project is 1/2 day (4 hours at the crew rates plus travel time).	
2. Crew charges include standard surveying equipment.	
Rental of any special equipment will be charged at cost plus 15%.	
<b>ADMINISTRATIVE SUPPORT SERVICES</b>	
Senior Administrator	\$85.00/Hour
Word Processor	\$65.00/Hour
Office Technician/Courier	\$60.00/Hour
<b>REIMBURSABLE EXPENSES</b>	
Photocopies (each)	\$0.25
Plots (per square foot in color)	\$1.70
Plots (per square foot in black & white)	\$0.85
Computer Plotter	\$19.00/Hour
Postage	Cost + 15%
Vehicle Mileage	\$0.59
Reproduction, Special Photography, Printing, etc. performed by Subcontractor, Aerial Photogrammetry, Delivery Service,	Cost + 15%
Hotel/Motel Per Diem Expenses	Cost + 15%

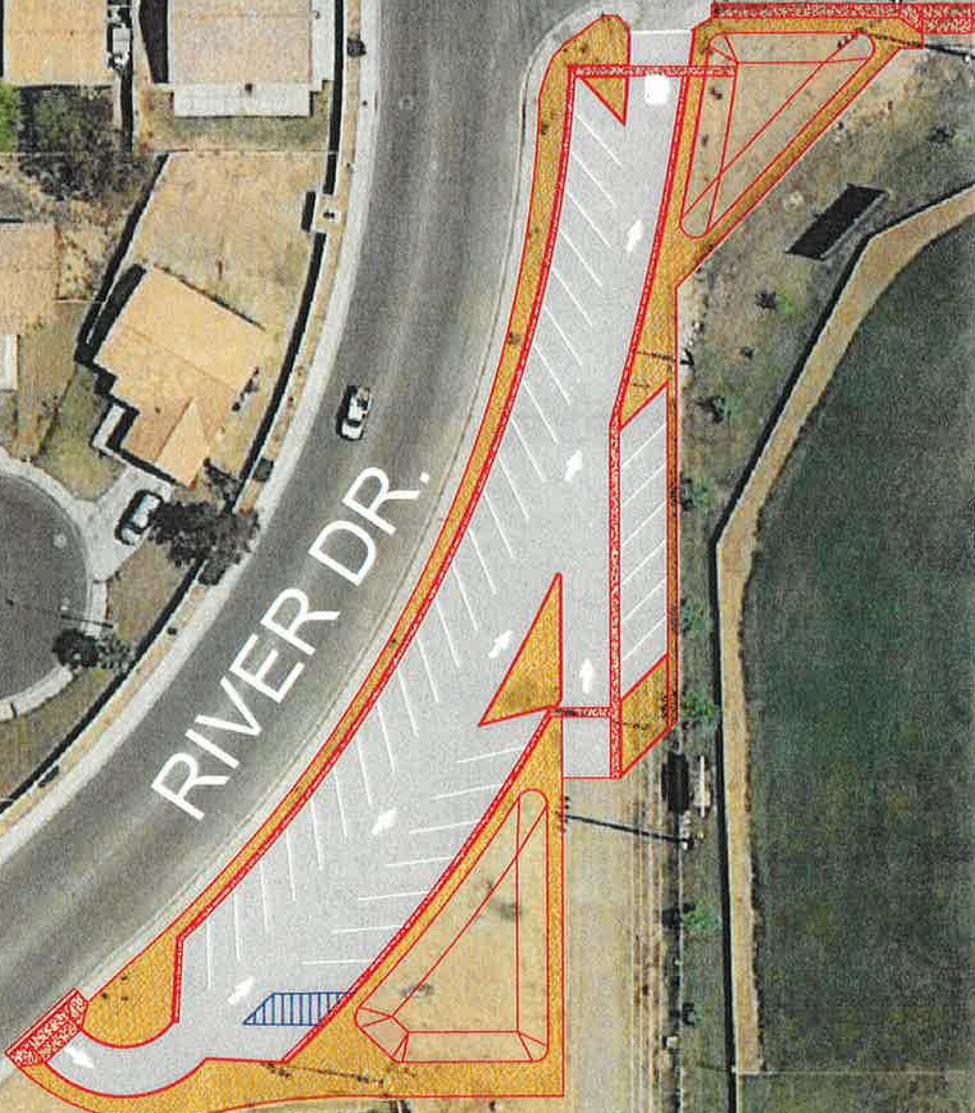
PRELIMINARY CONCEPT  
VOLUNTEER PARK PARKING LOT  
IMPROVEMENTS - PHASE 2



3RD ST.

RIVER DR.

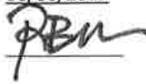
VOLUNTEER  
PARK



**COUNCIL AGENDA REPORT**

City of Brawley

Meeting Date: 06/06/2017

City Manager: 

**PREPARED BY:** Guillermo Sillas, P.E., Public Works Director

**PRESENTED BY:** Guillermo Sillas, P.E., Public Works Director

**SUBJECT:** Amendment No. 2 to the Professional Engineering Services Agreement with The Holt Group, Inc. – Review of Plans & Specifications for One World Beef Biofiltro and Main Street Lighting Improvements

**CITY MANAGER RECOMMENDATION:** Approve proposed amendment.

**DISCUSSION:** On November 14, 2016, the City of Brawley engaged James G. Holt, P.E. as a Consulting Interim City Engineer and Public Works Director. During his tenure and among other activities, Mr. Holt reviewed plans and specifications for the proposed One World Beef pre-treatment facilities, referred to as Biofiltro. He also reviewed the plans and specifications for the proposed Main Street Lighting Improvements.

On April 17, 2017, the City appointed a permanent Public Works Director and City Engineer. At that time, Mr. Holt was actively engaged in the two above-referenced priority City projects. It is staff's recommendation that continuity in engineering review will help to expedite the City's issuance of a building permit for Biofiltro and the commencement of the bidding process for the Main Street Lighting Project.

This authorization request in the amount of \$25,000 includes \$20,000 for the review of Biofiltro plans and specifications and \$5,000 for the review of Main Street Lighting Improvements project plans and specifications.

**FISCAL IMPACT:** \$25,000.00 Increase in Public Works Department Professional Services FY 2016/2017 Budget to be paid from permanent salary savings.

**ATTACHMENTS:** Proposed Amendment

**AMENDMENT NO. 2  
TO CONTRACT FOR  
MUNICIPAL ENGINEERING SERVICES  
DATE: June 6, 2017**

The Parties to this Amendment No. 2 to the Contract are the City of Brawley (City) and The Holt Group, Inc. (Consultant).

**RECITALS**

As part of the original Scope of Work, Consultant is to provide Municipal Engineering Services.

Amendment No. 2 consists of continued Municipal Engineering Services to review plans and specifications of Biofiltro facilities inside One World Beef premises to recommend the City to issue a construction permit. Amendment No. 2 also includes Municipal Engineering Services to review plans and specifications of Main Street Lighting Improvements Phases 1, 2 & 3.

**THE PARTIES AGREE:**

- 1.0 The Scope of Work is revised as follows: The Consultant will provide additional municipal engineering services to review plans and specifications of Biofiltro facilities inside One World Beef premises to recommend the City to issue a construction permit.
- 2.0 The Consultant will provide additional municipal engineering services to review plans and specifications of Main Street Lighting Improvements Phases 1, 2 & 3.
- 3.0 Additional funds for Consultant to cover the revised Scope of Services shall not exceed \$25,000.00 of which \$20,000 are for Biofiltro project and \$5,000 are for the Main Street Lighting Improvement project.
- 4.0 The revised maximum amount of the Agreement, which includes the amount of this Amendment, shall not exceed One Hundred Twenty-Five Thousand Dollars (\$125,000).
- 5.0 All other terms, conditions and stipulations contained in the original Contract shall remain in effect.

DATED: \_\_\_\_\_, 2017

CITY OF BRAWLEY

By: \_\_\_\_\_  
Rosanna B. Moore, City Manager

The Holt Group, Inc.

ATTEST:

By: \_\_\_\_\_  
James G. Holt, P.E.

By: \_\_\_\_\_  
Alma Benavides, City Clerk



## Fiscal Year 2016 - 17

Monthly Staffing Report for June 1, 2017

Updated 06/02/2017

Full-time Regular EE Groups	Authorized Positions	Filled Positions	Vacant Positions	Notes
Building & Community Develop.	5	5	0	
Finance	7	7	0	
Fire	19	18	1	Firefighter
Personnel & Risk Management	1	1	0	
Information Technology	1	1	0	
Library	4	4	0	
Parks & Recreation	10	8	2	Senior Center Coordinator, Parks Maintenance Worker
Planning	2	2	0	
Police	50	46	4	1 Police Officer, Graffiti Abatement, 2 Dispatchers
Public Works	40	37	3	Deputy Director, Mechanic, & Utility Leadman
Records Management/City Clerk	3	3	0	Clerk as 2 positions
Council Members	5	5	0	
Treasurer	1	1	0	
City Manager	1	1	0	
<b>Total</b>	<b>149</b>	<b>139</b>	<b>10</b>	

Groups	Limited Term Positions	Temp & Part time Positions	Temp Agency Positions	
Planning	0	0	0	
Fire - Reserve/Call Paid	0	11	0	
Library	3	5	0	
Parks & Recreation	0	29	0	Two temp workers for Parks Maintenance; one Admin Sec and Sr Ctr Coord. One person to turn on and off lights; Field Supervisor for rec leagues; 18 lifeguards; 4 Pool Cashiers; 1 Pool Manager
Police	0	2	0	P/T Maintenance worker, F/T Graffiti Abatement
Public Works	0	3	0	Temporary assistance in wastewater, pretreatment and streets and utilities
Records Management	0	1	0	Currently utilizing temp worker from PD 10 hours per week

Prepared by: Shirley Bonillas, Personnel & Risk Management Administrator



# City of Brawley Parks & Recreation 2017 SUMMER SCHEDULE

LIONS CENTER  
225 "A" Street  
Brawley, Ca. 92227  
(760) 344-5675  
Website:  
[www.brawley-ca.gov](http://www.brawley-ca.gov)

## OFFICE HOURS

MONDAY—FRIDAY

8:00 AM TO 5:00 PM

CLOSED

12 NOON—1:00PM

## REGISTRATION DATES:

Tues., May 30—

Fri., June 16

### REGISTRATION

#### REGULATIONS & POLICIES

Registration is on a first come, first serve basis at the Parks and Recreation Office. NO PHONE OR FAX

REGISTRATION WILL BE ACCEPTED. ALL FEES MUST BE PAID AT THE TIME OF REGISTRATION. A waiting list

will be made if a program is full. Participants will be contacted if a space becomes available. Being placed on a

waiting list is not a guarantee that there will be room available in the program. There is a \$ 5.00 fee for all refunds.

Once a program begins, there will be no refunds.

The Department reserves the right to cancel the program if enrollment is low.



**\*ANY CHILD NOT PICKED UP WITHIN 15 MINUTES AFTER THE PROGRAM ENDS EACH DAY WILL BE CHARGED \$25.00 PER TIME\***



### OPEN GYM

SESSION 1: June 19 - June 30

SESSION 2: Aug. 7-Aug. 25

Children entering 1st—6th gr.

Monday - Friday: 8am to 3pm

Children spending the day must bring a lunch

Fee: \$ 5.00 per day

### SUMMER DAY CAMP

July 5 - Aug. 4

Open to children entering 1st—6th gr.

Monday - Friday

10 am to 3 pm

CHILDREN MUST BRING A SACK LUNCH

Fee: \$ 75.00/\$ 100 Non-Resident

### PAINT, READ & PLAY-A.M.

**\*\*MUST BE ENROLLED IN SUMMER DAY CAMP TO QUALIFY FOR THIS PROGRAM\*\***  
JULY 5 - AUG. 4

Monday - Friday: 8am - 10 am

Fee: \$ 25/\$50 non resident

### PAINT, READ & PLAY-P.M.

**\*\*MUST BE ENROLLED IN SUMMER DAY CAMP TO QUALIFY FOR THIS PROGRAM\*\***  
JULY 5 - AUG. 4

Monday - Friday: 3pm to 5pm

Fee: \$25/\$50 non resident

### JUNIOR LEADER PROGRAM

July 5 - Aug. 4

Open to teens entering 7th & 8th grade

Monday - Friday: 10am to 3pm

Limited to the first 15 registered

Children will need to bring their own lunch

Fee: \$ 50/\$75 non resident

### MINI CAMP

July 5 - Aug. 4

Open to ages 3 (fully potty trained) to 5 (entering kindergarten)

Classes are limited to the 15 per session.

CHILDREN MAY REGISTER FOR ONE SESSION ONLY!

Session 1: Mon. & Wed. 9am to 12 noon

Session 2: Mon. & Wed. 12 noon to 3pm

Session 3: Tues. & Thurs. 9am to 12 noon

Session 4: Tues. & Thurs. 12 noon to 3 pm

fee: \$ 50/\$75 non-resident



### SWIM LESSONS FOR CHILDREN

Ages 4-12

Monday—Thursday

9:30am, 10am or 10:30 am

Children may sign up for one session and one time slot only. Once a session starts, a child may sign up for the following session if there are still spots available.

Limited to 20 participants in each session.

Session 1: June 19-July 6

(No lessons on July 4)

Session 2: July 10—July 27

Session 3: July 31-Aug. 17

Fee: \$ 30/\$ 55 non-resident

### MOMS, DADS, TOTS

Open to ages 1 month to 3 years

Saturdays only

June 24, July 1, 15, 22, 29, Aug. 5

10am to 11 am. Limited to 15 students

Fee: \$30/\$55 non-resident

### ADULT SWIM LESSONS

June 19, 21, 26, 28, July 3, 5, 11, 12, 17 & 19

Open to ages 16 and over

5:30 pm to 6:30 pm

Fee: \$ 30.00/\$55 non-resident

### ADULT/SENIOR SWIM

June 19-Aug. 18

Mon.—Fri: 12 noon –1pm

Fee: \$2.00 per visit or \$50 for a 3 mo. Pass

Seniors \$ 1.00 per visit

### ADULT LAP SWIM

Monday—Friday

5:15 pm to 6:45 pm

Fee: \$ 2.00 per visit or

\$50 for a 3 month pass

### FREE SWIM DAYS FOR CHILDREN & TEENS WITH SPECIAL NEEDS

FRIDAYS ONLY

June 23, 30-July 7, 14, 21, 28-Aug. 4, 11 & 18

9:00 am to 10:00 am

Open to 1st grade to 9th grade

\*\*Participants must be accompanied by an adult or licensed caregiver\*\*





**DIVE IN MOVIE**  
**LIONS CENTER POOL**  
**SUNDAY, JULY 2**  
**Free event for the**  
**entire family.**  
**Doors Open at 7:00 pm**  
**Movie begins at 8:00 pm**  
**Refreshments will be served**

**FREE PUBLIC SWIM DAY AT THE**  
**LIONS CENTER POOL**  
**Sponsored by:**  
**Soroptimist Club of Brawley**  
**Tuesday, July 4**  
**1:00 pm to 5:00 pm**

**LIONS CENTER POOL HOURS**

**PUBLIC SWIM**  
 May 27—June 11  
**SATURDAY & SUNDAY ONLY!**  
 1:00 PM - 5:00 PM  
 June 16-August 20  
**SUN., MON., TUES., WED., THURS.,**  
**FRI., & SAT. -1:00 pm to 5:00 PM**  
 Fee: ages 15 & under : .50  
 ages 16 & over: \$ 1.00  
 The pool will close at 3:30 pm on  
 June 20, June 29, July 11

\*\*The pool will open at 2pm on  
 Sat., July 8

**FAMILY SWIM**  
 \*\*An adult 18 years or older must  
 accompany children\*\*  
 June 19 - Aug. 18  
 Mon. & Wed.: 8:00 pm -9:30 pm  
 Tues., Thurs. & Fri.: 7pm to 9 pm  
 Fee: same as Public Swim  
 \*\*There will be no Family Swim on  
 June 20, 29 a& July 11



**BRAWLEY TEEN CENTER**

220 Magnolia St.  
 OPEN TO AGES  
 13-18 ONLY  
 Monday - Friday:  
 5pm to 9pm

For a list of activities, please call:  
 (760) 344-8040



**DS ARTS CLASSES**

**INSTRUCTOR: DEB SMERDON**  
 Classes will be held at DS Art  
 Studio & gallery located at 151  
 South 6th. Registration will be taken at  
 this location. For further info. and  
 class listing, please call (760) 554-2193



**KARATE CLASS**

**INSTRUCTOR: ALBERTO CRISTERNA**

AGES 6-ADULT

Classes are Mon. & Wed. 6pm to 7:30 pm in  
 the Lions Center Conference Room,. Please  
 arrive 15 minutes prior to class to register  
 with the instructor.



**BLAKE DAVIS SKATE PARK**

Located on the corner of  
 3rd & Magnolia St.  
 Open 7 days a week  
 8:00 am to 10:00 pm

Seasonal hours vary.  
 Please follow all posted  
 rules!



**HIP HOPPERZ DANCE CLASS**

**Instructor: David Lawson**  
 July 10 - August 10  
 Tues. & Thurs. 7 pm to 8:30 PM  
 Open to ages 10 to adult-limited to  
 20 students  
 Fee: \$ 40.00 per student



**PILOXING CLASS**

**Instructor: Laura Blake**  
 \*This workout is a fusion of boxing and  
 standing pilates principals.\*  
 Tuesdays & Thursdays  
 6:00 pm to 7:00 pm  
 in the Lions Center  
 Fee: \$ 30/month or \$5 per  
 class



**BRAWLEY SENIOR CENTER**

**Coordinator:**

**Tanya Fernandez-Perez**

**Office hours: Monday - Friday,**  
**8:00 am to 5:00 pm, Closed**  
**12 pm to 1pm for lunch**  
**(760) 344-3154**

**Activity list available on site**  
**NUTRITION PROGRAM**  
**Monday—Friday**  
**11:30 am to 12 noon**  
**Please call (760) 344-6565 for**  
**reservations**

**ZUMBA GOLD WITH MARY**  
**FOR AGES 60 & OLDER ONLY**  
**Mon., Wed., & Fri.**  
**9:15 am to 10:15 am in the main hall**

**UPCOMING EVENTS**



**YOUTH SOCCER**

**Ages 4 - 11**

**\*\*Must be age 4 by Oct. 1, 2017\*\***

**Registration Dates:**

**Wed., Sept. 6—Fri., Sept. 22**  
**Fee: \$ 40.00/\$ 50 non-resident**

**\*A copy of the Birth Certificate is  
 required at registration\***

**YOUTH BASKETBALL**

**Grades 1st - 8th grade**

**Registration Dates:**

**Mon., November 13—Fri., Dec. 1**  
**Fee: \$40/\$ 50 non resident**



**GIRLS SOFTBALL**

**2nd-8th grade girls**

**Registration Dates:**

**Mon., Feb. 19-Fri., March. 2**  
**Fee: \$35/\$45 non-resident**



**ZUMBA CLASSES**

**\*You may register with the  
 Instructor for each class\*\***

**ZUMBA WITH LAURA- A.M.**

**Ages 16+Mon. Wed., & Thurs.**  
**7 am to 8 am in the Lions Center**  
**(June 19 - August 24)**  
**fee: \$ 25 per month/\$ 5 per class**

**ZUMBA WITH LAURA-P.M.**

**ages 13+Mon. & Wed.**  
**6pm to 7pm in the Lions Center**  
**Fee: \$25/month or \$ 5 per class**

**ZUMBA WITH JACKIE**

**Ages 13+ Mon., Tues., & Wed.**  
**6:15 pm to 7:15 pm in the Del Rio**  
**Community Center, 1501 "I" St**  
**\$ 25 month or \$ 5 per class**

**AQUA ZUMBA WITH MARY**

**"Zumba in the Lions Center Pool"**  
**Ages 16+ Mon. & Wed. 7pm to 8pm**  
**Fee: \$25 month/\$ 5 per class**



# Grand Re-Opening of Alyce A. Gereaux Park



Magnolia St. & N. Eastern Ave.  
10 a.m. Tuesday, June 13, 2017

Get wet in the new splash pad, go wild with desert treasures art and celebrate the renovation project generously supported by a \$2.7 million California State Parks grant.



City of Brawley



459





# RECORD OF BUILDING PERMITS

## April 2017

Prepared by: Francisco Soto, Building Official

5/26/2017

DATE ISSUED	PERMIT NUMBER	PERMIT DESCRIPTION	ASSESSOR PARCEL NUMBER	ADDRESS	OWNER	ISSUED TO	COST OF IMPROVEMENTS
04/03/17	26954	New Bathroom	049-223-038	674 South 14th Street	Francisco Soto	R. Garcia Construction, Inc.	\$7,200.00
04/04/17	26955	Mechanical	048-520-250	176 Main Street	Rabo Bank	Locke Air Conditioning	N/A
04/05/17	26956	Reroof	046-253-011	414 West "A" Street	Angie Espinoza	Action Ari Conditioning	\$10,600.00
04/05/17	26957	Demo House	049-201-013	649 Vine Street	Ashley M. Mejia	R. Garcia Construction, Inc.	N/A
04/06/17	26958	Right of Way	N/A	S. 9th St. Btwn Malan&Main	City of Brawley	AT&T	N/A
04/06/17	26959	Demo House	049-201-014-000	651 Vine Street	Eduardo Eliseo Escarcega	R. Garcia Construction, Inc.	N/A
04/07/17	26960	New House	048-401-010-000	959 Santillan Street	Imperial Valley Builders LP	CRS General Contractor, Inc.	\$155,000.00
04/07/17	26961	New House	048-402-012-000	972 Santillan Street	Imperial Valley Builders LP	CRS General Contractor, Inc.	\$155,000.00
04/07/17	26962	New House	048-402-009-000	954 Santillan Street	Imperial Valley Builders LP	CRS General Contractor, Inc.	\$155,000.00
04/07/17	26963	New House	048-402-010-000	960 Santillan Street	Imperial Valley Builders LP	CRS General Contractor, Inc.	\$155,000.00
04/07/17	26964	New House	048-401-012-000	971 Santillan Street	Imperial Valley Builders LP	CRS General Contractor, Inc.	\$155,000.00
04/07/17	26965	New House	048-402-007-000	942 Santillan Street	Imperial Valley Builders LP	CRS General Contractor, Inc.	\$155,000.00
04/07/17	26966	New House	048-402-008-000	948 Santillan Street	Imperial Valley Builders LP	CRS General Contractor, Inc.	\$150,000.00
04/07/17	26967	New House	048-402-011-000	966 Santillan Street	Imperial Valley Builders LP	CRS General Contractor, Inc.	\$150,000.00
04/07/17	26968	New House	048-401-011-000	965 Santillan Street	Imperial Valley Builders LP	CRS General Contractor, Inc.	\$150,000.00
04/07/17	26969	Electrical	048-042-001	260 West Main Street, #33	All American Holdings Co. LLC	Owner	N/A
04/10/17	26970	Electrical	048-141-004-000	148 West "I" Street	Arthur P. Kern	Dan Boyer Construction	N/A
04/10/17	26971	Mechanical	046-142-018	219 "B" Street	Manuel de Jesus Medina	Desert Air Conditioning	N/A
04/10/17	26972	Mechanical	049-150-039	925 "K" Street	Alfonso Avilez	Desert Air Conditioning	N/A
04/10/17	26973	Reroof	046-270-033	463 West Magnolia Street	Omar Itani	Arrowhead Construction	\$10,000.00
04/10/17	26974	Electrical	048-384-011	941 Calle Estrella	Martin Hernandez	Aztec Construction	N/A
04/11/17	26975	Demo Cooler	049-270-058-000	33 Malan Street	Crown Cooling	Elms Equipment Rental, Inc.	N/A
04/11/17	26976	Demo Building	047-272-007-000	726 1/2 "C" Street	Marion F. Journey Jr.	Owner	N/A
04/13/17	26977	Plumbing	046-337-010	1099 Walnut Street	John and Frederica Luke	Ecowater Systems of San Diego	\$7,500.00
04/13/17	26978	Remodel House	046-343-020-000	981 Flammang Avenue	Wayne Williams	Safe Step Walk In Tub Co.	\$122,500.00
04/13/17	26979	Remodel House	048-074-010	350 Sycamore Drive	Steven Emanuelli	George Mitchell Construction	N/A
04/13/17	26980	Mechanical	049-150-018	982 "J" Street	Pablo Garcia	JC Heating & Cooling	N/A
04/14/17	26981	Patio	046-349-010-000	864 Hickory Court	Jose J. Pena	Owner	\$10,626.00
04/17/17	26982	Mechanical	046-348-004	1077 Pater Street	Philip and Lorraine Torres	Baeza's Heating & Cooling	N/A
04/17/17	26983	Mechanical	048-377-012	1041 Legion Road	Salvador Ramirez	Baeza's Heating & Cooling	N/A
04/17/17	26984	Mechanical	046-252-007-000	456 West Magnolia Street	Ivon Castro	Baeza's Heating & Cooling	N/A
04/18/17	26985	Right of Way	049-181-039	640 South Imperial Avenue	Roman Catholic Bishop Of SD	Exquisite Construction	N/A
04/19/17	26986	Asbestos Removal	046-302-002-000	285 West Jones Street	Robert and Esther Banda	Alliance Environmental, Inc.	\$6,275.00



# RECORD OF BUILDING PERMITS

## April 2017

Prepared by: Francisco Soto, Building Official

5/26/2017

DATE ISSUED	PERMIT NUMBER	PERMIT DESCRIPTION	ASSESSOR PARCEL NUMBER	ADDRESS	OWNER	ISSUED TO	COST OF IMPROVEMENTS
04/19/17	26987	Right of Way	N/A	S of Main E of Cesar Chavez	City of Brawley	AT&T	N/A
04/19/17	26988	Solar/Electrical Panel	047-122-020	650 North 5th Street	Ruby Casillas	Smart Energy Solar	N/A
04/21/17	26989	Mechanical	048-401-005	929 Santillan Street	Abelardo Ambriz	Lopez Air	N/A
04/24/17	26990	Mechanical	049-081-006	460 "H" Street	Katherin Camarillo	Dugan Climate Control	N/A
04/24/17	26991	Patio	046-349-025	886 Spruce Court	Arturo Arroyo	Owner	\$15,000.00
04/24/17	26992	Right of Way	046-202-013-000	173 West Main Street	Chevron	ABC Liovin Drilling, Inc.	N/A
04/25/17	26993	Patio	046-334-006	1025 Ash Street	Ernesto Lopez	Owner	\$7,500.00
04/26/17	26994	Church Remodel	046-201-006	275 North 5th Street	Trinity Lutheran Church	Arrowhead Construction Co.	\$11,900.00
04/27/17	26995	Tenant Improvement	049-021-020	132 South Plaza Street	Tenant:Ryan Brandt	Tenant	\$27,000.00
04/27/17	26996	Electrical	047-342-023	520 "E" Street	Faith Mntn. Pentecostal Church	Owner	N/A
04/27/17	26997	Mechanical	048-073-011	400 Willard Avenue	Joel Sanchez	SBB Electric	N/A
04/27/17	26998	New House	048-460-104	335 Marigold Place	Sartan Nahar	GHA Enterprises, Inc.	\$149,377.00
04/27/17	26999	New House	048-460-103	337 Marigold Place	Sartan Nahar	GHA Enterprises, Inc.	\$149,377.00
04/27/17	27000	New House	048-460-102	339 Marigold Place	Sartan Nahar	GHA Enterprises, Inc.	\$149,377.00
04/27/17	27001	New House	048-460-099	340 Marigold Place	Sartan Nahar	GHA Enterprises, Inc.	\$149,377.00
04/27/17	27002	New House	048-460-100	342 Marigold Place	Sartan Nahar	GHA Enterprises, Inc.	\$206,767.00
04/27/17	27003	New House	048-460-101	344 Marigold Place	Sartan Nahar	GHA Enterprises, Inc.	\$206,767.00

## **AGREEMENT FOR DISPATCHING SERVICES**

THIS AGREEMENT is entered into by and between the CITY OF BRAWLEY, California, a municipal corporation, 383 Main Street, California (hereinafter referred to as "BRAWLEY") and the CITY OF CALIPATRIA, California, a municipal corporation, 125 North Park Avenue, Calipatria, California (hereinafter referred to as "CALIPATRIA"), on July 1, 2017.

### **RECITALS**

WHEREAS, the parties hereto are located in the County of Imperial; and

WHEREAS, BRAWLEY, by and through its Police Department, has the personnel, equipment and facilities to provide radio dispatching services on a twenty-four (24) hour per day, seven (7) days a week basis in the operation of its fire and police functions; and

WHEREAS, CALIPATRIA, by and through its Police Department, desires to avail itself of BRAWLEY'S dispatching services.

### **NOW, THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:**

1. SCOPE OF SERVICES. BRAWLEY, by and through its Police Department and under its direction and control, shall provide to CALIPATRIA, the following services:

a) Radio communications and dispatching services on a twenty-four (24) hour per day, seven (7) days per week basis;

b) The use of BRAWLEY teletype system operated through the California Law Enforcement Telecommunications System with linkage and access to all users and participating agencies available through that system; and

c) 911 dispatching services for police emergencies.

2. TERM. The term of this Agreement shall commence on the above date and continue through June 30, 2019, unless terminated by either party as provided herein. If BRAWLEY continues to provide the services as described herein after the term of this Agreement, then the Agreement shall continue from month to month at the same compensation rate then in effect and subject to all other terms and conditions of this Agreement; provided, however, that either party may terminate this Agreement pursuant to Section 12, Termination.

3. COMPENSATION. As compensation for such services, CALIPATRIA shall pay to BRAWLEY the sum of Forty-seven Thousand One Hundred Seventy-seven Dollars (\$47,177.00) per year. Such compensation shall be paid in equal quarterly installments on or before the last day of September, December, March and June of each fiscal year throughout the term of this Agreement. The rate set forth herein shall be effective July 1, 2017, through June 30, 2019.

The parties to this contract agree to meet on a bi-annual basis to discuss the terms and conditions contained herein. The annual compensation shall be based upon BRAWLEY'S actual cost of operations for the preceding calendar year and CALIPATRIA'S average calls for service for the previous two (2) calendar years.

4. INSURANCE. Within thirty (30) days after execution, parties shall submit to the other proof of public liability insurance or self-insurance naming the other party as additional insured for actions performed pursuant to this Agreement.

5. INDEMNIFICATION. Each party hereto agrees to indemnify and hold the other harmless from any claim, loss, or liability of any nature whatsoever which may arise out of any injury or death to any person or any damage to property caused by any act, neglect, default, or omission of the indemnifying party in connection with this agreement.

6. EQUIPMENT. All equipment used by BRAWLEY at its Communication Center to fulfill the terms of this Agreement is and shall remain the property of BRAWLEY; except as provided in Section 8 below. BRAWLEY shall pay for the installation, maintenance and repair of its own equipment.

7. TELEPHONE SERVICE CHARGES. CALIPATRIA shall pay directly to the telephone company all monthly telephone service charges for all existing and future trunk lines and other reporting telephone lines from CALIPATRIA to the BRAWLEY Communications Center and for all other telephone equipment related to those lines.

8. SPECIAL OR EXTRA EQUIPMENT. CALIPATRIA may have installed special or extra telephone lines, telephone equipment or electronic equipment in addition to the standard equipment required by this Agreement, provided that CALIPATRIA shall pay for the installation, maintenance and repair of all such special or extra equipment. All such special or extra equipment shall be approved by BRAWLEY prior to installation. Upon termination of this Agreement, CALIPATRIA may remove such equipment, provided BRAWLEY'S property is not damaged in the process.

9. OPERATIONAL PROCEDURE. Operational procedure shall be agreed upon by the Police Chief of each party. CALIPATRIA shall be responsible for the proper disposition of its non-emergency business telephone calls. In the event it is necessary in an emergency to change operational procedure, or in the event operational procedure cannot be agreed upon by mutual consent, then the procedure shall be determined by the Police Chief of BRAWLEY.

10. MAPPING INFORMATION. CALIPATRIA shall provide and maintain accurate mapping and related police and fire information necessary for efficient police dispatching and CALIPATRIA shall be responsible for all such information and for maintaining such mapping and shall cause changes therein to be promptly sent to the Communication Center in BRAWLEY. CALIPATRIA accepts all responsibility and liability for any damage or delay caused by any inaccuracy of such information and shall indemnify and hold harmless BRAWLEY its agents, officers and employees, from any claim of damage, or damages, or cause of action arising therefrom.

11. THIRD PARTIES. This agreement shall not be construed as, or deemed to be an agreement for the benefit of any third party or parties, and no third party or parties shall have the right of action hereunder for any cause whatsoever. Any services performed or expenditures made in connection with furnishing aid under this Agreement by any party hereto, shall be deemed, conclusively, to be for the protection and benefit of all inhabitants and property of such party.

12. TERMINATION. Either party may terminate the Agreement at any time upon one hundred eighty (180) days written notice of such termination given to the other party. In the event of such termination, CALIPATRIA shall pay BRAWLEY for services rendered under this Agreement through the date of such termination.

13. COST SHARING. The parties shall meet and endeavor to reach agreement as to whether a capital expenditure of \$5,000.00 or more on equipment utilized in providing services hereunder should occur. If CALIPATRIA determines it does not wish to participate based on the ratio set forth in Section 3 for the year during which the acquisition is proposed to occur, its sole remedy is to terminate this Agreement pursuant to Section 12. If this Agreement is terminated pursuant to Section 12, BRAWLEY shall refund a pro-rata portion of CALIPATRIA's share based upon the unused useful life of the equipment or improvements, if any, previously approved.

14. NOTICES. Notices pursuant to this Agreement shall be given by personal service or by deposit of the same in the course of transmission in the United States Postal Service, postage prepaid, addressed to, as follows:

City Manager  
CITY OF BRAWLEY  
383 Main Street  
BRAWLEY, CA 92227

City Manager  
CITY OF CALIPATRIA  
125 North Park Avenue  
CALIPATRIA, CA 92233

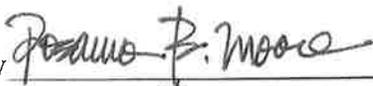
Notices given in accordance herewith shall be binding for all purposes on parties so served. Notices shall be deemed given as of the date of personal service, or as to the date of deposit of the same into the course of transmission of the United States Postal Service.

15. COUNTY-WIDE DISPATCH CENTER. In the event that BRAWLEY or CALIPATRIA enter into an agreement for County-wide dispatching services, this agreement shall become null and void ninety days after the effective date of such agreement.

16. PRIOR AGREEMENTS AND AMENDMENTS. This Agreement represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may only be modified by a written amendment.

IN WITNESS WHEREOF, this Agreement has been executed on the day and year herein first above written.

CITY OF BRAWLEY

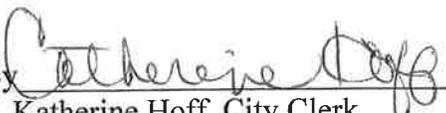
By   
Rosanna B. Moore, City Manager

CITY OF CALIPATRIA

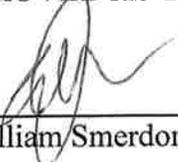
By   
Romualdo J. Medina, City Manager

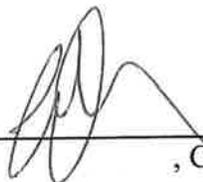
**ATTEST:**

By   
Alma Benavides, City Clerk

By   
Katherine Hoff, City Clerk

**APPROVED AS TO FORM:**

By   
William Smerdon, City Attorney

By , City Attorney

3/25/15

## **AGREEMENT FOR DISPATCHING SERVICES**

THIS AGREEMENT is entered into by and between the CITY OF BRAWLEY, California, a municipal corporation, 383 Main Street, California (hereinafter referred to as "BRAWLEY") and the CITY OF WESTMORLAND, California, a municipal corporation, 355 South Center Street, Westmorland California (hereinafter referred to as "WESTMORLAND"), on July 1, 2017.

### **RECITALS**

WHEREAS, the parties hereto are located in the County of Imperial; and

WHEREAS, BRAWLEY, by and through its Police Department, has the personnel, equipment and facilities to provide radio dispatching services on a twenty-four (24) hour per day, seven (7) days a week basis in the operation of its fire and police functions; and

WHEREAS, WESTMORLAND, by and through its Police Department, desires to avail itself of BRAWLEY'S dispatching services.

### **NOW, THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:**

1. SCOPE OF SERVICES. BRAWLEY, by and through its Police Department and under its direction and control, shall provide to WESTMORLAND, the following services:

a) Radio communications and dispatching services on a twenty-four (24) hour per day, seven (7) days per week basis;

b) The use of BRAWLEY teletype system operated through the California Law Enforcement Telecommunications System with linkage and access to all users and participating agencies available through that system; and

c) 911 dispatching services for police and fire emergencies.

2. TERM. The term of this Agreement shall commence on the above date and continue through June 30, 2019, unless terminated by either party as provided herein. If BRAWLEY continues to provide the services as described herein after the term of this Agreement, then the Agreement shall continue from month to month at the same compensation rate then in effect and subject to all other terms and conditions of this Agreement; provided, however, that either party may terminate this Agreement pursuant to Section 12, Termination.

3. COMPENSATION. As compensation for such services, WESTMORLAND shall pay to BRAWLEY the sum of Forty-one Thousand Three Hundred Five Dollars (\$41,305.00) per year. Such compensation shall be paid in equal quarterly installments on or before the last day of September, December, March and June of each fiscal year throughout the term of this Agreement. The rate set forth herein shall be effective July 1, 2017 through June 30, 2019.

The parties to this contract agree to meet on a bi-annual basis to discuss the terms and conditions contained herein. The annual compensation shall be based upon BRAWLEY'S actual cost of operations for the preceding calendar year and WESTMORLAND'S average calls for service for the previous two (2) calendar years.

4. INSURANCE. Within thirty (30) days after execution, parties shall submit to the other proof of public liability insurance or self-insurance naming the other party as additional insured for actions performed pursuant to this Agreement.

5. INDEMNIFICATION. Each party hereto agrees to indemnify and hold the other harmless from any claim, loss, or liability of any nature whatsoever which may arise out of any injury or death to any person or any damage to property caused by any act, neglect, default, or omission of the indemnifying party in connection with this agreement.

6. EQUIPMENT. All equipment used by BRAWLEY at its Communication Center to fulfill the terms of this Agreement is and shall remain the property of BRAWLEY; except as provided in Section 8 below. BRAWLEY shall pay for the installation, maintenance and repair of its own equipment.

7. TELEPHONE SERVICE CHARGES. WESTMORLAND shall pay directly to the telephone company all monthly telephone service charges for all existing and future trunk lines and other reporting telephone lines from WESTMORLAND to the BRAWLEY Communications Center and for all other telephone equipment related to those lines.

8. SPECIAL OR EXTRA EQUIPMENT. WESTMORLAND may have installed special or extra telephone lines, telephone equipment or electronic equipment in addition to the standard equipment required by this Agreement, provided that WESTMORLAND shall pay for the installation, maintenance and repair of all such special or extra equipment. All such special or extra equipment shall be approved by BRAWLEY prior to installation. Upon termination of this Agreement, WESTMORLAND may remove such equipment, provided BRAWLEY'S property is not damaged in the process.

9. OPERATIONAL PROCEDURE. Operational procedure shall be agreed upon by the Police Chief and Fire Chief of each party. WESTMORLAND shall be responsible for the proper disposition of its non-emergency business telephone calls. In the event it is necessary in an emergency to change operational procedure, or in the event operational procedure cannot be

agreed upon by mutual consent, then the procedure shall be determined by the Police Chief and Fire Chief of BRAWLEY.

10. MAPPING INFORMATION. WESTMORLAND shall provide and maintain accurate mapping and related police and fire information necessary for efficient police and fire dispatching and WESTMORLAND shall be responsible for all such information and for maintaining such mapping and shall cause changes therein to be promptly sent to the Communication Center in BRAWLEY. WESTMORLAND accepts all responsibility and liability for any damage or delay caused by any inaccuracy of such information and shall indemnify and hold harmless BRAWLEY its agents, officers and employees, from any claim of damage, or damages, or cause of action arising therefrom.

11. THIRD PARTIES. This agreement shall not be construed as, or deemed to be an agreement for the benefit of any third party or parties, and no third party or parties shall have the right of action hereunder for any cause whatsoever. Any services performed or expenditures made in connection with furnishing aid under this Agreement by any party hereto, shall be deemed, conclusively, to be for the protection and benefit of all inhabitants and property of such party.

12. TERMINATION. Either party may terminate the Agreement at any time upon one hundred eighty (180) days written notice of such termination given to the other party. In the event of such termination, WESTMORLAND shall pay BRAWLEY for services rendered under this Agreement through the date of such termination.

13. COST SHARING. The parties shall meet and endeavor to reach agreement as to whether a capital expenditure of \$5,000.00 or more on equipment utilized in providing services hereunder should occur. If WESTMORLAND determines it does not wish to participate based on the ratio set forth in Section 3 for the year during which the acquisition is proposed to occur, its sole remedy is to terminate this Agreement pursuant to Section 12. If this Agreement is terminated pursuant to Section 12, BRAWLEY shall refund a pro-rata portion of WESTMORLAND's share based upon the unused useful life of the equipment or improvements, if any, previously approved.

14. NOTICES. Notices pursuant to this Agreement shall be given by personal service or by deposit of the same in the course of transmission in the United States Postal Service, postage prepaid, addressed to, as follows:

City Manager  
CITY OF BRAWLEY  
383 Main Street  
BRAWLEY, CA 92227

City Clerk  
City of Westmorland  
355 South Center Street  
Westmorland, CA 92281

Notices given in accordance herewith shall be binding for all purposes on parties so served. Notices shall be deemed given as of the date of personal service, or as to the date of deposit of the same into the course of transmission of the United States Postal Service.

15. COUNTY-WIDE DISPATCH CENTER. In the event that BRAWLEY or WESTMORLAND enter into an agreement for County-wide dispatching services, this agreement shall become null and void ninety days after the effective date of such agreement.

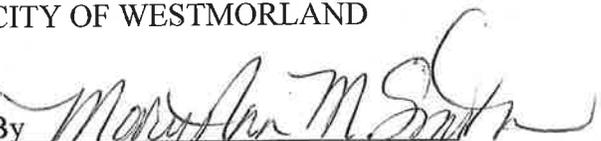
16. PRIOR AGREEMENTS AND AMENDMENTS. This Agreement represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may only be modified by a written amendment.

IN WITNESS WHEREOF, this Agreement has been executed on the day and year herein first above written.

CITY OF BRAWLEY

By   
Rosanna B. Moore, City Manager

CITY OF WESTMORLAND

By   
Mary Ann Smith, City Manager  
mayor

ATTEST:

By   
Alma Benavides, City Clerk

By   
Sally Traylor, City Clerk

APPROVED AS TO FORM:

By   
William Smerdon, City Attorney

By   
Mitch Driskill, City Attorney

3/25/15

## City of Brawley - Police Department- Communication Center

### Dispatch Services - Annual Costs

Salaries Permanent	\$ 280,795.09
Salaries Temporary	\$ 16,210.11
Overtime	\$ 98,119.79
Sick Leave Payoff	\$ 2,987.82
Holiday Bank	\$ 8,960.91
Retirement (PERS)	\$ 92,173.37
Social Security/Medicare (FICA)	\$ 41,808.01
Group Health Insurance	\$ 70,597.90
Workers Compensation	\$ 6,424.69
Disability Insurance	\$ -
Unemployment Insurance	\$ 2,732.55
Communication (telephone)	
Books and Periodicals	\$ -
Training	\$ -
Uniform Allowance	\$ -
Other Operating Supplies	\$ -
Office Supplies	\$ -
Comm Center Printer Maint. / Leasing	\$ -
Equipment Maint. Service (front/back tech)	\$ -
Electrical Supplies	\$ -
Janitorial Supplies	\$ -
Electricity	\$ -
Natural Gas	\$ -
Cleaning Services	\$ -
Postage	\$ -
Backup Power Systems	\$ -
Centrex Automated Phone Maint.	\$ -
Phase II Operations at 800 MHz /annual (10yr)	
DSS Digital Recording / annual (7yr)	\$ 4,770.00
Spillman Maint. (CAD/RMS)	\$ 18,945.68

---

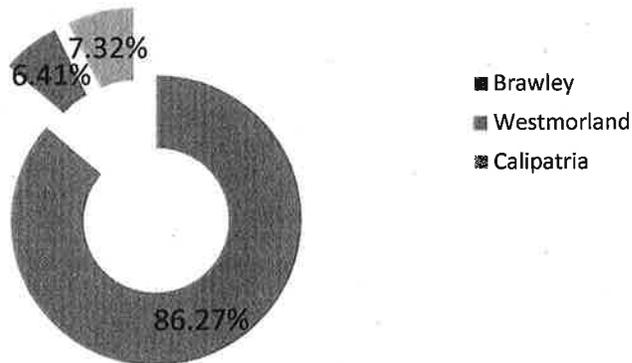
<b>Estimated Total Cost</b>	<b>\$ 644,525.92</b>
-----------------------------	----------------------

---

**Calls****Percentages****Expenses**

CITY	YEAR	LAW	FIRE	EMS	SUM
<u>Brawley</u>	2014	26772	2006	2993	31771
	2015	33823	1095	3903	38821
	2016	30017	1185	4070	35272
<u>Westmorland</u>	2014	2795	96	134	3025
	2015	2348	86	199	2633
	2016	1951	61	194	2206
<u>Calipatria</u>	2014	2703	60	128	2891
	2015	2769	174	202	3145
	2016	2585	105	256	2946

City	Avg. Calls	Total Calls	Percentage of Calls
Brawley	35288	40903	86.27%
Westmorland	2621		6.41%
Calipatria	2994		7.32%

**Percentage of Calls****Dispatch Services Annual Cost**

Total Expense \$644,525.92

**Operational Breakdown Cost**

	2016
Brawley	\$556,043.45
Westmorland	\$41,305.12
Calipatria	\$47,177.34



# CITY OF BRAWLEY

## INVESTMENT ACTIVITY REPORT

### As of March 31, 2017



Financial Institution	Purchase Price	% Yield	Quarterly Earnings	Type	Purchase Date	Maturity Date	Interest Earnings
Local Agency Investment Fund (LAIF)	\$ 17,778,051.34	0.78 %	46,624.70				Quarterly
Community Valley Bank	\$ 1,000,000.00	1.01 %	2,474.42	Certificate of Deposit	06/10/16	6/10/2017	Monthly
Sun Community Federal Credit Union	\$ 1,000,000.00	1.50 %	3,779.42	Certificate of Deposit	07/18/16	07/19/17	Monthly
	\$ 19,778,051.34		\$ 52,878.54				

MultiBank Securities Purchases, as of 3/31/2017 (sorted by maturity date)									
CUSIP	FDIC	Financial Institution	Purchase Price	% Yield	Estimated Qtrly Earnings	Type of Purchase	Purchase Date	Maturity Date	Interest Earnings
063248ER5	19842	Bank Leumi USA New York	\$ 245,000.00	1.45 %	888.13	Certificate of Deposit	10/16/13	10/16/17	Semi-Annual
25665QAM7	32245	Dollar Bank Federal Savings	\$ 245,000.00	1.20 %	735.00	Certificate of Deposit	11/17/14	11/17/17	Semi-Annual
57116AJA7	58267	Marlin Business Bk Salt Lake	\$ 245,000.00	1.20 %	735.00	Certificate of Deposit	12/03/14	12/04/17	Monthly
947547HF5	34404	Webank Salt Lake City	\$ 245,000.00	1.25 %	765.63	Certificate of Deposit	12/29/14	12/29/17	Monthly
320844NW9	13675	First Merit National Assn	\$ 245,000.00	1.30 %	796.25	Certificate of Deposit	02/24/14	02/26/18	Semi-Annual
29976DWE6	34775	Everbank	\$ 245,000.00	1.10 %	673.75	Certificate of Deposit	04/15/15	04/13/18	Semi-Annual
38147JFH0	33124	Goldman Sachs Bk USA	\$ 248,000.00	1.20 %	744.00	Certificate of Deposit	05/22/13	05/22/18	Semi-Annual
20451NPD3	19048	Compass Bk Birmingham Al	\$ 245,000.00	2.00 %	1,225.00	Certificate of Deposit	10/09/13	10/09/18	Semi-Annual
36160NYP8	27314	GE Capital Retail Bk, Draper Utah	\$ 245,000.00	2.10 %	1,286.25	Certificate of Deposit	10/11/13	10/11/18	Semi-Annual
20033AHW9	57570	Comenity Capital Bank	\$ 245,000.00	1.80 %	1,102.50	Certificate of Deposit	11/03/14	11/05/18	Monthly
34387ABA6	58564	Flushing Bk	\$ 245,000.00	1.80 %	1,102.50	Certificate of Deposit	12/10/14	12/10/18	Monthly
79545QB74	58177	Sallie Mae Bank, Salt Lake	\$ 245,000.00	2.00 %	1,225.00	Certificate of Deposit	12/11/13	12/11/18	Semi-Annual
634116CC9	18734	National Bank New York	\$ 245,000.00	1.50 %	918.75	Certificate of Deposit	12/30/14	12/28/18	Semi-Annual
33621JW4	29058	First Savings Bank NW	\$ 245,000.00	1.45 %	888.13	Certificate of Deposit	02/13/15	02/13/19	Monthly
94986TP24	3511	Wells Fargo Bank	\$ 245,000.00	1.00 %	612.50	Certificate of Deposit	04/16/14	04/16/19	Quarterly
06740KGU5	57203	Barclays BK Del	\$ 245,000.00	1.95 %	1,194.38	Certificate of Deposit	05/06/14	05/07/19	Semi-Annual
02587CCG3	35328	American Express Bank, FSb.	\$ 245,000.00	2.15 %	1,316.88	Certificate of Deposit	10/30/14	10/30/19	Semi-Annual
856283ZK5	33682	State Bank of India Chicago	\$ 245,000.00	2.16 %	1,323.00	Certificate of Deposit	12/15/15	12/16/19	Semi-Annual
20786AAY1	57919	Connectone Bank Englewood	\$ 245,000.00	1.85 %	1,133.13	Certificate of Deposit	12/30/14	12/30/19	Monthly
02587DXP8	27471	American Express	\$ 248,000.00	1.90 %	1,209.00	Certificate of Deposit	04/30/15	04/30/20	Semi-Annual
254672NC8	5649	Discover Bank	\$ 248,000.00	1.90 %	1,178.00	Certificate of Deposit	05/06/15	05/06/20	Semi-Annual
14042E420	5297	Capital One	\$ 247,000.00	2.30 %	1,420.25	Certificate of Deposit	07/29/15	07/29/20	Semi-Annual
45780PAL9	90250	Institution for Savings	\$ 247,000.00	2.05 %	1,265.88	Certificate of Deposit	07/31/15	07/31/20	Monthly
29266NS32	57293	Enerbank USA Salt Lake City, UT	\$ 245,000.00	1.75 %	1,071.88	Certificate of Deposit	10/16/15	10/16/20	Monthly
31938QP57	15229	First Business Bank Madison, Wisc	\$ 245,000.00	1.75 %	1,071.88	Certificate of Deposit	10/16/15	10/16/20	Semi-Annual
32082BEB1	4365	First Merchants Bank	\$ 245,000.00	1.80 %	1,102.50	Certificate of Deposit	10/30/15	10/30/20	Monthly
05580ADF8	35141	BMW BK North, Salt Lake City, UT	\$ 245,000.00	2.26 %	1,384.25	Certificate of Deposit	11/18/15	11/18/20	Semi-Annual
40434AK65	57890	HSBC BK USA	\$ 245,000.00	1.55 %	949.38	Certificate of Deposit	01/21/16	01/21/21	Semi-Annual
95960NJ7	9123	Western St BK	\$ 245,000.00	1.65 %	1,010.63	Certificate of Deposit	02/19/16	02/19/21	Semi-Annual
319461AR0	57966	First Choice Bk	\$ 245,000.00	1.50 %	918.75	Certificate of Deposit	02/26/16	02/26/21	Monthly
48125YD50	628	JP Morgan Chase Bank	\$ 245,000.00	1.00 %	612.50	Certificate of Deposit	03/16/16	03/16/21	Semi-Annual
140420XR6	33954	Capital One Bank USA	\$ 245,000.00	1.70 %	1,041.25	Certificate of Deposit	04/06/16	04/06/21	Semi-Annual
981571CE0	57079	Worlds Foremost Bank	\$ 200,000.00	1.75 %	875.00	Certificate of Deposit	05/05/16	05/05/21	Monthly
48040PBE4	9325	Jonesboro St Bank	\$ 245,000.00	1.00 %	612.50	Certificate of Deposit	05/20/16	06/07/21	Monthly
90348JAR1	57565	UBS BK USA Salt Lake City UT	\$ 245,000.00	1.65 %	1,010.63	Certificate of Deposit	06/07/16	06/07/21	Monthly
38762PBN1	10918	Grant County Bank	\$ 245,000.00	1.50 %	918.75	Certificate of Deposit	07/13/16	07/13/21	Monthly
313663N76		Federal Natl Mtg Assn	\$ 1,000,000.00	1.625 %	4,062.50	U.S. Government Bonds	08/10/16	08/10/21	Semi-Annual
313664EU3		Federal Natl Mtg Assn	\$ 490,000.00	1.60 %	1,960.00	U.S. Government Bonds	10/28/16	10/28/21	Semi-Annual
0606QXG4	33681	Bank Baroda New York	\$ 245,000.00	1.85 %	1,133.13	Certificate of Deposit	11/23/16	11/23/21	Semi-Annual
35907XCW5	15545	Frontier BK Madison NE	\$ 248,000.00	1.55 %	961.00	Certificate of Deposit	11/23/16	11/23/21	Monthly



# CITY OF BRAWLEY INVESTMENT ACTIVITY REPORT As of March 31, 2017



**MultiBank Securities Purchases, as of 3/31/2017 (sorted by maturity date - Continued)**

CUSIP	FDIC	Financial Institution	Purchase Price	% Yield	Estimated Qtrly Earnings	Type of Purchase	Purchase Date	Maturity Date	Interest Earnings
92834CCB6	11763	Vision Bank Iowa West	\$ 245,000.00	1.75	\$ 1,071.88	Certificate of Deposit	11/30/16	11/30/21	Semi-Annual
58733ADN6	22953	Mercantil Commerce Bank Ntl	\$ 245,000.00	2.05	\$ 1,255.63	Certificate of Deposit	12/09/16	12/09/21	Semi-Annual
33767AR78	30387	Firstbank PR Santurce CTF Dep	\$ 245,000.00	2.20	\$ 1,347.50	Certificate of Deposit	12/30/16	12/30/21	Monthly
066471AK0	18129	Bank Newport Rhode Island	\$ 245,000.00	2.00	\$ 1,225.00	Certificate of Deposit	02/28/17	02/28/22	Semi-Annual
219232CN3	13198	Cornerstone Bank	\$ 245,000.00	2.10	\$ 1,286.25	Certificate of Deposit	03/10/17	03/10/22	Semi-Annual
			\$ 11,996,000.00		\$ 50,621.63				

Total Investment Portfolio \$ 31,774,051.34

**Interest Earnings Comparison, as of 3/31/2017 (cumulative)**

	Investment Amt	% Yield	Interest Earnings	Statement Balance
Community Valley Bank	\$ 1,000,000.00	1.01	\$ 7,567.11	\$ 1,007,567.11
Sun Community Federal Credit Union	\$ 1,000,000.00	1.50	\$ 31,224.15	\$ 1,031,224.15
MultiBank Securities - CDs/U.S. Government Bonds (est. annual)	\$ 11,996,000.00	1.69	\$ 202,486.50	\$ 12,198,486.50
	\$ 13,996,000.00		\$ 241,277.76	

**Quarterly Comparison**

Estimated LAIF Earnings on Purchases	0.78	\$ 16,227.69
Average Interest on non-LAIF investments	1.40	\$ 49,439.58
Estimated Increase on Return on Investments vs. LAIF		\$ 33,211.89

\*estimated average earnings