UPLAND CITY COUNCIL

AGENDA

June 8, 2015
City Council Chambers

RAY MUSSER, MAYOR
GLENN BOZAR, MAYOR PRO TEM
GINO L. FILIPPI, COUNCILMEMBER
DEBBIE STONE, COUNCILMEMBER
CAROL TIMM, COUNCILMEMBER

ROD BUTLER, CITY MANAGER
RICHARD L. ADAMS II, CITY ATTORNEY

*** * * * * * * * * * * * ***
6:00 PM - Closed Session

1. CALL TO ORDER AND ROLL CALL

2. ADDITIONS-DELETIONS TO AGENDA

3. ORAL COMMUNICATIONS

This is a time for any citizen to comment on item listed on the closed session agenda only. Anyone wishing to address the legislative body is requested to submit a speaker card to the City Clerk at or prior to speaking. The speakers are requested to keep their comments to no more than four (4) minutes. The use of visual aids will be included in the time limit.

4. CLOSED SESSION

A. GOVERNMENT CODE SECTION 54957.6 - CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives:	Consultant Patrick Clark, Administrative Services Director Stephanie Mendenhall, Human Resources Manager Tanya Bragg, and Interim Finance Manager Scott Williams
Employee organization:	Upland Mid-Management Association, Upland General Employees Association, Upland Police

Officers Association, Upland Police Management Association, Upland Captains Association, Upland Fire Fighters Association, and Upland Fire Management Association

B. GOVERNMENT CODE SECTION 54956.95 - LIABILITY CLAIMS (WORKER'S COMP)

Claimant: Rogelio Alvarez

Agencies: City of Upland

C. GOVERNMENT CODE SECTION 54956.9 - CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

(Paragraph (2) Subdivision (d) of Section 54956.9)
Case Name: Ontario Airport TCE Plume, Regional Water Quality Control Board "Draft" Clean-up and Abatement

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7:00 PM

5. INVOCATION

Dr. Rahmi Mowjood, Islamic Center of the Inland Empire

6. PLEDGE OF ALLEGIANCE

Boy Scout Troop 623

7. PRESENTATIONS

Certificate of Recognition to Eagle Scout Michael Stegmeier, Troop 623

Presentation of the Citizen Award of Merit to David Raigoza by Police Captain Ken Bonson

Presentation of the Life Saving Award to Police Officer Chris Hilliard by Police Captain Ken Bonson

Presentation of Certificates of Recognition to AYSO Girls Under 10, AYSO Angels, on finishing 3rd place in the State Championship

Presentation of Certificates of Completion to the Upland Community Emergency Response Team (CERT)

Presentation on Land Use Constraints Analysis by Mitch Alderman of San Bernardino Associated Governments (SANBAG)

8. CITY ATTORNEY

9. ORAL COMMUNICATIONS

This is a time for any citizen to comment on any item listed or not listed on the agenda. Anyone wishing to address the legislative body is requested to submit a speaker card to the City Clerk at or prior to speaking. The speakers are requested to keep their comments to no more than four (4) minutes. Speakers will be given five (5) minutes during public hearings. The use of visual aids will be included in the time limit. Public comments and questions for the purpose of hearing current matters of concern in our community and to provide citizens a method for the public to hear those concerns in an open venue is encouraged. However, under the provisions of the Brown Act, the City Council is prohibited from discussion of items not listed on the agenda, and therefore, the City Council, City Manager, or City Attorney will take communications under advisement for consideration and appropriate response or discussion at a later time.

10. COUNCIL COMMUNICATIONS

11. CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine and will be enacted by one roll call vote. There will be no separate discussion of these items unless members of the legislative body request specific items be removed from the Consent Calendar for separate action.

A. WAIVE READING OF ORDINANCES AND RESOLUTIONS

Approve the reading of titles of all ordinances and resolutions and declare that said titles which appear on the public agenda shall be determined to have been read by title and further reading waived. Staff will prepare summaries of all ordinances considered by the City Council and publish the summaries at least five days prior to adoptions.

B. APPROVAL OF WARRANTS AND PAYROLL REGISTERS

Approve Warrant Registers dated May 20, 2015 in the amount of $751,675.11 and Payroll Registers dated May 28, 2015 in the amounts of $595,059.53 and $1,654.56. (Staff Person: Stephanie Mendenhall)

C. APPROVAL OF MINUTES

Approve the Regular Meeting Minutes of May 26, 2015. (Staff Person: Stephanie Mendenhall)

D. RE-APPOINTMENTS TO CITY COMMITTEES

Ratify the Mayor's re-appointments of Loren Sanchez to the Library Board, term to expire June, 2018, and Ron King and Shelly Verrinder to the Planning Commission, terms to expire June, 2019. (Staff Person: Stephanie Mendenhall)

E. DESTRUCTION OF RECORDS

Adopt a Resolution authorizing and directing the City Clerk to destroy certain City records pursuant to the Government Code of the State of California. (Staff Person: Stephanie Mendenhall)

F. USED OIL PAYMENT PROGRAM (OPP CYCLE 5) GRANT

Accept the Used Oil Payment Program Cycle 5 Grant Award of $20,926. (Staff Person: Rosemary Hoerning)

G. APPROVAL OF AGREEMENT WITH UPLAND COMMUNITY PARTNERSHIP FOR YOUTH DEVELOPMENT FOR FY16 AFTER SCHOOL PROGRAMS

Authorize the City Manager to enter into an agreement with the Upland Community Partnership for Youth Development for the Recreation Division to coordinate after school and summer programs. (Staff Person: Roberta Knighten)

12. PUBLIC HEARINGS None

13. COUNCIL COMMITTEE REPORTS

A. POLICE AND FIRE COMMITTEE MEETING, MAY 26, 2015

1) **Municipal Code Amendment repealing and replacing Chapter 9 related to psychoactive bath salts, psychoactive herbal incense and other synthetic drugs,** the Committee recommends the City Council introduce and hold first reading by title only of an Ordinance repealing and replacing Chapter 9 of the Upland

Municipal Code regarding psychoactive bath salts, psychoactive herbal incense and other synthetic drugs, prohibiting the distribution and sale of certain intoxicating chemicals known as synthetic drugs.

B. FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE MEETING, JUNE 1, 2015

1) **Proposed Annual Budget for Fiscal Year 2015-16,** the Committee recommends the City Council continue its review and discussion of the proposed Fiscal Year 2015-16 Annual Budget for the City of Upland, including the proposal to amend the compensation plans for the Mid-Management employees, General employees and part-time employees.

14. BUSINESS ITEMS

A. ECONOMIC REFUNDING OF BONDS FOR COMMUNITY FACILITIES DISTRICT NO. 2003-2

Adopt a Resolution authorizing the issuance of its special tax refunding bonds, issue of 2015 in an aggregate principal amount of not to exceed $21,000,000 and approving a bond purchase agreement, an indenture, an escrow agreement, a continuing disclosure agreement and a preliminary official statement and taking certain other actions in connection therewith; and direct staff to take those actions necessary to refund the above referenced bonds. (Staff Person: Scott Williams)

B. ALLOCATION OF COPS FY12/13 FUNDS

Appropriate $36,484.11 in COPS FY12/13 funds for the purchase of front-line law enforcement equipment. (Staff Person: Brian Johnson)

C. AWARD OF BID FOR PROJECT NO. 9327, CITYWIDE SEWER REHABILITATION (BID NO. 2015-03)

Approve the specifications for Project No. 9327; award the construction contract to Vasilj, Inc. in the amount of $303,450; and approve a construction contingency in the amount of $60,690, for a total construction amount of $364,140. (Staff Person: Rosemary Hoerning)

D. CALIFORNIA HOME FINANCE AUTHORITY PACE PROGRAMS AND ASSOCIATE MEMBERSHIP IN THE CALIFORNIA HOME FINANCE AUTHORITY

Adopt a Resolution consenting to inclusion of properties within the City's jurisdiction in the California Home Finance Authority Program to finance renewable energy generation, energy and water efficiency improvements and electric vehicle charging infrastructure and approving associate membership in the Joint Exercise of Powers Authority related thereto; adopt a Resolution consenting to inclusion of properties within the City's jurisdiction in the California Home Finance Authority Community Facilities District No. 2014-1 (clean energy) to finance renewable energy improvements, energy efficiency and water conservation improvements and electric vehicle charging infrastructure and approving associate membership in the Joint Exercise of Powers Authority related thereto; and authorize the City Manager to execute any necessary documents to that effect. (Staff Person: Liz Chavez)

E. DECLARE HIGH SHORTAGE STAGE WATER CONSERVATION

Adopt a Resolution declaring water conservation at the High Shortage Stage, resulting in a change from the Moderate Shortage Stage, and direct staff to notify the public accordingly. (Staff Person: Rosemary Hoerning)

15. CITY MANAGER

A. WATER CONSERVATION PRESENTATION BY WATER CONSERVATION SPECIALIST

BARBARA TAYLOR

16. ADJOURNMENT

The City Council will hold two special meetings on Monday, June 15, 2015 at 4:00 p.m. and Saturday, June 20, 2015 at 9:00 a.m. The next regularly scheduled City Council meeting is Monday, June 22, 2015.

NOTE: If you challenge the public hearing(s) or the related environmental determinations in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Upland, at, or prior to, the public hearing.

All Agenda items and back-up materials are available for public review at the Upland Public Library, downstairs reference desk at 450 North Euclid Avenue, the City Clerk's Office at 460 North Euclid Avenue and the City website at www.ci.upland.ca.us, subject to staff's ability to post the documents before the meeting.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office, 931-4120. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.102-35.104 ADA Title II]

POSTING STATEMENT: On June 4, 2015 a true and correct copy of this agenda was posted on the bulletin boards at 450 N. Euclid Avenue (Upland Public Library) and 460 N. Euclid Avenue (Upland City Hall).

Upland City Council Presentation – June 08, 2015

Upland Metrolink Station

Land Use Concepts and Constraints Analysis

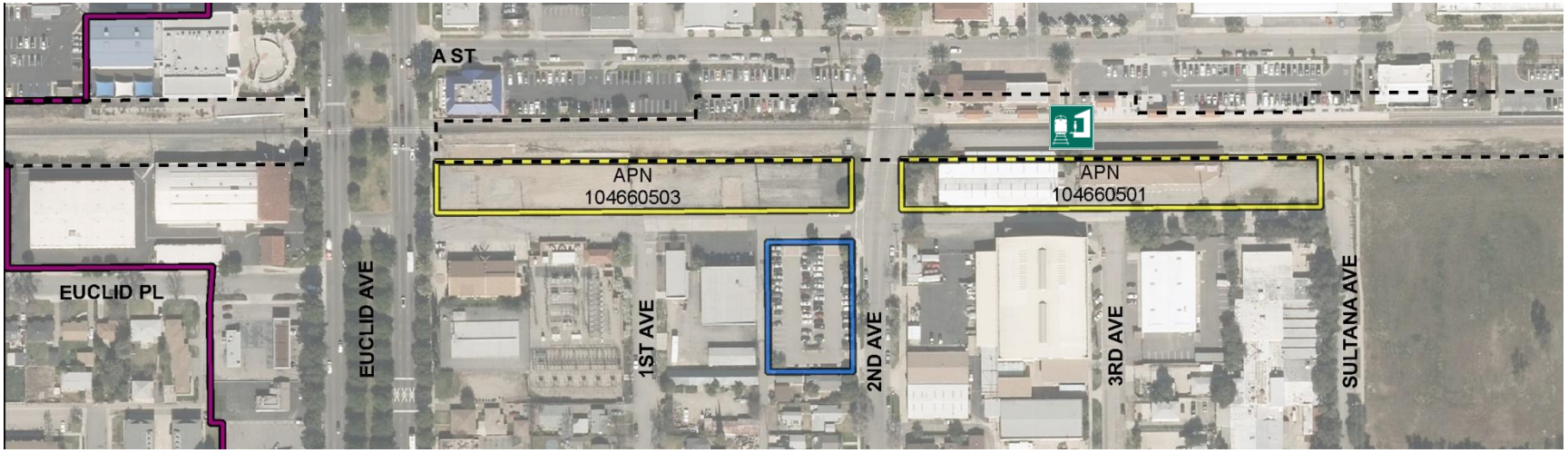
Governments SANBAG Working Together

UPLAND CALIFORNIA
More Than a Century of Gracious Living

2nd Avenue – Looking towards Euclid Ave.

Project Objectives

- Develop a Conceptual Entitled Land Use and Circulation Plan in support of preparation of RFP for development of two SANBAG properties, located south of Upland Metrolink Station
- Agency Stakeholders:
  - SANBAG
  - City of Upland (Mayor's Office, Public Works, Development Services Department)
- Coordination with Surrounding Property Owners

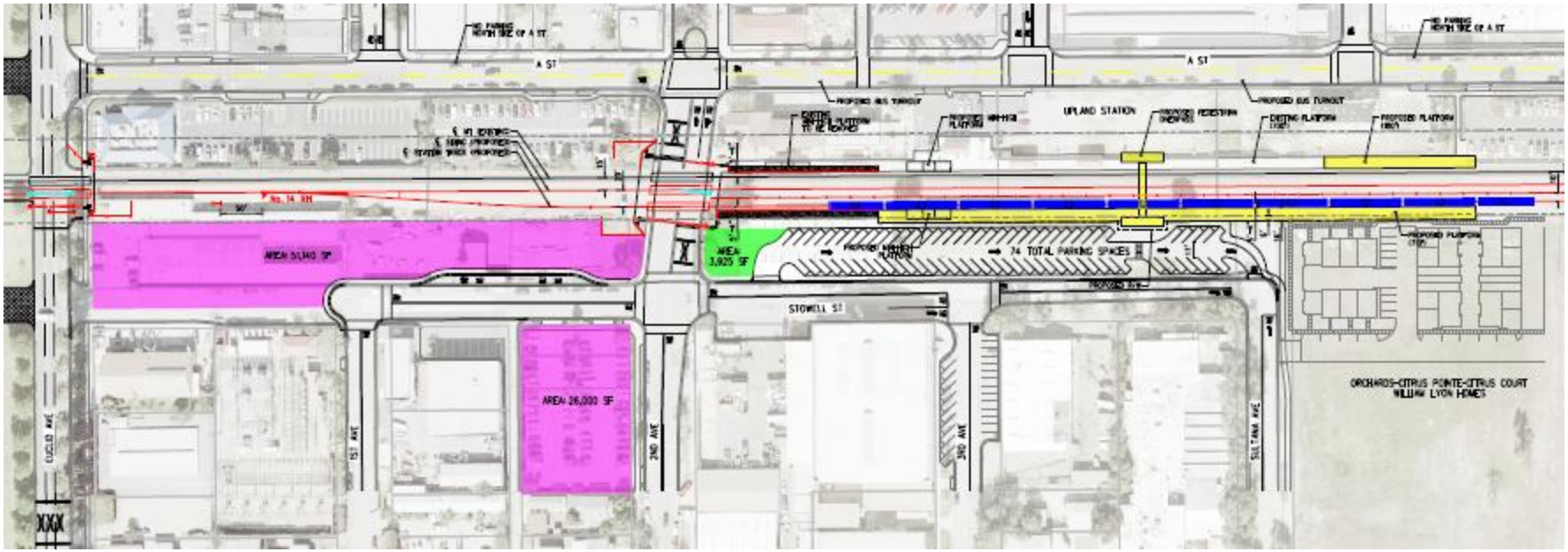


Key Issues

- Expansion at Upland Metrolink Station (Tracks and Station)
- Creation of Transit-Supportive Land Uses
- Integration of OmniTrans Service as development occurs
- Potential Conversion of Second Avenue to Pedestrian/Bicycle Corridor
- Implementation of Grade Crossing and Quiet Zones:

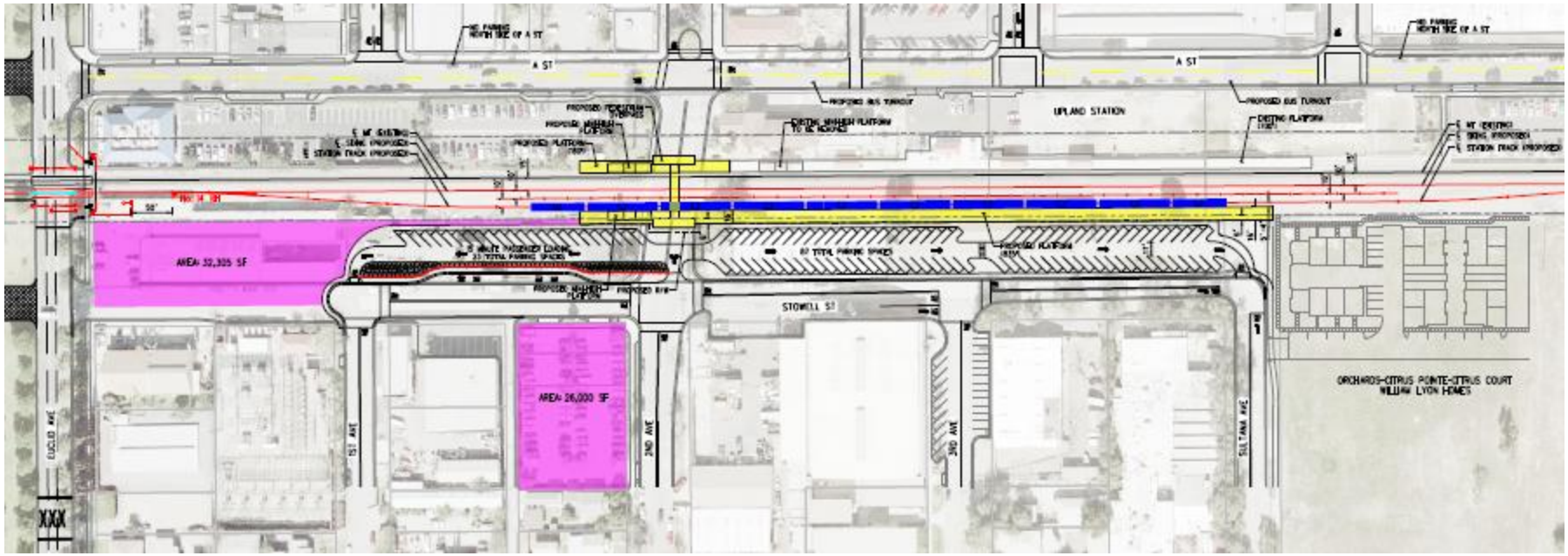
Campus Avenue	Second Avenue	Euclid Avenue
San Antonio Avenue	Mountain Avenue	

LAND USE & CIRCULATION ALTERNATIVE 1:
Second Avenue At-Grade Crossing Remains Open



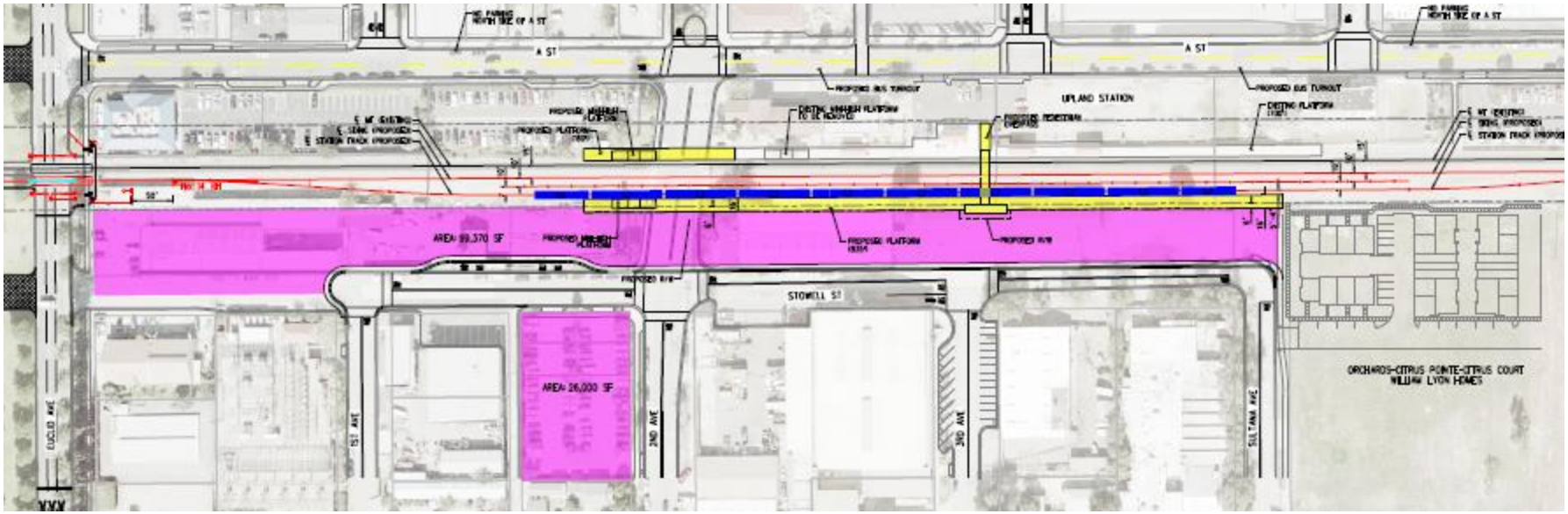
Key Elements:	
Railroad and Station Features	**Parking / Transit / Circulation**
Two new tracks	New station parking spaces - 74
New station platform	Loss of parking at existing 2nd Avenue Lot - 67
Existing platform shifted East	Bus Bay along Stowell Street
Pedestrian overpass between 3rd Avenue and Sultana Avenue	
Parking and Transit Circulation	**Developable Area**
Approx. 4,000 SF Pedestrian Plaza at 2nd Avenue/Stowell Street	77,140 SF
Partial Closure of Stowell Street (between Euclid Avenue and 2nd Avenue)	
Property encroachment: Orchard site	

LAND USE & CIRCULATION ALTERNATIVE 2:
Second Avenue Pedestrian and Bike Corridor



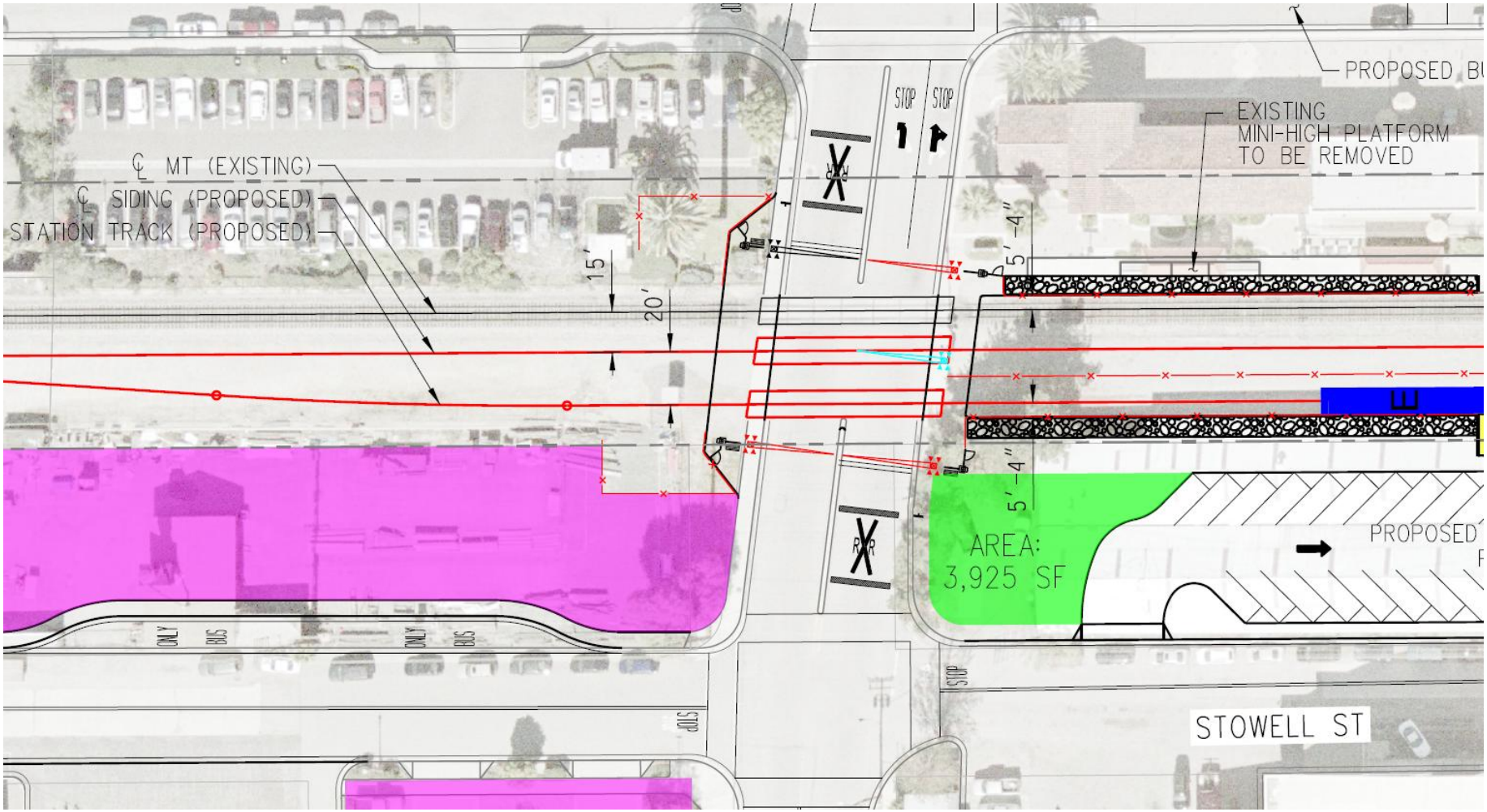
Key Elements:	
Railroad and Station Features	**Parking / Transit / Circulation**
Two new tracks	New station parking spaces - 87
New station platform	15 minute parking spaces - 23
Existing Platform shifted West	Loss of Parking at Existing 2nd Avenue Lot - 67
Pedestrian / Bike Overpass/Underpass at 2nd Avenue	Bus Bay along Stowell Street
Parking and Transit Circulation	**Developable Area**
Through access on 2nd Avenue for pedestrians and bicycles via overpass/underpass	58,305 SF
Partial Closure of Stowell Street (between Euclid Avenue and 2nd Avenue)	

LAND USE & CIRCULATION ALTERNATIVE 3:
Maximum Development Potential

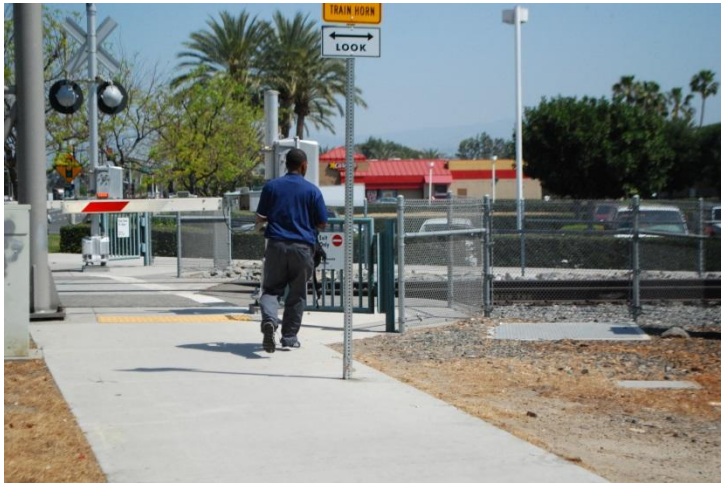


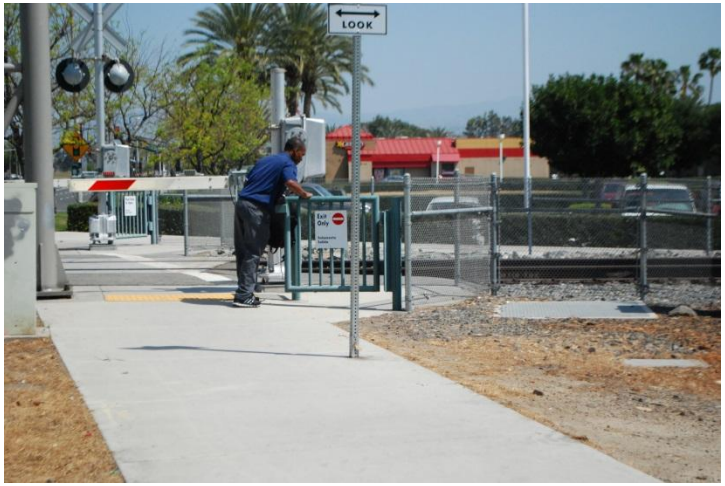
Key Elements:	
Railroad and Station Features	**Parking / Transit / Circulation**
Two new tracks	Loss of Parking at Existing 2nd Avenue Lot - 67
New station platforms	Bus Bay along Stowell Street
Existing Platform shifted West	
Pedestrian Underpass at 2nd Avenue	
Parking and Transit Circulation	**Developable Area**
Grade Separation at 2nd Avenue – access to pedestrians and bicycles only	125,370SF
Partial Closure of Stowell Street (between Euclid Avenue and 2nd Avenue)	

2nd Avenue Crossing



Metrolink rider running for train at the Metrolink Anaheim Canyon Station





Source: HDR, 2015

Concepts for 2nd Avenue Bicycle/Pedestrian Corridor

Source: Pier View Way, Oceanside

MINUTES OF THE REGULAR MEETING OF THE
UPLAND CITY COUNCIL
MAY 26, 2015

OPENING The regular meeting of the Upland City Council was called to order by Mayor Ray Musser at 6:02 p.m. in the Council Chambers of the Upland City Hall.

1. ROLL CALL

Present: Mayor Ray Musser, Councilmembers Glenn Bozar, Gino Filippi, Debbie Stone

Absent: Councilmember Carol Timm

Staff: City Manager Rod Butler, Assistant City Attorney Yolanda Summerhill, and City Clerk Stephanie A. Mendenhall

2. ADDITIONS/DELETIONS TO AGENDA None

3. ORAL COMMUNICATIONS None

4. CLOSED SESSION

At 6:03 p.m. Mayor Musser announced the City Council would recess to Closed Session pursuant to Government Code Section

A. 54956.9 - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

(Paragraph (1) of Subdivision (d) of Section 54956.9)
Case Name: California Cannabis Coalition, et al v. City of Upland, et al (Case No. CIVDS1503985)

Councilmember Timm arrived at 6:07 p.m.

The City Council reconvened in open session at 7:00 p.m.

5. INVOCATION Jarrel Jones, 11th Street Baptist Church

6. PLEDGE OF ALLEGIANCE Councilmember Bozar

7. PRESENTATIONS

A $73,000 check for the Recycled Water Conversion Incentive Program was presented by Chino Basin Water Conservation District Board President Kati Ooten Parker.

A Proclamation declaring the week of May 15, 2015 as National Police Week accepted by Police Chief Johnson. Police Officer Kabayan recognized Officer Ernest Ralph Dark, who passed away while on duty 75 years ago, and the memorial that will be set up in front of the Upland Police Station to acknowledge fallen officers while on duty.

Certificates of Recognition were presented to Upland residents serving in the military, along with verbal recognition of the sponsors.

8. CITY ATTORNEY

Assistant City Attorney Summerhill announced the City Council received a report and there was no reportable action during Closed Session.

9. ORAL COMMUNICATIONS

Dean Mills, Upland, expressed his concerns about water reduction on residents who started cutting back last year, the increased costs to residents with the comparable revenue declines to the city, and the General Plan Update creating new building and water users.

Keith Calvert, Upland, felt the privatization of the city's water is a tax and objected to Mayor Musser and the City Council's spendaholic ways.

Marilyn Mills, Upland, objected to the time reduction for speakers' comments; and stated her concerns about the General Plan Update on the reduction of pollution and water usage, not receiving answers from staff, and the removal of the restricted definition of the family from the zoning code.

Cary Leach, Upland, shared his concerns on the revisions in the General Plan Update to the density factor and the impact it will have on law enforcement, trash, water usage and schools, and asked the City Council to take an extensive look at the changes to the General Plan.

Bob Nelson, Upland, felt the city should not have to stand the cost of another election regarding the recent filing of another medical marijuana petition.

Sheila Binkley, Upland, was opposed to crowding and mass density of putting mini mansions on minute lots in the General Plan Update.

Maxine Curtis, Upland, felt the density increase in the General Plan Update would create a water shortage and the mixed-use apartments and water would be a disaster for all of us.

Diane Fedele, Upland, provided questions to the City Council regarding re-writing of the General Plan, authorization to spend $1.5 million, strings attached to acceptance of funding and grants, and the addition of 8,000 new people.

Patricia Almazan, Upland, felt that the medical marijuana initiative is really referring to recreational use, should obtain a prescription to fill at CVS, and they are here to ruin our city not better it.

Ari Borland, Upland, announced Ehlove8's first fundraiser, Hosting Empty Pockets 8-Ball Tournament, on July 19, 2015 at Cue-Time Family Billiards in Covina and asked local business for donations in services or products.

Gary Galino expressed his opposition to Consent Calendar Item 11F stating they are unnecessary loans by the State to stop global warming, will lose your home if you fail to repay the lien that is put on your home for these loans, and encouraged the City Council to discuss this item.

At 8:03 p.m. Mayor Musser called a recess and the City Council reconvened in open session at 8:07 p.m.

Robin Hvidston, Upland, felt that the General Plan Update is a series of contradictions and needs to be revised, requested to see the itemization of the $1.5 million spent in costs and the list of stakeholders, and suggested having Marilyn Mills conduct a public workshop.

Kathy Ponce suggested the City Council hold a public workshop to discuss the General Plan Update, questioned the high density housing, and intent to go door to door with flyers to advise the citizens of the plan.

Sean Ponce, Upland, felt the high density in the General Plan Update is not a way of gracious living.

Alison Cutler, Upland, was appalled by the way the city has lacked in showing the public the General Plan Update, asked the City Council to change it if they do not agree with it, and to stop the bleeding of the $1.5 million already spent.

Tressy Capps, Fontana, opposed to the stack and pack housing in the General Plan Update that is happening all over the State due to the spreading of false lies about climate change.

David Wade, Upland, announced his water reduction would begin in the city's parkway in front of his home and that the city should provide reasonable safe access to medical marijuana to obtain tax monies as other cities have done instead of spending funds to ban them.

Ralph Cavallo, Upland, announced the fundraisers for the Upland Veterans Memorial project: Poker Run on June 6, 2015 at Pomona Valley Harley-Davidson at 8:00 a.m. and Eat for Change on June 9, 2015 at Chipotle from 5:00-9:00 p.m. He encouraged the audience to participate.

Eric Gavin, Upland, highlighted his completion of the Chamber of Commerce Leadership program and encouraged the audience to get involved by attending next year's academy.

At 8:30 p.m. Mayor Musser called a recess and the City Council reconvened in open session at 8:34 p.m.

10. COUNCIL COMMUNICATIONS

Councilmembers announced various activities throughout the community.

There was consensus by the City Council to provide a workshop to make sure to address the concerns of the residents on the draft General Plan Update.

11. CONSENT CALENDAR

Mayor Musser removed Consent Calendar 11E and Councilmember Stone removed Consent Calendar 11F for separate action. Motion by Councilmember Stone to approve the remainder of the Consent Calendar, seconded by Councilmember Filippi, and carried unanimously.

A. WAIVE READING OF ORDINANCES AND RESOLUTIONS

Approved the reading by title of all ordinances and resolutions and declared that said titles which appear on the public agenda shall be determined to have been read by title and further reading waived. Staff will prepare summaries of all ordinances considered by the City Council and publish the summaries at least five days prior to adoption.

B. APPROVAL OF WARRANTS AND PAYROLL REGISTERS

Approved Warrant Registers dated May 6, 2015 in the amount of $2,666,237.14 and Payroll Registers dated April 30, 2015 in the amount of $9,034.52; May 14, 2015 in the amounts of $105,030.08 and $598,968.28.

C. APPROVAL OF MINUTES

Approved the Regular Meeting Minutes of May 11, 2015.

D. 2ND READING OF ORDINANCE NO. 1892 MUNICIPAL CODE AMENDMENT PERTAINING TO CHAPTERS 1 AND 5 RELATED TO THE ABATEMENT OF NUISANCES AND RECOVERY OF FEES AND COSTS ASSOCIATED THEREWITH, DECLARATION AGAINST OPERATION OF ILLEGAL BUSINESSES AND THE ISSUANCE OF ADMINISTRATIVE CITATIONS

Held 2nd reading by number and title only, and adopted Ordinance No. 1892 amending and revising Chapters 1 and 5 of the Upland Municipal Code related to the abatement of nuisances and recovery of fees and costs associated therewith, declaration against operation of illegal businesses, and the issuance of administrative citations.

G. SEWER SERVICE AGREEMENT FOR 2360 N MOUNTAIN AVENUE (SSA-2015-04-20)

Authorized the City Manager to execute the Sewer Service Agreement.

ITEMS REMOVED FOR SEPARATE ACTION

E. ACCEPTANCE OF WORK FOR THE EMERGENCY REPLACEMENT OF PLANT NO. 4 SWITCHGEAR

Report given by Public Works Director Hoerning, which is on file in the City Clerk's Office.

Motion by Mayor Musser to accept the work and record the Notice of Completion for the Emergency Replacement of Plant No. 4 Switchgear, seconded by Councilmember Stone, and carried unanimously.

F. CALIFORNIA HOME FINANCE AUTHORITY PACE PROGRAMS AND ASSOCIATE MEMBERSHIP IN THE CALIFORNIA HOME FINANCE AUTHORITY

Motion by Councilmember Bozar to continue this item for discussion as a Business Item, seconded by Councilmember Timm. It was then amended with a motion by Councilmember Stone to continue for discussion at their

next regularly scheduled City Council meeting on June 8, 2015, seconded by Councilmember Bozar, and carried unanimously.

12. PUBLIC HEARINGS

A. ANNUAL WEED ABATEMENT PROGRAM

Report given by Weed Abatement Coordinator Bloomfield, which is on file in the City Clerk's Office.

There was discussion on the effectiveness of yearly abatements and the process in contacting the property owners.

Mayor Musser opened the public hearing.

David Wade, Upland, questioned proof of non-compliance and Abatement Coordinator Bloomfield stated that photographs are taken of the properties.

There being no other speakers, Mayor Musser closed the public hearing.

Motion by Councilmember Filippi to approve the placement of a $204.00 lien for administrative costs on each parcel notified of a public nuisance that failed to take corrective action, seconded by Councilmember Stone, and carried unanimously.

13. COUNCIL COMMITTEE REPORTS

A. PUBLIC WORKS COMMITTEE MEETING, MAY 12, 2015

Public Works Director Hoerning provided the water conservation update. This was for information only and no action was required.

Councilmember Timm recommended that Water Conservation Specialist Taylor provide the City Council with the same presentation given to the City Council Advisory Committee.

14. BUSINESS ITEMS None

15. CITY MANAGER

City Manager Butler provided an update on a presentation on San Antonio Water Company which will be given at the June 22, 2015 City Council meeting with quarterly updates to follow. Further, he stated that Public Works Director Hoerning is working on the request regarding our water situation, including detailed questions on our supply sources and what makes up our total supply which will be presented at a future regular meeting.

A. FINANCIAL REPORT FOR THE MONTH ENDING APRIL 2015

Interim Finance Manager Williams provided the report and a power point presentation, which is on file in the City Clerk's office.

There was discussion on the function of the self-insured insurance fund, future plans to rebuild the fund and request to provide a future plan to prevent the liability.

The City Council received and filed the Financial Report for the month of April 2015.

16. ADJOURNMENT

Mayor Musser adjourned the meeting at 9:28 p.m. The next regularly scheduled City Council meeting is Monday, June 8, 2015.

SUBMITTED BY Debbi Covington

Debbi Covington, Deputy City Clerk

APPROVED June 8, 2015

STAFF REPORT

ITEM NO. 10.D

DATE:	JUNE 8, 2015
TO:	MAYOR AND CITY COUNCIL
FROM:	ROD BUTLER, CITY MANAGER
PREPARED BY:	STEPHANIE MENDENHALL, ADMINISTRATIVE SERVICES DIRECTOR
SUBJECT:	RE-APPOINTMENTS TO CITY COMMITTEES

RECOMMENDED ACTION

It is recommended that the City Council ratify the Mayor's re-appointments of Loren Sanchez to the Library Board, term to expire June, 2018, and Ron King and Shelly Verrinder to the Planning Commission, terms to expire June, 2019.

GOAL STATEMENT

The proposed action supports the City's goal to provide opportunities for the citizenry to participate in local government through service on various committees, commissions and boards.

BACKGROUND

The Library Board was created by ordinance in 1913 and the composition and terms of office were amended pursuant to California Library Laws in 1990. The Board is charged with providing materials and staff assistance for meeting the informal and educational needs of library users.

The Planning Commission was established in 1930 pursuant to the Planning Act of 1929. Changes to the Commission were later made in 1950 in accordance with the Conservation and Planning Act. Resolution 6270 sets forth the process for appointment and states the Mayor shall appoint the Committee, Board and Authority members subject to the ratification by a majority of the Council.

Pursuant to Government Code Section 54972, the expiring terms of commission and board members were duly posted prior to December 31, 2014.

ISSUES/ANALYSIS

The appointments are made by the Mayor and ratified by the City Council. The Mayor wishes to re-appoint Loren Sanchez to the Library Board, and Ron King and Shelly Verrinder to the Planning Commission.

Loren Sanchez has served two full consecutive terms and his re-appointment would require a 4/5ths vote of the City Council.

FISCAL IMPACTS

There is no fiscal impact.

ALTERNATIVES

Provide alternative direction to staff.

STAFF REPORT

ITEM NO. 10.E

DATE:	JUNE 8, 2015
TO:	MAYOR AND CITY COUNCIL
FROM:	ROD BUTLER, CITY MANAGER
PREPARED BY:	STEPHANIE MENDENHALL, ADMINISTRATIVE SERVICES DIRECTOR JACKIE CRANDELL - ADMINISTRATIVE ASSISTANT II
SUBJECT:	DESTRUCTION OF RECORDS

RECOMMENDED ACTION

It is recommended that the City Council adopt a Resolution authorizing and directing the City Clerk to destroy certain City records pursuant to the Government Code of the State of California.

GOAL STATEMENT

The proposed action supports the City's goal to provide for the appropriate maintenance, storage and destruction of official City records.

BACKGROUND

Government Code Section 34090 provides for the destruction of certain records after they are no longer required. Records Retention schedules have been prepared and approved for various departments, which set forth the timeframe for keeping records.

ISSUES/ANALYSIS

The attached Resolution orders the destruction of records based upon the City's adopted retention schedule. The City's Records Management Program sets forth the timely destruction of non-permanent records.

The files were reviewed by the City Clerk and the City Attorney. There is no known or anticipated litigation associated with these records.

FISCAL IMPACTS

The cost of the annual destruction does not exceed $1,000. Funds have been appropriated in the current budget.

ALTERNATIVES

Provide alternative direction to staff.

ATTACHMENTS:

Resolution

CITY CLERK DESTRUCTION LOG

FIRE DEPARTMENT DESTRUCTION LOG

HUMAN RESOURCES DESTRUCTION LOG

POLICE DEPARTMENT DESTRUCTION LOG - 1

POLICE DEPARTMENT DESTRUCTION LOG - 2

PUBLIC WORKS DESTRUCTION LOG - 1

PUBLIC WORKS DESTRUCTION LOG - 2

RECREATION DESTRUCTION LOG

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL AUTHORIZING AND DIRECTING THE CITY CLERK TO DESTROY CERTAIN DOCUMENTS PURSUANT TO THE GOVERNMENT CODE OF THE STATE OF CALIFORNIA

Intent of the Parties and Findings

(i) Sections 34090, 34090.5 and 34090.7 of the Government Code of the State of California provide for the destruction of certain City records and documents, with the approval of the legislative body by resolution and the written consent of the City Attorney; and

(ii) In the opinion of the City Clerk and City Attorney, the records and documents listed hereinafter are not of sufficient historical, administrative, legal, fiscal, research or other value, to justify their retention; and

(iii) The City Attorney has consented to the destruction of such documents and records; and

(iv) A list of records for the Finance Division are attached hereto and incorporated herein by reference; and

NOW THEREFORE, the Upland City Council hereby finds, determines and resolves, as follows:

Section 1. The City Clerk is hereby authorized and directed to destroy those records and documents shown on the attached list in accordance with the provision of Sections 34090, 34090.5 and 34090.7 of the Government Code.

Section 2. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED and ADOPTED this 8th day of June, 2015.

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Ray M. Musser, Mayor

I, Stephanie A. Mendenhall, City Clerk of the City of Upland, California, do hereby certify that the foregoing Resolution was passed and adopted at a regular meeting of the City Council of the City of Upland held on the 8th day of June, 2015, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

ATTEST: _____
Stephanie A. Mendenhall, City Clerk

RECORDS DESTRUCTION REQUEST
FY___2014/2015_____

APPROVALS				
DEPARTMENT	**DEPUTY CITY CLERK**	**CITY ATTORNEY**	**DATE**	**COUNCIL MEETING**
CITY CLERK	dle			June 8, 2015

TITLE OR DESCRIPTION OF RECORD	DATE	BOX NO.	COMMENTS
Capital Projects – Project 3502 – PW Engineer file, CJ Construction, project notes, payroll records, financial records	2001-2003	024	2013
Capital Projects – Project 3508 A- Central Avenue Street Construction, Project 3511 B- Danube Way Street Construction, Project 3731 Benson Avenue Storm Drain	2002-2003	193	2014
Capital Projects – Project 5878 – Design Build Baseball Diamond at Memorial Park, Project 5880 – Memorial Park Master Plan Improvements Phase I, Project 5888 – Improvement Greenbelt Park Bleachers and Access Improvement	2001-2003	694	2013
Capital Projects – Project 5879 – San Antonio Community Park Improvements Phase I, Project 5881 – San Antonio Community Park Improvements Phase II, Project 5886 – San Antonio Community Park Improvements Phase III, Project 5889 – Upland Skate Park	2001-2003	695	2013
Capital Projects – Project 6653 – Well No. 7 Site Improvements Phase II, Project 6671 Inspect and Clean Six Reservoirs, Project WT-6668 Construction of Four Emergency Generators at San Antonio Canyon Water Treatment Plant, 17th Street Booster Station Site, 19th Street Booster Station Site and 22nd Street Booster Station Site, Project 6674 – PSA Tetra Tech Well No. 9	2001-2003	703	2013
Capital Projects – Project 2367- Phase I Parking Lot Handicap Access Improvements Bid No. 2003-14, Project 2367 – Phase II Public Works Building Façade Improvements Bid No. 2002-15, Project 2385 – Raymond Street Alley Repair Bid No. 2003-18	2004	706	2014
Capital Projects – Project 3502, 2503, 3514 Public Works Building Façade Improvements Bid No. 2003-15, Project 3511-A 9th St. Rehab.	2004	715	2014

Capital Projects – Project 3772 Police Department Building Re-roof, Project 2375 City Hall ADA Upgrades, Project 2376 Library Elevator Upgrade, Project 2378 City Hall/Library Exterior Paint Project, Project 4810 Upland Library Shelving	2001-2003	720	2013
Capital Projects – Project 3320 1st,2nd and 3rd Avenues Rehab from 17th Street to 18th Street, Project 3321 1st,2nd and 3rd Avenues Rehab from 18th Street to 19th Street, Project 3506 Citywide Slurry Seal	2001-2003	722	2013
Capital Projects – Project 3515 Citywide Pavement Maintenance Bid No. 2003-12, Project 3516 Citywide Slurry Seals Bid No. 2003-12, Project 3517 Citywide Street Overlays Bid No.2003-22, Project 3522 Citywide Street Reconstruction	2004	764	2014
Capital Projects – Project 5883 Baldy View Park Improvements Bid No. 2002-13, Project 6672 Forman Street Water Main Replacement Bid. No. 2003-19, Project 6675 9th Street Water Main Replacement Bid No. 2003-20, Project 6676 & 6677 12inch Water Main at 6th Avenue (A Street to 9th Street), Project 9831 Vons Street Improvement	2004	781	2014
Public Records Request Center for Contract Compliance, Certified Payroll Records, Public Records Request Phil Willon LA Times, Request for Records - Subpoenas	2011	990-A	2014
Public Records Request #74-146	2011	1078-A	2014
2010 Records Request Log, 2011 Records Request Log, 2011 Records Request #1-73	2011	1650-A	2014
2007 Claims and Lawsuits – Tracy Nagy, Linda Nelson-Bar, Nancy Obrien, Pedro S. Ortega, Maria Parnell, Isalias Rodriguez, Luis M. Rodriguez, Armando Ruiz, Faith S. Safter, SB Assoc. Gorts & City Transportation Authority, Gene Schilder, Ronald Scillion, Faith Safier. Shelli Rosa, Alec Simpson, Deborah Jean Simpson, John Scott Simpson, Marc Smith, Rodney Smith, Stuart Stackelhouse, Laurita Statham, Mathew Statham, Kelly Lee Strayer, Raquel Tinoid, Sal Torina, Tuyet Truong, Lon Tubbs, Upland Hills Country Club, Verizon CMR Claims Department, Jennifer Vicinsky, Veronica Ware, Janice Yehnert, Michael Steven Zavala	2007	4208	2013

2007 Claims and Lawsuits – Lee Aragon, Charles Byron Asche, Alex Bedrosian, Jean Bills, Paul W. Bird, Aubrey Blancaflor, Clyde T Buckelew, Monty Campbell, Arnold Carmody, Carlos Carrera, Alicia Carillo, Cammeron Castro, Martin Chin, Daniel J. Cromer, Yvonne Shanette Durente, Oscar Espinoza, Nicklas & Deniston & Jacqulyn Feiler, Duane Ferguson, Patsy Fiumara, Ruth Flanagan, Steven D. Fraker, Gabriel Gallegos, Helen Gutierrez, Natali Hanna, Max Hartwell, Vernon Hesseltine, Renee Herrick, Joan Hutchins, Julius Jokai, Christina Kammerer, Timothy Karaiscos, Betty King, Karen Kininmonth, Mario Knight, Donald Knoll, Mark Lauer, Ubaldo Lomeli, Ronald Lorinz, Don Madigan, Maurice Madrid, Lena Subro Mahlil of Mercury Insurance, Diane Marcell, Alejandro Martinez, George Martinez, Wade Mathieson, Kerry Mcfadden, Markiesha Millare, David Multon, Ulyses Morales, Elaine Mulherin.	**2007**	**4248**	**2013**
2007 Litigation – Amy Chang and All Similarly Situated Upland Residents, SBCFD vs. City of Upland Pleadings	**2007**	**4266**	**2014**

RECORDS DESTRUCTION REQUEST
YEAR 2015

APPROVALS				
DEPARTMENT FIRE DEPARTMENT	DEPUTY CITY CLERK	CITY ATTORNEY	DATE	COUNCIL MEETING June 8, 2015

TITLE OR DESCRIPTION OF RECORD	DATE	BOX NO.	COMMENTS
Trade Cards	2007 & prior to	1	
Timesheets	12/28/08 – 4/3/10	1	
TeleStaff Roster Timesheets	12/28/08 – 4/3/10	1	
Leave Accrual Reports	2009	1	
Timesheets	4/4/10 – 1/7/12	2	
TeleStaff Roster Timesheets	4/4/10 – 1/7/12	2	
Leave Accrual Reports	2011	2	
Fire Recovery	2009	3	
Fire Recovery	2010 – 2011	3	
E.F. Recovery	2008	3	
E.F. Recovery	2009	3	
E.F. Recovery	2009 – 2010	3	
E.F. Recovery	2010	3	
DUI Billing	2004 – 2006	3	
Incident Requests	2004 – 2005	4	
Incident Requests	2008 - 2009	4	
Incident Requests	2010 – 2012	4	
Incident Request	11/5/07	4	
Receipts Record Book	1/5/11 to 6/11/12	4	
Receipts Record Book	7/28/08 – 8/19/09	4	
Receipts Record Book	8/19/09 – 10/12/10	4	
Receipts Record Book	10/14/10 – 10/24/11	4	
Pumper Pit Log	3/2/1990 – 11/16/2010	4	
Sharps Log	1/4/10 – 12/14/11	4	
Records Request	2010 – 2012	4	
Station Tours / Public Service Requests	2010 – 2012	4	
Ride-Along Request Forms	1/12/08 – 11/5/12	4	
Medical Requests	2004 – 2009	4	

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APPROVALS

DEPARTMENT	DEPUTY CITY CLERK	CITY ATTORNEY	DATE	COUNCIL MEETING
HUMAN RESOURCES				June 8, 2015

TITLE OR DESCRIPTION OF RECORD	DATE	BOX NO.	COMMENTS
Recruitment Files	2011	208A	
Close Claims – Minors	1995	215	
Terminated Hourly Employees	2009	410	
Summer Youth Workers	2009	535	
Recruitment Files	2011	412A	
Recruitment Files	2011	426A	
Volunteer Applications	2011	527A	
Volunteen Applications	2011	527A	
Terminated Hourly Employees	2009	545	
Recruitment Files	2011	575A	
Recruitment Files	2011	993A	
ICMA Loans	2008	1005	
ICMA Loans	2009	1005	
ICMA Loans	2010	1005	
Recruitment Files	2011	1150A	
Recruitment Files	2011	1157A	
Recruitment Files	2011	1174A	
Terminated Hourly Employees	2009	1336	
Termination of Permanent Employee	2009	1373	
Termination of Permanent Employee	2009	1396	
Summer Youth Workers	2009	1633	
Terminated Regular Employees	2009	1636	
Summer Youth Workers	2009	1640	
Background/Training Files	2009	4324	
Terminated Regular Employees	2009	4415	
Terminated Hourly Employees	2009	4420	
Closed General Liability Claims File	2007	4446	
Terminated Hourly Employees	2009	4459	
Terminated Regular Employees	2009	4473	
Terminated Regular Employees	2009	4511	
Background/Training Files	2009	4512	
Background/Training Files	2009	4514	
Terminated Regular Employees	2009	4514	
Terminated Regular Employees	2009	4529	
Background/Training Files	2009	4530	

Terminated Regular Employees	2009	4532	
Terminated Regular Employees	2009	4541	
Terminated Regular Employees	2009	4546	
Citizens Complaints	2007	4581	
Citizens Complaints	2008	4581	
Citizens Complaints	2009	4581	
Terminated Hourly Employees	2009	4679	
Terminated Regular Employees	2009	4684	
Terminated Regular Employees	2009	4693	
Terminated Regular Employees	2009	4694	
Recruitment Files	2011	4701A	
Stacklehouse, Stuart Skelly Procedures	2008	4711	
Terminated Regular Employees	2009	4793	
Closed General Liability Claims File	2007	4800	
Closed General Liability Claims File	2006	4810	
Closed General Liability Claims File	2007	4810	
Closed General Liability Claims File	2007	4815	
Recruitment Files	2009	1169	

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FY__14-15_____

APPROVALS				
DEPARTMENT POLICE	DEP CITY CLERK	CITY ATTORNEY	DATE	COUNCIL MEETING

TITLE OR DESCRIPTION OF RECORD	DATE	BOX NO.	COMMENTS
Internal Affairs Investigation 01-09	2009		
Internal Affairs Investigation 02-09	2009		
Internal Affairs Investigation 03-09	2009		
Internal Affairs Investigation 04-09	2009		
Internal Affairs Investigation 05-09	2009		
Internal Affairs Investigation 06-09	2009		
Internal Affairs Investigation 07-09	2009		
Internal Affairs Investigation 08-09	2009		
Citizen Complaint 01-09 Jeremiah Medina	2009		
Citizen Complaint 02-09 Roseann Garcia	2009		
Citizen Complaint 03-09 Mathew Montague	2009		
Citizen Complaint 04-09 Mark Brown	2009		
Citizen Complaint 05-09 Christian Rivera	2009		
Citizen Complaint 06-09 Brenda Arenas	2009		
Citizen Complaint 07-09 Paul Barresi	2009		
Citizen Complaint 08-09 Martha Ochoa	2009		
Citizen Complaint 09-09 Donald Fair	2009		
Citizen Complaint 10-09 Michael Perden	2009		
Citizen Complaint 11-09 Aaron Volponi	2009		
Citizen Complaint 12-09 Marlon Bonds	2009		
Citizen Complaint 13-09 Efrain Ornelas	2009		
Citizen Complaint 14-09 Andrea Angus	2009		
Citizen Complaint 15-09 Matthew Flynn	2009		
Citizen Complaint 16-09 Chris Swanlund	2009		
Citizen Complaint 17-09 Robert Talamantes	2009		
Citizen Complaint 18-09 Paula Potter	2009		
Citizen Complaint 19-09 Courtney Abstende	2009		
Employment Reject Michael Estrada	2012		
Employment Reject Samuel Ferguson	2012		
Employment Reject James Gallo	2012		
Employment Reject Allyson Greenwood	2012		
Employment Reject Courtney Holzhauer	2012		
Employment Reject Dianna Hurst	2012		
Employment Reject Kathleen Johnston	2012		
Employment Reject Javier Marquez	2012		
Employment Reject Christopher Medina	2012		

Employment Reject Robert Mittan	2012		
Employment Reject Christine Navarro	2012		
Employment Reject Anthony Pinto	2012		
Employment Reject Marco Salinas	2012		
Employment Reject John Scarpelli	2012		
Employment Reject Robert Skarseth	2012		
Employment Reject Stephen Roybal	2012		
Employment Reject James Schlotter	2012		
Employment Reject Valerie Villasenor	2012		
Employment Reject Matthew Whitacre	2012		
Employment Reject Kaitlin Page	2012		
Copy of DUI Calculations	2011		
Copy of DUI Calculations	2012		
Personnel Equipment Form	2012		
Copy of Civil Subpoenas	2012		
DOJ NCIC Validation	2012		
Special Event Forms	2011/2012		
Uniform Crime Reporting	2011		
Uniform Crime Reporting	2012		

RECORDS DESTRUCTION REQUEST
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APPROVALS			
DEPARTMENT POLICE DEPT ADMINISTRATIVE DVISION	DEPUTY CITY CLERK	CITY ATTORNEY	COUNCIL MEETING June 8, 2015

All listed case files were reviewed by law enforcement personnel and identified as exceeding the retention life. Cases needing to be retained have been listed as exceptions and were placed back in storage.

Julian Day	Offense_Description	Occurrence_Date
2011-2012	LAND HIGH SCHOOL PARKING	2011-2012
2006-2010	VOIDED TRAFFIC CITATIONS	2006-2010
2002-365-022	Possession of Stolen Property	12/31/2002
2002-365-024	GTA- Not recoverd	12/31/2002

RECORDS DESTRUCTION REQUEST
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APPROVALS				
DEPARTMENT PW	DEPUTY CITY CLERK	CITY ATTORNEY	DATE	COUNCIL MEETING June 8, 2015

TITLE OR DESCRIPTION OF RECORD	DATE	BOX NO.	COMMENTS
PW Files at Records Center			
Project 5881, Phase II & 5886, Phase II Design Build and Retrofit of Various Playground Sites	2001/2003	677	
Project 5881, Phase II & 5886, Phase II Design Build and Retrofit of Various Playground Sites	2001/2003	717	
Project 6646, Phase I Sewer and Water Line Relocation on Euclid & San Antonio Aves for Rte 30 Fwy Construction Project, UA #16079 Sewer Relocation at Euclid	2002	4427	
Project 3506 Citywide Slurry Seal, Project 5888 Greenbelt Park Bleachers and Access Improvement	2001/2003	4583	
Project 3416 21st Street Rehabilitation, Project 3507 Citywide Street Overlays	2001/2004	4584	
Project 3508A Central Avenue Street Construction, Project 3511B Danube Way Street Construction	2001/2003	4587	
Project 3515 Citywide Pavement Maintenance, Project 3516 Citywide Slurry Seals, Project 3517 Citywide Street Overlays	2002/2003	4588	
Project 3523 Interim Repair Magnolia Parking Lot at 3rd Street and "A" Street, Project 5883 Baldy View Park Improvements	2002/2003`	4590	
Project 2385 Raymond Street Alley Repair, Project 3511A 9th Street Rehabilitation	2003	4772	
Project no # - Library Patio Deck Coatings (Emergency Project), Project 2375 City Hall ADA Upgrades, Project 2378 City Hall/Library Exterior Paint, Project 4810 Upland Library Shelving	2001/2003	4798	

RECORDS DESTRUCTION REQUEST
2015

APPROVALS

DEPARTMENT	DEPUTY CITY CLERK	CITY ATTORNEY	DATE	COUNCIL MEETING
PUBLIC WORKS - FLEET MAINTENANCE ROSEMARY HOERNING DIR. PUBLIC WORKS	dlc	Richard L. Hearn II		June 8, 2015

TITLE OR DESCRIPTION OF RECORD	DATE	BOX NO.	COMMENTS
Vehicle Maintenance Record – Unit 356 1982 – Model Year Repair Nos. 0112, 0382, 0730, 1254, 1421, 2335, 2364, 3130, 3343, 3807, 3895, 4057, 4516, 5458, 5336, 5935, 6158, 6178, 6959, 07875, 08514, 08893, 09261, 09568, 10070, 10359, 11081, 11423, 12106, 12337, 12968, 13192, 14099, 14427, 14637, 15014, 15984, 17216, 17370, 17482, 17779, 18034, 18200, 18216, 18403, 18469, Work Order Nos: 50, 1066, 1965, 2454, 2886, 3262, 3281, 4493, 5060, 5356, 5513, 5864, 7156, 8111, 9097, 10687, 9452, 11984, 11982, 12271, 12928, 13090, 15110, 15140, 13660, 14033, 14701, 16057, 17798, 17965, 18786, 19650, 19726, 22356, 20532, 21201, 21502, 22478, 24215, 24171	Jun 28 '83 – Oct 24 '05	PW/Fleet-001	
Vehicle Maintenance Record – Unit 348-1979 – Model Year Work Order Date: 06-06-79, 05-02-80, 06-04-81, 05-06-81, 06-24-81, 05-28-82, 07-07-82, 07-14-82, 07-30-82, 08-04-82, 08-17-82, 09-29-82, 10-05-82, 10-15-82, 10-22-82, 10-29-82, 11-02-82, 11-19-82, 11-24-82, 12-10-82, 12-17-82, 01-03-83, 01-04-83, 01-14-82, 01-17-83, 01-19-83, 02-18-83, 04-05-83, 04-08-83, 04-26-83, 04-28-83, 05-26-83, 05-31-83, 06-28-83, 06-25-84, 07-12-84, 07-24-84, 09-13-84, 09-25-84, Repair Order Nos: 0042, 0125, 0181, 0131, 0302, 0809, 0875, 0929, 1522, 1357, 1388, 1651, 1664, 1761, 1866, 1947, 1974, 1982, 2129, 2497, 2714, 2901, 2976, 3136, 3372, 3850, 3610, 3812, 4002, 4259, 4401, 5474, 5363, 5056, 5022, 5252, 5610, 5794, 6091, 7195, 7450, 08727, 09813, 10873, 12124, 10643, 13176, 13201, 14538, 15596, 17626, 18263; Work Order Nos: 1038, 2116, 2354, 2685, 5574, 3423, 7636, 9280, 10825, 12132, 13304, 14227, 15291	Aug 04 '97 – Mar 03 '00	PW/Fleet-001	
Vehicle Maintenance Record – Unit 326-1986 – Model Year Owner's Manual, Purchase Order G5076-R; Repair Order Nos: 4088, 5237, 11807	Nov 03 '86 – Jun 20 '90	PW/Fleet-001	

Vehicle Maintenance Record – Unit 329-1974 – Model Year Date: 06-11-80, 05-05-81, 05-12-82, 06-30-83, 06-06-83, 06-22-84, 07-15-76, 08-11-76, 06-20-77, 06-28-74, 06-26-75, 06-17-76, 06-19-78, 06-22-79, 04-28-80, 05-26-81, 05-14-81, 06-29-81, 06-22-81, 06-26-81, 08-24-81, 08-18-81, 09-21-81, 07-20-81, 09-28-81, 10-27-81, 11-30-81, 12-08-81, 12-18-81, 01-13-82, 02-09-82, 02-10-82, 02-17-82, 04-19-82, 05-13-82, 06-08-82, 05-20-82, 06-24-82, 06-28-84, 07-14-82, 06-24-83, 07-25-84, 07-26-84, 07-31-84; Repair Order Nos: 0253, 0326, 0348, 0357, 0734, 0859, 1445, 1586, 1775, 2268, 2257, 2338, 2408, 4560, 4494, 4529, 4658, 4663, 4770, 4798, 5415, 5432, 5264, 5559, 6114, 6268, 6386, 7163, 7363, 08085, 08290, 08742, 08787, 08957, 09216, 09295, 09416, 09683, 10206, 10684, 10847, 10966, 11237, 11399, 11378, 11774, 11887, 12168, 12735, 12954, 12989, 13442, 13848, 13970, 18371, 14121, 14115, 14819, 15199, 15567, 16029, 17142, 17118, 17290, 17757, Registration Card	Feb 29 '74 – Nov 11 '93	PW/Fleet-001	
Vehicle Maintenance Record – Unit 347-1972– Model Year Date: 07-22-75, 06-06-77, 06-12-78, 04-02-80, 04-09-81, 03-16-82, 06-25-84, Unimasco invoice, 06-20-83; Repair Order Nos: 1064, 1107, 2697, 3078, 3107, 4448, 5451, 4993, 5325, 5233, 07843, 08353, 08942, 08982, 09004, 09046, 09246, 09273, 10063, 10064, 11014, 11352, 11038, 11431, 11654, 11801, 13998, 14008, 14122, 16511, 16535, 16791, 16594, 16746, 17294, 17372, 17564, 18532, Documentation; Work Order Nos: 110, 231, 455, 486, 947, 1027, 533, 2307, 4148, 7180, 5252, 5599, 5774, 6920, 7235, 9203, 16594	Jul 22 '75 – Jan 03 '01	PW/Fleet-001	
Vehicle Maintenance Record – Unit 334-1989 – Model Year Work Order Nos. 09348, 09348, 11598, 13822, 15768, 15969, 16949, 17566, 17789, 18219, 441, 1923, 5216, 6616, 10776, 16150, 16887, 17860, 18202, 19694, Documentation, 19720, 20129, 20515, 20472	Mar 03 '89 – Jul 02 '03	PW/Fleet-001	

Vehicle Maintenance Record – Unit 339-1978 – Model Year Work Order Nos: 17234, 07-16-80, 05-21-80, 08-13-80, 05-21-81, 06-13-79, 04-28-80, 06-10-82, 07-22-82, 06-29-83, 09-27-83, 06-25-84, documentation, 0022, 0047, 0186, 0488, 0568, 0741, 0894, 1017, 0936, 1144, 1371, 1533, 1572, 2559, 2610, 2959, 3264, 3878, 4090, 4104, 4252, 4272, 4313, 4310, 4412, 4483, 4523, 5435, 4996, 5478, 5340, 5377, 5135, 5208, 5299, 5465, 5669, 5774, 5876, 6118, 6775, 6872, 7436, 7458, 7611, 7694, 07785, 08139, 08235, 08163, 08274, 08516, 08544, 08587, 08640, 08754, 09245, 09234, 09066, 09506, 09716, 09953, 10136, 10347, 10370, 10618, 10517, 10984, 11191, 11282, 11512, 11727, 12159, 12311, 12338, 13120, 13123, 13310, 14042, 14112, 14474, 14630, 15241, 15433, 16146, 16010, 15499, 16426, 16775, 17182, 17464, 18059, 578, 869, 1289, 1928, 3020, 3499, 3623, 3698, 3810, 4278, 3985, 4427, 7689, 7973, 7986, 8291, 9497, 9095, 10343, 14235, Registration Card	Oct 12,'92 – Sep 22 '99	PW/Fleet-001	
Vehicle Maintenance Record – Unit 329-1982 – Model Year Work Order Nos. 06/13/83, 05/09/84, 1431, 134, 398, 538, 980, 1105, 1362, 1756, 1963, 2311, 3019, 4697, 4945, 4874, 4193, 5527, 5930, 6212, 6228, 6601, 6661, 7178, 7512, 7582, 7745, 7762, 8221, 8946, 9205, 9249, 9514, 9910, 10001, 10225, 10297, 10071, 10863, 11238, 11368, 11925, 12192, 12359, 12554	Jun 13 '83 – Nov 18 '99	PW/Fleet-001	
Vehicle Maintenance Record – Unit 222-04 – Model Year Registration Card, Pink Slip, Window Sticker, Steve's Collision Quote, Work Order Nos. 25345, 25419, 25596, 25821, 25860, 25982, 26038, 26239, 26364, 26431, 26412, 26513, 26577, Steve's Collision Quote, 26746, 26737, 26930, 26952, 27046, 27077, 27115, 27152, 27175, 27118, 27314, 27455, 27394, 27488, 27572, 27570, 27636, 27699, 27714, 27700, 27722, 27776, 27839, 27792, 27879, 27929, 27916, 27978, 28081, 28095, 28177, 28156, 28264, 28349, 28435, 28483, 28821, 28610	Jun 06 '04 – Nov 05 '08	PW/Fleet-001	

Vehicle Maintenance Record – Unit 222-2004 – Model Year Work Order Nos: 22458, 22594, 22717, 22857, 22977, 23049, 23218, 23390, 23437, Ford Invoice, 23564, 23500, 23669, 23762, 23762, 23855, 23931, 24066, 24214, 24269, 24343, 24372, 24483, 24560, 24613, 24690, 24661, 24909, 25051, 25253	Aug 30 '04 – Jul 19 '06	PW/Fleet-001	
Vehicle Maintenance Record – Unit 291-1980 – Model Year Purchase Order 3141-R, Repair Order 06/06/80, 05-01-80, 04-23-80, 12-18-79, 02-20-80, 02-28-80, 04-23-80, 05-01-80, 06-06-80, 06-24-80, 06-29-82, 07-21-82, 08-30-82, 09-22-82, 10-21-82, 12-14-82, 06-17-83, 06-28-84, Documentation, 0599, 0900, 1019, 1257, 1627, 1857, 1910, 1944, 1996, 2055, 2402, 2427, 2520, 2747, 2820, 3031, 3277, 2967, 2992, 3340, 3358, 5449, 5557, 6937, 08920, 09342, 10760, 11195, 12878, 13725, 14004, 14146, 15169, 15170, 15574, 15854, 17484, 17692, 17721, 034, 417, 786, 783, 1719, 2839, 3191, 3560, 3547, 3844, 4021, 4908, Owner's Manual	Oct 16 '79 – Jun 13 '95	PW/Fleet-002	
Vehicle Maintenance Record – Unit 329-1982 – Model Year Work Order Nos. 06/13/83, 05/09/84, 1431, 134, 398, 538, 980, 1105, 1362, 1756, 1963, 2311, 3019, 4697, 4945, 4874, 4193, 5527, 5930, 6212, 6228, 6601, 6661, 7178, 7512, 7582, 7745, 7762, 8221, 8946, 9205, 9249, 9514, 9910, 10001, 10225, 10297, 10071, 10863, 11238, 11368, 11925, 12192, 12359, 12554	Mar 04 '97 – Nov 20 '01	PW/Fleet-002	
Vehicle Maintenance Record – Unit 317-1994 – Model Year Certificate of Title, Documentation, Work Order 2001, 1912, 2019, 2078, 2133, 2425, 2449, 2891, 2977, 3391, 3463, 4806, 5386, 5983, 1871, 3686, 7298, 7204, 7874, 8759, 6821, 10094, 11191, 11151	Mar 04 '97 – Apr 20 '98	PW/Fleet-002	
Vehicle Maintenance Record – Unit 233-2005 – Model Year Certificate of Title, Documentation, Work Order 25157	Jul 03 '06 – Jul 03 -06	PW/Fleet-002	

Vehicle Maintenance Record – Unit 235-2001 – Model Year Purchase Documentation, Battery Charger User Manual, GEM E825 Specifications, Work Order Nos: 19297, 21083, 21928, 22129, 22281, 22429, 22581, 22700, 22750, 22841, 23000, 23181, 23243, 23664, 23789, 23889, 23937, 24085, 24227, 24328	Jul 15 '02 – Dec 05 '05	PW/Fleet-002	
Vehicle Maintenance Record – Unit 235-2001 – Model Year Registration Card, Work Order Nos: 24473, 24547, 24798, 25059, 25523, 25815, 25878, 26163, 26346, 26532, 27070, 27358, 27442, 27837, 27432, 28169, 28510, 29121, 29246, 29295; Repair Order Nos: 295, 634, 458, 1261, 953, 911, 1211, 1356, 1556, 1585, 1693, 1816, 1989, 2164, 2398, 4155, 2557, 2859, 3134, 3530, 4299, 4333	Jan 19 '06 – Apr 25 '12	PW/Fleet-002	
Vehicle Maintenance Record – Unit 240-1987 – Model Year Application for Registration, Registration Card, Repair Order Nos: 5485, 5968, 6152, 6724, 7010, 7198, 7318, 7681, 8165, 08219, 08259, 08302, 08432, 08564, 08625, 08886, 09155, 09294, 09654, 09659, 10073, 10248, 10439, 10539, 10630, 10986, 11334, 11633, 11970, 12238, 12643, 13617, 13701, 13868, 14263, 14955, 15566, 15449, 15989, 16132, 16177, 16286, 16353, 16531, 16719, Accident Repair Documentation	Jul 07 '87 – Jul 14 '93	PW/Fleet-002	
Vehicle Maintenance Record – Unit 241-2001 – Model Year Window Sticker, Vehicle Maintenance Record, Work Order Nos: 18704, 18992, 19273, 19340, 19384, 19590, 19599, 19792, 19931, 19996, 20305, 20620, 20693, 20931, 21000, 21268, 21185, 21387, 21662, 21720	Apr 30 '02 – Mar 25 '04	PW/Fleet-002	

Vehicle Maintenance Record – Unit 242-1987 – Model Year Repair Order Nos: 5387, 5414, 5760, 5764, 6250, 6351, 6655, 6923, 7007, 7043, 7190, 7214, 7541, 7600, 7672, 7709, 07877, 07990, 08065, 08250, 08397, 08760, 08891, 09084, 09242, 09513, 10026, 10795, 10919, 11266, 11548, 12013, 12308, 12537, 12616, 12703, 13411, 14060, 13703, 14665, 15572, 15792, 16289, 16848, 16975, 17169, 17099, 17426, 17751, 18089, 18189, 18135, 18353, 18557, Work Order Nos: 242, Application for Registration, Registration Card	Sep 28 '87 – Sep 02 '93	PW/Fleet-002	
Vehicle Maintenance Record – Unit 328-1982– Model Year Repair Orders: 1502, 1607, 1722, 1723, 1782, 1830, 1990, 2189, 2360, 2537, 2769, 2813, 2922, 3167, 3183, 3315, 3334, 3781, 3960, 3973, 4087, 4413, 4395, 4550, 4426, 4652, 4907, 4933, 4982, 5308, 5074, 5137, 5244, 5288, 5417, 5523, 5589, 5836, 5932, 5951, 6006, 6086, 6123, 6134, 6149, 6234, 6474, 6641, 6654, 6824, 6769, 6829, 6926, 7124, 7152, 7724, 08024, 08225, 08565, 08696, 09156, 09487, 09584, 09596, 09623, 08528, 09981, 10001, 10041, 10112, 10352, 10486, 10516, 10622, 11086, 11284, 11310, 11404, 11770, 11788, 11809, 11831, 12116, 12446, 12255, 12747, 12953, 12976, 13012, 12854, 13329, 14541, 15146, 14537, 14783, 145307, 15421, 15543, 15917, 16268, 16167, 16741, 16662, 16387, 16552, 17046, 17310, 17302, 17624, 16845, 18285, 18350, 18382, 18536, 18657	Jun 21 '85 – Jun 03 '93	PW/Fleet-002	
Vehicle Maintenance Record Unit 333-1969 – Model Year Work Order Nos: 07-20-70, 06-24-71, 04-02-73, 04-29-74, 06-18-75, 05-12-76, 05-12-77, 06-19-78, 01-31-79, 02-19-80, 11-24-80, 06-21-82, 03-29-83, 06-29-84, 07-20-84, 07-27-84, Repair Order Nos: 10158, 11342, 11671, 15540, 2072, Emergency Operating Permit	Nov 21 '90 – Jan 23 '92	PW/Fleet-002	

Vehicle Maintenance Record Unit 341-1984 – Model Year Repair Order 1515, 1581, 1637, 1859, 1875, 1955, 1948, 1995, 2063, 2136, 2180, 2211, 2272, 2377, 2416, 2463, 2651, 2691, 2770, 2868, 2931, 2968, 3317, 3454, 3598, 3618, 3684, 3713, 3826, 3877, 3955, 3990, 4105, 4113, 4370, 4352, 4467, 4496, 4585, 4650, 4817, 4954, 5246, 5242, 5257, 5185, 5030, 5049, 5079, 5204, 5249, 5333, 5705, 5736, 6106, 6372, 6393, 6431, 6686, 6850, 6924, 7044, 7185, 7230, 7303, 7468, 07787, 7780, 08439, 08646, 08571, 08825, 08871, 09126, 09220, 09714, 09206, 09677, 09748, 09882, 10333, 10371, 10528, 10598, 10707, 10739, 10924, 11163, 11454, 11693, 11851, 12352, 12528, 12913, 13106, 13216, 13439, 13458, 13465, 13838, 14030, 14170, 14495, 14238, 14651, 14907, 16214, 16357, 15092, 15177, 15423, 15561, 16108, 16471, 17074, 17735, 18124; Work Order Nos: 256, 432, 460, 256, 1050, 1503, 1863, 2479, 2898, 3264, 3574, 3930, 4059, 4304, 4726, 4872, 5268, 5406, 5793, 5630, 6000, 6148, 6265, 6216, 6271, 6952, 7691, 8289, 8279, 9717, 9007, 9451, 10401, 10846, 10725, 11015, 11295, 11088, 12026, 12315, 12097, 12098, 12593, 13032, 13047, 13520, 13876, 12752, 12745, Registration Card	Jun 06 '85 – Dec 18 '98	PW/Fleet-002	
Vehicle Maintenance Record 262-1991 – Model Year Window Sticker, Repair Order Nos: 12742, 12635, 12664, 12749, 13243, 13364, 13711, 14214, 14569, 15220, 15570, 16061, 17047, 17724, 18527; Work Order Nos: 724, 1413, 1926, 2320, 3354, 3253, 4259, 4335, 5098, 5273, 5895, 6246, 6657, 6993, 8087, 8204, 8432, 9236, 10373, 10372, 10921	Oct 31 '90 – Mar 16 '98	PW/Fleet-002	
Vehicle Maintenance Record 282-1987 – Model Year Repair Order Nos: 6677, 7696, 08262, 08508, 08714, 08836, 09210, 09433, 09501, 09733, 09810, 10231, 11357, 11421, 12427, 11216, 13213, 13451, 13644, 14627, 14940, 14999, 15192, 13721, 15782, 16182, 16538, Certified Transmissions Invoice, 16651, 16878, 17036, 17236, 17497, 17540, 17641, 18032, 18126; Work Order Nos: 764, 1406, 1340, 1352, 1835, 1948, 2163, 2647, 3189, 4466, 4599, Registration Card.	Apr 18 '87 – Apr 24 '95	PW/Fleet-002	

Vehicle Maintenance Record 288-1989 – Model Year Registration Card; Work Order: 25443, 25761, 26538, 28051, 28539, 28946, Cash Cow File, 29486, 29213, 28992; Repair Order Nos: 047, 893, 987, 1566, 1665, 1964, 2270, 2297, 2545, 2571, 2836, 2836, 2990, 3184, 3259, 3385, 3838, 4295, 4310, 4482, 3479, 4743, 5773, 5836	Sep 05 '06 – Apr 02 '13	PW/Fleet-002	
Vehicle Maintenance Record 067-1991 – Model Year Work Order: 19164, 19267, 19372, 19424, 19456, 19625, 20148, 20248, 20593, 22713, Registration Card	Jul 30 '02 – Oct 27 '04	PW/Fleet-002	
Vehicle Maintenance Record 067-1991 – Model Year Work Order Nos: 7079, 7136, 7620, 8004, 8059, 8064, 8133, 8225, 8351, 8665, 8887, 8992, 9089, 9782, 9998, 10212, 10590, 11338, 11339, 11435, 12529, 13336, 13369, 13470, 13535, 13540, 13703, 14004, 14375, 14555, 15171, 15342, 15491, 15555, 15923, 15955, 16212, 16366, 16408, 16546, 16871, 17152, 17198, 17315, 17466, 17571, 17708, 17842, 18091, 18303, 18349, 18708, 18878, 18879, 18993	Jul 22 '96 – Jun 24 '02	PW/Fleet-003	
Vehicle Maintenance Record 350-1985 – Model Year Work Order Nos: 21247, 26032, 26822, Registration Card	Nov 25 '03 – Aug 13 '07	PW/Fleet-003	
Vehicle Maintenance Record 230-2004 – Model Year Registration Card, Application for Registration, Purchase Order 040528, DMV Multiple Reconciliation Report	Mar 02 '04 – Sep 01 '04	PW/Fleet-003	
Vehicle Maintenance Record 230-2004 – Model Year Brown Motor Works Repair Order Invoices	Oct 08 '04 – Sep 28 '05	PW/Fleet-003	
Vehicle Maintenance Record 254-1987 – Model Year Certificate of Title, Application for Registration, State Farm Insurance – Statement of Facts, Work Order Nos: 6145, 6146, 6446, 6346, 6872, 6834, 9877, 10696, 11528, 13675, 12835, 14299, 15176, 15517, 16158, 16471, 16439, 17864, Registration Slip	Oct 19 '95 – Oct 10 '01	PW/Fleet-003	

Vehicle Maintenance Record 350-1985 – Model Year Owner's Manual – Surge Brake System; Repair Order Nos:1692, 2175, 2256, 3526, 3766, 3813, 4258, 4205, 4400, 5475, 5045, 5077, 5253, 5723, 6034, 6168, 6254, 6402, 6454, 6770, 7019, 7234, 7401, 7434, 7740, 08427, 08496, 08652, 08815, 08851, 09812, 10872, 12209, 13202, 14539, 15516, 15597, 16674, 17812, 18133; Work Order Nos: 107, 1531, 3424, Hydraulic Surge Brake Tubing Kit, 7335, 9292, 10627, 11777, 12950, 13954, 15362, 16188, 16942, 16963, 17287, 18609, 19414, 20257, 22310, 24207, 25165	Jul 26 '85 – Jul 03 '06	PW/Fleet-003	
Vehicle Maintenance Record 069-1985 – Model Year Owner's Manual for Rule Winches; Work Order Nos: 423, 494, 704, 639, 703, 1251, 1698, 1811, 2631, 3338, 4272, 4772, 3790, 3541, 4425, 6739, 7074, 7261, 7244, 7781, 8428, 8571, 9270, 9492, 10345, 10875	Sep 07 '93 – Mar 10 '98	PW/Fleet-003	
Vehicle Maintenance Record 069-1985 – Model Year Repair Order Nos: 1110, 1552, 1635, 1758, 2096, 2361, 2491, 3184, 3153, 3267, 3538, 3711, 3824, 3863, 3926, 4019, 4180, 4240, 4250, 4345, 4433, 4455, 4689, 5436, 5241, 5105, 5119, 5181, 5089, 5307, 5346, 5344, 5486, 5675, 5933, 6116, 6239, 6331, 6319, 6418, 6492, 6515, 6727, 7072, 7596, 7399, 7639, 7711, 07923, 07810, 08267, 08650, 08692, 09232, 09289, 09316, 09351, 09434, 09521, 09663, 09643, 09959, 10084, 10321, 10419, 10541, 10562, 10722, 10854, 11000, 11098, 11144, 11245, 11329, 11500, 11888, 12035, 12087, 12228, 12332, 12676, 12783, 12824, 12910, 13539, 14757, 13929, 14198, 14825, 14838, 14960, 15369, 15645, 15672, 16660, 17029, 17272, 17030, 17479, 17770, 17864, 18164	Apr 17 '85 – Apr 14 '93	PW/Fleet-003	

Vehicle Maintenance Record 081-1983 – Model Year Repair Order Nos: 1073, 1585, 1874, 1930, 1971, 2283, 2405, 2768, 3097, 3259, 4115, 4785, 4931, 5259, 5035, 5430, 5645, 5856, 5755, 5748, 7287, 7597, 7609, 08186, 08958, 08992, 09544, 09193, 09840, 09942, 10072,10656, 10776, 11189, 12076, 13002, 13548, 13961, 14887, 15025, 18366; Pink Slip Copy	Apr 08 '85 – May 05 '93	PW/Fleet-003	
Vehicle Maintenance Record 082-1983 – Model Year Certificate of Title, Work Order 06-09-88, 03-06-84, 1405, 1618, 1917, 2340, 2467, 2594, 2594, 2793, 3425, 3260, 3935, 4015, 4334, 4414, 4727, 4922, 5477, 5036, 5596, 5628, 6203, 6360, 6395, 6605, 6898, 7155, 7221, 7389, 07837, 07975, 08016, 08313, 08771, 08844, 08974, 09122, 09468, 10099, 10344, 10502, 10556, 10603, 10796, 11178, 11204, 11264, 11330, 11756, 11941, 12121, 12439, 12865, 13361, 13549, 14246, 14440, 15352, 15681, 16110, 16487, 17423, 18335, 18637; Work Order No's: 506, 1178, 5332, 690, Registration Card.	Mar 08 '91 – Oct 07 '93	PW/Fleet-003	
Vehicle Maintenance Record 083-1985 – Model Year – Pre-Delivery Inspection Procedure, Enterprise Chevrolet Repair Estimate, Repair Order No's: 0705, 1223, 1756, 1724, 1747, 2213, 2650, 3064, 3122, 3480, 3510, 4163, 4732, 4758, 4998, 5009, 5708, 5769, 5815, 6069, 6108, 6147, 6170, 6660, 7387, 08230, 08790, 09000, 09068, 09957, 10057, 10642, 10693, 11451, 12198, 12251, 12804, 13003, 13550, 13870, 14024, 14610, 14947, 15448, 15584, 15947, 16953, 16966, 17168, 17940, 18214; Work Order No's: 228, 1286, 1418, 1699, 2216, 3332, 3847, 3904, 4239, 4763, 4935, 5083, 5265, 5595, 6043, 6257, 6418, 6540, 6936, 7227, 7559, 7758, 8066, 9541, 8592, 8598, 9705, 9909, 10654, 10939, 11759, 12090, 12169, 12378, 12527, 12733, 12969, 13331, 13152	Jan 30 '85 – Mar 08 '99	PW/Fleet-003	

Vehicle Maintenance Record 090-1985 – Model Year Repair Order No's: 1760, 1757, 2170, 2207, 2224, 2664, 3079, 3252, 3559, 3656, 4260, 4805, 4987, 5446, 5177, 5038, 5148, 5297, 5584, 5625, 5714, 5863, 5942, 5963, 6204, 6407, 6523, 6738, 7550, 7633, 08019, 08269, 08381, 09269, 09391, 09394, 09457, 09583, 09973, 10238, 10314, 10578, 10660, 11016, 11124, 11319, 11408, 11614, 11744, 12408, 12403, 12460, 12525, 12677, 12951, 15133, 13556, 14228, 14694, 14746, 14778, 15095, 15273, 15492, 15294, 15972, 16086, 16232, 16503, 16612, 16944, 17139, 17055, 18018, 17994, 17948,	Aug 08 '85 – Apr 13 '93	PW/Fleet-003	
Vehicle Maintenance Record 090-1985 – Model Year Repair Order No's: 1235; Work Order No's: 238, 358, 2509, 238, 558, 816, 734, 1414, 2233, 2293, 3208, 3297, 3544, 3755, 4068, 4137, 4504, 4907, 6943, 5033, 5416, 5703, 6304, 6511, 6804, 7618, 7780, 8032, 8283, 10878, 6511	May 07 '85 – Mar 10 '98	PW/Fleet-003	
Vehicle Maintenance Record 040-1984 – Model Year Repair Order No's: 1523, 1643, 2003, 2418, 2601, 2788, 3330, 3608, 3906, 4460, 4892, 4945, 5445, 5028, 5246, 5738, 5966, 6052, 6079, 6244, 6385, 6789, 6963, 7121, 7414, 7628, 08114, 08321, 08455, 08401, 08926, 08969, 09077, 09058, 09311, 09510, 09588, 09802, 10221, 10253, 10634, 11007, 11439, 11725, 11899, 12365, 12409, 12548, 12609, 12662, 12897, 12904, 13385, 13659, 14134, 14178, 14344, 14798, 14862, 14834, 14958, 15278, 15553, 15293, 16211, 17259, 17344, 17430, 17629, 18275; Work Order No's: 746, 756, 1800, 1844, 1210, 1270, 1904, 2736, 3579, 3408, 4031, 4127, 4627, 5315, 5613, 6500, 6688, 6810, 7422, 7988, 8346, 9323, 9404, 9635, 9641, 10079, 10377, 10376, 10616, 11662, 11328, 10805, 12054, 12877, 15997	Jun 26 '85 – Aug 08 '00	PW/Fleet-003	

Vehicle Maintenance Record 078-1987 – Model Year Repair Order No's: 5370, 5296, 5301, 5323, 5404, 6192, 6230, 6571, 6683, 6987, 7250, 7430, 07979, 08166, 08285, 08457, 08766, 08965, 09061, 09751, 09918, 10154, 10575, 11047, 11256, 11485, 11655, 11972, 12201, 12309, 12372, 12646, 13421, 13441, 13473, 13693, 13875, 13927, 13545, 14478, 15386, 16212, 17227, 17313, 18326, 18303, 18398, Work Order No's: 078, 223, 817, 818, 1345, 1753, 2705, 2772, 2984, 2815, 3406, 3951, 3943, 4571, 5044, 5226, 5293, 5512, 6365, 6923, 7262, 6648, 7538, 7778, 7733, 8713, 9936, 10575, 11027, 11026, 11376, 12250, 13438, 13207, 13465, 14134, 14431, 14736, 15011, 15010, 15292, 15230, 15746, 27565	Jun 11 '87 – Feb 13 '08	PW/Fleet-003	
Vehicle Maintenance Record 078-1987 – Model Year Work Order Nos: 15820, 15986, 17051, 17693, 17916, 18726, 18727, 19609, 19609, 20143, 20556, 21205, 21261, 21624, 21687, 22145, 22183, 22421, 22623, 23262, 23260, 23552, 23542, 24020, 24159, 24306, 24338	Jul 03 '00 – Dec 07 '05	PW/Fleet-003	
Vehicle Maintenance Record 076 – 1999-Model Year Work Order No's: 24780, 25595, 26044, 26234, 26334, 26287, 26380, 26984, 26967, 27099, 27720, 27719, 27985, 27941, 28246, 28209, 28502, 28694, 29219	Apr 06 '06 – Apr 06 '09	PW/Fleet-003	
Vehicle Maintenance Record 076 – 1999-Model Year Work Order No's: 13696, 13853, 13819, 14008, 14785, 15285, 15418, 15694, 16261, 17316, 18185, 18893, 18999, 19281, 19564, 19601, 20371, 21024, 21939, 20666, 21132, 21213, 21433, 21617, 23355, 23716, 23716, 24057, 24120, 24582, 24779	Jun 16 '99 – Apr 06 '06	PW/Fleet-003	

Vehicle Maintenance Record 068-2004 – Model Year Purchase Documentation; Work Order No's: 22571, Purchase Order No 050236, Extended Warranty, 22941, 23336, 24268, 24903, 24944, 25740, 26408, 26584, 27958, 28675, Vehicle Accident, 29136	Sep 27 '04 – Mar 16 '09	PW/Fleet-003	
Vehicle Maintenance Record 067-1991 – Model Year Window Sticker, Purchase Documentation, Repair Order No's: 12150, 12503, 13096, 11964, 12497, 13487, 13537, 13771, 14194, 14281, 1455914619, 14836, 15351, 15580, 15808, 16024, 16763, 16700, 16806, 17087, 17207, 17279, 17378, 17568, 17705, 17850, 17928, 17920; Work Order No's: 072, 194, 190, 655, 677, 1029, 2512, 1434, 2073, 2170, 2199, 2935, 3053, 3340, 3259, 3462, 3657, 3970, 4314, 4613, 4759, 4132, 4918, 4849, 5163, 5292, 5270, 5497, 5830, 5949, 6108, 6372, 6414, 6570, 6591, 6832, 6859	Aug 15 '90 – Jun 11 '96	PW/Fleet-004	
Vehicle Maintenance Record 262-1991 – Model Year Work Order No's: 11398, 11485, 11444, 11430, 11904, 11846, 12829, 12794, 13081, 13374, 13757, 14491, 14685, 15647, 15911, 16282, 16470, 16600, 16762, 17028, 17318, 17550, 17707, 18011, 18394, 18555, Traffic Collision Report, 19259, Registration Slip	May 26 '98 – Aug 26 '02	PW/Fleet-004	
Vehicle Maintenance Record 258-1996 – Model Year Purchase Order 70872, Work Order No's: 26340, 26339, 26499, 26881, 27192, 28184, 28281, 28582, 28751	Nov 24, '03 – Dec 08 '08	PW/Fleet-004	
Vehicle Maintenance Record 258-1996 – Model Year T-Bird Brochures, Bid, Council Agenda Transmittal Sheet; Work Order No's: 8565, 8956, 10229, 11192, 12343, 12531, 12531, 13310, 13482, 14047, 14999, 15650, 16001, 16534, 16625, Ford Invoice, 16758, 17091, 17596, 17738, 18041, 18142, 18186, 18680, 19086, 19220, 19510, 20232, 20231, Airbag Instructions, 20888, 21127, 21253, 21383, 22466, 23264, 23265, 23942, 24000, 24046, 24178, 25506, 26094	Mar 20 '97 – Feb 14 '07	PW/Fleet-004	

Vehicle Maintenance Record 062-1988 – Model Year Repair Order: 4699, 5097, 5828, 6734, 6685, 6689, 6875, 7016, 7511, 08064, 08357, 09166, 09816, 09860, 09949, 10127, 10184, 10417, 10916, 10990, 11714, 11815, 12393, 12507, 12909, 13052, 13335, 13940, 14091, 14303, 14361, 14602, 14842, 14867, 15175, 15067, 13532, 15372, 15275, 15413, 15661, 15801, 15704, 16191, 16650, 17239, 17795, 17890, 18028, 18274; Work Order No's: 039, 016, 111	Mar 16 '87 – Jul 21 '93	PW/Fleet-004	
Vehicle Maintenance Record 062-1988 – Model Year Work Order No's: 836, 777, 1880, 1789, 2066, 2424, 2296, 2759, 3114, 3249, 3674, 3945, 3986, 4157, 4294, 4669, 4765, 5061, 5702, 6033, 5542, 6227, 6535, 6839, 7330, 7576, 7787, 7749, 7735, 8086, 8352, 8412, 8178, 10874, Registration Card	Oct 20 '93 – Mar 10 '98	PW/Fleet-004	
Vehicle Maintenance Record 064-1991 – Model Year Work Order Nos. 15074, 15248, 15364, 15729, 15712, 15740, 15932, 16425, 16430, 16619, 16855, 17175, 17211, 17731, 18276, 18410, 18502, 18503, 18821, 19313, 19426, 19429, 19506, 19787, 20109, 20087, 20205, Registration Card	Feb 16 '00 – Apr 02 '03	PW/Fleet-004	
Vehicle Maintenance Record 064-1991 – Model Year Window Sticker, New Vehicle Dealer Notice, Work Order No's: 7647, 7703, 7660, 13016, 13334, 13376, 13534, 14481, 15411, 16564, 17389, 17661, 18543, 508, 661, 1098, 1192, 1783, 2010, 3016, 3096, 3675, 4247, 4464, 4590, 4865, 4970, 5217, 5362, 5587, 5700, 5866, 6381, 7533, 7476, 8311, 9145, 9658, 10285, 10576, 11242, 11549, 11550, 11921, 12040, 12701, 13059, 13483, 13631, 14638, 14602, 14962	May 18 '04 – Jan 26 '00	PW/Fleet-004	
Vehicle Maintenance Record 059-1986 – Model Year Work Order Nos. 10647, 11954, 12442, 13153, 12994, 13890, 13897, 14124, 14797, 15081, 15617, 15993, 16462, 16767, 16923, 17673, 17889, 17890, 18529, 18747, 19554, 20207	Feb 04 '98 – Apr 03 '03	PW/Fleet-004	

Vehicle Maintenance Record 139-1989 – Model Year Repair Order No's: 4308, 3490, 4677, 5249, 5543, 4097, 6316, 6627, 7089, 7235, 7209, 08026, 08826, 09200, 09633, 09685, 09799, 10217, 10265, 10659, 10778, 11066, 11393, 11442, 11708, 12218, 12261, 12950, 13083, 13603, 14033, 13529, 14222, 14497, 14921, 14984, 15469, 16023, 16526, 17034, 18042; Work Order No's: 484, 689, 920, 1533, 2459, 2395, 2613, 3553, 3991, 4489, 4212, 4754, 4799, 5242, 5898, 6435, 6603, 7761, 8493, 8124, 8635, 8635, 8936, 9619, 9852, 10778	Jan 07 '86 – Feb 26 '98	PW/Fleet-004	
Vehicle Maintenance Record 052-1983 – Model Year Work Order No's: 20045, 21666, 22677, 7152, 7617, 9083, 12530, 13514, 10200, 10205, 11308, 14072, 14030, 14082, 14673, 15368, 15439, 15424, 15186, 15713, 16106, 16878, 17041,17321, 17682, 17853, 17854, 18302, 18728, 19252, 19244, 19323, 19428, 19518, 19519	Mar 03 '01 – Oct 23 '02	PW/Fleet-004	
Vehicle Maintenance Record 050-1984 – Model Year Repair Order No's: 3178, 3650, 3759, 5062, 5371, 6318, 6321, 7540, 07940, 09514, 09528, 09602, 10823, 11286, 11528, 11628, 12452, 13249, 13393, 13897, 14081, 14476, 15206, 13719, 15226, 16238, 16193, 16297, 16506, 16461, 16950, 17330, 17839, 17988, 17941, 18601; Work Order No's: 287, 665, 680, 1691, 1985, 2254, 3202, 3197, 3645, 3872, 4092, 4164, 4407, 4290, 4624, 5072, 5579, 6300, 6609, 7073, 7747, 7655, 7776, 8116, 8379, 9901, 9908, 10171, 12234, 12979, 13049, 13522	Jun 02 '86 – May 12 '99	PW/Fleet-004	
Vehicle Maintenance Record 045-1987 – Model Year Work Order Nos: 7324, 7772, 8161, 8345, 8275, 8712, 9187, 9510, 9774, 10692, 10924, 11032, 11060, 11496, 11760, 11946, 12039, 12361, 12571, 12540, 13084, 12993, 14044, 13953, 14263, 14503, 15138, 16072, 16352, 16533, 16577, 16827, 16940, 17648, 17787, 17918, 17968, 18231, 18488, 18587, 18588, 18627, 18946, 19037	Sep 03 '96 – Jul 02 '02	PW/Fleet-004	

Vehicle Maintenance Record 045-1987 – Model Year Repair Order No's: 4698, 5084, 5649, 6368, 7013, 07853, 08588, 09497, 10173, 10358, 11150, 11461, 11832, 12623, 13068, 13355, 13437, 14243, 14445, 13518, 14723, 15217, 15349, 15271, 16262, 16320, 16622, 16823, 16998, 17535, 16089, 18083, 18433; Work Order No's: 596, 1081, 2507, 1175, 1913, 2783, 2855, 3326, 3655, 3730, 4122, 4293, 4408, 5112, 5485, 5685, 6310, 5959, 6385, 6932	Mar 16 '87 – Jun 24 '96	PW/Fleet-004	
Vehicle Maintenance Record 044-1984 – Model Year Work Order No's: 04-10-84, Repair Order No's: 1084, 1645, 2009, 2114, 2553, 2661, 2963, 2928, 3374, 3866, 4080, 4273, 4477, 4948, 5074, 5073, 5285, 5469, 6004, 6095, 6265, 6323, 6639, 6854, 7174, 7393, 7720, 08388, 08490, 09250, 09402, 09673, 10042, 10312, 10550, 11102, 11792, 11992, 12385, 12584, 12866, 13018, 13422, 13517, 14321, 14434, 15203, 15328, 16236, 16254, 16663, 16817, 17077, 16821, 17069, 17415, 17328, 17903, 18349, 18504; Work Order No's: 067, 653, 910, 1193, 1405, 1519, 1889, 1817, 2548, 2804, 3517, 3552, 3498, 3415, 3763, 3979, 3984, 3816, 4254, 4308, 4969, 5109, 5658, 5823, 5832, 6001, 6285, 6491, 7205, 7642, 7562, 3622, 8182, 8851, 9151, 9488, 10076, 10670, 11176, 11424, 14472, 11739, 12077, 12288, 12365, 13441, 14356, 14921, 14920, 15108, 15469, 14920, 16131	Apr 10 '84 – Sep 08 '00	PW/Fleet-005	
Vehicle Maintenance Record 041-1987 – Model Year Repair Order No's: 4963, 4700, 4913, 5066, 5564, 5804, 6552, 7357, 08240, 08722, 08869, 08941, 09016, 09967, 10455, 10766, 11278, 11440, 11513, 12314, 12656, 13134, 14067, 14319, 13516, 14869, 16083, 16407, 17158, 18125; Work Order No's:135, 038, 414, 515, 610, 795, 1552, 2394, 3492, 3941, 4805, 5136, 6120, 6482, 6805, 7951, 7922, 8453, 8561, 8561, 9257, 10133, 10483, 10961, 11037, 11999, 11065, 12601, 12600, 12720, 12762, 13533, 13533, 13804, 14187, 13935	Apr 23 '87 – Jul 15 '99	PW/Fleet-005	

Vehicle Maintenance Record 061-1981 – Model Year Repair Order No's: 09-04-81, 06-22-82, 06-02-81, 06-27-84, Bid; 1482, 1935, 2223, 2372, 2658, 2774, 3302, 3708, 4468, 4779, 5487, 5379, 5317, 5396, 5506, 5991, 6028, 6126, 6483, 6902, 7068, 7412, 7426, 07835, 08088, 08677, 09560, 09621, 10303, 10378, 10435, 10602, 10871, 11135, 11293, 12215, 12091, 12473, 12811, 12834, 13531, 13781, 14699, 15625, 16742, 17972, 17805; Work Order No's: 075, 286, 912, 917, 1770, 2110, 2735, 3672, 4207, 4213, 4576, 6282, 7653, 8052, 8051, 8331, 9563, 9579, 10048, 10641, 10640, 11774, 12879, 13036, 13901, 14731, 15063, 15062, 15618, 16133, Registration Card	Sep 04 '81 – Sep 08 '00	PW/Fleet-005	
Vehicle Maintenance Record 070-1990 – Model Year Window Sticker, Repair Order No's: 11891, Purchase Order 2357, Work Order No's: 16649, 17442, 17479, 17808, 18014, 18387, 19238, 19675, 19948, 20106, 20107, 20332, 21016, 21426, 22053, 22186, 22535, 22802, 22983, 23935, 23934, 24018	Jun 28 '90 – Sep 20 '05	PW/Fleet-005	
Vehicle Maintenance Record 058-1982 – Model Year Work Order Nos. 05-20-82, 05-03-83, 06-25-84; 1321, 1580, 1772, 1820, 1900, 2145, 2419, 2790, 3451, 3427, 3562, 3799, 3836, 4093, 4736, 4756, 4761, 5500, 5200, 5193, 5579, 5720, 5934, 6148, 6302, 6470, 6494, 6636, 7222, 7201, 7701, 08137, 08608, 08768, 09161, 09331, 09559, 10330, 11154, 11276, 11839, 12061, 12094, 12754, 12947, 13043, 13131, 13444, 13905, 13528, 13975, 14588, 14780, 14944, 15642, 15679, 15912, 16689, 17086, 17526, 17685, 18286, 18500, 18581; 352, 640, 1004, 1777, 2051, 1914, 676, 2854, 3821, 3863, 4297, 4494, 5566, 5614, 5742, 6595, 7588, 8961, 10152, 10153, 10504, 11300, 12273, 12538, 12624, 14213, 14934, 14910, 15440, 16012, 16289, 16233, 16945, 17366, 17627, 17870, 18006, 18065, 18107, 18352, 18944, 19162, 19543, 19843	May 20 '82 – Jan 14 '03	PW/Fleet-005	

Vehicle Maintenance Record 138-1989 – Model Year Work Order No's: 24861, 24928, 24997, 25064, 25421, 25119, 25577, 25808, 25879, 25895, 23221, 26152, 26130, 25721, 26306, 26566, 26677, 26781	Apr 27 '06 – Aug 01 '07	PW/Fleet-005	
Vehicle Maintenance Record 138-1989 – Model Year Work Order No's: 21586, 21638, 21890, 21927, 22128, 22178, 22311, 22639, 22936, 21960, 23002, 23221, 23593, 23528, 23859, 23901, 24063, 23960, 24257, 24492	Feb 23 '04 – Jan 25 '06	PW/Fleet-005	
Vehicle Maintenance Record 138-1989 – Model Year Work Order Nos. 14798, 14987, 15336, 16056, 15979, 16281, 15927, 16406, 16596, 16543, 16823, 16854, Purchase Order 10785, 16955, 17133, 17524, 17528, 17768, 17943, 18093, 18818, 17973, 18831, 19002, 19003, 18831, 19017, 19103, 19347, 19466, 19504, 19606, 19629, 19801, 20178, 20188, 20728, 20481, 21360, 20769, 21118, 18025, 18321, 21497	Dec 31 '99 – Feb 02 '04	PW/Fleet-005	
Vehicle Maintenance Record 138-1989 – Model Year Work Order Nos. 266, 148, 148, 364, 853, 1095, 3386, 1208, 1608, 1988, 1944, 2141, 2550, 2268, 2739, 2622, 2996, 2934, 3429, 3441, 4242, 4491, 4864, 5461, 6203, 6516, 6687, 6732, 6979, 7099, 7402, 7746, 5776	Aug 16 '93 – Nov 06 '96	PW/Fleet-005	
Vehicle Maintenance Record 138-1989 – Model Year 12660, 12668, 12671, 12752, 12956, 13041, 13170, 13423, 14662, 14430, 15478, 13479, 15802, 16456, 16437, 16310, 16537, 16507, 14584, 17156, 17286, 17386, 17242, 17578, 17579, 17580, 18128, 18311, 18468, 18467, Purchase Requisition, 8585, 8654, 8580, 8700, 9043, 9086, 9216, 9439, 9864, 9871, 9838, 10040, 10393, 10646, 10569, 10739, 11051, 11389, 11480, 11622, 11674, 11693, 11716, 12662, 12021, 12145, 12337, 12519, 12637, 12519, 12542, 12566, 12890, 13023, 13198, 13371, 13227,13469, 13425, 13687, 13737, 13750, 14357, 14135, 14611, 14795, 14617, 14561	10 15 '89 – Nov 11 '99	PW/Fleet-005	

Vehicle Maintenance Record 036-1991 – Model Year Work Order No's: 22622, 24675, 24790, 24947, 25013, 25100, 25444, 25325, 25950, 26126, 26073, 26274, 26489, 26605, 26776, 26803, 26827	Oct 06 '04 – Aug 14 '07	PW/Fleet-005	
Vehicle Maintenance Record 036-1991 – Model Year 16685, 16836, 17034, 17115, 17409, 17534, 17515, 17872, 18684, 18685, 19226, 19242, 19490, 19841, 20053, 20584, 20761, 20851, 20954, 21249, 21496, 21495, 21518, 22269, 22392, 22336, 22363, 23165, 23341, 23954, 24218, 24297, 24692	Jan 24 '01 – Mar 15 '06	PW/Fleet-005	
Vehicle Maintenance Record 095-1986 – Model Year Repair Order No's: 4875, 5214, 5128, 5006, 5874, 5953, 6214, 6556, 6694, 7348, 08248, 08610, 08573, 08718, 09055, 09194, 09173, 09872, 10015, 10593, 10710, 10999, 11722, 12568, 12685, 12876, 13399, 13599, 14375, 14826, 14881, 15185, 15305, 15840, 16278, 16962, 17171, 17361, 18163; Work Oder No's: 510, 456, 683, 796, 2013, 2385, 2491, 3003, 3204, 583, 1581, 1624, 3589, 3856, 3773, 4143, 4616, 5105, 5811, 5944, 6675, 7202, 8376, 8649, 8651, 9560, 9781, 9847, 10777, 11018, 11893, 11958, 12354, 12375, 13414, 13948, 14347, 14391, 15425, 16161	Apr 16 '87 – Sep 14 '00	PW/Fleet-006	
Vehicle Maintenance Record 077-1991 – Model Year Window Sticker; Repair Order No's; 14265, 15126, 15264, 15468, 16205, 17277, 18208; Work Order No's: 304, 592, 673, 1641, 2464, 2582, 2598, 3362, 3432, 3545, 3422, 3587, 5002, 5148, 5291, 5679, 5858, 5907, 5992, 6718, 7770, 8125, 8536, 8430, 9298, 9691, 10126, 10033, 10325, 10487, 11336, 11145, 12194, 12402, 12491, 12655, 12718, 13460, 13464, 13677, 13583, 13846, 14136, 14230, 14933, 14872	Jul 03 '97 – Jan 13 '00	PW/Fleet-006	

Vehicle Maintenance Record 096-1991 – Model Year Work Order No's: 14882, 15730, 16073, 16129, 16299, 16467, 16617, 16718, 16918, 18167, 18742, 19084, 19535, 19562, 20594, 20974, 17108, 17131, 17207, 17357, 17912, 18058, 20848, 21192, 20861, 21366, 21332, 21576, 22241, 22328, 22470, 22668, 23236, 23315, 23316, 23481, 23689, 23768, 23839, 23872, 23879	Jan 18 '00 – Aug 08 '05	PW/Fleet-006	
Vehicle Maintenance Record 037-1991 – Model Year Window Sticker; Purchase Documentation; Repair Order No's:: 15128, 13512, 14251, 14786, 15312, 15337, 15582, 15879, 16245, 16536, 16815, 17428, 17976; Work Order No's: 078, 969, 1256, 2041, 2119, 2221, 2241, 4495, 5561, 7643, 7721, 7930, 5626, 6130, 8019, 8463, 8766, 9232, 9494, 9493, 10678, 11337, 11382, 11775, 12022, 12186, 12620, 12621, 12910, 13212, 13266, 13332, 13813, 13871, 14584, 14654, 14918, 15033, 15919, 16038, 16000, 16122, 16414, 16651, 16937, 17018, 17101, 17434, 17561, 17560, 17612, 17744	Feb 15 '91 – Sep 18 '01	PW/Fleet-006	
Vehicle Maintenance Record 036-1991 – Model Year Purchase Order 5095; Window Sticker; Repair Order No's: 15125, 13511, 14290, 15071, 15267, 16178, 16961, 17284, 17326, 17725, 17767, 17911, 17914, 18251; Work Order No's: 025, 497, 514, 652, 669, 1724, 1886, 2154, 2637, 3557, 3489, 3835, 5281, 5464, 5397, 5849, 5849, 7238, 7162, 7644, 8663, 10986, 9917, 11007, 11413, 12197, 11871, 12248, 12275, 12647, 13156, 13178, 13206, 13206, 14145, 14261, 15253, 15551, 15376, 15679, 16098, 16250, 16393	Dec 06 '90 – Nov 06 '00	PW/Fleet-006	
Vehicle Maintenance Record 037-1991– Model Year Repair Order No's: 16321, 14280, 14685, 16165, 16231, 12419, 13011, 13871, 17170, 17151, 17371, 17542, 18066, 18528, 15211, 13502, 14741; Work Order No's: 582, 1123, 1224, 4280, 5210, 3304, 2963, 1514, 1559, 1834, 1285, 2255, 2671, Purchase Documentation, 5448, 6035, 6041, 6380, 6914, 7053, 7669, Damage Rpt, 9083, 9092, 10271, 10388, 11927, 12561, 14088, 14453, 15596, 20585	May 26 '92 – Jun 15 '03	PW/Fleet-006	

Vehicle Maintenance Record 037-1991 – Model Year Work Order Nos. 18264, 18265, 18524, 18628, 18678, 18759, 18881, 19089, 19112, 19197, 19209, 19258, 19343, 19434, 19471, 19565, 19659, 19869, 20244, 20527; Registration Card	Jan 10 '02 – Jun 17 '03	PW/Fleet-006	
Vehicle Maintenance Record 252-1999 – Model Year Work Order No's: 14516, 15981, 14622, 16791, 17688, 17930, 18307, 18920, 19115, 19251, 19857, 19557, 20149, 20278, 20674, 20687, 20791, 20982, 21273, 21650, 21651, 21900, 21815, 22173, 22291, 22288, 22447, 22567, 22564, 22743	Nov 09 '99 – Nov 03 '04	PW/Fleet-006	
Vehicle Maintenance Record 253-2004 – Model Year Registration Card; Purchase Order, Window Sticker, Work Order No's: 21476, Pink Slip, 21854, 22166, 22917, 23120, 23179, 23168, 23589, 23745, 23950, 24272, 24557, 24705, 24954, 25056, 25458, 25641, 26121, 26290, 26586, 26904, 26927, 27222, 27538, 27753, 27864, 27952, Vehicle Damage Repair Estimate, 28006, 28255, 28348, 28288, 28420, 28425, 28478, Accident Investigation Rpt. 28551, 28665, 29014, 29208, 25859; Repair Order No's: 301, 317, 986, 1645, 1835, 1981, 2031, 2382, 2851, 2852, 3773, 3881, 3968, 5585, 5653	Sep 11'03 – Feb 20 '13	PW/Fleet-006	
Vehicle Maintenance Record 214-2007 – Model Year Work Order No's: 26888, 26917, 27004, 27098, 27149, 27210, 27189, Accident Investigation Rpt. 27288, 27413, 27480, 27547, 27542, 27795, 27898, 28014, 28077, 28200, 28223, 28312, 28487, 28559, 28803, 28803, 28778, 28900, 28925, 28969, 29053, 29120, 29227, 29264, 29292, 29446, 29333, 29395	Sep 04 '07 – May 19 '09	PW/Fleet-006	
Vehicle Maintenance Record 214-2007 – Model Year Repair Order No's: 041, 199, 219, 407, 474, 575, 671, 726, 891	Aug 03 '09 – Feb 01 '10	PW/Fleet-006	

Vehicle Maintenance Record 214-2007 – Model Year Repair Order No's: 938, 1003, 1014, 1099, 1307, 1326, 1389, 1520, 1640, 1670, 1709, 1827, 2253, 1577, 1915, 2054, 2343, 2462, 2353, 2657, 2682, 2891, 3030, 3087	Mar 02 '10 – Jun 27 '11	PW/Fleet-006	
Vehicle Maintenance Record 131-1975 – Model Year Repair Order No's: 6-7-76, 5-27-77, 12-2-77, 6-7-79, 4-30-81, 3-29-81, 6-17-83, 6-19-84, 9-20-84, 9-17-84, 7-17-84, 7-18-84; Repair Order No's: 20, 0296, 0545, 0649, 0756, 0964, 1051, 1427, 1546, 1589, 1623, 1727, 2043, 2092, 2682, 2859, 2876, 3339, 3285, 3404, 3484, 3855, 4036, 4492, 4846, 5420, 5420, 5384, 5273, 5005, 5186, 5290, 5293, 5340, 5427, 5743, 5476, 5590, 5753, 5949, 5970, 6038, 6073, 6087, 6497, 6495, 6413, 6754, 6779, 6808, 6974, 6465, 7239, 7383, 7433, 7483, 7569, 7619, 7682, 7790, 8015, 8127, 8185, 8174, 8175, 9062, 8218, 8228, 8278, 8462, 8543, 8629, 8706, 8827, 9025, 9210, 9420, 9472, 9996, 10141, 10430, 10428, 10570, 10585, 10667, 10702, 10824, 10869, 10913, 11142, 11217, 11331, 11323, 11503, 11605, 11612, 11785, 11784, 11915, 12444, 12788, 12786, 12784, 13792, 13791, 14271, 14548, 18171, 15063, 15717, 15841, 16248, 18099; Work Order No's: 114, 1355, 1940, 2089, 4190, 5005, 5480	Jun 17 '76 – Aug 27 '95	PW/Fleet-007	
Vehicle Maintenance Record 136-1983 – Model Year Repair Order No's: 12922, Purchase Requisition; Purchase Requisition, 1248, 1577, 1918, 2343, 2507, 2614, 2721, 2812, 2845, 3045, 3337, 3722, 3763, 3783, 4300, 4463, 4645, 4644, 4983, 4991, 5203, 5201, 5279, 5029, 5746, 5560, 5558, 5677, 5925, 6074, 6501, 6305, 6572, 6697, 6765, 6911, 7030, 7324, 7735, 7866, 7880, 7932, 8628, 8698, 8738, 8799, 8798, 8839, 8996, 8892, 9251, 9398, 9593, 9612, 10087, 10144, 10324, 10472, 10615, 10794, 10856, 11004, 11275, 11338, 11341, 11482, 10098, 11748, 11845, 11978, 11981, 12015, 12205, 12581, 12257, 12331, 12518, 10447, 12830, 12921, 13669, 14125, 13140, 14649, 14977, 15024, 14284, 15247, 153999, 15967, 16104, 16325, 16556, 18429	Dec 17 '90 – May 18 '93	PW/Fleet-007	

Vehicle Maintenance Record 037-1991 – Model Year Work Order Nos. 504, 849, 972, 1358, 1216, 1374, 1535, 1469, 1676, 2481, 2912, 6104, 3384, 3414, 3699, 5041, 6636, 6703, 7137, 6786, 6861, 8354, 8553, 8607, 8298, 8894, 9628, 9718, 9618, 10279, 10290, 10426, 10515, 10851, 10861, 10923, 11320, 12158, 12521, 13052, 13210, 13298, 13293, 13642, 13926, 9964, 12784, 17027, 17027	Sep 20 '93 – Apr 09 '01	PW/Fleet-007	
Vehicle Maintenance Record 136-1983 – Model Year Work Order No's: 21893, 16545, 14709, 15222, 15587, 15942, 15761, 16074, 16029, 16492, 16679, 16742, 16812, 16954, 16986, 17012, 16985, 17150, 17027, 17518, 17609, 17669, 17871, 17871, 16985, 18024, 18099, 18049, 18592, 18538, 19059, 19058, 19132, 19194, 19277, 19465, 19651, 19786, 19971, 20080, 20177, 20259, 20843, 21353, 20293, 22152, 22348, 22922, 23301	May 04 '04 – Mar 16 '05	PW/Fleet-007	
Vehicle Maintenance Record 325-1980 – Model Year Work Order No's: 3866, 4079, 4647, 4761, 5677, 5982, 5520, 6469, 6683, 7158, 7388, 7805, 8114, 8219, 8365, 8373, 8538, 9211, 8966, 9527, 9824, 10302, 10566, 10683, 10895, 11059, 11207, 11778, 11798, 11745, 11825, 12076, 12076, 12300	Jan 18 '95 – Oct 08 '98	PW/Fleet-007	
Vehicle Maintenance Record 325-1980 – Model Year Work Order Nos: 332, 893, 932, 1117, 1223, 1344, 1392, 1532, 1435, 1746, 2015, 2181, 2573, 2638, 2867, 3009, 3044, 3381, 3602	Aug 24 '93 – Dec 07 '94	PW/Fleet-007	

Vehicle Maintenance Record 325-1980 – Model Year Work Order Nos. 2094, 2057, 2204, 2407, 2421, 2636, 2634, 2778, 2918, 2993, 3008, 3145, 3169, 3193, 3217, 3231, 3351, 3794, 3840, 4304, 4450, 4580, 4629, 4844, 5005, 5260, 5138, 5007, 5067, 5132, 5189, 5240, 5350, 5516, 5573, 5651, 5694, 5826, 5860, 6119, 6357, 6444, 6526, 6615, 6725, 6826, 6934, 7049, 7421, 7443, 7916, 8043, 08207, 08376, 08389, 08584, 08861, 09207, 09321, 10031, 10188, 10172, 10411, 10522, 10969, 11668, 11904, 11867, 12148, 12298, 12418, 12523, 12799, 12891, 13039, 13206, 13221, 13343, 13410, 13618, 13697, 13802, 13664, 14289, 14340, 14479, 14558, 14639, 14676, 14687, 14919, 15055, 15077, 15382, 15503, 15764, 15819, 15910, 16354, Requisition No. 3087, 16447, 16626, 17063, 17146, 17254, 16956, 17374, 17463, 17506, 17335, 17468, 17565, 17756, 18323, 18436, 094, 18287, 18472, 18656	Oct 11 '85 – Jun 28 '93	PW/Fleet-007	
Vehicle Maintenance Record 325-1980 – Model Year Repair Order 063, 6-18-81, 6-10-82, 6-30-83, 5-07-84, 9-7-84, Purchase Order A32115, 0114, 0139, 0153, 0486, 0644, 0718, 0715, 0911, 1002, 1025, 1075, 1114, 1207, 1293, 1420, 1414, 1628, 1793, 1840, 1877, 2010	Jun 18 '81 – Sep 25 '85	PW/Fleet-007	
Vehicle Maintenance Record 345-1982 – Model Year Repair Order Nos. 05-31-83, 04-24-84, 1361, 2336, 3019, 5108, 3359, 3388, 3664, 4586, 4971, 5354, 5384, 6124, 6291, 6493, 6888, 6993, 6980, 7206, 07863, 08538, 09038, 09043, 09108, 09616, 09629, 09901, 09961, 10261, 10647, 10712, 11049, 11367, 11683, 12000, 13019, 13635, 14345, 14724, 5553, 15619, 15361, 15640, 15772, 16472, 17221, 17356, 17979, 17980, 18246, 18322; Work Order No's: 3017, 4075, 4418, 4688, 6195, 7271, 9918, 11453, 12434, 13597, 13814, 14025, 14610, 15591, 17149, 18173, 18365, 19046, 19745, 20349, 21600, 22484, Starlite Car Wash	May 31 '83 – Sep 02 '04	PW/Fleet-007	

Vehicle Maintenance Record 370-1987 – Model Year Repair Order No's: 5835, 5578, 5861, 5931, 5977, 6100, 6277, 6375, 6870, 7121, 7995, 08044, 08119, 08817, 09524, 09631, 09793, 10082, 10425, 10626, 10646, 10944, 11083, 11433, 11568, 11642, 12055, 12235, 12531, 12745, 12817, 13093,13809, 13882, 13926, 13980, 14037, 14046, 14525, 14962, 15147, 15464, 15560, 15602, 15663, 15838, 14063, 15939, 16079, 16057, 16198, 16292, 14795, 16499, 16479, 16588, 16520, 16368, 16784, 16729, 16902, 16937, 17151, 17267, 17559, 18306, 18327, 18348, 18512, 18481, 18593, Work Order No's: 043, 098, 229, 941, 885, 1195, 1391, 1437, 1955, 1841, 2052, 1967, 2172, 2269, 2273, 2382, 2799, 2614, 2837, 2981, 3094, 3206, 3722, 4027, 4552, 5353, 5120, 5325, 5365, 5488, 5604, 5915, 5822, 6163, 6176, 6305, 6869, 6831, 8824, 6556, 7153, 7352, 7289, 7531, 8925, 8542, 8909, 9250, 9115, 9290, 9443, 9528, 9636, 9643, 9827, 10948, 11143, 11259, 11470, 11507, 11578, 11820, 11902, 12000, 12164, 12204, 12380, 12935, Purchase Order 3084, 3011, 13039, 13323, 13389, 13223, 14733, 16247, 16474, Registration Card	Nov 30 '87 – Nov 27 '00	PW/Fleet-007	
Vehicle Maintenance Record 371-1988 – Model Year Purchase Order c3178, 5489, 5992, 6248, 6672, 7045, 7598, 07914, 08505, 08502, 08649, 09262, 09613, 10479, 10815, 11044, 11248, 11599, 12155, 12992, Toro Invoice, 13974, 14682, 14904, 15812, 16802, 17861, 18445, 024, 011, 158, 1298, 2144, 3187, 3561, 4298, 4731, 5267, 6011, 6486, 8341, 9785, 10324, 10324, 12142, 12170, 13001, 13155, 13373, 13244, 14094, 14605, 14028, 14308, 15329, 15630, 15592, 16240, 16672, 18402, 17540, 17757, 22809, Registration Card	Sep 03 '87 – Nov 15 '04	PW/Fleet-007	
Vehicle Maintenance Record 388-1974 – Model Year Repair Order Nos. 6-1-84, 1620, 2357, 2368, 5162, 5188, 5202, 5201, Installation Manual, Bid, Registration Card	Jun 01 '84 – Aug 27 '87	PW/Fleet-007	

Vehicle Maintenance Record 452-1997 – Model Year Work Order 7815, 8446, 8425, 8328, 8387, 8586, 8465, 8616, 8786, 8795, 8901, 9056, 8998, 9011, 9248, 9322, 9534, 9411, 9655, 10019, 9762, 9632, 9603, 9586, 9893, 9919, 9930, 10077, 10116, 10204, 10308, 10801, 10852, 10897, 10467, 11048, 10966, 10944, 11062, 11296, 11200, 11297, 11359, 11468, 11415, 11526, 11428, 11386, 11478, 11611	Nov 13 '96 – Jun 29 '98	PW/Fleet-008	
Vehicle Maintenance Record 452-1997 – Model Year Work Order No's: 12931, 12705, 12810, 12739, 12886, 12805, 13070, 13167, 13241, 13486, 13445, 13458, 13197, 13231, 13222, 13643, 13651, 13624, 13588, 13760, 13872, 13727, 13699, 13969, 14096, 13963, 14180, 14013, 14557, 14396, 14288, 14643, 14591, 14624, 14741, 14988, 14841, 15077, 14963, 14811, 14768, 14915	Jan 28 '99 – Jan 20 '00	PW/Fleet-008	
Vehicle Maintenance Record 452-1997 – Model Year Work Order No's: 14874, 15013, 14816, 15279, 15433, 15416, 15200, 15246, 15352, 15216, 15206, 16237, 16931, 16925	Jan 14 '00 – Mar 21 '01	PW/Fleet-008	
Vehicle Maintenance Record 675-1990 – Model Year Work Order No's: 13346, 13259, 13229, 13659, 13625, 13544, 13995, 14420, 14925, 15007, 15051, 14941, 15296, 15265, 15607, 15671, 15930, 16065, 16794, 16919, 16908, 17215, 17210, 17470, 17721, 17846, 18181, 18304, 18494, 18567, 185588, 18811, 18847, 18959, 19151, 19196, 19077, 19635, 19558, 19886, 19970, 20026, 20190, 20612, 20661, 20977, 21099, 21302, 21395	Apr 12 '99 – Jan 12 '04	PW/Fleet-008	
Vehicle Maintenance Record 675-190 – Model Year Work Order No's: 21972, 211483, 21507, 21724, 21689, 21752, 21840, 21783, 22147, 22148, 21759, 22202, 22228	May 24 '04 – Jul 08 '04	PW/Fleet-008	

Vehicle Maintenance Record 675-190 – Model Year Work Order No's. 2190, 2321, 2300, 2421, 2472, 2906, 2940, 3359, 3656, 3505, 3867, 3505, 3634, 4094, 4391, 4373, 5263, 5426, 5167, 5780, 6317, 6244, 6376, 6506, 7072, 7245, 7286, 7648, 7661, 7927, 9029, 8109, 9177, 9267, 9071, 9397, 9536, 9637, 10675, 10803, 10859, 10303, 11068, 10980, 11092, 11256, 11513, 11609, 11512, 11813, 11721, 12372, 12536, 12787, 12672, 13174, 13382, 13213, 13275, 13399, 14381	May 17 '94 – Oct 15 '99	PW/Fleet-008	
Vehicle Maintenance Record 674-1989 – Model Year Work Order No's, 10517, 10695, 10787, 11004, 11035, 11124, 11206, 11944, 12112, 12308, 12209, 12344, 12547, 12800, 13079, 13471, 13442, 13685, 13911, 14130, 14607, 14681, 14772, 14678, 14860, 15178, 15406, 15515, 15261, 15569, 15720, 15723, 16083, 16170, 16202, 16296, 16356, 16379, 16585, 16663, 16728, 16943, 16889, 17139, 17228, 17090, 17419, 17500, 17460, 17602, 17942, 17911, 17786, 17788, 18162, 17942, 22701, Registration Card	Jan 20 '98 – Oct 26 '04	PW/Fleet-008	
Vehicle Maintenance Record 674-1989 – Model Year Window Sticker, Purchase Order C07563, Repair Order 8524, 10834, 11043, 11129, 11406, 11629, 11913, 12012, 12050, 12214, 12339, 12880, 13460, 13746, 14542, 14791, 15274, 14612, 15569, 15791, 16370, 16853, 17986, 17977, 10297; Work Order No's: 35195, 35813, 926, 928, 1026, 1609, 2531, 2791, 2968, 3090, 3195, 6245, 5113, 4737, 4621, 5771, 4275, 6029, 6352, 7066, 7057, 7853, 7935, 8083, 8643, 8641, 9060, 9225, 9369, 9453, 9640, 9751, 9949	Nov 23 '88 – Oct 17 '97	PW/Fleet-008	
Vehicle Maintenance Record 674-1989 – Model Year Instruction Manual & Parts List, Quotation	Nov 23 '88 – Jan 30 '89	PW/Fleet-008	

Vehicle Maintenance Record 455-1981 – Model Year Work Order Nos. 12997, 13022, 13126, 13393, 13433, 13407, 13319, 13366, 13647, 13620, 13761, 13700, 13851, 14012, 14099, 14220, 14199, 14305, 14245, 14536, 14051, 14452, 14594, 14734, 14452, 15067, 15000, 14871, 15174, 15020, 15084, 15103, 14812, 15434, 15724, 15449, 18028	Feb 10 '99 – Jun 17 '03	PW/Fleet-008	
Vehicle Maintenance Record 455-1981 – Model Year Air Systems, Work Order No's: 3990, 3909, 4382, 4520, 4401, 4264, 4260, 4331, 4322, 4387, 4588, 4622, 4660, 4634, 4690, 4752, 4758, 4892, 4937, 5092, 5049, 5219, 5253, 5151, 5425, 5993, 5456, 5518, 6023, 5728, 6219, 6168, 6201, 6096, 6468, 6348, 6575, 6412, 6564, 6589, 6700, 7043, 7175, 7067, 7393, 7343, 7358, 7365, 7371, 7224, 7440, 7475, 7551, 7421, 7812, 7834, 7868, 7830, 7926, 8068	Jan 25 '95 – Dec 23 '96	PW/Fleet-008	
Vehicle Maintenance Record 455-1981 – Model Year Work Order No's: 8025, 7937, 7624, 8041, 8081, 8242, 8344, 8374, 8209, 8191, 8334, 8348, 8300, 8215, 8169, 8226, 8286, 8427, 10362, 10786, Purchase Req, 10974, 11575, 11518, 11477, 11655, 11750, 11698, 12013, 12007, 11986, 11874, 12071, 12165, 11885, 11903, 12035, 12050, 12268, 12239, 12321, 12222, 12253, 12417, 12334, 12508, 12454, 12622, 12515, 12582, 12837, 12734, 12723, MSC Invoice	Dec 18 '96 – Dec 15 '98	PW/Fleet-008	
Vehicle Maintenance Record 454-1988 – Model Year Work Order Nos: 6098, 6117, 6294, 6188, 6230, 6374, 7150, 7223, 7308, 7372, 7185, 6701, 6408, 7264, 7240, 7441, 7557, 7668, 7698, 7630, 7863, 7833, 7731, 8020, 8095, 8065, 8024, 8306, 8326, 8126, 8336, 8400, 8433, 8546, 8568, 8438, 8594, 8656, 8682, 8394, 7857, 8707, 8792, 8896, 8466, 8950, 8975, 9061, 8985, 9066, 9333, 9229, 9196, 9311, 9124, 9299, 9566, 9300, 9275, 9400, 9763, 9749, 9659, 9707	Sep 16 '97 – May 05 '10	PW/Fleet-008	

Vehicle Maintenance Record 454-1988 – Model Year Work Order Nos. 12831, 12865, 12766, 12831, 12780, 12747, 12747, 12936, 12895, 13083, 13164, 13157, 12966, 12943, 13034, 12982, 13181, 13250, 13357, 13436, 13516, 13446, 13432, 13534, 13457, 13652, 13557, 13692, 13667, 14116, 14097, 14065, 13725, 13763, 13742, 13779, 13726, 13850, 13892, 13983, 14256, 14236, 14147, 14184, 14050, 13923, 14502, 14504, 14437, 14473	Jan 12 '99 – Nov 02 '99	PW/Fleet-008	
Vehicle Maintenance Record 454-1988 – Model Year Work Order No's: 14587, 14606, 14670, 14742, 14677, 14641, 14769, 14949, 15128, 14533, 14847, 14836, 15125, 15147, 15374, 15289, 15210, 15409, 15501, 15536, 15345, 15332, 15244, 15308, 15593, 15835, 16936, 16926, 15046	Dec 09 '99 – Feb 10 '00	PW/Fleet-008	
Vehicle Maintenance Record 454-1988 – Model Year Work Order No's: 9790, 10086, 9904, 9921, 10012, 10029, 10244, 10287, 10103, 10136, 10358, 10296, 10501, 10427, 10432, 10499, 10466, 10560, 10527, 10694, 10703, 10840, 10912, 10737, 10773, 10951, 10977, 11033, 11155, 11142, 11083, 11306, 11202, 11148, 11373, 11469, 11508, 11597, 11537, 11361, 11423, 11387, 11409, 11547, 11668, 11699, 11743, 12020, 11816, 11953, 11972, 12135, 12118, 12326, 12335, 12450, 12232, 12410, 12313, 12224, 12494, 12452, 12642, 12553, 12596, 12245, 12510, 12476, 11446	Sep 23 '97 – Jun 03 '98	PW/Fleet-008	

Vehicle Maintenance Record 454-1989 – Model Year Repair Order No's:09446, 09573, 7473, 09709, 9620, 9648, 9796, 9853, 9907, 9948, 9989, 10002, 9956, 10083, 10122, 10226, 10278, 10285, 10437, 10503, 10605, 10496, 11335, 11487, 11526, 11504, 11445, 11623, 11695, 11645, 11712, 10822, 10805, 10845, 10941, 10992, 10957, 11026, 11079, 11833, 12006, 12027, 12070, 12128, 12167, 12147, 12183, 12213, 12371, 12386, 12539, 12569, 12617, 12681, 12756, 12482, 12916, 12962, 12991, 12979, 11180, 11260, 15315, 13110, 13156, 13155, 15110, 15113, 13235, 13339, 13365, 13462, 13828, 13824, 13962, 13955, 13917, 14108, 14133, 14406, 14807, 14224, 14241, 13642, 14351, 14417, 14455, 14511, 14565, 14570, 14618, 14635, 14547, 14787, 14840, 14922, 15002, 15022, 15039, 15157, 15168, 15218, 15325, 15455, 15427, 15406, 15564, 15628, 15787, 15853, 15891, 15943, 15952, 16001, 16279, 16100, 16176, 16270, 16346, 16425, 16470, 16567, 16593, 16672, 16699, 16727, 16856, 16932, 17140, 17085, 17332, 17229, 17288, 17296, 17363, 17462, 17343, 17530, 17651, 17675, 17665, 17719, 17720, 17818, 17877, 18070, 18046,18045, 18156, 18174, 18192, 18213, 18023, 18312, 18432, 18457, 18482, 18529, 18638, 18666, Engine Registration & Warranty; Work Order No's: 173, 150, 234, 150, 327, 084, 305, 173, 139, 462, 480, 234, 560, 489, 702, 581, 702, 857, 974, 1044, 1047, 1158, 1140, 1188, 1310, 1369, 1562, 1738, 1659, 1720, 1582, 1909, 1856, 1960, 2083, 2034, 2283, 2196, 2494, 2286, 2529, 2600, 3012, 3007, 2909, 2857, 3036, 3135, 3261, 3122, 3314, 3395, 3483, 3526, 3612, 3704, 3772, 3976, 4052, 4057, 3875, 3647, 4067, 4060, 4076, 4163, 4183, 4211, 4310, 4402, 4378, 4609, 4486, 4922, 4719, 4832, 4824, 4968, 5048, 5091, 5360, 5272, 5354, 5463, 5354, 5517, 5695, 5625, 5762, 5718, 5782, 5933, 5904, 5994	May 23 '89 – Dec 18 '95	PW/Fleet-009	
Vehicle Maintenance Record 358-1979 – Model Year Work Order Nos. 19681, 19771, 20497, 20782, 21025, 21078, 21369, 21573, 22473, 23090, 23061, 23377, 23126, 23649, 23721, 23985	Dec 03 '02 – Sep 08 '05	PW/Fleet-009	

Vehicle Maintenance Record 358-1979 – Model Year Repair Record: 5-20-81, 6-18-82, 5-24-84, 8-19-81; Repair Order No's: 1410, 2049, 2347, 2392, 2591, 2728, 2833, 2995, 3737, 3804, 4151, 4296, 4415, 4647, 4859, 4995, 5131, 5487, 6084, 6668, 6948, 7107, 7535, 7855, 08410, 08598, 08864, 09020, 09539, 09713, 10441, 11207, 11386, 11726, 11909, 12708, 12957, 13314, 13395, 13820, 14267, 14579, 15074, 15397, 15593, 16611, 17669, 18574; Work Order No's:1161, 2016, 13352, 13352, 2763, 3104, 4822, 5610, 6123, 6334, 6772, 7974, 9592, 10036, 11502, 11897, 12864, 13563, 15113, 15722, 16245, 17221, 17476, 17590, 17885, 18149, 18615, 19035	May 20 '81 – Jul 02 '02	PW/Fleet-009	
Vehicle Maintenance Record 453-1989 – Model Year Vehicle Dealer Notice, Repair Order No's: 09445, 09574, 09619, 09710, 09700, 10205, 10254, 10361, 10473, 10584, 10497, 10748, 10761, 10831, 10932, 10887, 10889, 11017, 11041, 11118, 11120, 11137, 11233, 11389, 11405, 11446, 11574, 11702, 11697, 11834, 11742, 11766, 10027, 09987, 09899, 09940, 09741, 09722, 11980, 12023, 12039, 12069, 12229, 12391, 12448, 12522, 12565, 12705, 12931, 12959, 13010, 13042, 13063, 13088, 13103, 13186, 13194, 13409, 13430, 13784, 13839, 13902, 14059, 14116, 13977, 14240, 14126, 14086, 14285, 14322, 14274, 14433, 14466, 14624, 14748, 14829, 14556, 14546, 14897, 14954, 14931, 14173, 14965, 15314, 15158, 15149, 15245, 15359, 15182, 15261, 15033, 15510, 15475, 15557, 15556, 15712, 15786, 15576, 15875, 15871, 15647, 15890, 16004, 16139, 16129, 15914, 16249, 16002, 16302, 16267, 16477, 16486, 16794, 16726, 16988, 17000, 17002, 16683, 16880, 17188, 17078, 17247, 17287, 17278, 17373, 17316, 17505, 17454, 17634, 17717, 17908, 18012, 17935, 17981, 18154, 18153, 18373, 18399, 18228, 18491, 18479, 18607;Work Order No's: 9, 298, 133, 106, 211, 495, 472, 730, 1005, 965, 843, 1021, 1187, 1258, 1422, 1384, 1516, 1500, 1546, 1648, 1558, 1808, 1828, 1978, 1939, 2113, 2075, 2173, 2224, 2346, 2471, 2405, 2746, 2779, 2976, 2802, 2863, 2947, 2979, 3092, 3301, 3150, 3257, 3567, 3666, 2998, 3360, 3754, 3744	May 23 '89 – Dec 29 '94	PW/Fleet-009	

Vehicle Maintenance Record 453-1989 – Model Year Work Order Nos. 6100, 6118, 6215, 6343, 6220, 6311, 6280, 6546, 6574, 6584, 6639, 6714, 6864, 6773, 6875, 6894, 6990, 6889, 7051, 7061, 7183, 7210, 7561, Bill of Lading, 7629, 7454, 7592, 7686, 7737, 8016, 8023, 8028, 8243, 8231, 8413, 8447, 8600, 8636, 8725, 8747, 8760, 8820, 8907,8933, 8850, 8933, 8951, 8982, 9305, 9118, 9075, 9103, 9148, 9487, 9515, 9442, 7309, 9343, 9518, 9553, 9591, 9849, 9775, 9806, 9266, 9653, 9868, 9951, 9974, 9989, 10062, 10025, 10084, 9899, 9858, 9891, 10257, 10310, 10353	Jan 10 '96 – Dec 16 '97	PW/Fleet-009	
Vehicle Maintenance Record 453-1989 – Model Year Work Order No's: 10382, 10206, 10322, 10593, 10668, 10682, 10583, 10457, 10498, 10925, 10913, 10870, 10952, 11020, 11123, 11327, 11197, 11137, 11201, 11341, 11489, 11419, 11460, 11442, 11483, 11391, 11620, 12440, 12175, 12314, 12389, 11677, 12474, 12657, 12558, 12627, 12629, 12811, 12770, 12758, 12826, 12795, 12881	Dec 17 '97 – Jan 19 '99	PW/Fleet-009	
Vehicle Maintenance Record 453-1989 – Model Year Work Order No's: 12707, 12919, 12847, 12954, 13127, 13056, 13094, 13162, 13028, 13169, 12998, 13380, 13364, 13479, 13294, 13224, 13542, 13640, 13619, 13697, 13661, 13575, 13903, 13839, 13869, 13840, 13580, 14098, 14344, 14053, 14007, 14006, 14074, 13955, 14131, 14205, 14279	Dec 10 '98 – Sep 29 '99	PW/Fleet-009	
Vehicle Maintenance Record 453-1989 – Model Year Work Order No's: 14211, 14497, 14568, 14786, 14764, 14744, 14710, 14676, 14694, 14520, 14401, 14851, 14877, 14979, 15109, 14974, 15506, 15467, 15343, 15262, 15247, 15548, 15752, 16241, 16933, 17346, 17775	Sep 17 '99 – Sep 25 '01	PW/Fleet-009	
Vehicle Maintenance Record 837-1988 – Model Year Work Order No's: 20175, 19836, 20541, 20760, 21435, Registration Card	Mar 31 '03 – Jan 20 '04	PW/Fleet-009	

Vehicle Maintenance Record 837-1988 – Model Year Window Sticker, Repair Order No's: 7484, 7736, 8226, 8324, 9132, 09842, 10108, 10729, 10894, 11109, 11616, 11801, 12135, 13013, 13756, 13777, 14014, 14095, 14428, 15010, 15152, 15986, 16122, 17014, 17595, 17925, 18055; Work Order No's: 175, 686, 1542, 1141, 2396, 3451, 2488, 4354, 5103, 5187, 5660, 6557, 6882, 7283, 9289, 9288, 9107, 9984, 9927, 10217, 10211, 10953, 11181, 11741, 11937, 12405, 12296, Registration Card	Aug 23 '88 – Oct 12 '98	PW/Fleet-009	
Vehicle Maintenance Record 837-1988 – Model Year Work Order No's: 13585, 13128, 13010, 13376, 13828, 13673, 14126, 14266, 14265, 14942, 14880, 15718, 15912, 15952, 15885, 16169, 16345, 16635, 16635, 16868, 17065, 17144, 17839, 17838, 18640, 18683, 16969, 18770, 19022, 19175, 18898, 19192, 19204, 191331, 19374, 19320, 19597, 19733, 19767	May 24 '99 – Dec 23 '02	PW/Fleet-009	
Vehicle Maintenance Record 871-1980 – Model Year Repair Order No's. 8-20-84, 8-9-84, 9-17-84, 9-26-84; Work Order No's: 281, 502, 600, 663, 720, 791, 838, 890, 991, 1241, 1289, 1560, 2059, 2327, 2490, 2541, 2783, 2808, 2899, 3050, 3350, 3123, 3207, 3347, 3389, 3864, 4010, 4040, 4438, 4469, 4583, 4802, 4956, 5316, 5033, 5096, 5186, 5220, 5347, 5494, 5810, 6051, 6195, 6259, 6330, 6562, 6594, 6759, 6771, 6864, 6895, 7118, 7288, 7315, 7376, 7544, 07864, Midas Invoice, 08242, 08334, 08349, 08466, 08661, 08697, 08764, 08856, 09082, 09143, 09158, 09392, 09946, 10046, 10060, 10292, 10401, 10458, 10597, 10649, 10803, 10852, 10955, 11050, 11468, 11555, 11556, 11704, 12030, 12268, 12350, 12382, 12529, 12606, 12724, 13001, 13193, 13210, 13209, 13332, 13452, 13789, 14971, 15200, 15282, 15807, 15993, 16138, 16361, 16940, 3352, 17198, 13981, 14192, 17291, 17689, 18031, 18013, 18332, 18345, 18619; Work Order No's: 51, 91, 214, 347, 566, 792, 1458, 1714, 1754, 2130, 2198, 2236, 2130, 3073, 3685, 4018, 3584, 3599	Aug 20 '84 – Dec 06 '94	PW/Fleet-009	

Vehicle Maintenance Record 871-1980 – Model Year Work Order Nos. 4606, 4866, 5565, 6582, 7866, 9459, 9304, 5931, 8812, 9728, 10004, 10681, 10666, 11190, 11595, 11572, 11606, 11707, 12419, 12420	Apr 26 '95 – Oct 29 '98	PW/Fleet-009	
Vehicle Maintenance Record 871-1980 – Model Year Work Order No's: 13276, 13428, 14048, 14338, 14455, 14359, 15114, 15429, 16227, 16173, 16306, 16722, 17122, 17291, 17556, 17783, 17799, 18280, 18398, 18395, 22703	Mar 30 '99 – Oct 26 '04	PW/Fleet-009	
Vehicle Maintenance Record 874-1983 – Model Year Repair Record: 6-18-84; Repair Order No's: 1153, 15088, 1773, 2138, 2181, 2475, 2538, 3303, 4111, 4340, 4406, 4521, 4630, 5213, 5458, 6245, 6519, 7011, 7495, 7566, 07795, 07899, 08051, 08107, 08245, 08602, 08364, 08430, 08731, 08534, 08546, 08606, 08644, 08810, 09196, 09653, 10066, 10133, 10191, 10518, 10788, 10864, 10963, 11234, 11279, 11355, 11564, 11584, 11781, 11864, 11951, 12053, 12723, 13169, 13432, 13676, 13761, 14287, 14577, 15401, 15548, 15511, 15714, 16261, 16555, 16655, 16859, 16605, 17293, 17494, 17708, 15236, 17878, 18243, 18344; Work Order No's: 250, 005, 1219, 2042, 1250, 2580, 2929, 3370, 3572, 3874, 4558, 4566, 5225, 5567, 5655, 5901, 6396, 6473, 6649, 5307, 7151, 7070, Registration Card, 8148, 7990, 8575, 8574, 9338, 9561, 9598, 9651, 10734, 11105, 11293, 11867, 11931, 11983, 12267, 12543, 12465, 12587	Jun 18 '84 – Nov 25 '98	PW/Fleet-010	
Vehicle Maintenance Record 874-1983 – Model Year Work Order No's: 21860, 12900, 13096, 13437, 13870, 14171, 14170, 14968, 15363, 15240, 16024, 14662, 15787, 14573, 16499, 16024, 16583, 16744, 16771, 17078, 16981, 16981, 17177, 17273, 17505,. 17709, 13904, 17756, 17926, 17925, 18359, 18372, 18463, 18660, 19067, 19232, 19302	Feb 26 '99 – Apr 27 '06	PW/Fleet-010	

Vehicle Maintenance Record 874-1983 – Model Year Work Order Nos. 19409, 19676, 19603, 19809, 19858, 19868, 19942, 20055, 20367, 20361, 20554, 19828, 20554, 20598, 20597, 20774, 20807, 20968, 21164, 21467, 21421, 22278, 22012, 22519, 22876, 23060, 23271, 23298, 23683, 23682, 24576, 24080	Sep 26 '02 – Oct 03 '05	PW/Fleet-010	
Vehicle Maintenance Record 833-1981 – Model Year Repair Order No's: 10903, 10967, 10980, 11023, 11069, 11236, 11252, 11443, 11728, 11738, 11776, 11889, 11946, 12200, 12428, 12481, 12480, 12717, 12774, 12847, 12884, 12912, 12980, 13225, 15118, 13320, 13484, 13680, 13782, 13845, 13872, 11480, 13906,. 13934, 13952, 14231, 14436, 14472, 14383, 14397, 14592, 14564, 14615, 14648, 14853, 14875, 15045, 15049, 15154, 15207, 15242, 13754, 13754, 15191, 15485, 15828, 15771, 15601, 15579, 15559, 16194, 15827, 16235, 16074 , 16192, 16377, 16945, 17184, 17183	Jan 16 '90 – Oct 1 '92	PW/Fleet-010	
Vehicle Maintenance Record 833-1981 – Model Year Work Order No's: 3905, 4126, 3935, 4454, 4338, 4706, 5115, 5021, 5287, 5303, 5422, 5493, 5585, 5585, 5623, 5803, 5673, 5906, 5984, 6360, 6460, 6553, 6430, 6663, 6624, 6663, 6848, 6762, 6778, 6816, 7160, 7169, 7455, 7563, 7979, 7806, 7835, 7767, 7945, 7905, 8156, 8213, 8410, 8626, 9778, 10065, Registration Card	Jan 23 '95 – Nov 04 '97	PW/Fleet-010	
Vehicle Maintenance Record 833-1981 – Model Year Repair Order No's:: 17385, 17572, 17926, 18061, 18088, 18202, 18237; Work Order No's: 1332, 1515, 1537, 1446, 1282, 1551, 1643, 1726, 1804, 1695, 1937, 2146, 2374, 2357, 2192, 2247, 2470, 2627, 2825, 2673, 2645, 2764, 2879, 3085, 3179, 3334, 3299, 3528, 3500, 3412, 3529, 3588, 3664, 3719, 3648	Nov 5 '92 – Dec 12 '94	PW/Fleet-010	

Vehicle Maintenance Record 833-1981 – Model Year Repair Order No's: 18295, 18314, 18494, 18511, 18444, 18550; Work Order No's: 14, 93, 357, 244, 357, 146, 201, 404, 819, 736, 631, 788, 804, 854, 897, 531, 981, 1171, 1143, 1266; Repair Order No's: 6235, 6300, 6518, 6525, 6867, 6743, 7048, 7093, 7102, 7312, 7334, 7336, 7370, 7503, 7522, 7703, 7625, 08121, 07996, 08132, 08238, 08306, 08444, 08459, 08479, 08519, 08751, 08828, 08968, 09035, 09139, 09238, 09279, 09470, 09534, 09565, 09706, 09695, 09848, 09880, 09990, 10134, 10240, 10159, 10294, 10313, 10340, 10374, 10454, 10471, 10559, 10742	Dec 20 '89 – Apr 22 '93	PW/Fleet-010	
Vehicle Maintenance Record 833-1981 – Model Year Repair Record: 6-23-82, 6-20-83, 6-26-84, 8-3-84; Repair Order No's: 0067, 0038, 0199, 0178, 0214, 0279, 0316, 0544, 0618, 0701, 0737, 0706, 0803, 1014, 0823, 1189, 1197, 1296, 1305, 1318, 1506, 1448, 1556, 1616, 1677, 1732, 1788, 2087, 2174, 2195, 2234, 2251, 2276, 2433, 2443, 2526, 2558, 2713, 2702, 2762, 2787, 2939, 2980, 3134, 3185, 3215, 3284, 3258, 3321, 3335, 3387, 3433, 3473, 3533, 3501, 3579, 3709, 3651, 3735, 3743, 3828, 3865, 4101, 4144, 4211, 4375, 4387, 4484, 4694, 4830, 4970, 4976, 4997, 5221, 5294, 5012, 5096, 5019, 5213, 5247, 5339, 5467, 5509, 5574, 5626, 5668, 5878, 5979, 5984, 6042, 6078, 6127,	Jun 23 '82 – Jan 21 '88	PW/Fleet-010	
Vehicle Maintenance Record 601-1982 – Model Year Work Order No's: 218, 563, 727, 1456, 1527, 1757, 1987, 675, 2711, 2884, 4083, 4415, 4601, 4630, 5316, 5348, 5902, 6823, 7274, 7452, 7566, 7802, 8999, 9001, 11309, 10177, 8999, 12191, 12352, 12514, 13029, 13274, 13615, 14203, 15460, 16002, 16014, 15945, 16311, 16570, 17246, 17826	Feb 23 '11 – Oct 03 '01	PW/Fleet-010	

Vehicle Maintenance Record 549-87 – Model Year Repair Order No's: 5833, 6388, 6408, 6340, 6294, 6544, 6534, 6748, 6638, 6640, 6715, 6753, 6797, 6916, 6841, 6866, 7018, 7181, 7494, 7586, 7575, 7723, 7737, 07754, 07963, 08173, 7199, 08179, 09091, 09138, 09500, 09527, 09535, 09435, 09640, 09789, 09936, 10145, 10239, 10448, 10677, 10282, 10933, 10952, 11084, 11221, 12075, 11285, 11479; Work Order No's: 165, 306, 604, 609, 628; Repair Order No's: 18590, 11720, 12195, 12284, 12490, 12516, 12823, 12988, 13219, 15107, 13787, 14048, 15694, 13999, 14200, 14317, 14451, 14523, 14847, 14997, 15377, 15962, 16059, 16282, 16766, 16617, 16850, 16978, 17109, 17092, 17307, 18007, 17990, 18210, 18448, 18624; Work Order No's: 1040, 2770, 1596, 1660, 1933, 2371, 2390, 2537, 2368, 2669, 2905, 2959, 3027, 3068, 3256, 3154, 3318, 3385, 3461, 5791, 4959	Nov 25 '87 – Jun 22 '95	PW/Fleet-010	
Vehicle Maintenance Record 601-1982 – Model Year Repair Order No's: 1806, 2099, 2305, 2378, 2695, 2712, 2865, 3010, 3129, 3437, 3548, 4213, 4274, 4519, 4598, 4577, 4347, 5444, 4944, 5389, 5407, 5048, 5550, 5820, 5366, 5817, 6012, 6050, 6075, 6238, 6353, 6391, 6329, 6442, 6430, 6520, 6796, 6472, 6844, 6849, 7240, 7493, 6996, 7333, 7470, 7375, 7764, 7815, 7588, 8470, 8201, 8615, 8648, 8687, 8593, 8863, 8967, 9427, 9537, 9628, 9768, 9804, 10018, 10320, 10413, 10534, 10682, 10711, 10904, 10922, 11089, 11375, 11652, 11718, 11810, 12240, 12299, 12549, 12576, 12813, 13006, 13454, 14149, 14373, 14551, 14844, 14964, 15376, 13730, 15695, 15983, 16190, 16366, 16702, 16925, 16976, 17282, 17309, 13769, 17544, 17801, 18058, 18277	Aug 27 '85 – Apr 20 '93	PW/Fleet-010	
Vehicle Maintenance Record 549-1987 – Model Year Work Order No's: 6262, 6449, 6398, 6549, 6571, 6797, 6757, 6919, 6986, 7198, 7345, 7404, 7532, 8774, 8967, 9212, 9195, 11077, 11343, 11838, 11691, 12704, 12603, 3370, 13489, 13789, 14090, 14106, 14275, 15535, 15427, 16021	Feb 07 '96 – Aug 14 '00	PW/Fleet-010	

Vehicle Maintenance Record 817-1973 – Model Year Repair Order No's: 5541, 5544, 5676, 5895, 5850, 5542, 6279, 6308, 6714, 7006, 7251, 7331, 7405, 7491, 7565, 7659, 8243, 8392, 8413, 8456, 8504, 8621, 8637, 8705, 8795, 9023, 9466, 9720, 9729, 9891, 9924, 10030, 10178, 10300, 10351, 10350, 10571, 11162, 11544, 11621, 11771, 11811, 12008, 12044, 12163, 12097, 12192, 12280, 12557, 12769, 13450, 13440, 13933, 14028, 13763, 14151, 14278, 14349, 14389, 14692, 14477, 14810, 15000, 15099, 15280, 15394, 15231, 15332, 15513, 15461, 15498, 15094, 15592, 15816, 15870, 16215, 15666, 16473, 16599, 17044, 17031, 17298, 17577, 17594, 17593, 17357, 17880, 17923, 18188, 18501, 18549, 18026, 18594, 18622, 18599, 18359, 18649; Work Order No's: 115, 195, 635, 781, 905, 737, 906, 1099, 1326, 1305, 1200, 1568, 1507, 1506, 1650, 1736, 1650, 1846, 2061, 2207, 2246, 2392, 3014	Jul 06 '87 – Nov 23 '94	PW/Fleet-010	
Vehicle Maintenance Record 817-1973 – Model Year Work Order No's:11390, 11185, 11263, 11648, 11590, 11600, 11827, 11772, 11872, 12067, 12053, 12198, 12219, 12427, 12499, 12575, 12557, 12605, 12860, 12926, 12697, 12649, 12740, 13018, 16654; Registration Card	May 22 '98 – Jan 18 '01	PW/Fleet-010	
Vehicle Maintenance Record 817-1973 – Model Year Work Order No's: 3765, 3879, 4154, 4398, 4305, 4513, 5188, 5466, 5654, 5704, 5749, 5716, 5846, 6047, 5922, 6144, 5999, 6313, 6420, 6357, 6251, 6709, 6682, 6793, 6833, 6954, 6867, 7219, 7346, 7346, 7361, 7424, 7859, 7525, 8127, 8158, 8304, 4778, 8424, 8370, 8584, 8706, 9380, 9578, 9370, 9371, 9449, 9465, 9669, 9771, 9815, 9816, 9973, 9976, 10038, 10107, 10176, 10500, 10557, 10437, 3207, 10507, 10603, 10592, 10900, 10793, 10736, 10802, 11000, 10516, 11094, 9227, 22752	Jan 03 '95 – Nov 04 '04	PW/Fleet-010	

RECORDS DESTRUCTION REQUEST
2015

APPROVALS				
DEPARTMENT	**DEPUTY CITY CLERK**	**CITY ATTORNEY**	**DATE**	**COUNCIL MEETING**
RECREATION DIVISION				June 8, 2015

TITLE OR DESCRIPTION OF RECORD	DATE	BOX NO.	COMMENTS
PARK & FACILITY RESERVATIONS 2011 CLASS REGISTRATIONS 2011 DUPLICATE CREDIT CARD SETTLEMENTS JAN-APR 2011	2011	REC-15-155	
CLASS REGISTRATIONS 2011 DUPLICATE CREDIT CARD SETTLEMENTS MAY-JUN 2011	2011	REC-15-156	
ACTIVITY REGISTRATION FORMS WITH CREDIT CARDS RECEIPTS AND DEPOSIT RECONCILIATIONS – DUPLICATE APR-JUN 2012	2012	REC-15-158	
ACTIVITY REGISTRATION FORMS WITH CREDIT CARDS RECEIPTS AND DEPOSIT RECONCILIATIONS – DUPLICATE JAN-MAR 2012	2012	REC-15-165	
ACTIVITY REGISTRATION FORMS & REFUNDS WITH CREDIT CARDS RECEIPTS AND DEPOSIT RECONCILIATIONS – DUPLICATE JULY - DEC 2012	2012	REC-15-166	
DUPLICATE PAYROLL TIMESHEETS 2012	2012	REC-15-167	
PARK & FACILITY RESERVATION FORMS & CALENDARS 2012	2012	REC-15-170	
SENIOR CENTER ACTIVITY REPORT/CLASS SIGN IN SHEETS 2010-2011	2010-2011	REC-14-172	
SENIOR CENTER ACTIVITY REPORT/CLASS SIGN IN SHEETS 2005-2007	2005-2007	REC-10-173	
CLASS REGISTRATION FORMS 2009 INSTRUCTOR CONTRACTS 2007	2007-2009	REC-11-176	
ACCESS CPM FILES	2008-2009	REC-15-179	
ACCESS ATTENDANCE & REGISTRATION FORMS	2008-2009	REC-15-184	
ACCESS INVOICES	2008-2009	REC-15-185	
ACCESS ATTENDANCE & REGISTRATION FORMS	2008-2009	REC-15-192	

ACCESS ATTENDANCE & REGISTRATION FORMS	2007-2008	REC-14-193	
ACCESS ATTENDANCE & REGISTRATION FORMS	2007-2008	REC-14-194	
PASSPORT TRANSMITTALS	2011-2012	REC-15-200	
SWIM REGISTRATION 2012, DUPLICATE BILLS PAID 2010-2012	2010-2012	REC-15-201	
ACCESS ATTENDANCE - 2008-2009	2008-2009	REC-15-204	

19 boxes total in this request.
Thank you.

STAFF REPORT

ITEM NO. 10.F

DATE:	JUNE 8, 2015
TO:	MAYOR AND CITY COUNCIL
FROM:	ROD BUTLER, CITY MANAGER
PREPARED BY:	ROSEMARY HOERNING, PUBLIC WORKS DIRECTOR
SUBJECT:	USED OIL PAYMENT PROGRAM (OPP CYCLE 5) GRANT

RECOMMENDED ACTION

It is recommended that the City Council accept the Used Oil Payment Program Cycle 5 Grant Award of $20,926.

GOAL STATEMENT

The proposed action supports the pursuit of grant funding to supplement the City local funding resources and exercising prudent financial management of the City's solid waste program funds.

BACKGROUND

On June 14, 2014 the City applied for the Used Oil Payment Program Cycle 5 (OPP Cycle 5) Grant funding to support the City efforts to properly dispose of and recycle used oil within the City. Used oil is collected at the City's Household Hazardous (HHW) Collection Center located at the Public Works City Yard at 1370 North Benson Avenue. Additionally, used oil is collected at auto parts stores and auto repair stores and reported as part of the City solid waste used oil collection program. This program is an essential component of the City's overall solid waste recycling program.

ISSUES/ANALYSIS

This program provides funding from the State for the continued proper management of used oil waste and environmental protection within San Bernardino County.

FISCAL IMPACTS

The OPP funds help to augment the City's solid waste program funds to support the HHW and the San Bernardino annual waste collection service contract, the purchase of used oil collection containers, provides public outreach efforts and other activities associated with the proper collection, disposal and recycling of used oil.

ALTERNATIVES

Provide alternative direction to staff.

ATTACHMENTS:

Award Notification

State Grant Check

REQUEST FOR APPROVAL

To: **Howard Levenson**
Deputy Director, Materials Management and Local Assistance Division

From: **Michelle Martin**
Branch Chief, Financial Resources Management Branch

Request Date: September 29, 2014

Decision Subject: Awards and Distribution of Payments for the Used Oil Payment Program (Used Oil Recycling Fund, FY 2014/15)

Action By: October 21, 2014

Summary of Request:
Staff requests approval of payments for the Used Oil Payment Program (OPP) Cycle 5, Fiscal Year (FY) 2014/15. CalRecycle received 218 eligible applications. The total of $11,000,000 in FY 2014/15 allocated funds will be distributed to recipients in either October 2014 or April 2015. Applicants who requested an early October payment must meet the established criteria to be eligible. All funds shall be available for expenditure until June 30, 2016, and are subject to the annual reporting requirement starting in August 2015.

Recommendation:
Staff recommends approval of payments to qualifying OPP Cycle 5 applicants as identified in Table 1 (disbursement in October 2014) and Table 2 (disbursement in April 2015). Table 1 lists eight recommended recipients totaling $331,796 for disbursement in October 2014. Table 2 lists 210 recommended recipients totaling $10,668,204 for disbursement in April 2015.

Table 1. Proposed Used Oil Payment Program (OPP5) Payments Disbursement in October 2014

Applicant (Lead) Name	Participant Name	Award Amount
City of Camarillo		**$ 18,610**
City of Carson		**$ 25,752**
City of San Marino		**$ 5,000**
City of Vernon		**$ 5,000**
Riverside County		**$ 100,704**
San Luis Obispo County Integrated Waste Management		**$ 82,733**
	City of Arroyo Grande	
	City of Atascadero	
	City of El Paso De Robles (Paso Robles)	
	City of Grover Beach	
	City of Morro Bay	
	City of Pismo Beach	
	City of San Luis Obispo	

Applicant (Lead) Name	Participant Name	Award Amount
	San Luis Obispo County	
Santa Cruz County		**$ 64,930**
	City of Capitola	
	City of Santa Cruz	
	City of Scotts Valley	
Shasta County		**$ 29,067**
	City of Anderson	
	City of Shasta Lake	
	OCTOBER 2014 TOTAL =	**$ 331,796**

Table 2. Proposed Used Oil Payment Program (OPP5) Payments Disbursement in April 2015

Applicant (Lead) Name	Participant Name	Award Amount
Amador County		**$ 35,000**
	City of Amador City	
	City of Ione	
	City of Jackson	
	City of Plymouth	
	City of Sutter Creek	
Butte County		**$ 38,399**
	City of Biggs	
	City of Gridley	
	City of Oroville	
Calaveras County		**$ 16,675**
	City of Angels Camp	
Castro Valley Sanitary District		**$ 40,518**
	Alameda County	
	Oro Loma Sanitary District	
City and County of San Francisco		**$ 231,223**
City of Agoura Hills		**$ 5,882**
City of Alameda		**$ 21,158**
City of Anaheim		**$ 96,296**
City of Antioch		**$ 29,565**
City of Arcadia		**$ 16,057**
City of Arcata		**$ 5,085**
City of Avalon		**$ 5,000**
City of Azusa		**$ 13,542**
City of Bakersfield		**$ 101,541**
City of Baldwin Park		**$ 21,359**
City of Bell Gardens		**$ 11,964**
City of Bellflower		**$ 21,642**
City of Benicia		**$ 7,767**
City of Berkeley		**$ 32,577**
City of Brentwood		**$ 15,296**

Applicant (Lead) Name	Participant Name	Award Amount
City of Buena Park		**$ 22,912**
City of Burbank		**$ 29,313**
City of Calabasas		**$ 11,798**
	City of Hidden Hills	
City of Carlsbad		**$ 30,589**
City of Carpinteria		**$ 5,000**
City of Ceres		**$ 13,012**
City of Cerritos		**$ 13,916**
City of Chico		**$ 24,580**
City of Chino		**$ 22,747**
City of Chino Hills		**$ 21,198**
City of Chula Vista		**$ 169,119**
	City of Coronado	
	City of El Cajon	
	City of Imperial Beach	
	City of La Mesa	
	City of Lemon Grove	
	City of National City	
	City of Santee	
City of Citrus Heights		**$ 23,519**
City of Claremont		**$ 10,103**
City of Colfax		**$ 5,000**
City of Compton		**$ 27,254**
City of Concord		**$ 34,587**
City of Corona		**$ 44,099**
City of Covina		**$ 13,606**
City of Davis		**$ 18,583**
City of Diamond Bar		**$ 15,753**
City of Dixon		**$ 5,435**
City of Downey		**$ 31,471**
City of Duarte		**$ 6,170**
City of Dublin		**$ 14,943**
City of El Monte		**$ 31,940**
City of Elk Grove		**$ 44,529**
City of Encinitas		**$ 27,079**
	City of Del Mar	
	City of Solana Beach	
City of Escondido		**$ 40,780**
City of Fairfield		**$ 38,617**
	City of Suisun City	
City of Folsom		**$ 20,613**
City of Fontana		**$ 55,976**
City of Fortuna		**$ 5,000**

Applicant (Lead) Name	Participant Name	Award Amount
City of Fremont		$ 61,990
City of Fresno		$ 142,458
City of Galt		$ 6,893
City of Garden Grove		$ 48,189
City of Gardena		$ 16,769
City of Glendale		$ 54,216
City of Glendora		$ 14,343
City of Hawaiian Gardens		$ 5,000
City of Hawthorne		$ 24,098
City of Hayward		$ 41,866
City of Hermosa Beach		$ 5,641
City of Huntington Beach		$ 54,272
City of Huntington Park		$ 16,480
City of Indio		$ 22,927
City of Inglewood		$ 31,038
City of Irwindale		$ 5,000
City of La Mirada		$ 13,761
City of La Verne		$ 9,084
City of Laguna Beach		$ 6,600
City of Laguna Woods		$ 5,000
City of Lakewood		$ 22,603
City of Lancaster		$ 44,305
City of Livermore		$ 23,604
City of Lompoc		$ 12,143
City of Long Beach		$ 129,954
City of Los Angeles		$ 1,077,557
City of Lynwood		$ 19,776
City of Madera		$ 17,577
City of Manhattan Beach		$ 10,020
City of Manteca		$ 20,301
City of Martinez		$ 10,357
City of Modesto		$ 57,248
City of Monrovia		$ 20,445
	City of Bradbury	
	City of Sierra Madre	
City of Montebello		$ 17,720
City of Monterey Park		$ 17,237
City of Moorpark		$ 9,896
City of Moreno Valley		$ 55,171
City of Napa		$ 21,812
City of Newark		$ 12,292
City of Norwalk		$ 29,613
City of Novato		$ 14,806

Applicant (Lead) Name	Participant Name	Award Amount
City of Oakland		$ 127,049
	City of Albany	
	City of Emeryville	
	City of Piedmont	
City of Oakley		$ 10,697
City of Oceanside		$ 47,424
City of Ontario		$ 46,376
City of Orange		$ 38,621
City of Oxnard		$ 56,381
City of Palm Desert		$ 14,103
City of Palmdale		$ 43,140
City of Paramount		$ 15,381
City of Pasadena		$ 39,063
City of Pico Rivera		$ 17,815
City of Pittsburg		$ 18,504
City of Placentia		$ 14,565
City of Pleasant Hill		$ 9,537
City of Pleasanton		$ 20,352
City of Pomona		$ 42,052
City of Poway		$ 13,706
City of Rancho Cordova		$ 18,910
City of Rancho Cucamonga		$ 47,732
City of Rancho Palos Verdes		$ 11,879
City of Redding		$ 25,357
City of Redondo Beach		$ 18,876
City of Rialto		$ 28,178
City of Riverside		$ 86,840
City of Rolling Hills Estates		$ 5,000
City of Rosemead		$ 15,301
City of Roseville		$ 35,221
City of Sacramento		$ 131,287
City of San Bernardino		$ 58,885
City of San Buenaventura (Ventura)		$ 30,256
City of San Diego		$ 371,550
City of San Dimas		$ 9,593
City of San Gabriel		$ 11,315
City of San Leandro		$ 24,387
City of San Marcos		$ 25,074
City of Santa Ana		$ 91,784
City of Santa Barbara		$ 25,131
City of Santa Clarita		$ 57,895
City of Santa Fe Springs		$ 5,000
City of Santa Maria		$ 28,088

Applicant (Lead) Name	Participant Name	Award Amount
City of Santa Monica		$ 25,627
City of Santa Paula		$ 8,593
City of Seal Beach		$ 6,977
City of Signal Hill		$ 5,000
City of Simi Valley		$ 35,042
City of South El Monte		$ 5,827
City of South Gate		$ 26,696
City of Temple City		$ 10,162
City of Thousand Oaks		$ 35,796
City of Torrance		$ 40,947
City of Turlock		$ 19,542
City of Union City		$ 20,101
City of Upland		$ 20,926
City of Vacaville		$ 26,021
City of Vallejo		$ 32,880
City of Victorville		$ 33,465
City of Vista		$ 26,713
City of Walnut		$ 8,500
City of Watsonville		$ 14,680
City of West Covina		$ 29,943
City of West Hollywood		$ 30,741
	City of Beverly Hills	
	City of Culver City	
City of West Sacramento		$ 14,218
City of Westlake Village		$ 5,000
City of Whittier		$ 24,069
City of Woodland		$ 15,980
City of Yucaipa		$ 14,720
Coachella Valley Association of Governments		$ 74,255
	City of Blythe	
	City of Cathedral City	
	City of Coachella	
	City of Desert Hot Springs	
	City of Indian Wells	
	City of La Quinta	
	City of Palm Springs	
	City of Rancho Mirage	
Contra Costa Clean Water Program		$ 74,239
	City of Clayton	
	City of Lafayette	
	City of Orinda	
	City of San Ramon	
	City of Walnut Creek	

Applicant (Lead) Name	Participant Name	Award Amount
	Town of Danville	
	Town of Moraga	
Contra Costa County		**$ 46,199**
Del Norte Solid Waste Management Authority		**$ 15,000**
	City of Crescent City	
	Del Norte County	
El Dorado County		**$ 52,999**
	City of Placerville	
	City of South Lake Tahoe	
Fresno County		**$ 146,532**
	City of Clovis	
	City of Coalinga	
	City of Firebaugh	
	City of Fowler	
	City of Huron	
	City of Kerman	
	City of Kingsburg	
	City of Mendota	
	City of Orange Cove	
	City of Parlier	
	City of Reedley	
	City of San Joaquin	
	City of Sanger	
	City of Selma	
Glenn County		**$ 20,000**
	City of Orland	
	City of Willows	
Humboldt Waste Management Authority		**$ 47,807**
	City of Blue Lake	
	City of Eureka	
	City of Ferndale	
	City of Rio Dell	
	City of Trinidad	
	Humboldt County	
Imperial Valley Resource Management Agency		**$ 61,792**
	City of Brawley	
	City of Calexico	
	City of Calipatria	
	City of El Centro	
	City of Holtville	
	City of Imperial	
	City of Westmorland	
	Imperial County	

Applicant (Lead) Name	Participant Name	Award Amount
Inyo County		**$ 15,000**
	City of Bishop	
Kern County		**$ 120,688**
	City of California City	
	City of Delano	
	City of McFarland	
	City of Shafter	
	City of Taft	
Lake County		**$ 22,716**
	City of Clearlake	
	City of Lakeport	
Lassen Regional Solid Waste Management Authority		**$ 15,000**
	City of Susanville	
	Lassen County	
Los Angeles County		**$ 348,044**
	City of Alhambra	
	City of Artesia	
	City of Bell	
	City of Commerce	
	City of La Cañada Flintridge	
	City of Lawndale	
Madera County		**$ 25,652**
	City of Chowchilla	
Marin County Hazardous and Solid Waste Management		**$ 80,413**
	City of Belvedere	
	City of Larkspur	
	City of Mill Valley	
	City of San Rafael	
	City of Sausalito	
	Marin County	
	Town of Corte Madera	
	Town of Fairfax	
	Town of Ross	
	Town of San Anselmo	
	Town of Tiburon	
Mendocino Solid Waste Management Authority		**$ 36,966**
	City of Fort Bragg	
	City of Point Arena	
	City of Ukiah	
	City of Willits	
	Mendocino County	
Merced County Regional Waste Management Authority		**$ 82,297**

Applicant (Lead) Name	Participant Name	Award Amount
	City of Atwater	
	City of Dos Palos	
	City of Gustine	
	City of Livingston	
	City of Los Banos	
	City of Merced	
	Merced County	
Modoc County		**$ 15,000**
	City of Alturas	
Mono County		**$ 10,000**
Monterey County		**$ 137,350**
	City of Carmel-by-the-Sea	
	City of Del Rey Oaks	
	City of Gonzales	
	City of Greenfield	
	City of King City	
	City of Marina	
	City of Monterey	
	City of Pacific Grove	
	City of Salinas	
	City of Sand City	
	City of Seaside	
	City of Soledad	
Napa County		**$ 30,710**
	City of American Canyon	
	City of Calistoga	
	City of St. Helena	
	Town of Yountville	
Orange County		**$ 486,292**
	City of Aliso Viejo	
	City of Brea	
	City of Costa Mesa	
	City of Cypress	
	City of Dana Point	
	City of Fountain Valley	
	City of Fullerton	
	City of Irvine	
	City of La Habra	
	City of La Palma	
	City of Laguna Hills	
	City of Laguna Niguel	
	City of Lake Forest	
	City of Los Alamitos	

Applicant (Lead) Name	Participant Name	Award Amount
	City of Mission Viejo	
	City of Newport Beach	
	City of Rancho Santa Margarita	
	City of San Clemente	
	City of San Juan Capistrano	
	City of Stanton	
	City of Tustin	
	City of Villa Park	
	City of Westminster	
	City of Yorba Linda	
Plumas County		**$ 10,000**
Regional Waste Management Authority		**$ 59,677**
	City of Live Oak	
	City of Marysville	
	City of Wheatland	
	City of Yuba City	
	Sutter County	
	Yuba County	
Rural Counties ESJPA		**$ 40,000**
	Alpine County	
	City of Colusa	
	City of Williams	
	Colusa County	
	Mariposa County	
Sacramento County		**$ 156,855**
San Benito County		**$ 25,311**
	City of Hollister	
	City of San Juan Bautista	
San Bernardino County		**$ 201,685**
	City of Adelanto	
	City of Big Bear Lake	
	City of Colton	
	City of Grand Terrace	
	City of Hesperia	
	City of Highland	
	City of Loma Linda	
	City of Needles	
	City of Redlands	
	City of Twentynine Palms	
	Town of Yucca Valley	
San Diego County		**$ 138,018**
San Joaquin County		**$ 181,024**
	City of Escalon	

Applicant (Lead) Name	Participant Name	Award Amount
	City of Lathrop	
	City of Lodi	
	City of Ripon	
	City of Stockton	
	City of Tracy	
San Mateo County		**$ 230,857**
	City of Belmont	
	City of Brisbane	
	City of Burlingame	
	City of Daly City	
	City of East Palo Alto	
	City of Foster City	
	City of Half Moon Bay	
	City of Menlo Park	
	City of Millbrae	
	City of Pacifica	
	City of Redwood City	
	City of San Bruno	
	City of San Carlos	
	City of San Mateo	
	City of South San Francisco	
	Town of Atherton	
	Town of Colma	
	Town of Hillsborough	
	Town of Portola Valley	
	Town of Woodside	
Santa Barbara County		**$ 56,861**
	City of Buellton	
	City of Goleta	
	City of Solvang	
Santa Clara County		**$ 525,188**
	City of Campbell	
	City of Cupertino	
	City of Gilroy	
	City of Los Altos	
	City of Milpitas	
	City of Monte Sereno	
	City of Morgan Hill	
	City of Mountain View	
	City of Palo Alto	
	City of San Jose	
	City of Santa Clara	
	City of Saratoga	

Applicant (Lead) Name	Participant Name	Award Amount
	City of Sunnyvale	
	Town of Los Altos Hills	
	Town of Los Gatos	
Sierra County		**$ 15,000**
	City of Loyalton	
Siskiyou County		**$ 55,000**
	City of Dorris	
	City of Dunsmuir	
	City of Etna	
	City of Fort Jones	
	City of Montague	
	City of Mount Shasta	
	City of Tulelake	
	City of Weed	
	City of Yreka	
Solano County		**$ 15,000**
	City of Rio Vista	
Sonoma County Waste Management Agency		**$ 148,872**
	City of Cloverdale	
	City of Cotati	
	City of Healdsburg	
	City of Petaluma	
	City of Rohnert Park	
	City of Santa Rosa	
	City of Sebastopol	
	City of Sonoma	
	Sonoma County	
	Town of Windsor	
Stanislaus County		**$ 64,590**
	City of Hughson	
	City of Newman	
	City of Oakdale	
	City of Patterson	
	City of Riverbank	
	City of Waterford	
Tehama County Sanitary Landfill Agency		**$ 26,853**
	City of Corning	
	City of Red Bluff	
	City of Tehama	
	Tehama County	
Town of Apple Valley		**$ 19,714**
Town of Paradise		**$ 7,396**
Town of Truckee		**$ 5,000**

Applicant (Lead) Name	Participant Name	Award Amount
Trinity County		**$ 10,000**
Tulare County		**$ 136,376**
	City of Dinuba	
	City of Exeter	
	City of Farmersville	
	City of Lindsay	
	City of Porterville	
	City of Tulare	
	City of Visalia	
	City of Woodlake	
Tuolumne County		**$ 18,852**
	City of Sonora	
Ventura County		**$ 27,233**
West Contra Costa Integrated Waste Management Authority		**$ 56,985**
	City of El Cerrito	
	City of Hercules	
	City of Pinole	
	City of Richmond	
	City of San Pablo	
Western Placer Waste Management Authority		**$ 70,571**
	City of Auburn	
	City of Lincoln	
	City of Rocklin	
	Placer County	
	Town of Loomis	
Western Riverside Council of Governments		**$ 233,015**
	City of Banning	
	City of Calimesa	
	City of Canyon Lake	
	City of Eastvale	
	City of Hemet	
	City of Jurupa Valley	
	City of Lake Elsinore	
	City of Menifee	
	City of Murrieta	
	City of Norco	
	City of Perris	
	City of San Jacinto	
	City of Temecula	
	City of Wildomar	
Yolo County		**$ 15,000**
	City of Winters	
	APRIL 2015 TOTAL =	**$ 10,668,204**

Funding:
The FY 2014/15 Budget Act allocates $11,000,000 to the Used Oil Recycling Fund for the Used Oil Payment Program for this fiscal year.

Fund Source	Amount Available	Amount to Fund Item	Amount Remaining	Line Item
Used Oil Recycling Fund (FY 2014/15)	$11,000,000	$11,000,000	$0	Local Assistance/Grants
Total	$11,000,000	$11,000,000	$0	

Deputy Director Action:

On the basis of the information and analysis in this Request for Approval and the findings set out herein, I hereby conditionally approve payments to qualifying OPP5 Cycle applicants listed in Tables 1 and 2. These payments are subject to funding availability. Additionally, I direct staff to provide any other documentation that is necessary and appropriate to facilitate the issuance of payments. The conditions of approval are that applicants must:

1. Comply with the OPP Cycle 5 Guidelines.
2. Provide full repayment of any outstanding/unspent OPP funds owed by the Applicant/Recipient (or Participating Jurisdiction, if applicable) to CalRecycle within 60 (sixty) calendar days of the date of this conditional approval.

Dated: 9/29/14

Howard Levenson

Howard Levenson
Deputy Director

Background and Findings:

Statutory Authority
Public Resources Code (PRC) 48600 et seq. describes the California Oil Recycling Enhancement Act (Act) which authorizes CalRecycle to develop and administer an oil collection and recycling program for local jurisdictions. Senate Bill 546 (Lowenthal, Chapter 353, Statutes of 2009) established the Used Oil Payment Program to replace the Used Oil Block Grant Program beginning with FY 2010/11. PRC Section 48653(a)(3)(A) describes the payment calculation and establishes the annual funding amount of $11,000,000. Payment amounts are determined by multiplying the total annual funding amount by the fraction equal to the population of cities and counties that are eligible for payments pursuant to Section 48690, divided by the population of the state using the most recent population estimates provided by the Department of Finance.

Program Background

The Used Oil Payment Program provides, among other things, funding to assist local governments in developing and maintaining an on-going used oil and used oil filter collection/recycling program for their communities. CalRecycle developed Guidelines which further describe eligibility, payment process and other aspects of program administration.

Criteria and Process

The Notice of Funds Available for FY 2014/15 was placed on the CalRecycle website on May 16, 2014, with an appropriate notice sent to stakeholders. Online applications were due June 26, 2014, with a secondary due date of July 31, 2014, for Resolution submission. Two-hundred and eighteen applications were submitted and CalRecycle staff is recommending all 218 applications for funding. A total of 523 jurisdictions, including individual applicants and participants in regional applications, will receive funding.

Tables 1 and 2 identify the recommended applicants for OPP5 Cycle payments. Payments are calculated per capita using the Department of Finance's population statistics. Each city is eligible to receive a minimum of $5,000 or an amount calculated by CalRecycle, on a per capita basis, whichever is greater. Each county is eligible to receive a minimum of $10,000 or an amount calculated by CalRecycle, on a per capita basis, whichever is greater.

The FY 2014/15 allocated funds will be encumbered immediately and distributed to recipients in either October 2014 or April 2015. All funds shall be available for expenditure until June 30, 2016, and are subject to the annual reporting requirement starting in August 2015.

REMITTANCE ADVICE

STD. 404C (REV. 4-95)

VENDOR-ID 0000001118C-00

PAGE 1

STATE OF CALIFORNIA
DOF

THE ENCLOSED WARRANT IS IN PAYMENT OF THE INVOICES SHOWN BELOW

DEPARTMENT NAME	ORG. CODE	INVOICE DATE	INVOICE NUMBER	INVOICE AMOUNT	RPI
RESOURCES RECYCLING & RECOVERY	3970	/ /	USED OIL PYMNT	20926.00	

DEPARTMENT ADDRESS: P.O. BOX 4025, SACRAMENTO CA 95812-4025

CLAIM SCHED. NO.: S140508D

VENDOR: CITY OF UPLAND, PO BOX 460, UPLAND CA 91785

R/C

641352

RECEIVED
APR 21 2015
FINANCE DIVISION

used oil pymnt/APB/ST

PYMT INQUIRIES: (916)341-6645

FEDERAL TAX ID NO. OR SSAN	RP TYPE	TAX YR	TOTAL REPORTED TO IRS	TOTAL PAYMENT
			.00	20926.00

THE BACK OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK - VIEW AT AN ANGLE

STATE OF CALIFORNIA

WARRANT NUMBER 05-774765

H THE TREASURER OF THE STATE WILL PAY OUT OF THE

FUND NO. 0100 FUND NAME CALIF USED OIL RECYCLIN

IDENTIFICATION NO. 3970

MO. 04 DAY 15 YR. 2015

90-1342/1211

05774765

TO: 774765
--- CITY OF
UPLAND

DOLLARS	CENTS
$***20926	00

BETTY T. YEE
CALIFORNIA STATE CONTROLLER

FORM 04-08 (2-97) CONTROLLERS WARRANT

⑆121113423⑆ 05774765 4⑈

STAFF REPORT

ITEM NO. 10.G

DATE:	JUNE 8, 2015
TO:	MAYOR AND CITY COUNCIL
FROM:	ROD BUTLER, CITY MANAGER
PREPARED BY:	ROBERTA KNIGHTEN, COMMUNITY SERVICES DIRECTOR
SUBJECT:	APPROVAL OF AGREEMENT WITH UPLAND COMMUNITY PARTNERSHIP FOR YOUTH DEVELOPMENT FOR FY16 AFTER SCHOOL PROGRAMS

RECOMMENDED ACTION

It is recommended that the City Council authorize the City Manager to enter into an agreement with the Upland Community Partnership for Youth Development for the Recreation Division to coordinate after school and summer programs.

GOAL STATEMENT

The proposed action supports the City's goal to foster public and private partnerships.

BACKGROUND

The Upland Community Partnership for Youth Development (Partnership) is a grass roots 501(c)3 non-profit organization comprised of a dedicated group of community leaders devoted to bettering the lives of Upland youth. The goal of the Partnership is to encourage, fund, and support programs directed toward Upland youth in at-risk situations. The Partnership sponsors two (with a third location planned) community based after-school programs targeting 1st through 8th grade students who live in low income neighborhoods. These programs, situated in the Magnolia Colony Apartments and the Upland Housing Authority, are offered four days per week during the school year. A morning program is offered during the summer.

Through a collaborative effort, the Partnership has contracted with the City's Community Services Department for the last 19 years to run the after-school program. In addition to providing homework assistance, staff helps participants learn computer and study skills.

ISSUES/ANALYSIS

The City recruits, trains and employs staff to work in the Partnership's afterschool programs. Depending on the number of participants, as many as nine staff may be employed. City staff is responsible for planning activities, and purchasing supplies and equipment. The City also pays the rental and utility expenses for the facilities used for this program. All expenditures are fully reimbursed by the Partnership. The attached agreement details the City's responsibilities in providing these services along with the Partnership's financial commitment to the City for those services.

FISCAL IMPACTS

The Partnership fully reimburses the City for all supplies, services and employee costs associated with coordinating this program. The proposed budget for FY 2015-16 is $34,000. The agreement is for more than the projected cost to cover unforeseen expenses or special programs the Partnership may wish to offer above and beyond the afterschool program.

ALTERNATIVES

Provide alternative direction to staff.

ATTACHMENTS:

Partnership Agreement FY16

CONTRACTUAL AGREEMENT
SCOPE OF SERVICES

This Agreement is entered into as of July 1, 2015, between the Upland Community Partnership for Youth Development and the City of Upland to fulfill the requirements of providing the following:

The intent of this contractual agreement is to clarify the respective roles and responsibilities of the Partnership and the City.

1. RESPONSIBILITIES OF CITY:

- Plan, implement, and staff after school programming at neighborhood sites identified by the Partnership.
- Provide homework assistance and enrichment activities that reinforce and complement the Upland Unified School District's academic program.
- Provide outcome based data to facilitate the Partnership's efforts to evaluate program's effectiveness as measured by attendance and student academic performance.
- Provide at no cost to Partnership coordinator to oversee program.
- Work with the Partnership to secure grants for program.

2. RESPONSIBILITIES OF PARTNERSHIP:

- Upon receipt of invoices, reimburse the City for approved expenditures, incurred for staffing, rent, utilities, supplies and equipment up to $40,000.

TERMS

- This agreement is in effect from July 1, 2015 to June 30, 2016
- This agreement may be adjusted to meet the needs of one or both parties when alterations are made in writing and approved by both parties
- Either party may terminate this Contract upon sixty (60) day written notice

The **PARTIES**, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

City of Upland	Upland Community Partnership for Youth Development

Item No. 13.A

POLICE AND FIRE COMMITTEE MEETING
MAY 26, 2015
****
CONCLUSION/ACTION SUMMARY

In attendance: Committee Members Filippi and Bozar, Councilmember Timm, City Manager Butler, Fire Chief Mayhew and Police Chief Johnson

1) **ORAL COMMUNICATIONS,** None

2) **MUNICIPAL CODE AMENDMENT REPEALING AND REPLACING CHAPTER 9 RELATED TO PSYCHOACTIVE BATH SALTS, PSYCHOACTIVE HERBAL INCENSE AND OTHER SYNTHETIC DRUGS,** the Committee recommends the City Council introduce and hold first reading by title only of an Ordinance repealing and replacing Chapter 9 of the Upland Municipal Code regarding psychoactive bath salts, psychoactive herbal incense and other synthetic drugs, prohibiting the distribution and sale of certain intoxicating chemicals known as synthetic drugs.

Police and Fire Committee Meeting

May 26, 2015

5:00 pm

Pinky Alder Room

****

1) ORAL COMMUNICATIONS

2) MUNICIPAL CODE AMENDMENT REPEALING AND REPLACING CHAPTER 9 RELATED TO PSYCHOACTIVE BATH SALTS, PSYCHOACTIVE HERBAL INCENSE AND OTHER SYNTHETIC DRUGS

NOTE: All Agenda items and back-up materials are available for public review at the Upland Public Library, downstairs reference desk at 450 North Euclid Avenue, the City Clerk's Office at 460 North Euclid Avenue and the City website at www.ci.upland.ca.us, subject to staff's ability to post the documents before the meeting.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at 909.931.4120. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.102-35.104 ADA Title II]

POSTING STATEMENT: On May 21, 2015 a true and correct copy of this agenda was posted on the bulletin boards at 450 N. Euclid Avenue (Upland Public Library) and 460 N. Euclid Avenue (Upland City Hall).

STAFF REPORT

ITEM NO. 2

DATE:	MAY 26, 2015
TO:	POLICE & FIRE COMMITTEE
FROM:	ROD BUTLER, CITY MANAGER
PREPARED BY:	RICHARD L. ADAMS, II, CITY ATTORNEY G. ROSS TRINDLE, III, DEPUTY CITY ATTORNEY
SUBJECT:	MUNICIPAL CODE AMENDMENT REPEALING AND REPLACING CHAPTER 9 RELATED TO PSYCHOACTIVE BATH SALTS, PSYCHOACTIVE HERBAL INCENSE AND OTHER SYNTHETIC DRUGS

RECOMMENDED ACTION

It is recommended that the Committee recommend the City Council introduce and hold first reading by title only of an Ordinance repealing and replacing Chapter 9 of the Upland Municipal Code regarding psychoactive bath salts, psychoactive herbal incense and other synthetic drugs, prohibiting the distribution and sale of certain intoxicating chemicals known as synthetic drugs.

GOAL STATEMENT

The proposed action supports the City's goal to preserve the health and safety of the community.

BACKGROUND

In September 2013, the City Council adopted an ordinance that addressed the growing concern with the use of synthetic drugs, commonly called "Bath Salts." Since the federal and state law did not adequately address the dangers posed by Bath Salts in their varied chemical compositions, the City sought to comprehensively ban all Bath Salts in the interest of preserving the health and safety of its residents.

The recreational use of psychoactive bath salts, psychoactive herbal incense and similar products commonly known as "synthetic drugs" has been known to cause hallucinations, agitation, psychosis, aggression, suicidal and homicidal ideations, cannibalism and death. While state and federal laws and regulations prohibit some synthetic drugs, the makers of these drugs continually alter the composition of the compounds in their products so as to escape the purview of these laws and regulations.

ISSUES/ANALYSIS

Since the City's initial code amendment in 2013, the development of regulations in neighboring communities has produced enforcement paradigms that more robustly address the problems associated with this rapidly evolving illicit market than the City's current code provisions permit. Such regulations simultaneously provide more specificity and increased flexibility in terms of what is prohibited and how enforcement of the City's policy goals will be accomplished through administrative citations, criminal actions, and civil nuisance abatement actions. The purpose and

intent of this new chapter is to provide the City with reasonable measures to address the dangers to the community posed by synthetic drugs that are not regulated by state or federal law, and to define with great specificity the synthetic drugs prohibited in the City.

FISCAL IMPACTS

Incidental fiscal impact is expected due to elicit authority to issue administrative citations, as well as commence civil and criminal actions to abate any discovered nuisance.

ALTERNATIVES

Provide alternative direction to staff.

ATTACHMENTS:

Ordinance

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF UPLAND REPEALING AND REPLACING CHAPTER 9 OF THE UPLAND MUNICIPAL CODE REGARDING PSYCHOACTIVE BATH SALTS, PSYCHOACTIVE HERBAL INCENSE AND OTHER SYNTHETIC DRUGS, PROHIBITING THE DISTRIBUTION AND SALE OF CERTAIN INTOXICATING CHEMICALS KNOWN AS SYNTHETIC DRUGS

Section 1. Findings.

A. Article XI Section 7 of the California Constitution provides that a city may make and enforce within its limits all police, sanitary and other ordinances and regulations not in conflict with general laws; and

B. The City Council of the City of Upland previously adopted Ordinance No. 1875 by a 5-0 vote of its members regarding psychoactive bath salts and other synthetic drugs; and

C. Additional information has come to the attention of City staff regarding effective prohibition, regulation, and enforcement of the City's current ordinances regarding synthetic drugs, generally, and as implemented by other cities in the region; and

D. The City Council finds that the public health, safety, and welfare of the City and its residents will be improved by revision of the City's current ordinances with respect to synthetic drugs by providing clearer definitions of the drugs sought to be prohibited, as well as standard by which conduct can be measured in order to make a determination of prohibited conduct, among other provisions; and

E. All legal prerequisites prior to the adoption of this ordinance have occurred.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF UPLAND DOES HEREBY ORDAIN AS FOLLOWS:

Section 2. The City Council further finds as follows:

(a) Synthetic Drugs are extremely dangerous and are gaining popularity at an alarming rate among high school and college aged individuals, as well as among parolees and probationers. These drugs are widely available, despite the State of California's attempt to ban such drugs under Health & Safety Code sections 11357.5 (banning synthetic cannabinoid compounds), 11375.5 (banning synthetic stimulant compounds and derivatives) and 11401 (banning "analogs" of controlled substances) (collectively "State Synthetic Drug Laws") and the Federal Government's attempt to ban such drugs under the Controlled Substances Act (the "CSA") (21 USC §§ 81 et seq.). The City Council further finds that virtually every community in California has recognized the danger of Synthetic Drugs which have been documented to cause

hallucinations, agitation, psychosis, aggression, suicidal and homicidal ideations, cannibalism and death.

(b) While State Synthetic Drugs Laws and the CSA prohibit certain compounds that are used to create synthetic drugs, standing alone they are not comprehensive enough to eliminate the distribution and sale of all Synthetic Drugs in the City. Specifically, the Council finds that the makers of Synthetic Drugs continually alter the composition of the compounds in their products so as to not come under the purview of State Synthetic Drug Laws, the CSA and other laws and regulations attempting to prohibit the sale of Synthetic Drugs. In fact, products which plainly are being marketed for use of Synthetic Drugs are now being packaged with advertisements stating that the product does not contain the compounds specifically banned by State Synthetic Drug Laws. Thus, the City Council finds that in order to implement an effective measure prohibiting the distribution and sale of Synthetic Drugs, it is necessary to look at all factors related to the sales and marketing of Synthetic Drugs. These factors will help City officials determine whether a product that does not come under the purview of State Synthetic Drug Laws or the CSA is nevertheless a Synthetic Drug because it is intended for recreational drug use

(c) While the question of whether a given product is being distributed or sold for use as a recreational drug must be determined on a case-by-case basis, the City Council finds that the following evidentiary factors are helpful in determining whether a given product is in fact a Synthetic Drug:

(1) Marketing: Synthetic Drugs are rarely, if ever, suitable for their marketed uses. For example, a Synthetic Drug in the form of a powder might be marketed as "glass cleaner," even though the powder cannot reasonably be used to clean glass.

(2) Sales Location: Synthetic Drugs are typically sold in liquor stores, smoke shops and gas stations, yet Synthetic Drugs are marketed as products that are not typically sold by these businesses. For example, Synthetic Drugs are often marketed as bath salts, spice, incense, potpourri, skin treatments, cleaning products and plant food; however, these types of products are typically not sold in liquor stores, smoke shops or gas stations.

(3) Warning Labels: Synthetic Drugs often use warning labels such as: "not for human consumption" and "not for purchase by minors." Bona fide bath salts, incense, cleaning products and the like do not typically bear such labels. Of particular relevance are labels that indicate a given product does not contain chemical compounds banned by State Synthetic Drug Laws, which bona fide bath salts, incense, cleaning products and the like would not have any reason to advertise.

(4) Price: Synthetic Drugs are typically more expensive than products that are used for Synthetic Drug's marketed use. For example, a Synthetic Drug marketed as "glass cleaner" might be priced at $50.00 for an eighth of an ounce, while bona fide glass cleaner is priced at approximately $5.00 for 26 ounces.

(5) Similarity to Illicit Street Drugs: Synthetic Drugs often resemble illicit street drugs and/or use brand names and packaging that are designed to make the product appear similar to illicit street drugs. For example, many Synthetic Drugs are sold as white powders packaged in vials (resembling cocaine) or dyed green to appear similar to marijuana. Additionally, brand names are often similar to street slang for illicit drugs and have no relation to the products that are purportedly being sold. These brand names are always changing, but include "Eight Ballz," "Spice," "Black Mamba," "K-2," "Puff," "Sugar Sticks," "Green Buddha," "Diablo Botanical Incense," "Scooby Snax Potpourri," "Grape Ape Herbal Incense," "Aurora Incense," "Three Monkey Incense," "Mr. and Mrs. Marley," "Cloud 9 Incense" and a group of Synthetic Drugs marketed as from "The Spice Guy."

(d) An effective way to prevent and abate the health, safety and welfare concerns that exist as a result of the marketing, distribution and sale of Synthetic Drugs in manners that brazenly seek to circumvent State and Federal Law is through the enforcement of the City's administrative, criminal and civil enforcement procedures and through the prohibition against the issuance of a business license (pursuant to Section 15-3 of the Fontana Municipal Code). Because the chemical composition of Synthetic Drugs is constantly evolving, it is necessary to look at the circumstances surrounding the marketing (including price), distribution or sale of any given product to determine if the product is being provided, distributed or sold as a recreational drug. This ordinance shall not apply to any activity already regulated by Health and Safety Code Sections 11357.5, 11375.5, 11401, the CSA or pre-empted by any State or Federal law or regulation.

Section 3. Ordinance: Amending the Municipal

Chapter 9.52 of Title 9 of the Upland Municipal Code is hereby repealed and replaced with the following:

SYNTHETIC DRUGS – SALE AND USE PROHIBITED

9.52.010 – Purpose and intent.
9.52.020 – Definitions.
9.52.030 – Provision, display for sale, sale or distribution or synthetic drugs prohibited.
9.52.040 – Provision, display for sale, sale or distribution of substances claimed or represented to be synthetic drugs prohibited.
9.52.050 – Possession of synthetic drugs prohibited.
9.52.060 – Public Nuisance.
9.52.070 – Summary Abatement.
9.52.080 – Revocation of business license.
9.52.090 – Penalties.
9.52.100 – Seizure of evidence.
9.52.110 – Exclusions.

9.52.010 – Purpose and intent.

Recreational use of psychoactive bath salts, psychoactive herbal incense and similar products commonly known as "synthetic drugs" has been documented to cause hallucinations, agitation, psychosis, aggression, suicidal and homicidal ideations, cannibalism and death. While state and federal laws and regulations prohibit some synthetic drugs, the makers of these drugs continually alter the composition of the compounds in their products so as to escape the purview of these laws and regulations. The purpose and intent of this chapter is to provide the city with reasonable measures to address the dangers to the community posed by synthetic drugs that are not regulated by state or federal law.

9.52.020 – Definitions

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Business shall have the same meaning as the term is defined in section 5.04.080 of this Municipal Code.

Consume, consuming or *consumption* shall mean to ingest, inhale, inject, smoke or snort (insufflate).

Distribute, distributing, or *distribution* shall mean to furnish, give away, exchange, transfer, deliver or supply, whether for monetary gain or not.

Person shall include any natural person, business, firm, company, corporation, public corporation, club, trust, partnership, association or similar organization.

Possess, possessing or *possession* shall mean to have for consumption, distribution or sale in one's actual or constructive custody or control, or under one's authority or power, whether such custody, control, authority or power be exercised solely or jointly with others.

Provide, providing or *provision* shall mean offering to distribute or sell a product or substance to any person.

Psychoactive bath salts shall mean any crystalline or powder product that contains a synthetic chemical compound that, when consumed, elicits psychoactive or psychotropic stimulant effects. The term "psychoactive bath salts" includes without limitation:

(1) Products that elicit psychoactive or psychotropic stimulant effects and contain any of the following intoxicating chemical compounds:
   (A) Cathinone (2-amino-1-phenyl-1-propanone), 4-methylmethcathinone (2-methylamino-1-(4-methylphenyl)propan-1-one), 4-methoxymethcathinone (1-(4-methoxyphyenyl)-2-(methylamino)propan-1-one), MDPV (methylenedioxypyrovalerone), MDMA (3, 4-

methylenedioxy-N-methylamphetamine), methylene (3,4-methylenedioxy- N-methylcathinone), methcathinone (2-(methylamino)-1-phenyl-propan-1- one), flephedrone (4-fluoromethcathinone), 3-FMC (3- fluoromethcathinone), ethcathinone (2-ethylamino-1-phenyl-propan-1- one), butylone (13-keto-N-methylbenzodioxolylbutanamine), a-PPP (a- pyrrolidinopropiophenon), MPPP (4'-methyl-a-pyrrolidinopropiophenone), MDPPP (3',4'-methylenedioxy-a-pyrrolidinopriopiophenone), a-PVP (1- phenyl-2-(1-pyrrolidinyl)-1-pentanone) or naphyrone (1-naphthalen-2-yl-2- pyrrolidin-1-ylpentan-1-one);

(B) Any derivative of the above listed intoxicating chemical compounds;

(C) Any synthetic substance and its isomers with a chemical structure similar to the above listed compounds;

(D) Any chemical alteration of the above listed intoxicating chemical compounds; or

(E) Any other substantially similar chemical structure or compound; and

(2) Products that elicit psychoactive or psychotropic stimulant effects and are marketed under any of the following trade names: Bliss, Blizzard, Blue Silk, Bonzai Grow, Charge Plus, Charlie, Cloud Nine, Euphoria, Hurricane, Ivory Snow, Ivory Wave, Lunar Wave, Ocean, Ocean Burst, Pixie Dust, Posh, Pure Ivory, Purple Wave, Red Dove, Scarface, Snow Leopard, Stardust, Vanilla Sky, White Dove, White Night and White Lightning.

The term "psychoactive bath salts" shall not include any product, substance, material, compound, mixture or preparation that is specifically excepted by the California Uniform Controlled Substances Act ("UCSA") (Health and Safety Code §§ 11000 et seq.), listed in one of the UCSA's schedules of controlled substances (Health and Safety Code §§ 11053-11058), regulated by one of the UCSA"s Synthetic Drug Laws (Health and Safety Code §§ 11357.5, 11375.5 and 11401), regulated by the Federal Controlled Substances Act (the "CSA") (21 USC §§ 81 et seq.) or approved by the Food and Drug Administration ("FDA").

Psychoactive herbal incense shall mean any organic product consisting of plant material that contains a synthetic stimulant compound that, when consumed, elicits psychoactive or psychotropic euphoric effects. The term "psychoactive herbal incense" includes without limitation:

(1) Products that elicit psychoactive or psychotropic euphoric effects and contain any of the following chemical compounds:

(A) Cannabicyclohexanol (2-[(1R,3S)-3-hydroxycyclohexyl]-5-(2-methylnonan-2-yl)phenol), JWH-018 (naphthalene-1-yl-(1-pentylindol-3-yl)methanone), JWH-073 (napththalen-1-

yl-(1-butylindol-3-yl)methanone), JWH-200 ((1-(2-morpholin-4- ylethyl)indol-2-yl)-naphthalen-1-ylmethanone), HU-210 ((6aR,1OaR)-9- (Hydroxymethyl)-6,6-dimethyl-3-(2-methyloctan-2-yl)-6a,7,10,1Oa-tetrahydrobenzo [c]chromen-1-ol), CP 47, 497 (2-[(1R,3S)-3- hydroxycyclohexyl]-5-(2-methyloctan-2-yl)phenol) CP 47,497 (2-[1R,3S)-3- hydroxycyclohexyl]-5-(2-methyloctan-2-yl)phenol) or AM-2201 (1-[(5-fluoropentyl)-1H-indol-3-yl]-(napthalen-1-yl)methanone);

(B) Any derivative of the above listed intoxicating chemical compounds;

(C) Any synthetic substance and its isomers with a chemical structure similar to the above listed intoxicating chemical compounds;

(D) Any chemical alteration of the above listed intoxicating chemical compounds; or

(E) Any other substantially similar chemical structure or compound; and

(2) Products that elicit psychoactive or psychotropic euphoric effects and are marketed under any of the following names: K2, K3, Spice, Genie, Smoke, Potpourri, Buzz, Spice 99, Voodoo, Pulse, Hush, Mystery, Earthquake, Black Mamba, Stinger, Ocean Blue, Stinger, Serenity, Fake Weed and Black Mamba.

The term "psychoactive herbal incense" shall not include any product, substance, material, compound, mixture, or preparation that is specifically excepted by the UCSA (Health and Safety Code §§ 11000 et seq.), listed in one of the UCSA's schedules of controlled substances (Health and Safety Code §§ 11053—11058) regulated by one of the USCA's Synthetic Drug Laws (Health and Safety Code §§ 11357.5, 11375.5 and 11401), regulated by the CSA (21 USC §§ 81 et seq.) or approved by the FDA.

Psychoactive or *psychotropic stimulant effects* shall mean affecting the central nervous system or brain function to change perception, mood, consciousness, cognition or behavior in ways that are similar to the effects of cocaine, methylphenidate or amphetamines.

Psychoactive or *psychotropic euphoric effects* shall mean affecting the central nervous system or brain function to change perception, mood, consciousness, cognition or behavior in ways that are similar to the effects of cannabis.

Sell, selling or *sale* shall mean to furnish, exchange, transfer, deliver or supply for monetary gain.

Synthetic drug shall include psychoactive bath salts and psychoactive herbal incense, as those terms are defined hereinabove.

9.52.030 – Provision, display for sale, sale or distribution of synthetic drugs prohibited.

A. It is unlawful for any person to provide, display for sale, distribute or sell any synthetic drug within the City of Upland.

B. Merely disclaiming a synthetic drug as "not safe for human consumption" will not avoid the application of this chapter.

9.52.040 – Provision, display for sale, sale or distribution of substances claimed or represented to be synthetic drugs prohibited.

A. It is unlawful for any person to claim or represent that a product that person is providing, displaying for sale, distributing or selling is a synthetic drug within the City of Upland.

B. To determine if a person is claiming or representing that a product is a synthetic drug, the enforcing officer may consider any of the following evidentiary factors:

(1) The product is not suitable for its marketed use (such as a crystalline or powder product being marketed as "glass cleaner");

(2) The business providing, displaying for sale, distributing or selling the product does not typically provide, distribute or sell products that are used for that product's marketed use (such as a liquor store selling "plant food");

(3) The product contains a warning label that is not typically present on products that are used for that product's marketed use (such as "not for human consumption," "not for purchase by minors," or "does not contain chemicals banned by section 11357.5");

(4) The product is significantly more expensive than products that are used for that product's marketed use (such as half of a gram of a substance marketed as "glass cleaner" costing $50.00);

(5) The product resembles an illicit street drug (such as cocaine, methamphetamine or marijuana); or

(6) The product's name or packaging uses images or slang referencing an illicit street drug (such as "Eight Ballz" or "Green Buddha").

C. Merely disclaiming a substance claimed or represented to be a synthetic drug as "not safe for human consumption" will not avoid the application of this section.

9.52.050 – Possession of synthetic drugs prohibited.

It is unlawful for any person to possess any synthetic drug within the City of Upland.

9.52.060 – Public Nuisance

A. It is a public nuisance for any person to provide, display for sale, distribute or sell any synthetic drug within the City of Upland.

B. It is a public nuisance for any person to allow the provision, display for sale, distribution or sale of any synthetic drug on property owned, controlled or managed by such person within the City of Upland.

C. It is a public nuisance for any person to provide, display for sale, distribute or sell any substance claimed or represented to be a synthetic drug within the City of Upland.

D. It is a public nuisance for any person to allow the provision, display for sale, distribution or sale of any substance claimed or represented to be a synthetic drug on property owned, controlled or managed by such person within the City of Upland.

E. To determine if a person is claiming or representing that a substance or product is a synthetic drug, the enforcing officer may consider any of the evidentiary factors set forth in 9.52.040 of this chapter.

9.52.070 – Summary abatement.

Because the use of synthetic drugs has been documented to cause hallucinations, agitation, psychosis, aggression, suicidal and homicidal ideations, cannibalism and death, any violation of this chapter presents a grave and imminent danger not only to the person consuming the synthetic drug, but also to the public at large. If the code compliance officer, based on the facts then known, determines that a violation of this chapter presents an imminent danger or hazard or is imminently injurious to the public health or safety, then that violation is punishable by the summary abatement procedures set forth in this Code, consistent with state law.

9.52.080 – Revocation of business license.

No person holding a city business license and owning or operating a business in the city may use that business to provide, distribute or sell any synthetic drug or any substance claimed or represented to be a synthetic drug. A violation of this section by the holder of a city business license, shall constitute grounds for modification, suspension, revocation, or any combination thereof, of said license.

9.52.090 – Penalties.

Established by resolution of the City of Upland City Council.

A. *Misdemeanor violation.* Failure to comply with any of the requirements of this chapter is a misdemeanor punishable by imprisonment in the city or county jail for a period not exceeding six months or by fine not exceeding $1,000.00, or by both, provided that where the city attorney determines that such action would be in the interest of justice, he/she may specify in the accusatory pleading that the offense shall be an infraction.

B. *Infraction violation.* Where the city attorney determines that, in the interest of justice, a violation of this chapter is an infraction, such infraction is punishable by a fine not exceeding $100.00 for a first violation, a fine not exceeding $200.00 for a second violation of the same provision within one year, and a fine not exceeding $500.00 for each additional infraction violation of the same provision within one year. An infraction is not punishable by imprisonment. A person charged with an infraction shall not be entitled to a trial by jury and shall not be entitled to have the public defender or other counsel appointed at public expense to represent him/her, unless he/she is arrested and not released on his/her written promise to appear, his/her own recognizance or a deposit of bail. However, any person who has previously been convicted two or more times during any 12-month period for any violation of this chapter for a crime made punishable as an infraction shall be charged with a misdemeanor upon the third violation.

C. The fine amounts set forth above may be modified, from time to time, by city council resolution. In no event shall such fine amounts exceed the amounts authorized by state law.

9.52.100 – Seizure of evidence.

Any product(s) or substance(s) possessed, provided, distributed or sold in violation of any provision of this chapter shall be seized by the enforcing officers and removed, stored and disposed of in accordance with law.

9.52.110 – Exclusions.

A. This chapter shall not apply to drugs or substances lawfully prescribed or to intoxicating chemical compounds that have been approved by the federal Food and Drug Administration or which are specifically permitted by California law, including without limitation, intoxicating chemical compounds that are specifically excepted by the California Uniform Controlled Substances Act (Health and Safety Code § 11000 et seq.).

B. This chapter shall not apply to drugs or substances that are prohibited by state or federal law, including without limitation, California Health and Safety Code §§ 11357.5, 11375.5, 11401 and the Federal Controlled Substances Act.

C. This chapter shall not be deemed to prescribe any act that is positively permitted, prohibited or preempted by any state or federal law or regulation.

Section 4. Any provision of the Upland Municipal Code or appendices thereto inconsistent with the provisions of this Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to that extent necessary to effect the provisions of this Ordinance.

Section 5. Severability. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The City Council hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof.

Section 6. Effective Date. This Ordinance shall become effective thirty (30) days from its adoption.

Section 7. Publication. The City Clerk shall certify to the adoption of this Ordinance and cause it, or a summary of it, to be published in a newspaper of general circulation printed and published within the City of Upland, pursuant to all legal requirements.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2015.

_____
Ray M. Musser, Mayor

I, Stephanie A. Mendenhall, City Clerk of the City of Upland, California, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Upland held on the _____ day of _____, 2015, and was adopted at a regular meeting of said City Council of the City of Upland on the _____ day of _____, 2015, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

ATTEST: _____
Stephanie A. Mendenhall, City Clerk

Item No. 13.B

FINANCE & ECONOMIC DEVELOPMENT COMMITTEE MEETING JUNE 1, 2015

****

CONCLUSION/ACTION SUMMARY

In attendance: Committee Members Bozar, Stone and Morgan, Councilmember Timm, City Manager Butler, Community Services Director Knighten, Development Services Zwack, Fire Chief Mayhew, Police Chief Johnson, Interim Finance Manager Williams, Clerk Bubenheim and Russ Branson of Public Financial Management, Inc.

1) **ORAL COMMUNICATIONS**

Bob Nelson, Upland, concerned about projecting a balance budget in hopes of actual solutions.

Eric Gavin, Upland, expressed appreciation of the information and looked forward to long term solutions.

Larry Kinley, Upland, stated concerns regarding the unfunded pension liability.

2) **PRESENTATION OF FORECAST MODEL & LONG-TERM FINANCIAL PLAN BY PUBLIC FINANCIAL MANAGEMENT, INC.,** the Committee reviewed the informational item, which will be presented at a Special City Council meeting on June 15, 2015 at 4:00 p.m. in the City Council Chambers.

3) **PROPOSED ANNUAL BUDGET FOR FISCAL YEAR 2015-16,** the Committee recommends that City Council adopt a Resolution approving the Fiscal Year 2015-16 Annual Budget including amending the compensation plans for the Mid-Management employees, General employees and part-time employees.

Finance and Economic Dev. Comm. Meeting

June 1, 2015

4:00 pm

Pinky Alder Room

****

1) ORAL COMMUNICATIONS

2) PRESENTATION OF FORECAST MODEL & LONG-TERM FINANCIAL PLAN BY PUBLIC FINANCIAL MANAGEMENT, INC.

3) PROPOSED ANNUAL BUDGET FOR FISCAL YEAR 2015-16

NOTE: All Agenda items and back-up materials are available for public review at the Upland Public Library, downstairs reference desk at 450 North Euclid Avenue, the City Clerk's Office at 460 North Euclid Avenue and the City website at www.ci.upland.ca.us, subject to staff's ability to post the documents before the meeting.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at 909.931.4120. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.102-35.104 ADA Title II]

POSTING STATEMENT: On May 28, 2015 a true and correct copy of this agenda was posted on the bulletin boards at 450 N. Euclid Avenue (Upland Public Library) and 460 N. Euclid Avenue (Upland City Hall).

City of Upland, CA

Overview of Budget Forecast Model & Long-Term Financial Planning

June 1, 2015

Finance Committee Presentation

Presented by:

Russ Branson
Senior Managing Consultant

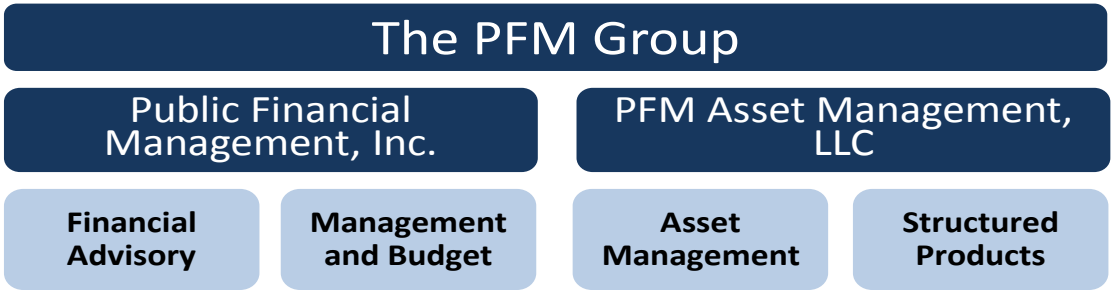
Catherine Flaming
Senior Analyst

Public Financial Management, Inc.

50 California Street, Suite 2300
San Francisco, CA 94111

Introduction

- Public Financial Management, Inc. (PFM) is the nation's leading provider of independent financial and investment advisory services to local and state governments in the nation, with over 500 employees in 34 offices throughout the United States



- PFM's ***Management and Budget Consulting*** group ("MBC") evolved from the firm's work with the City of Philadelphia (nearly two decades ago) where we developed the standard for public sector multi-year financial planning

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Long-Range Planning Overview

- PFM developed a multi-year General Fund budget model for the City of Upland that incorporates assumptions about future change in revenues and expenditures
- The budget model is a planning tool of what might happen— **projections, not predictions**
- We add in "what-if" analysis to test the City's vulnerability under varying economic circumstances

"Long-term financial planning is the process of aligning financial capacity with long-term service objectives. Financial planning uses forecasts to provide insight into future financial capacity so that strategies can be developed to achieve long-term sustainability in light of the government's service objectives and financial challenges.

Many governments have a comprehensive long-term financial planning process because ***it stimulates discussion and engenders a long-range perspective for decision makers***. It can be used as a tool to prevent financial challenges; it stimulates long-term and strategic thinking; it can give consensus on long-term financial direction; and it is useful for communications with internal and external stakeholders."

- *GFOA Best Practice, Long-Term Financial Planning, 2008*

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Purpose of Long-Range Planning

Strategic
Helps create a long-view for strategic decision making
Informs policy decisions, such as the impact on General Fund reserves
Projects impacts of policy changes in volatile economic environment

Financial
Identifies structural budget issues
Helps evaluate long-term impacts of current decisions
Helps understand major revenue and expense budget drivers

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Agenda

I. Economic Context

II. Baseline Forecast

III. Alternative Budget Outcomes

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Economic Context

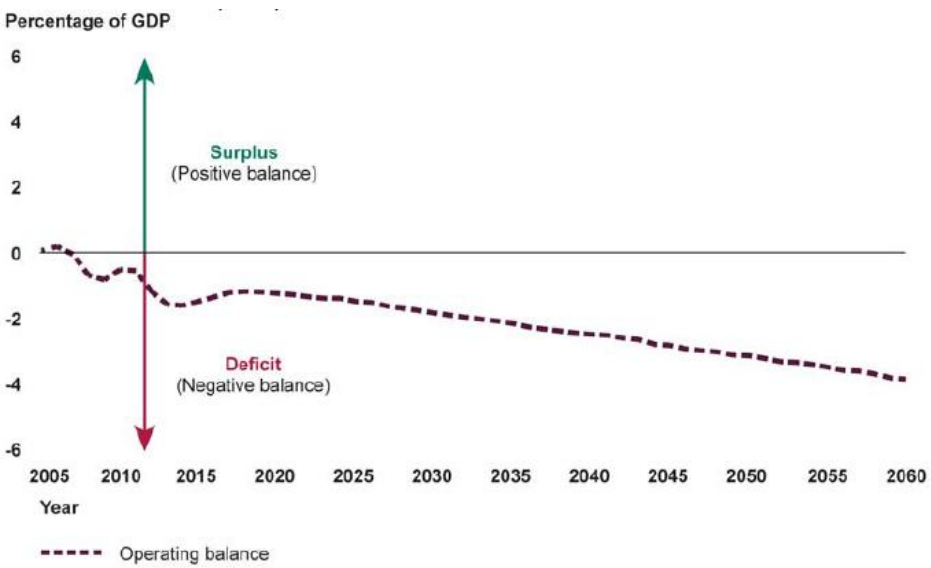
DRAFT—DRAFT---DRAFT

Structural Fiscal Challenges Remain

- The U.S. Government Accountability Office (GAO) has developed a simulation model for the state and local sector as an entirety, projecting significant fiscal gaps absent corrective action, due largely to:
  - Flat revenues as % of GDP
  - Healthcare and retiree costs rising faster than the overall economy

- GAO calculated that closing the structural fiscal gap would require action equivalent to a **18% reduction** in state and local government recurring expenditures

State and Local Operating Balance Measure, as a Percentage of Gross Domestic Product (GDP)



Source: GAO simulations, updated April 2013.

Source: United States Government Accountability Office, "State and Local Governments' Fiscal Outlook: April 2013 Update"

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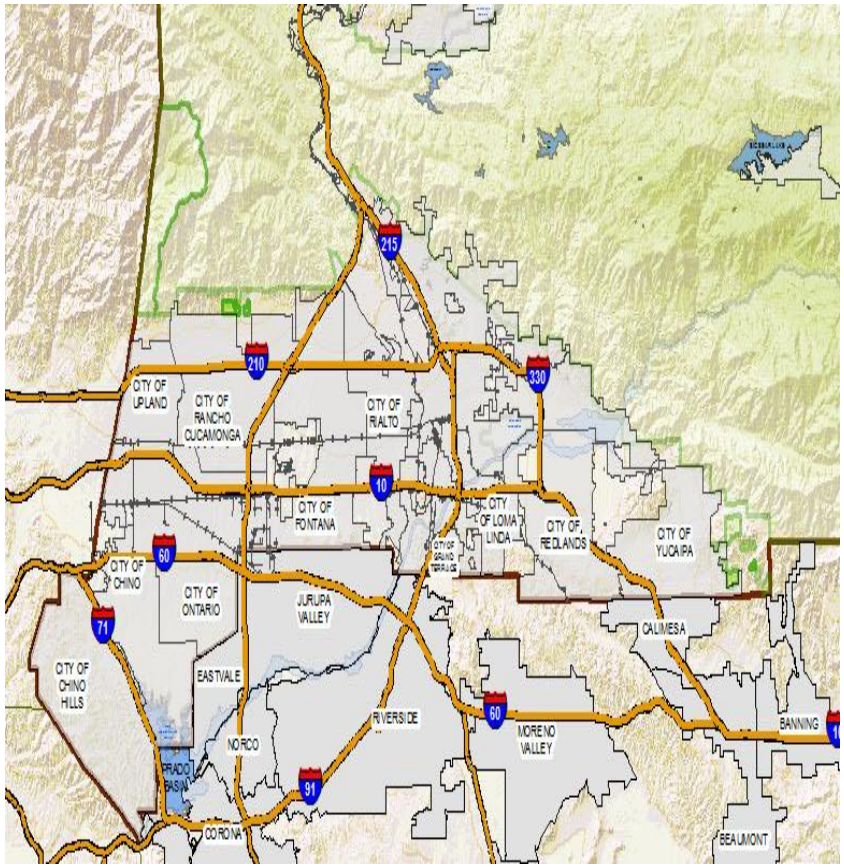
Comparative Cities

- Upland uses 15 other Cities across all bargaining groups for labor comparisons
- PFM used these cities to provide economic context to Upland's budget forecast model
- Los Angeles County and Chino Hills Fire Protection District are not included



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Upland remains stable…

Population Trends

- From 1/1/2010 to 1/1/2015, Upland's population grew by 2.8%, an average growth rate of 0.55% per year
  - In contrast, over this same time period, the total population in San Bernardino County grew by 3.39% for an average annual growth rate of 0.67%

Comparative City	1/1/2014
Fontana City	204,312
Rancho Cucamonga City	174,064
Ontario City	168,777
Pomona City	152,419
West Covina City	108,401
Rialto City	102,092
Hemet City	81,520
Chino City	84,465
Upland	**75,787**
Redlands City	70,398
Arcadia City	57,761
Colton City	53,384
Glendora City	50,762
Covina City	48,876
Montclair City	38,458
Claremont City	36,282
Upland Rank	**9 of 16**
Median Population (excl. Upland)	**81,520**

Source: California Department of Finance, Population Estimates as of 5/1/2015

Upland's population growth trails San Bernardino County

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Upland remains stable…

Income Levels

	Per Capita Income
Arcadia City	$39,546
Claremont City	$37,006
Redlands City	$32,549
Glendora City	$31,083
Rancho Cucamonga City	$30,657
Upland	**$28,111**
Covina City	$25,328
West Covina City	$23,796
Chino City	$23,502
Fontana City	$19,191
Ontario City	$18,141
Montclair City	$17,413
Hemet City	$17,043
Pomona City	$16,977
Rialto City	$15,844
Colton City	$14,967
Median Population (excl. Upland)	**23,502**
Rank	**6 of 16**

	Median Household Income
Claremont City	$87,275
Arcadia City	$78,439
Rancho Cucamonga City	$77,619
Glendora City	$72,549
Chino City	$68,020
West Covina City	$65,027
Redlands City	$64,781
Fontana City	$63,702
Covina City	$63,070
Upland	**$56,721**
Ontario City	$52,735
Montclair City	$48,501
Rialto City	$48,426
Pomona City	$48,209
Colton City	$40,436
Hemet City	$31,782
Median Population (excl. Upland)	**$63,386**
Rank	**10 of 16**

Upland's per capita income levels are above average, while household income is below average relative to comparative cities

Source: US Census Bureau, 2012 American Community Survey, 3-Year Estimates

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Upland remains stable…

Poverty & Unemployment

	Poverty Rate
Colton City	24.5%
Hemet City	23.3%
Pomona City	21.6%
Rialto City	19.1%
Ontario City	18.1%
Montclair City	18.1%
Fontana City	15.5%
Upland	**13.5%**
Redlands City	12.5%
Covina City	11.3%
Chino City	10.0%
West Covina City	10.0%
Arcadia City	9.6%
Glendora City	7.8%
Claremont City	7.2%
Rancho Cucamonga City	6.9%
Rank	**8 of 16**
Median Population (excl. Upland)	**12.5%**

	Unemployment Rate
Hemet City	9.1%
West Covina City	8.8%
Covina City	8.6%
Pomona City	8.1%
Rialto City	7.6%
Claremont City	6.9%
Fontana City	6.9%
Colton City	6.4%
Ontario City	6.4%
Chino City	6.3%
Glendora City	6.2%
Montclair City	5.4%
Rancho Cucamonga City	4.7%
Upland	**4.7%**
Arcadia City	4.2%
Redlands City	3.7%
Rank	**13 of 16**
Median Population (excl. Upland)	**6.4%**

Upland's poverty rate is average, and unemployment rate below average to comparative communities

Source: US Census Bureau, 20124 American Community Survey, 3-Year Estimates; US Bureau of Labor Statistics, Local Area Unemployment Statistics, March 2015 (preliminary)

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Upland remains stable…

Home Values

- Consistent with the other economic indicators reviewed by PFM, the median home value in the City of Upland exceeds the median value of the16 comparative cities by over 24%

	Median Home Value
Arcadia City	$802,400
Claremont City	$533,600
Glendora City	$448,600
Upland	**$410,800**
West Covina City	$378,200
Covina City	$371,000
Rancho Cucamonga City	$358,800
Chino City	$330,900
Redlands City	$285,500
Pomona City	$258,700
Ontario City	$250,900
Montclair City	$250,100
Fontana City	$243,900
Rialto City	$180,500
Colton City	$158,700
Hemet City	$114,200
Rank	**4 of 16**
Median Population (excl. Upland)	**$330,900**

Upland's median home values are well above average for comparative cities

Source: US Census Bureau, 2014 American Community Survey, 3-Year Estimates

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Revenue per Capita

- Upland's total general revenues per capita ranks 12th out of the 16 comparable labor-market cities
- This shows that Upland has fewer resources than many of its neighboring communities to provide similar services
- This is also reflected in the pay levels of many of the City's key positions

	Revenues Per Capita
Ontario City	$939
Arcadia City	$617
Redlands City	$594
Montclair City	$549
Claremont City	$525
Chino City	$513
Covina City	$497
Hemet City	$453
Rialto City	$415
Pomona City	$395
Glendora City	$380
Upland	$379
West Covina City	$364
Rancho Cucamonga City	$351
Fontana City	$327
Colton City	$285
Upland Rank	**12 of 16**
Median Population (excl. Upland)	**$453**

Upland has fewer resources per capita to provide services

Source: State Controller's Report, Annual Cities Report, FY2011-12

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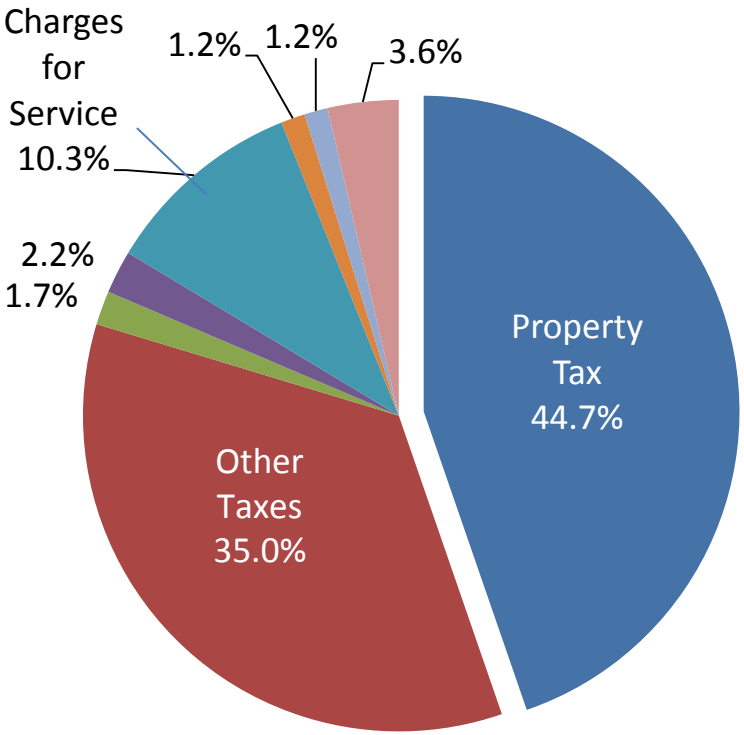
General Fund Revenues

Fiscal Year 2015 Budget

- Property taxes account for **44.7%** of total FY15 revenues of $41.1 million
- Sales and other taxes make up the next largest revenue sources at **35.0%**
- Charges for service comprise **10.3%** of total revenue
- Collectively, these three revenue sources, which are also linked to broader economic conditions, make up **90%** of total General Fund revenues

Budgeted FY15 General Fund Revenues



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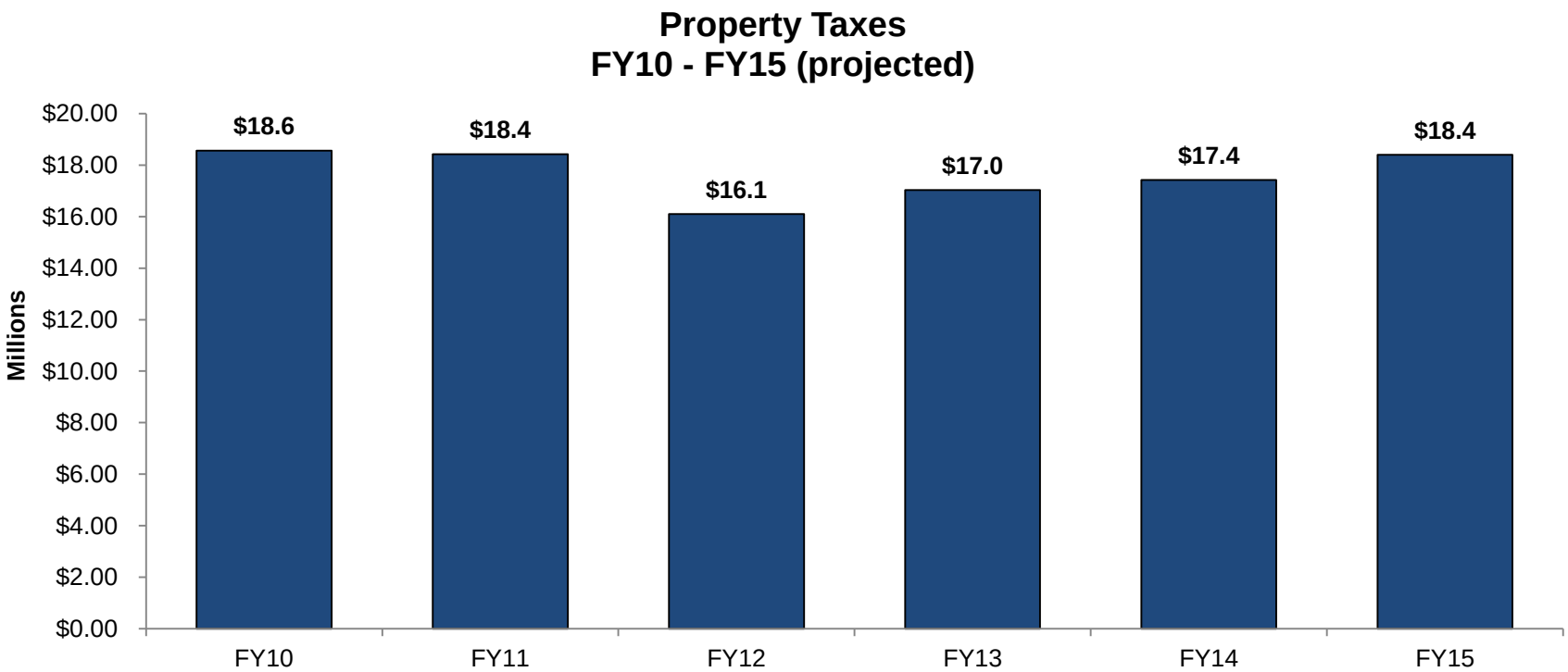
General Fund Revenues

Property Taxes



Source: City of Upland

Property taxes are just now returning to FY10 levels

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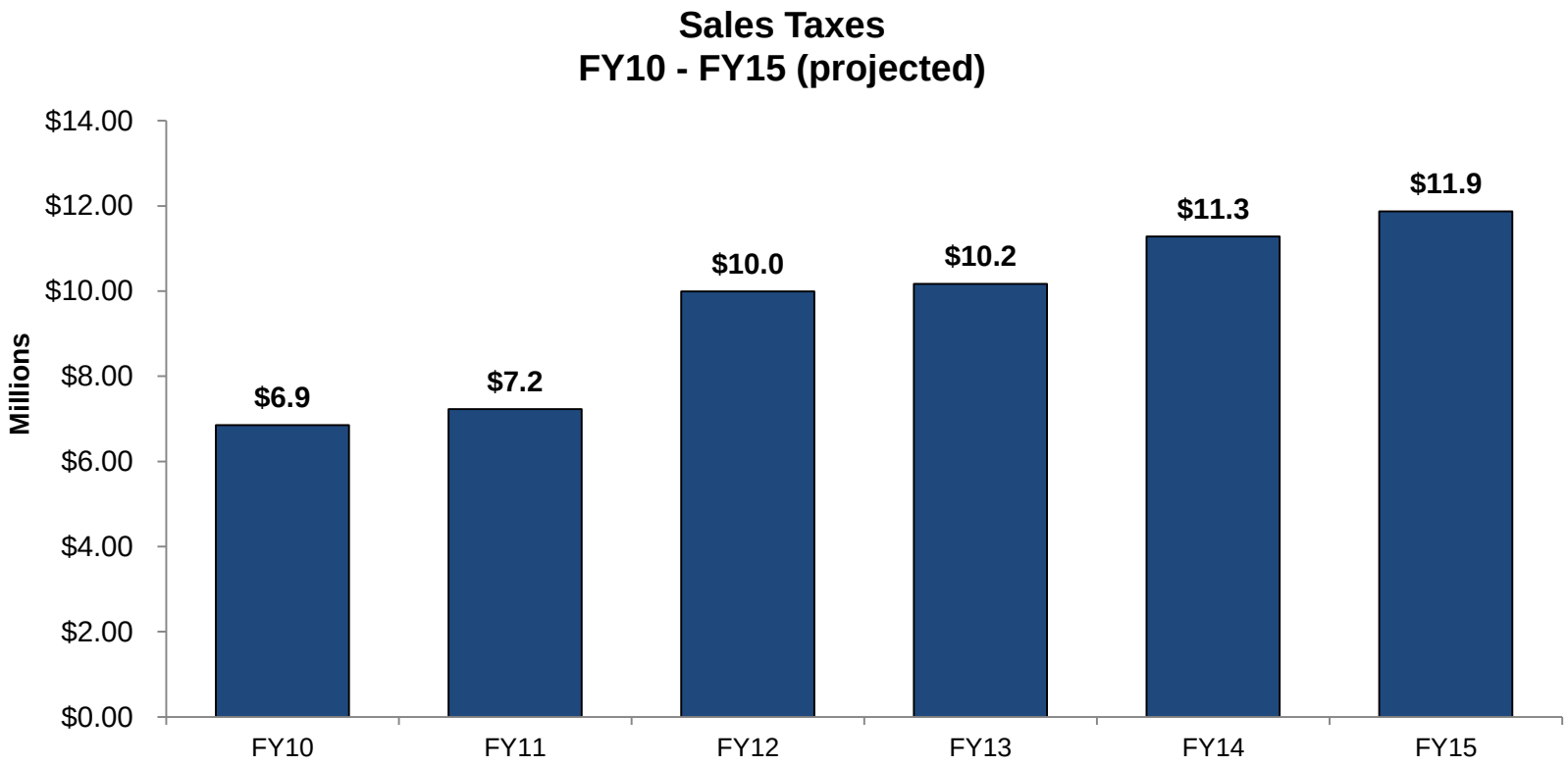
General Fund Revenues

Sales Taxes



Source: City of Upland

Significant increases in sales tax—with added retail and a better economy—helped Upland return to positive budgets

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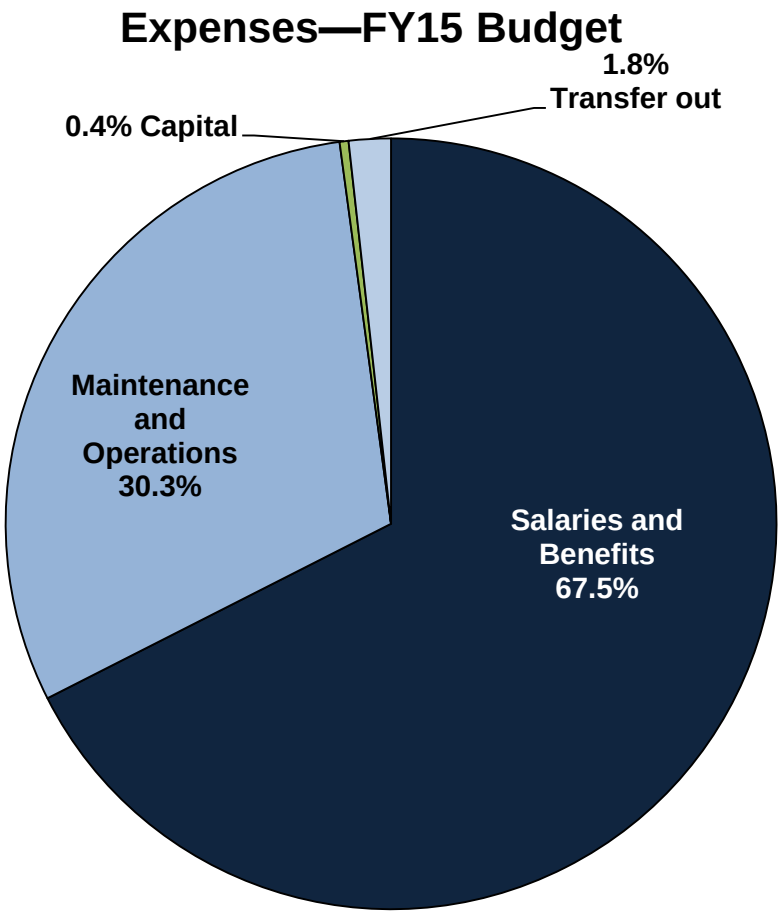
General Fund Expenses

Fiscal Year 2015 Budget

- Salaries and benefits account for **67.5%** of total General Fund expenditures in FY15
- Maintenance and Operations—including expenses ranging from professional services to liability insurance—comprised **30.3%** of the FY15 budget
- Remaining expenses for capital and transfers out can vary significantly from year-to-year



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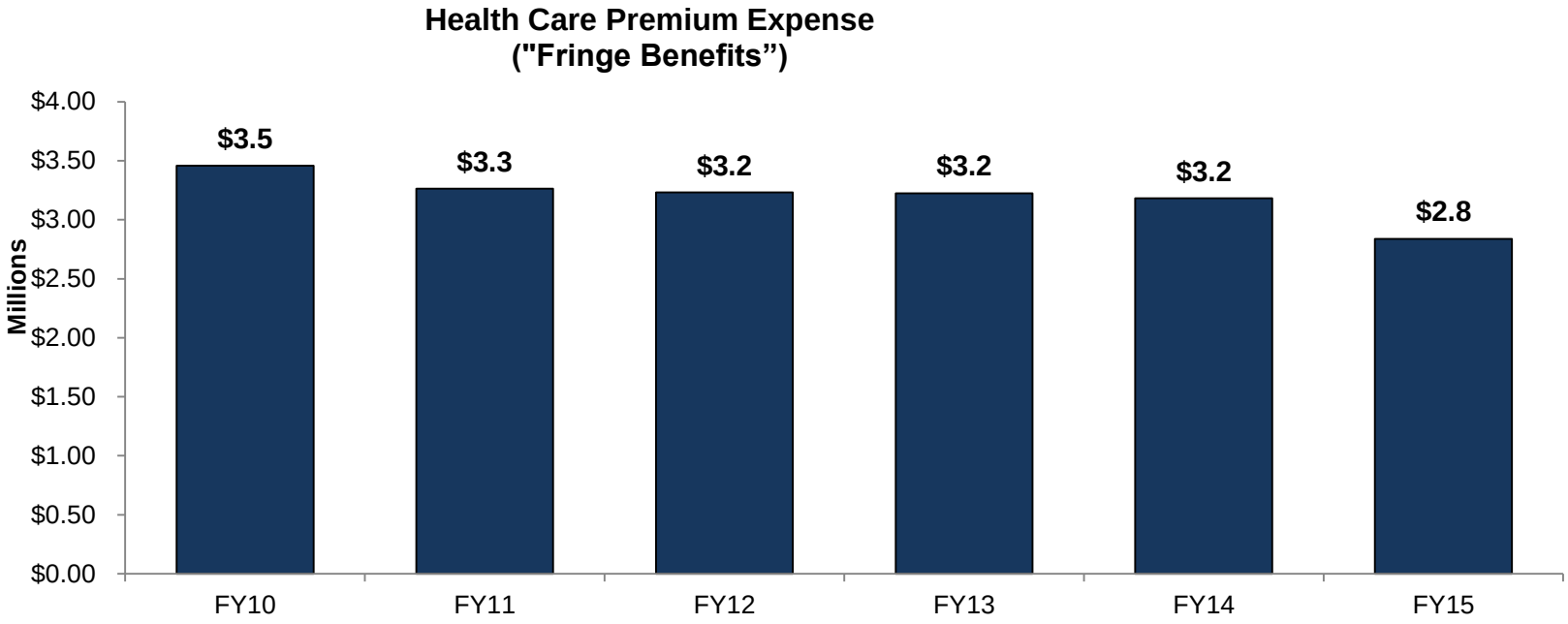
General Fund Expenses

Active Health Care Costs



The City has not increased its share of health care premiums in several years, leading to flat expenses. The dip in FY15 is due to internal movement of several GF departments to Internal Service Funds

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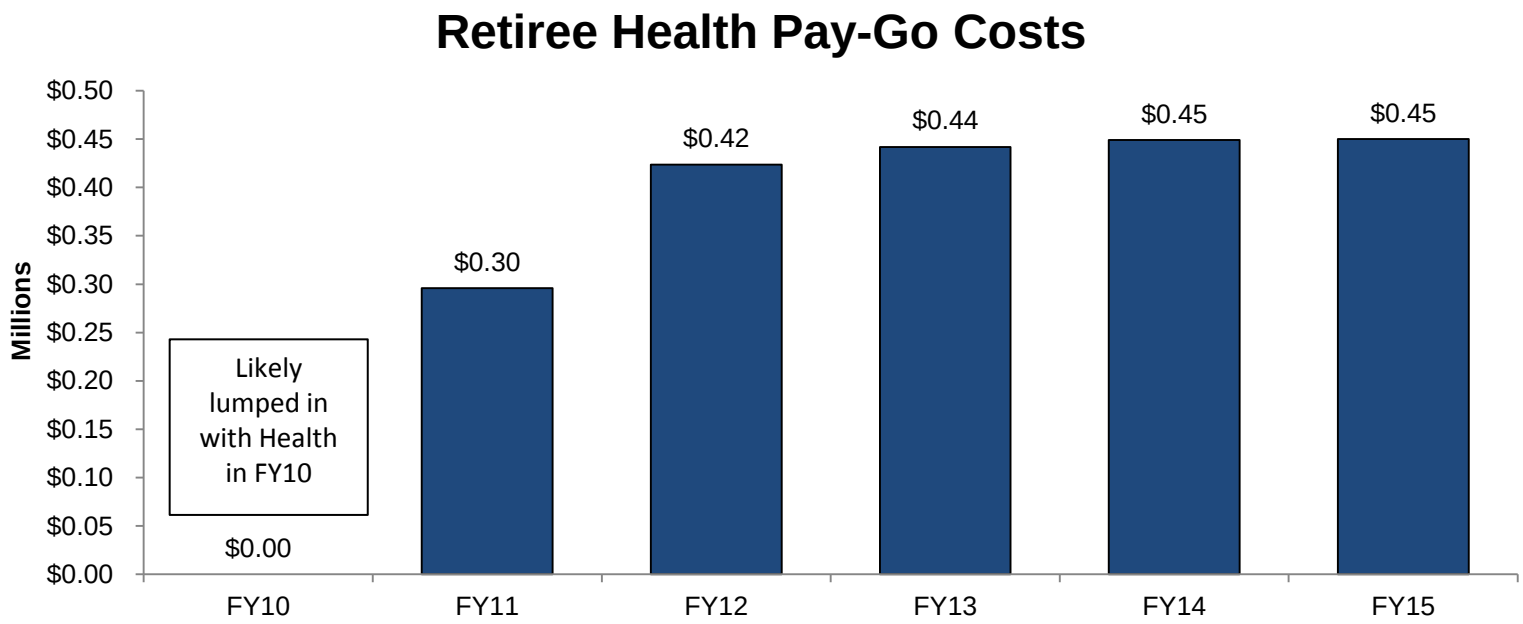
General Fund Expenses

Retiree Health Care Costs

- The City's OPEB unfunded liability is estimated to be $17.3 million as of 6/30/2013. To date, the City has not contributed to an OPEB Trust



On a pay-go basis, the City's OPEB costs have held steady for the last few years, and are projected to grow about 4.6% year going forward.

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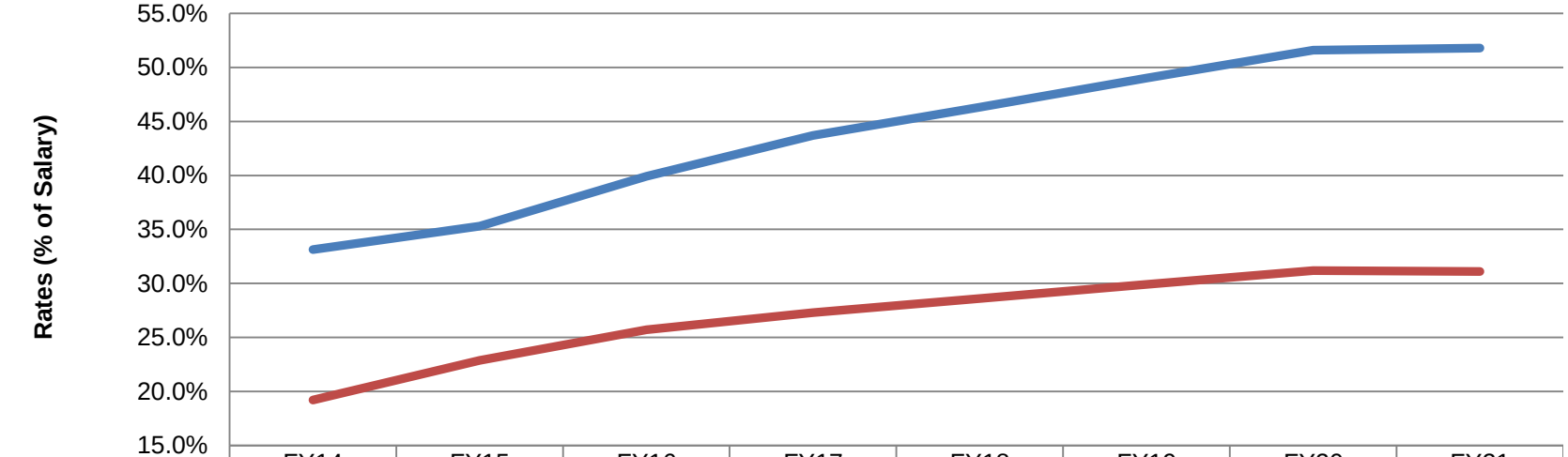
General Fund Expenses

CalPERS Cost Increases

- Employer PERS rates are expected to rise significantly over the next several years as a result of actuarial changes approved by the CalPERS board and mortality improvements

PERS Employer Contribution Rates
FY14 - FY21 (projected)



	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Public Safety	33.1%	35.3%	39.9%	43.7%	46.3%	49.0%	51.6%	51.8%
Miscellaneous	19.2%	22.9%	25.7%	27.3%	28.6%	29.9%	31.2%	31.1%

Source: CalPERS Actuarial Valuation Reports

Forecast Employer PERS rates will have a significant impact on the City of Upland's finances through FY21

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Bartel PERS Rate Projections

- Bartel's analysis provides a high and low- range estimate of PERS rates over the duration of the forecast
  - The mid-point of Bartel's projections is close to CalPERS's forecast

Miscellaneous	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Bartel – Low	22.9%	25.7%	27.1%	28.4%	28.8%	28.4%	25.9%
Bartel – Mid	**22.9%**	**25.7%**	**27.1%**	**28.7%**	**30.2%**	**31.6%**	**31.5%**
Bartel – High	22.9%	25.7%	27.1%	28.9%	31.6%	34.8%	37.1%
CalPERS	**22.9%**	**25.7%**	**27.3%**	**28.6%**	**29.9%**	**31.2%**	**31.1%**

Public Safety	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Bartel – Low	35.3%	39.9%	43.5%	46.1%	47.4%	47.7%	44.5%
Bartel – Mid	**35.3%**	**39.9%**	**43.5%**	**46.5%**	**49.4%**	**52.2%**	**52.4%**
Bartel – High	35.3%	39.9%	43.5%	46.9%	51.4%	56.7%	60.2%
CalPERS	**35.3%**	**39.9%**	**43.7%**	**46.3%**	**49.0%**	**51.6%**	**51.8%**

Source: "City of Upland Miscellaneous and Safety Plans: CalPERS Actuarial Issues—6/30/13 Valuation, Preliminary Results." Bartel Assoicates, LLC, May 4, 2015

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Cost Containment Actions

- To address these financial challenges that came with the “Great Recession,” the City implemented various ongoing and one-time cost control measures:
  - Reductions in service levels and full-time equivalent (FTE), primarily in the Police Department, which remains down 11.5 FTE from FY12
  - Frozen wages for most employees since 2011
  - No general cost-of-living increases (wages and health care premiums)
  - Underfunded liability, workers compensation, and unemployment insurance funds—requiring additional payment from the General Fund if revenues exceed reserve policy levels
  - No funding for future building/park recapitalization costs

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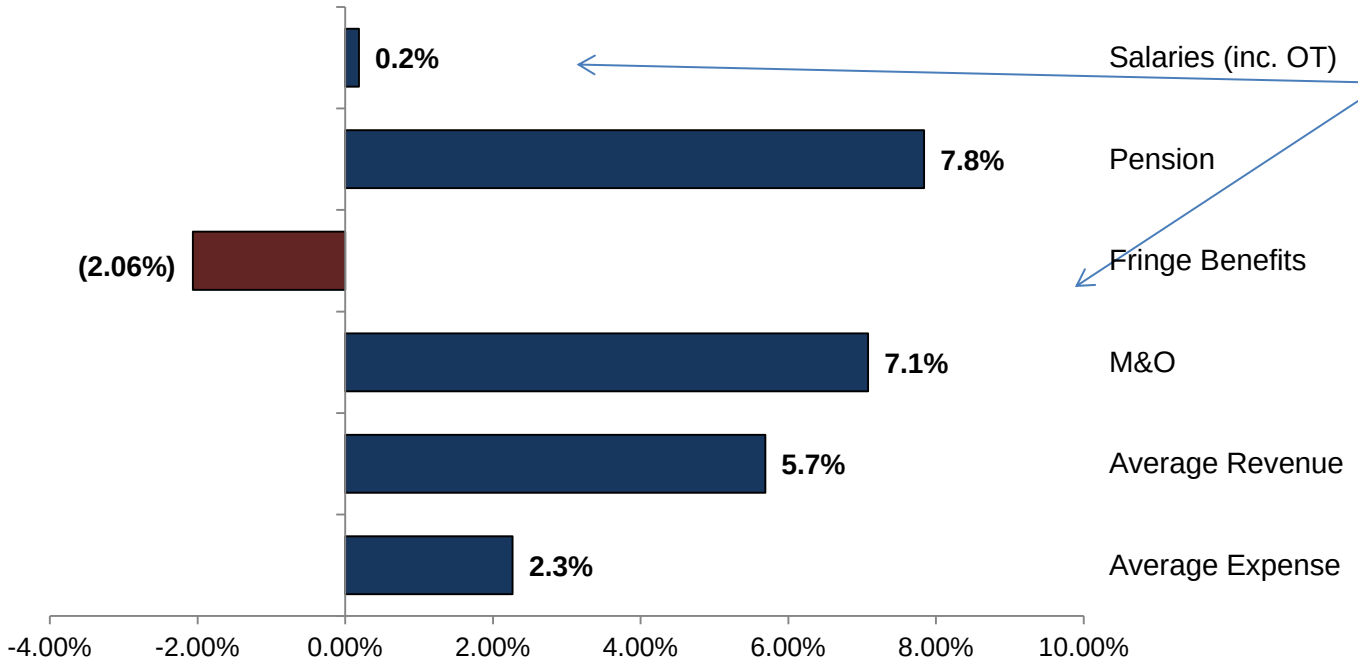
Expense Growth Rate by Category

Pension & M&O are Key Drivers

- Pension and Maintenance and Operations costs are main expense drivers from FY10-FY14
- Holding down salaries, while revenues grew has placed the City in a positive revenue position for now

Annual Growth Rate--Major Expense Categories

FY10-FY14



Shift from salary and benefits to M&O in FY15 with move of IT, Fleet Services, and Building Maint. to Internal Service Funds

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Reserve Policies

POLICY

- Strive to maintain an unassigned fund balance minimum of 10% (goal of 25%) of GF operating expenditures **(Currently sitting at approx. 11%)**
- Anything over the 10% level will be used to eliminate deficit fund balances

FY15 DEFICIT FUNDS

- Self-funded Ins. – (~$8.0M)
  - $1.5M to be funded from AIG/ICRMA settlement at end of fiscal year
- Animal Services – ($1.5M)
  - To be fully funded from AIG/ICRMA settlement at end of fiscal year
- General Capital – ($0.9M)

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Baseline Forecast

DRAFT—DRAFT---DRAFT

Baseline Forecast

- The following slides summarize PFM's "baseline" forecast, reflecting:
  - The City's financial position on a carry-forward basis over the next five years inclusive of the City's proposed 16 draft budget amounts
  - The baseline assumes continuation of current programs and financial policies **without corrective action**
- It is important to note that while the City's budget is balanced, it **does not** reflect the impact of setting aside revenue for long-term unfunded liabilities
  - Full-funding of the OPEB Annual Required Contribution ($535,000/yr)
  - Deferred capital maintenance (___)
  - Future building and parks recapitalization costs
  - IT systems replacements and upgrades

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Budget Changes

- Over the last several years, many changes have occurred in City's budget
- Some of these changes are cosmetic
- Other changes impact on how the General Fund budget is presented
- Budget model reflects most recent changes on a go-forward basis

Budget Area	Pre-FY2014	FY2104 and On
IT/Fleet/Building Maint.	In General Fund Budget	Internal Service Fund
Animal services	Enterprise Fund	In GF in FY16
Various revenues	Separate	Consolidated
Compensated absences	Tracked in accounting system	No longer tracked as expense. Off-set by base pay savings
Fund Balance	No specific goal	10% goal, anything over goes to pay down internal loans

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Baseline Forecast Assumptions

- **Key Revenue Growth Rates** – Stable and Moderate Growth of **2.6%/year** FY15-FY21
  - **Secured Property Taxes:** 2.9% annually represents compound annual growth in AV since 2010. Recent growth has been higher
  - **Sales Taxes:** Use HdL projections through FY16-17; thereafter, use CPI projection of 2.3% per year.
  - **User Charges**: Grow overall at 1.5% per year
- **Key Expense Growth Rates** – Growth of **3.7%/year** FY15-FY21
  - **Salaries:** 2% annually
    - In addition to wage increases, salary growth includes costs from step increases
  - **PERS:** Grow based on CalPERS forecasts from October actuarial valuations (shown on earlier chart) averaging 8.7% per year
  - **Group Health Insurance:** No growth based on current heath premium formula
  - **OPEB:** Assumes continuation of City pay-go policy; growth consistent with actuarial forecasts
- **Other revenue and expense items** are expected to track general inflation estimated to range from **2.0% to 2.3% per year** over the forecast period

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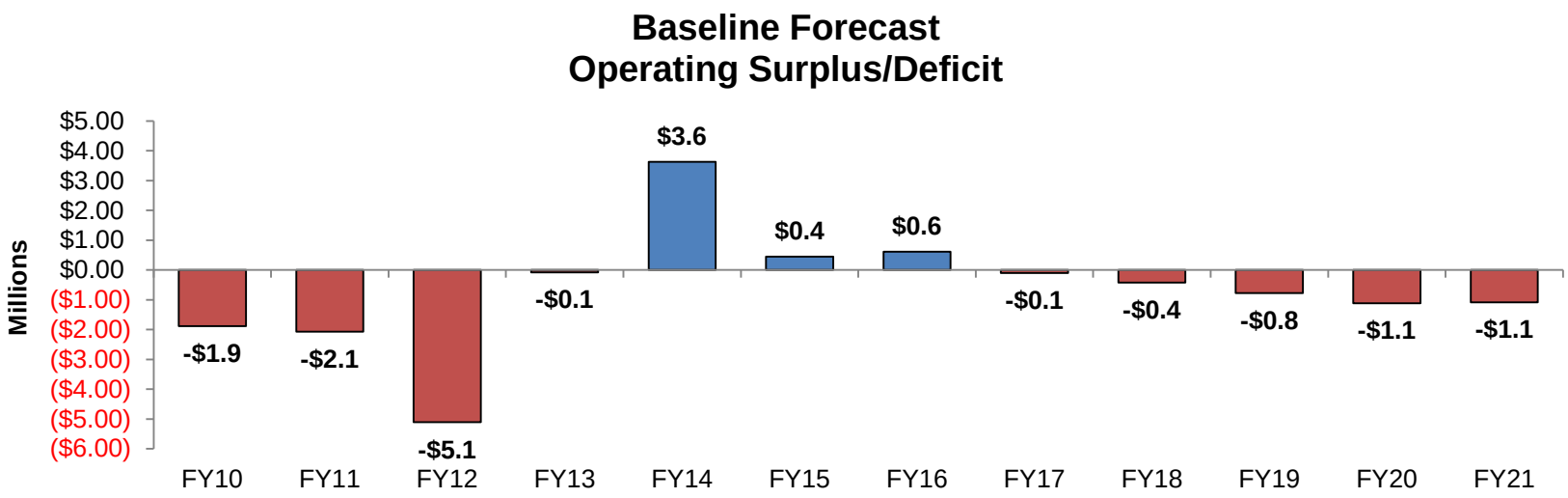
Baseline Forecast

Operating Surplus / (Deficit)

- Based on the assumptions shown on the previous slide, City of Upland is projected to run a budget deficit beginning in FY2017 absent corrective action—fueled primarily by increased pension costs
  - Over the 5-year forecast period PFM's baseline forecast reflects a **$3.5 million** cumulative gap—only 1% to 2% of total expenditures. This does not include any funding of the City's OPEB ARC or deferred capital maintenance



	FY2010 Actual	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Actual	FY2015 Budget	FY2016 Budget	FY2017 Forecast	FY2018 Forecast	FY2019 Forecast	FY2020 Forecast	FY2021 Forecast
Total	**($1.9M)**	**($2.1M)**	**($5.1M)**	**($0.1M)**	**$3.6M**	**$0.5M**	**$0.6M**	**($0.01M**	**($0.4M)**	**($0.7M)**	**($1.1M)**	**($1.0M)**

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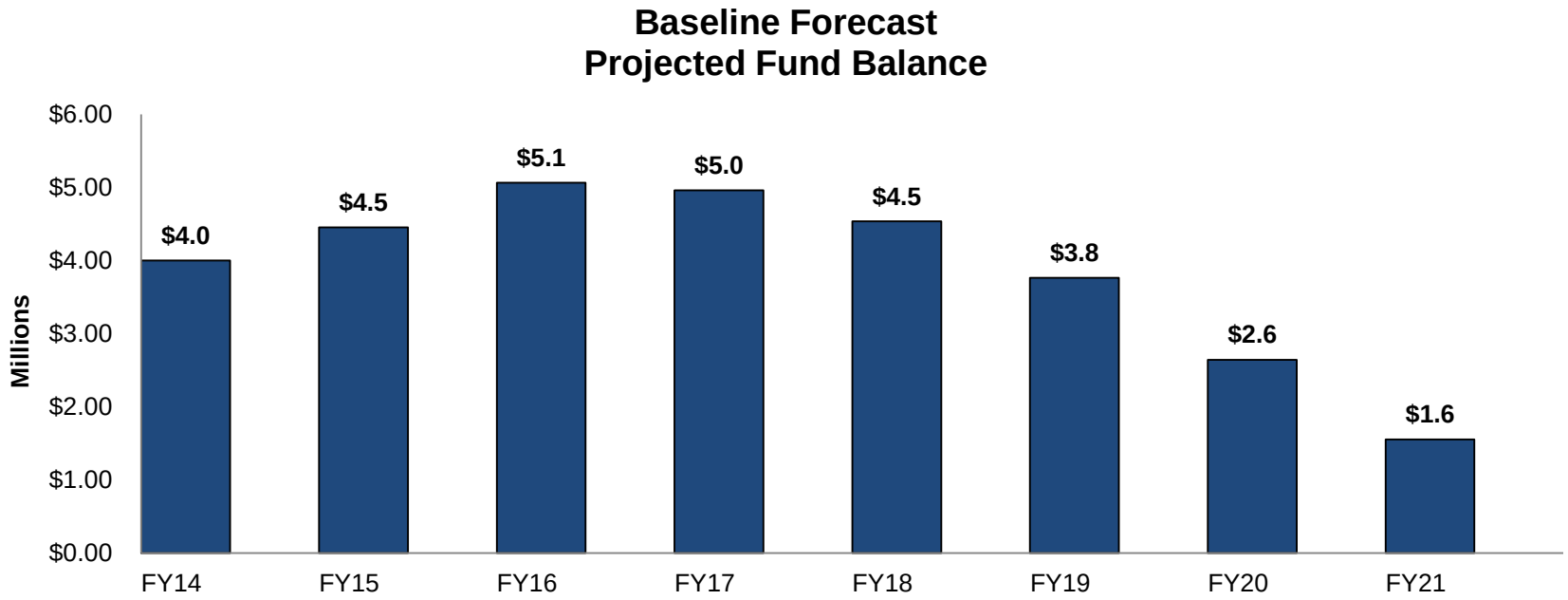
Baseline Forecast

Impact of Budget Deficit on Fund Balance

- The City of Upland has a policy to maintain an unassigned fund balance of 10% of GF expenditures, a level highly consistent with best practices adopted by the GFOA and other public finance experts. If the City were to use its current fund balance to cover the forecast deficit:
  - The <u>unassigned</u> fund balance could drop to 3.2% of expenditures by FY2021



	FY2104 Actual	FY2015 Budget	FY2016 Budget	FY2017 Forecast	FY2018 Forecast	FY2019 Forecast	FY2020 Forecast	FY2021 Forecast
Total	**$4.0M**	**$4.5M**	**$5.1M**	**$4.9M**	**$4.5M**	**$3.8M**	**$2.6M**	**$41.6**
Percent of Target	***9.4%***	***10.9%***	***11.8%***	***11.3%***	***10.0%***	***8.1%***	***55%***	***3.2%***

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Key Drivers of Long-Range Gap

- Lack of revenue enhancement opportunities
  - California municipalities are constrained by constitutional limitations
  - Revenue expansion has typically occurred through passive economic growth (outside the City's control) or through new development
- Workforce costs
  - Workforce costs from salaries and overtime will have a modest impact adding **$2.9M per year** in cost in FY21 over FY15
- ***PERS***
  - ***Increasing PERS costs will be a challenge for the City to fund, and are projected to be an increasing share of salaries increasing by $3.3M in FY21 or FY15***
- Maintenance and Operations
  - M&O is also increasing by $2.4M in FY21 over FY15, driven by increases in utility and retiree health costs at rates higher than inflation
- OPEB
  - Retiree healthcare costs are projected to increase by 31% from FY2015 to FY2021 assuming a continued pay-go
  - In order to fully fund it's ARC, the City will need to contribute an additional **$700,000** annually, based on the FY13 actuarial analysis

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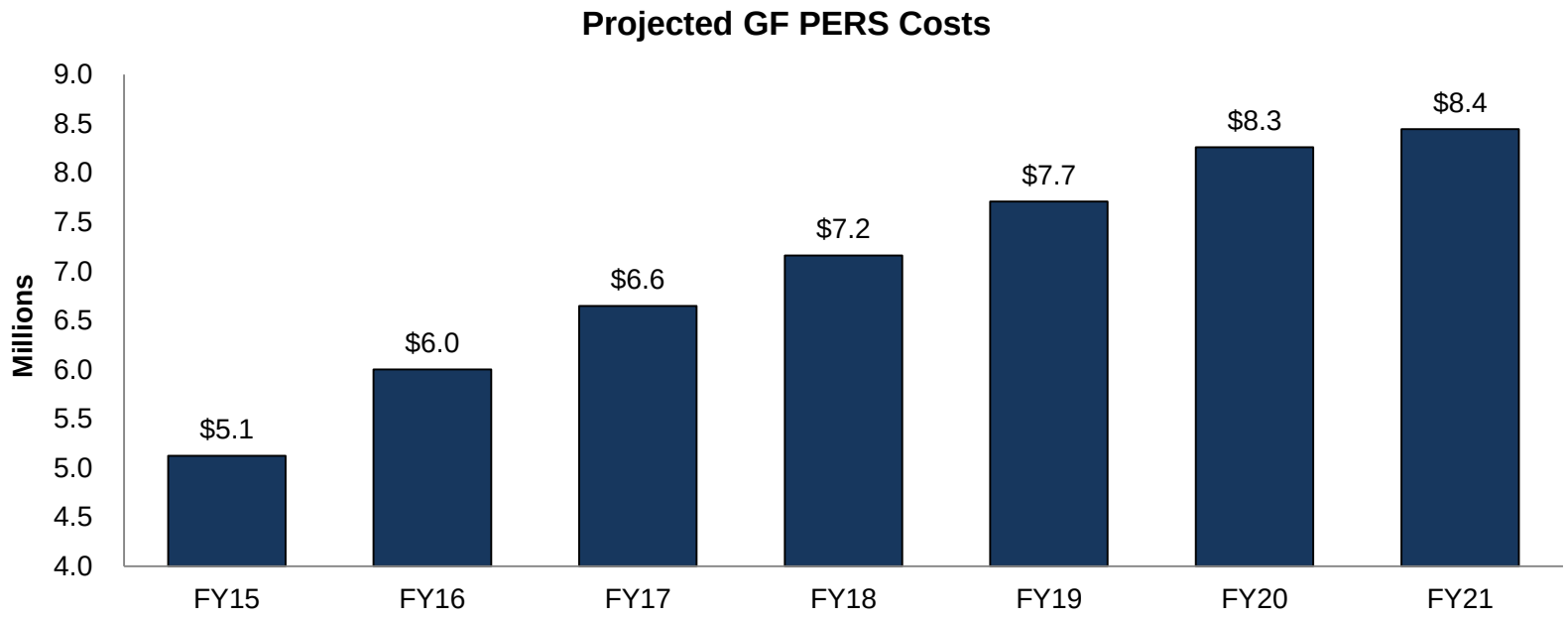
PERS Costs

- Increases in PERS liabilities will be a major challenge for the City's budget in coming years, with PERS contributions increasing almost **65%** by FY21
  - PERS contributions will take up a greater share of the budget. Increasing from **28.9%** of total salaries in FY15 to **41.0%** in FY21



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Alternative Budget Outcomes

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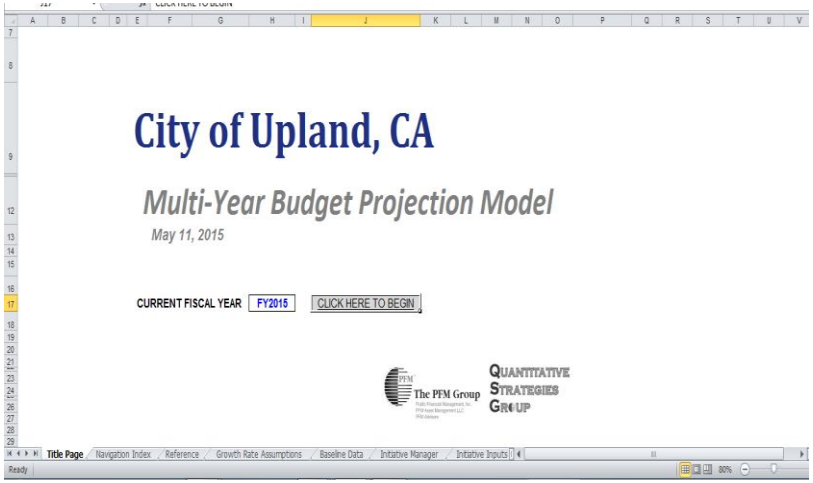
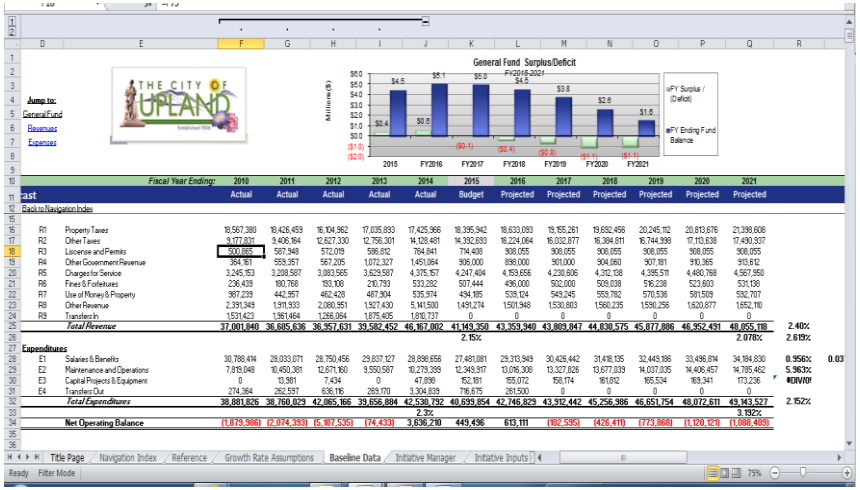
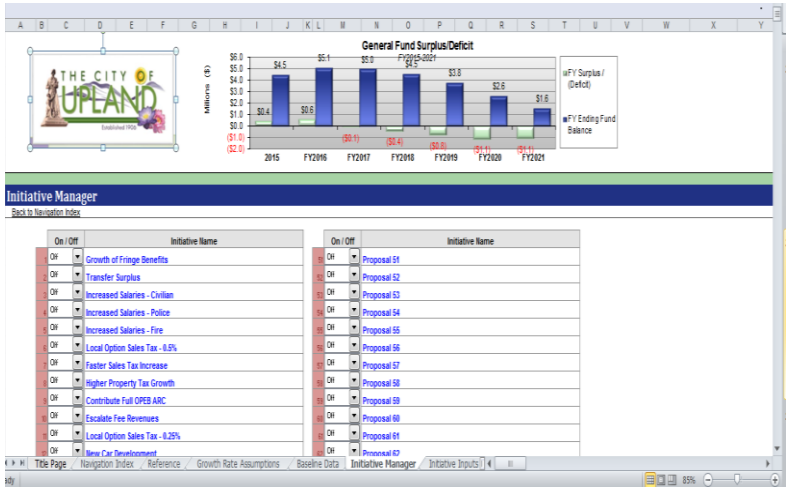
Changes to the Forecast

Updating the Model



- As circumstances change, the model can be updated by City staff to incorporate future budget years and/or to evaluate the impact of future initiatives





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What Will Change the Forecast?

The economy
• Changes to revenues (either up or down) will change the City's budget future
• PERS rates and the impacts of future market returns and actuarial assumptions

Council decisions on spending
• Total compensation (salaries, active and retiree health care, pension, leave, etc.)
• The number of staff needed to maintain service levels
• Funding of long-term obligations (e.g., OPEB)
• Long-term facilities rehabilitation (asset recapitalization)

Voter-approved taxes or assessments
• Local-option taxes must be approved by voters, and could include sales tax, hotel tax, utility users tax, or business license tax
• Assessments must be property-related and are subject to Prop. 218

Attraction of new or expanded businesses and retention of existing
• Expansion of retail sales outlets or hotels will have biggest impact on the City's budget

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The Start of the Next Downturn is Now Closer Than the End of the Last One

- The current expansion phase of the business cycle began five years ago, after the recession bottomed out in June 2009

  71 months and counting as of May 2015

- Last five expansion phases (trough to peak):

Start/End	Duration
November 2001 – December 2007	73 months
March 1991 – March 2001	120 months
November 1982 – July 1990	92 months
July 1980 – July 1981	12 months
March 1975 – January 1980	58 months

- Average 1945-2009 (11 cycles): **58.4 months**
- Range: 12 to 120 months

Source: National Bureau of Economic Research (NBER)

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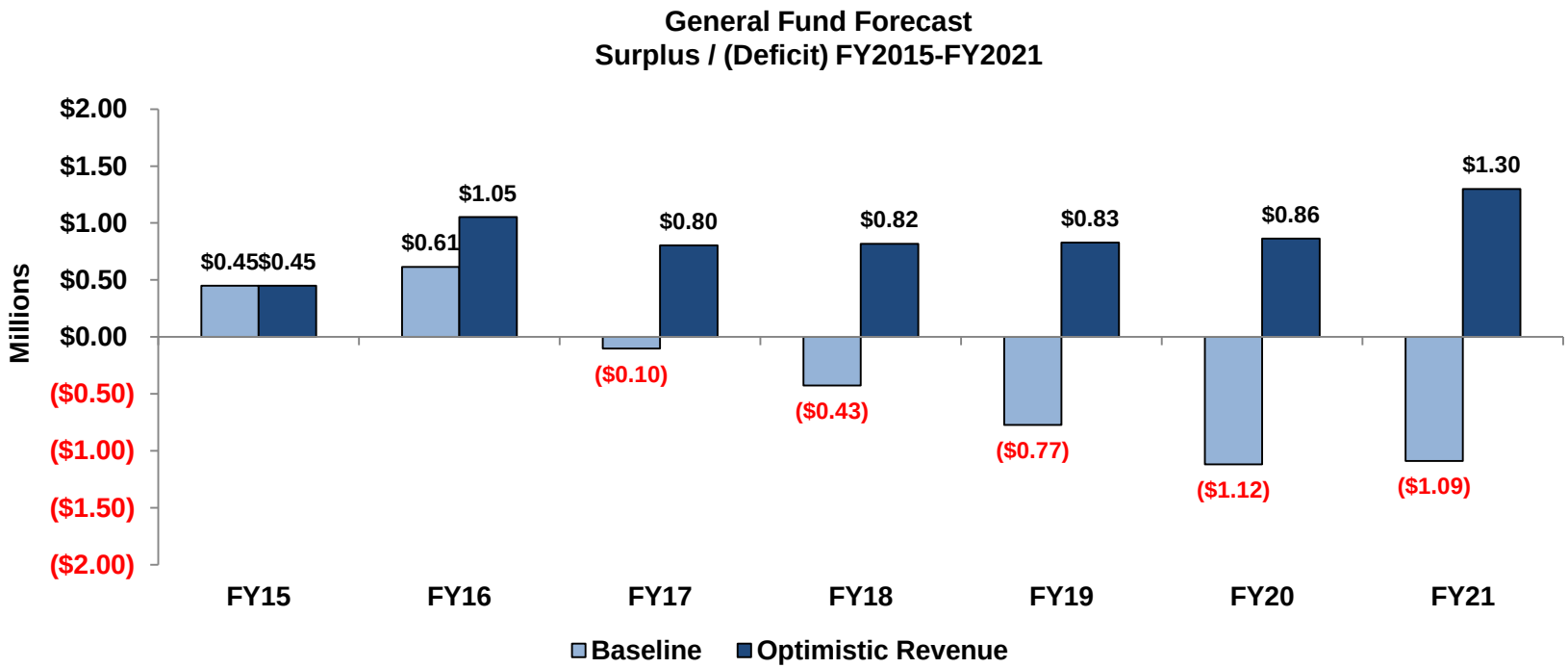
Scenario 1: Optimistic Revenue

Increase property and sales tax an additional 1% per year

- If property and sales taxes grow by an additional 1% above the rates used in the baseline forecast beginning in FY16, the City will still have a positive fund balance (assuming no additional cost increases)
  - Under "optimistic" revenue growth assumptions, the City's cumulative budget gap of **$3.5 million** becomes a surplus of **$6.1 million**. This reflects how key revenue growth rates are to the City's fiscal health



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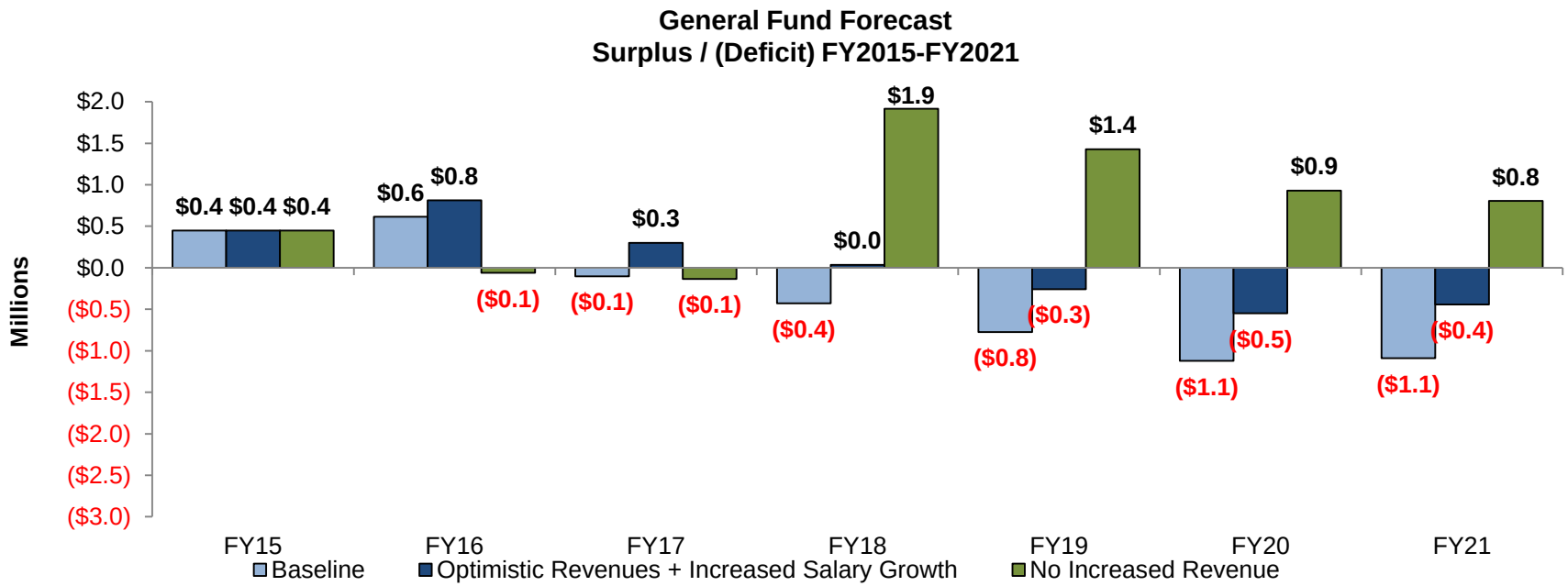
Scenario 2: Optimistic Revenue & Increased Salaries

Increase salaries an additional 1% per year starting in FY16

- Assuming "optimistic" revenue projections, and increasing salary from 2% to 3% per year places the City back in a deficit position by FY19
  - Instituting increased salaries without better revenue growth would increase the annual deficit to nearly **$3 million annually** by FY2021



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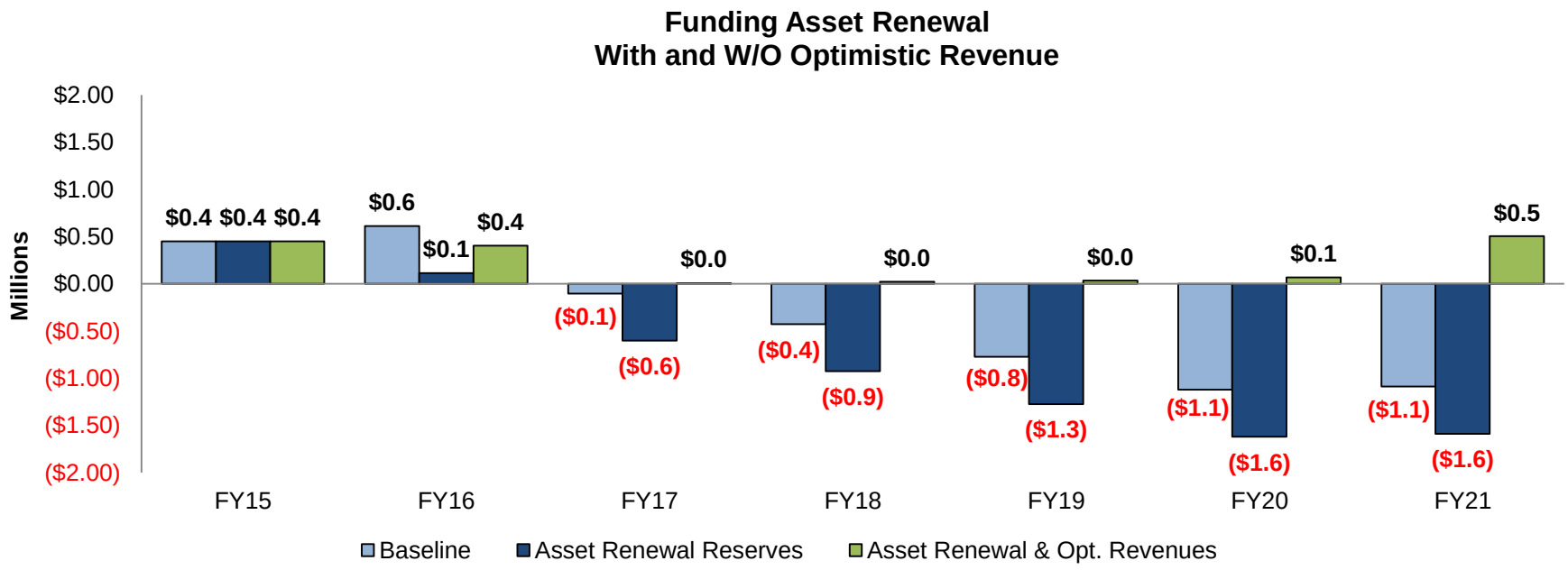
Scenario 3: Fully Fund Long-Term Liabilities

Adding in savings for the City's future

- Asset renewal includes:
  - replacement of major building subsystems (e.g, roofs, HVAC, etc.)
  - replacement of park play structures, paving, out buildings when needed.

- Adding $500,000 per year for asset renewal for City buildings and parks can only be funded if revenues come in higher than forecast

Note: $500,000 estimate is low based on analysis from other cities. Upland should evaluate asset renewal needs of its major investments for future funding



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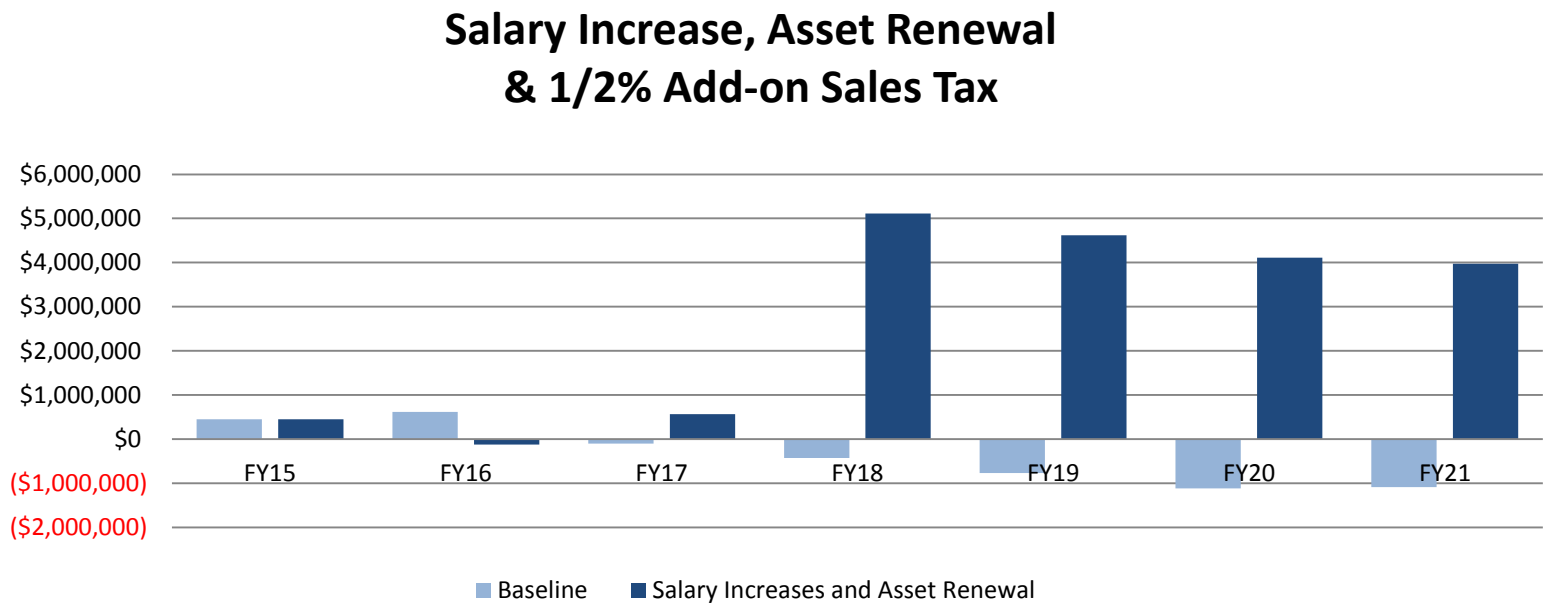
Scenario 4: Half Percent Sales Tax

Including long-term liabilities and workforce costs

- Barring any major changes in the economy, an add-on sales tax (or some other voter-approved revenue) is needed to fund longer-term salary increases, asset renewal costs, and meet Council policy on reserves
- Without additional revenue sources, the City will likely continue to struggle in its ability to fund services and pay employees at desired levels



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Conclusions

Recovery from Recession

- Generally, the City has recovered from the recession. However, risks to the City's budget remain:
  - Increasing pension costs may result in deficits by 2017
  - The City has limited room to increase compensation without significant movement in revenues
  - City should look for outsourcing opportunities as a way to reduce costs

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Funding of Long-Term Liabilities

- The City's budget does not include monies for unfunded liabilities that impose long-term funding issues:
  - OPEB and pension liabilities remain a burden on the General Fund
  - Building and Park renewal costs should be accumulated to avoid deterioration of City assets

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Increased Revenue is Required to Fulfill Long-Term Needs

- The City will need to synthesize cost-containment measures alongside increased revenue to maintain a long-term balanced budget:
  - Economic development should continue to be pursued as a long-term strategy; however, limited short-term impacts
  - Review all City revenue sources
  - Local-option sales tax (or some other revenue measure) should be considered to improve the City's budget position while other revenue or cost-savings measures are put in place

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STAFF REPORT

ITEM NO. 3

DATE:	JUNE 1, 2015
TO:	FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE
FROM:	ROD BUTLER, CITY MANAGER
PREPARED BY:	SCOTT WILLIAMS, INTERIM FINANCE MANAGER
SUBJECT:	PROPOSED ANNUAL BUDGET FOR FISCAL YEAR 2015-16

RECOMMENDED ACTION

It is recommended that the Finance and Economic Development Committee recommend the City Council adopt a Resolution approving the Fiscal Year 2015-16 Annual Budget including amending the compensation plans for the Mid-management employees, General employees and part-time employees.

GOAL STATEMENT

The proposed action supports the Council's goal to provide sound fiscal stewardship for the City of Upland.

BACKGROUND

The proposed Fiscal Year 2015-16 Annual Budget has been prepared under the direction and leadership of the City Manager. This budget represents a cooperative effort by the City's Executive Team to continue the delivery of thorough and cost-effective municipal services within the constraints of available financial resources.

ISSUES/ANALYSIS

A detailed analysis of the proposed budget is presented in the City Manager's Budget Message, located at the beginning of the Proposed Annual Budget. A comprehensive budget summary follows:

Personnel costs inclusive of all City funds are increasing by $697 from $35.1 million to $35.1 million. The relatively small increase is the result of contracting out the Library and effectively reducing the number of personnel by 11.75 FTEs. This decrease was offset by the PERS rate increases and the addition of a Senior HR Analyst, an IT Technician and an Administrative Assistant III. In total, the number of authorized positions decreased from 280 to 271.5.

Maintenance and operations appropriations are increasing by $5,012,944 from $60.2 million to $65.2 million. The $2.7 million General Fund portion of the increase is due to a rise in supplies, contract services (namely the roughly $1.1 million Library Contract with LSSI) and an increase in the percentage of Self-Funded Insurance expenses allocated to the General Fund. Another part of this increase is due to a $1.2 million rise in Successor Agency operations costs and increased

Internal Service Fund operations costs of $0.6 million. The jump in Internal Service Fund operation expenditures stems from the decision to centralize telephone and copier expenses, coupled with rising upkeep costs associated with aging vehicles and buildings.

Capital Projects & Equipment appropriations are increasing by $2,298,700 from $19.2 million to $21.5 million. This increase is primarily due to changes in the budget for capital projects. Measure I funded projects increased by $0.6 million and Gas Tax funded projects increased by $2.7 million due to anticipated funding and projects being carried over from the prior year. The Water Fund projects budget increased by $0.1 million and the Sewer Fund projects budget decreased by $0.3 million due to the completion of FY 2014-15 projects and others that are being postponed.

In analyzing the financial position of the General Fund, the proposed General Fund budget is balanced without the use of one-time revenues from fund balance reserves. The General Fund ending balance is projected to be at $4,656,119, which meets the reserve policy limit of 10% of operating expenditures.

Total General Fund operating revenues are projected to be $43,646,692, an increase of $2.5 million or 6.0% from the prior year budget. The increase can be attributed to anticipated growth in property and sales tax revenues.

General Fund operating expenditures are projected to be $42,837,594, which is $1.9 million more than the prior year budget. The change is due to a higher percentage of Self-Funded Insurance expenditures being allocated to the General Fund and increased PERS costs.

A summary of the General Fund balance is noted below:

Beginning Fund Balance		$4,113,156
Operating:		
	Revenues	43,646,692
	Expenditures	(42,837,594)
Non-Operating:		
	Transfers In	
	Transfers Out	(266,135)
	Net Change	542,963
Ending Fund Balance		4,656,119

FISCAL IMPACTS

Total Available Sources for Fiscal Year 2015-16 is projected to be $145,739,952. Total Available Sources is comprised of projected reserves, revenues, and transfers in.

The Total Uses for FY 2015-16 are projected to be $122,466,460. Total Uses include operating expenditure budgets, Capital Improvement Project requests, and transfers out. As a result, ending reserves for all funds are projected to total $23,495,492. The following table summarizes total appropriations by fund:

General Fund	$43,103,729
Housing Fund	5,105,378
Public Safety Augmentation Fund	815,000
Gas Tax	6,827,212
Measure I	2,840,407

HOME/CALHOME Investment Partnership Program	2,208,500
Community Development Block Grant	744,382
Parking Business Improvement Area	30,000
Air Quality Management District	96,510
Prop 30	103,000
COPS	375,025
Asset Forfeiture Fund	10,200
Public Financing Authority	266,135
General Capital Improvements	247,807
Park Acquisition & Development	517,936
Storm Drain Development	451,748
Street & Traffic Safety Development	150,000
Street & Alley Repairs	200,000
Water Utility	27,561,478
Solid Waste Utility	9,167,666
Sewer Utility	9,830,273
Self-Funded Insurance	3,750,000
Fleet Management	704,408
Information Systems	1,356,230
Building Maintenance & Operations	735,010
Successor Agency	5,046,426
Total	$122,244,460

ALTERNATIVES

1. The City Council can direct changes to the budget and adopt the budget with the changes identified.
2. The City Council can refer the budget back to the City Manager for further consideration.
3. Provide alternative direction to staff.

ATTACHMENTS:

Resolution

Mid Management (Exhibit B)

General (Exhibit C)

CalPERS Table (Exhibit D)

FY 2015-16 Proposed Budget

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL ADOPTING THE FISCAL YEAR 2014-15 ANNUAL BUDGET INCLUDING AMENDING THE COMPENSATION PLANS FOR THE MID-MANAGEMENT EMPLOYEES, GENERAL EMPLOYEES AND PART-TIME HOURLY EMPLOYEES

Intent of the Parties and Findings

(i) The City Manager has caused a budget document to be prepared and presented to the City Council covering the Fiscal Year July 1, 2015 through June 30, 2016; and

(ii) This budget document has been placed on file in the office of the City Clerk and made available for public examination.

NOW, THEREFORE, Upland City Council hereby finds, determines and resolves as follows:

Section 1. The City Council hereby adopts the Fiscal Year 2015-16 Annual Budget.

Section 2. The following funds and appropriations, therefore, are hereby authorized for the fiscal year beginning July 1, 2015:

General Fund	$43,103,729
Housing Fund	5,105,378
Public Safety Augmentation Fund	815,000
Gas Tax	6,827,212
Measure I	2,840,407
HOME/CALHOME Investment Partnership Program	2,208,500
Community Development Block Grant	744,382
Parking Business Improvement Area	30,000
Air Quality Management District	96,510
Prop 30	103,000
COPS	375,025
Asset Forfeiture Fund	10,200
Public Financing Authority	266,135
General Capital Improvements	247,807
Park Acquisition & Development	517,936
Storm Drain Development	451,748
Street & Traffic Safety Development	150,000
Street & Alley Repairs	200,000
Water Utility	27,561,478
Solid Waste Utility	9,167,666
Sewer Utility	9,830,273
Self-Funded Insurance	3,750,000

Fleet Management	704,408
Information Systems	1,356,230
Building Maintenance & Operations	735,010
Successor Agency	5,046,426
Total	$122,244,460

Section 3. The City Manager is hereby authorized to make expenditures, including capital outlay items, provided for in said budget.

Section 4. The City Manager is hereby authorized to increase appropriations in those instances where there is an offsetting source of revenue such as when money has been put on deposit with the City.

Section 5. The City Manager is hereby authorized to approve continuing appropriations for capital improvement projects and other expenditures approved by the City Council but not yet expended prior to July 1, 2015.

Section 6. The City Manager is hereby authorized to redistribute allocated budgeted amounts within or between departments.

Section 7. The City Manager is hereby authorized to transfer up to $20,000 of any allocated fund balance to or between departments. Any transfer revision above this amount must be approved by the City Council.

Section 8. The City Council approves the following position changes: the elimination of the Administrative Services Director, the reclassification of the Utilities Operations Manager, the reclassification of the Deputy Public Works Director to an Operations Manager, the reclassification of a Principal Engineer to an Engineering Manager and the addition of a Deputy City Manager, Administrative Assistant III, IT Technician and Senior HR Analyst.

Section 9. The City Council approves changes to the Part-time Hourly Compensation Plan to comply with the new Paid Sick Leave Law ("AB 1522") effective July 1, 2015, which entitles an employee to the accrual of up to three paid sick days in a 12-month period for the diagnosis, care, or treatment of an existing health condition or preventative care for an employee or an employee's family members. It also provides paid sick days for an employee for certain purposes related to being a victim of domestic violence, sexual assault, or stalking.

Section 10. Exhibit "B" - Mid-Management and Exhibit "C" – General Compensation Plans are hereby amended as attached.

Section 11. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED and ADOPTED this 8th day of June, 2015.

_____
Ray M. Musser, Mayor

I, Stephanie A. Mendenhall, City Clerk of the City of Upland, do hereby certify that the foregoing Resolution was passed and adopted at a regular meeting of the City Council of the City of Upland held on the 8th day of June, 2015, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

ATTEST: _____
Stephanie A. Mendenhall, City Clerk

CITY OF UPLAND
"EXHIBIT B" (MID-MANAGEMENT)

ASSIGNMENT OF CLASSIFICATION
Effective Date 7-1-15

RANGE	CLASSIFICATION	SALARY
2181	Accounting Supervisor	5260 – 7074
2150	Animal Services Supervisor	3864 – 5196
2172	Assistant Engineer	4809 – 6468
2160	Assistant Planner	4268 – 5740
2187	Associate Engineer	5584 – 7509
2170	Associate Planner	4715 – 6341
2212	Building Official	7161 – 9630
2150	Customer Service Supervisor	3864 – 5196
~~2218~~	~~Deputy Public Works Director~~	~~7601 – 10223~~
2204	Development Services Manager	6613 – 8893
2199	Emergency Medical Services Coordinator	6292 – 8462
2207	Environmental Quality Administrator	6813 – 9163
2177	Equipment Maintenance Superintendent	5055 – 6798
2222	Engineering Manager	7910 – 10638*
2158	Executive Assistant to CM	4184 – 5627
2201	Finance Manager	6418 – 8632
2165	Human Resources Analyst	4486 – 6033
2201	Human Resources Manager	6418 – 8632
2209	IT Manager	6950 – 9347
~~2150~~	~~Librarian~~	~~3864 – 5196~~

CITY OF UPLAND
"EXHIBIT B" (MID-MANAGEMENT)

ASSIGNMENT OF CLASSIFICATION
Effective Date 7-1-15

2168	Maintenance Supervisor	4622 – 6216
2165	Management Analyst	4486 – 6033
2177	Operations Maintenance Superintendent	5055 – 6798
2222	Operations Manager	7910 – 10638*
2212	Planning Manager	7161 – 9630
2161	Police Dispatch Supervisor	4311 – 5797
~~2175~~	~~Principal Librarian~~	~~4955 – 6664~~
~~2212~~	~~Principal Engineer~~	~~7161 – 9630~~
2209	Recreation Services Manager	6950 – 9347
2197	Senior Engineer	6168 – 8295
2184	Senior Human Resources Analyst	5419 – 7288
~~2160~~	~~Senior Librarian~~	~~4268 – 5740~~
2184	Senior Management Analyst	5419 – 7288
2188	Senior Planner	5639 – 7584
2222	Utilities Operations Manager	7910 – 10638*
2168	Water Distribution Field Supervisor	4622 – 6216

* Reclassification approved by City Council effective 7/1/2015

CITY OF UPLAND
"EXHIBIT C" (NON-SAFETY)

ASSIGNMENT OF CLASSIFICATION

RANGE	CLASSIFICATION	SALARY
1160	Accountant	4268 – 5740
1142	Accounting Technician	3568 – 4799
1108	Administrative Assistant I	2544 – 3421
1118	Administrative Assistant II	2810 – 3779
1128	Administrative Assistant III	3104 – 4175
1135	Animal Control Officer	3328 – 4476
1105	Animal Shelter Attendant I	2469 – 3321
1115	Animal Shelter Attendant II	2728 – 3668
1146	Building Inspector I	3713 – 4994
1156	Building Inspector II	4102 – 5516
1140	Business License Inspector	3498 – 4704
1150	Code Enforcement Officer	3864 – 5196
1133	Crime Prevention Officer	3263 – 4388
1109	Custodian	2569 – 3456
1117	Customer Service Specialist I	2782 – 3742
1127	Customer Service Specialist II	3073 – 4133
1142	Engineering Technician	3568 – 4799
1130	Environmental Control Technician I	3167 – 4259
1140	Environmental Control Technician II	3498 – 4704
1130	Equipment Mechanic I	3167 – 4259
1140	Equipment Mechanic II	3498 – 4704

CITY OF UPLAND
"EXHIBIT C" (NON-SAFETY)

ASSIGNMENT OF CLASSIFICATION

1144	Equipment Operator	3640 – 4895
1175	Deputy Fire Marshal	4955 – 6664*
1144	Facilities Specialist	3640 – 4895
1169	Fire Inspector Investigator I	4668 – 6278
1174	Fire Inspector/Investigator II	4906 – 6598
1195	Flight Nurse	6046 – 8131
1178	Flight Paramedic	5105 – 6866
1150	Forensic Specialist	3864 – 5196
1152	GIS/Cadd Technician	3942 – 5301
1158	Housing Coordinator	4184 – 5627
1135	Human Resources Specialist	3328 – 4476
1152	IT Technician	3942 – 5301
1120	Inventory Specialist/Equipment Mechanic Trainee	2867 – 3855
1162	Junior Engineer	4354 – 5855
1151	Lead Water Utility Worker III	3902 – 5248
1156	Lead Water Utility Worker IV	4102 – 5516
1161	Lead Water Utility Worker V	4311 – 5797
~~1120~~	~~Library Assistant~~	~~2867 – 3855~~
~~1100~~	~~Library Clerk~~	~~2349 – 3160~~
~~1105~~	~~Library Monitor~~	~~2469 – 3321~~
~~1130~~	~~Library Technician~~	~~3167 – 4259~~
~~1140~~	~~Literacy Coordinator~~	~~3498 – 4704~~

CITY OF UPLAND
"EXHIBIT C" (NON-SAFETY)

ASSIGNMENT OF CLASSIFICATION

1139	Maintenance Crew Lead	3463 – 4658
1124	Maintenance Worker II	2983 – 4012
1109	Maintenance Worker I	2569 – 3456
1171	Plans Examiner	4762 – 6404
1131	Police Dispatcher I	3198 – 4301
1141	Police Dispatcher II	3533 – 4751
1108	Police Records Specialist I	2544 – 3421
1118	Police Records Specialist II	2810 – 3779
1148	Police Services Coordinator	3788 – 5094
1133	Police Services Technician	3263 – 4388
1123	Police Services Technician Trainee	2954 – 3972
1142	Project Coordinator	3568 – 4799
1118	Property and Evidence Clerk	2810 – 3779
1146	Public Works Inspector I	3713 – 4994
1156	Public Works Inspector II	4102 – 5516
1135	Recreation Coordinator	3328 – 4476
1145	Redevelopment Specialist	3676 – 4944
1142	Revenue Coordinator	3568 – 4799
1170	Senior Accountant	4715 – 6341
1152	Senior Accounting Technician	3942 – 5301
1138	Senior Administrative Assistant	3429 – 4612
1150	Senior Center Recreation Coordinator	3864 – 5196

CITY OF UPLAND
"EXHIBIT C" (NON-SAFETY)

ASSIGNMENT OF CLASSIFICATION

1136	Senior Counter Technician	3361 – 4521
1137	Senior Customer Service Specialist	3395 – 4566
1150	Senior Equipment Mechanic	3864 – 5196
1150	Senior Environmental Control Technician	3864 – 5196
~~1135~~	~~Senior Library Assistant~~	~~3328 – 4476~~
~~1110~~	~~Senior Library Clerk~~	~~2595 – 3490~~
1166	Senior Public Works Inspector	4531 – 6093
1131	Senior Water Meter Technician	3198 – 4301
1171	Senior Water Utility Inspector	4762 – 6404
1165	Water Conservation Specialist	4486 – 6033
1121	Water Meter Technician	2895 – 3894
1131	Water Systems Operator I	3198 – 4301
1141	Water Systems Operator II	3533 – 4751
1151	Water Systems Operator III	3902 – 5248
1161	Water Systems Operator IV	4311 – 5797
1181	Water Systems Operator Chief	5260 – 7074
1151	Water Utility Inspector I	3902 – 5248
1161	Water Utility Inspector II	4311 – 5797
1126	Water Utility Worker I	3043 – 4093
1131	Water Utility Worker II	3198 – 4301
1136	Water Utility Worker III	3361 – 4521
1141	Water Utility Worker IV	3533 – 4751

CITY OF UPLAND
"EXHIBIT C" (NON-SAFETY)

ASSIGNMENT OF CLASSIFICATION

1146	Water Utility Worker V	3713 – 4994

* Added Classification Title to Exhibit E, effective 7/1/2015

June 8, 2015

Honorable Mayor, Council Members and Citizens of Upland:

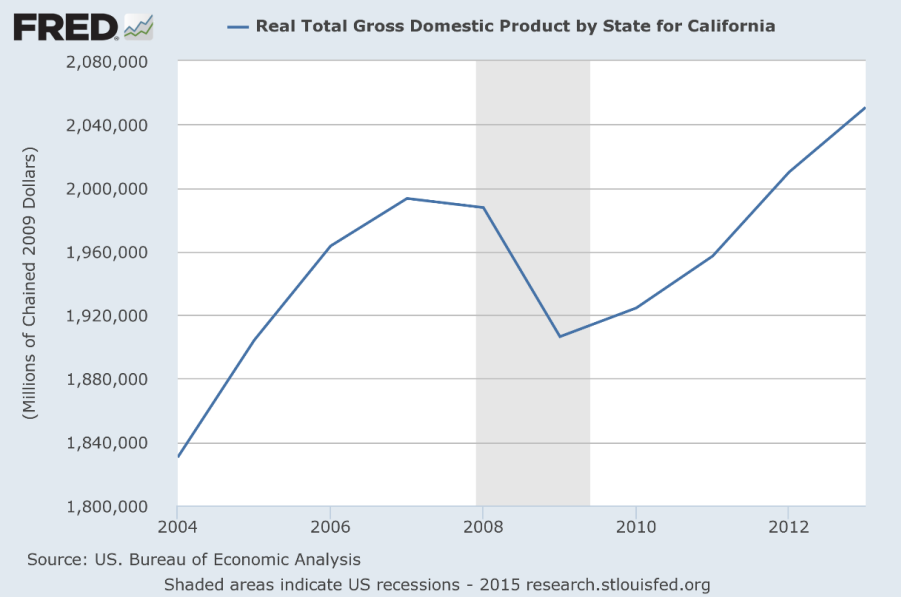
It is my honor to present the Fiscal Year (FY) 2015-16 budget document for your review and consideration. The proposed budget is the City's comprehensive financial plan that serves to fund all City programs and services. This year's budget reports a balanced operating budget in the General Fund. In light of our ongoing fiscal constraints we asked departments to prepare conservative budgets to start with our true costs. Budget staff then met with each department to review their budget requests, enhancements and possible reductions. Despite efforts made by staff to budget conservatively, additional budget reductions were asked of most City departments. The Departments showed a high degree of understanding and cooperation concerning the process and requested reductions.

As we prepare each year's budget we carefully consider the overall economic outlook of our Inland Empire region as well as the state and national economies. The following section highlights how those big picture economic trends will impact Upland's fiscal realities during the upcoming fiscal year and beyond.

ECONOMIC OUTLOOK

At the national level, the economy is continuing to grow at a modest but steady pace. Home sales followed a slowing trend, falling short of 2013, yet prices continue to rise year over year. Total non-performing loans are at pre-2008 levels, and the national housing supply is just over five months. In the southern California region, this trend outpaced much of the market where housing supply has dipped below four months. Low interest rates and other factors are driving price appreciation that is expected to continue at a reduced pace through 2015. On the whole, California house prices are at the highest levels since 2008.

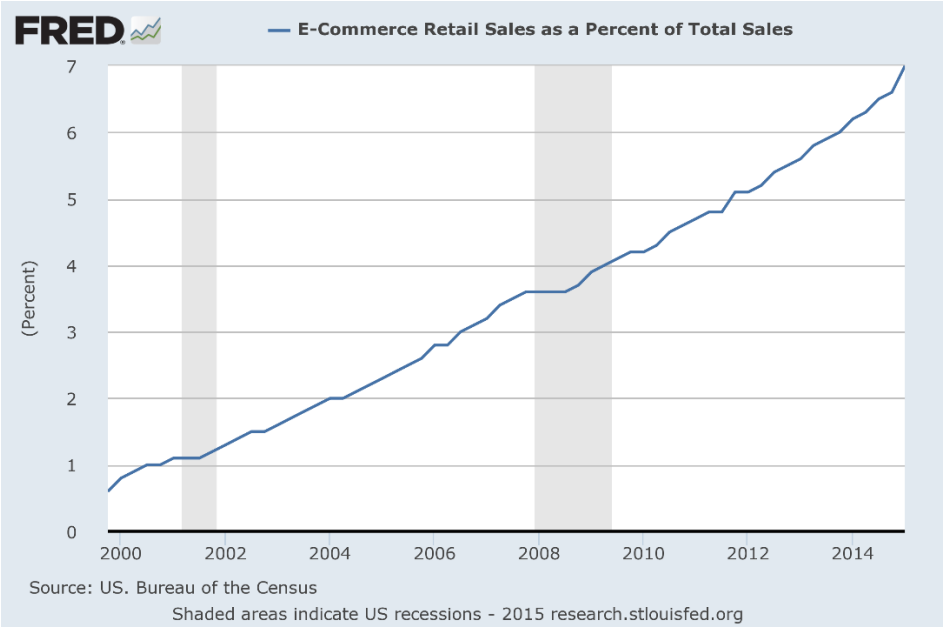
California's economy has continued to move forward with an improved employment market and an increased statewide GDP since the trough of the recession:



Although the state still has a level of unemployment that ranks it within the top ten in the nation, this number has been reduced by nearly half, when it peaked at more than 12%. The current trend of jobs added in the state shows a slow, but forward movement:

The Department of Finance forecasts the current level of unemployment (6.6%) to flatten and remain close to this level for the next few years. Other challenges the California economy faces are significant, but may be difficult to estimate. Labor disputes at the ports causing work stoppage may cause businesses to look elsewhere for suppliers. The drought poses long-term risks to the local economy as well as upward pressure on consumer prices for crop related products and water utility prices.

While sales tax revenues have continued to improve, the growing trend away from shopping at brick and mortar establishments to online purchases proves challenging for local economies across the state. This trend has continued to escalate since the beginning of its measurement in 1999:

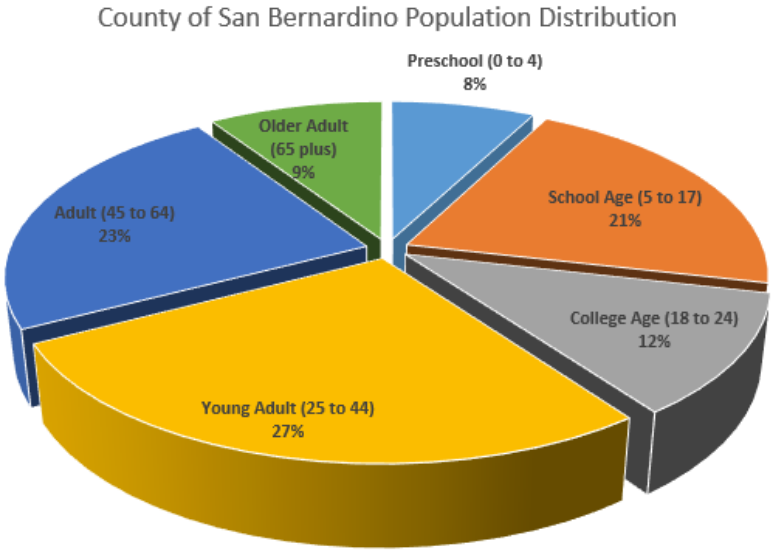


According to Hinderliter, de Llamas & Associates:

> After adjusting for inflation, per capita taxable sales in California have dropped by over 15% in the last ten years…consolidation into fewer and larger "points of sale" is a trend that began 20 years ago with technology allowing purchasing agents for large businesses, industries and institutions to do much of their procurement activities online. Sellers of business and industrial equipment, materials and supplies began taking advantage of the trend by consolidating sales offices and inventories into just a few locations thereby reducing costs of rents, personnel and overhead. The result has been the consolidation of dozens of sales offices around the state into just one or two order desks generating huge amounts of local sales tax revenues for the host cities.

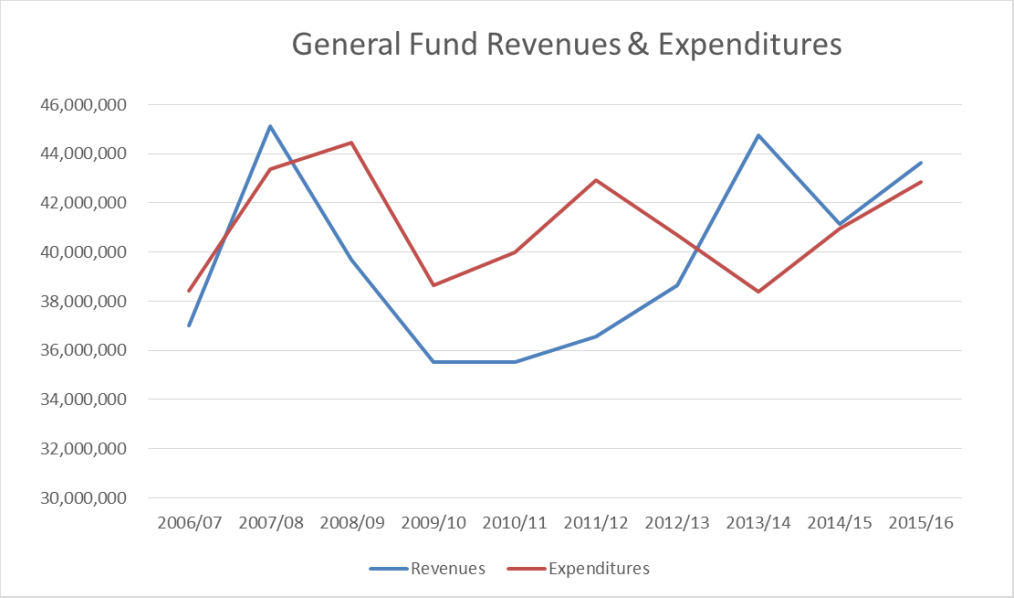
This trend (among others) illustrates the challenge for the City of Upland in respect to sustainable revenues. Although there has been an increase to overall revenue due to additional businesses and an overall improvement in the economy, the trend away from sales tax revenue per capita creates a disproportionate loss of resources to the City, inverse to population growth.

Looking forward, the Inland Empire has many promising characteristics that create a context that could continue to fuel economic expansion. Metrics from the U.S. Census show the County to be young in its population, with a distribution of age groups as follows:



These age distributions create a context of a future oriented economy, where local communities have an opportunity to engage with a very large cohort that has an optimistic, non-traditional view of entrepreneurialism and small business. According to the San Bernardino Community Foundation, "the county's diverse geography and extensive natural resources, as well as its proximity to major economic and population centers, provide unique opportunities for varied industry sectors to thrive, including commerce, education, tourism and recreation."

This trend is consistent with what the City of Upland has experienced as a local economy in the last couple of years. Development activity has helped the City with a number of projects that have resulted in a slight increase in permit revenues. Property taxes have improved and are expected to remain stable, while sales tax revenue has grown steadily and is expected to continue this trend of improvement before leveling off in 2016.



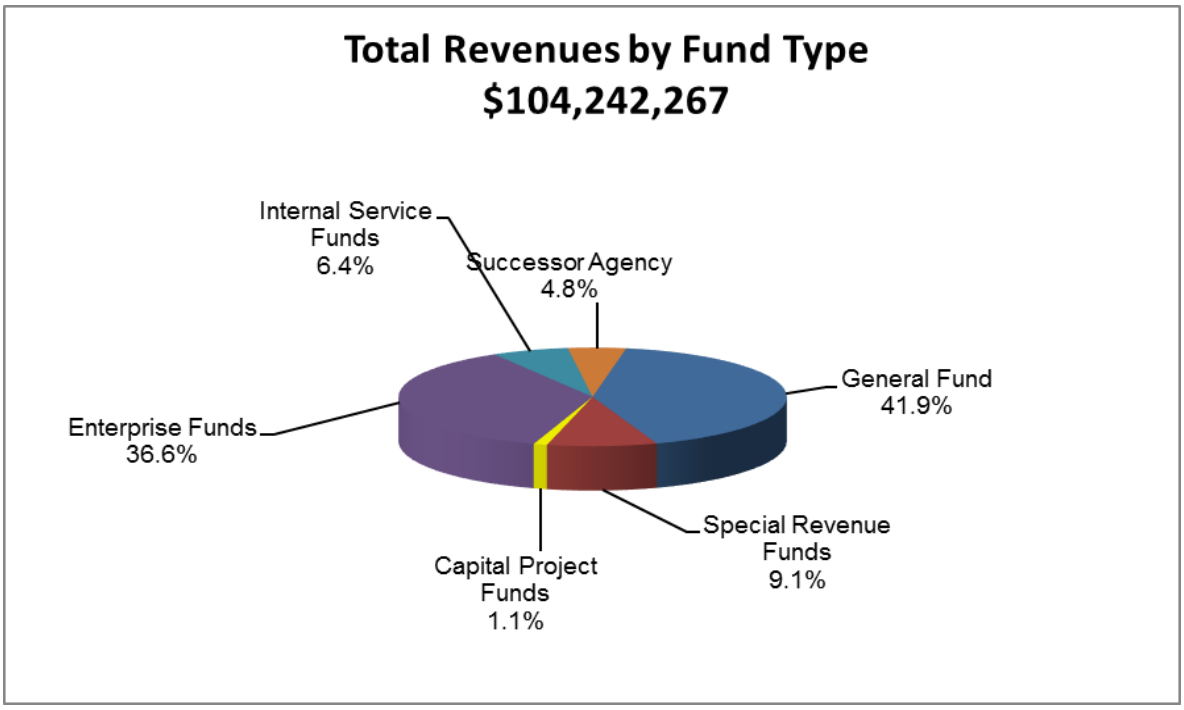
It is very important to note that while revenues have improved, the City's balanced budget has only come as a result of *both* increased revenues *and* cost reductions in the form of deferred maintenance, reduction in workforce, utilization of contract services, and insufficient reserve levels. It is highly unlikely, if not impossible that growth within the current revenue structure will be sufficient to meet ongoing and increasing costs in future years. City staff has exercised discipline adhering to the current financial plan and will continue to do so. But fiscal prudence requires a re-thinking of the overall fiscal model of the City. The current model is built on systems of revenues and growth patterns from an era that no longer exists. Future solvency, levels of reserves and quality of life for the community require a new paradigm and an organization that is both lean, responsive and able to adjust to a changing market where demands are higher and resources are constrained. If the need for both financial and organizational reformation in the face of changing economic realities is embraced and a citywide effort is made toward this end, we have every confidence of success.

BUDGET OVERVIEW

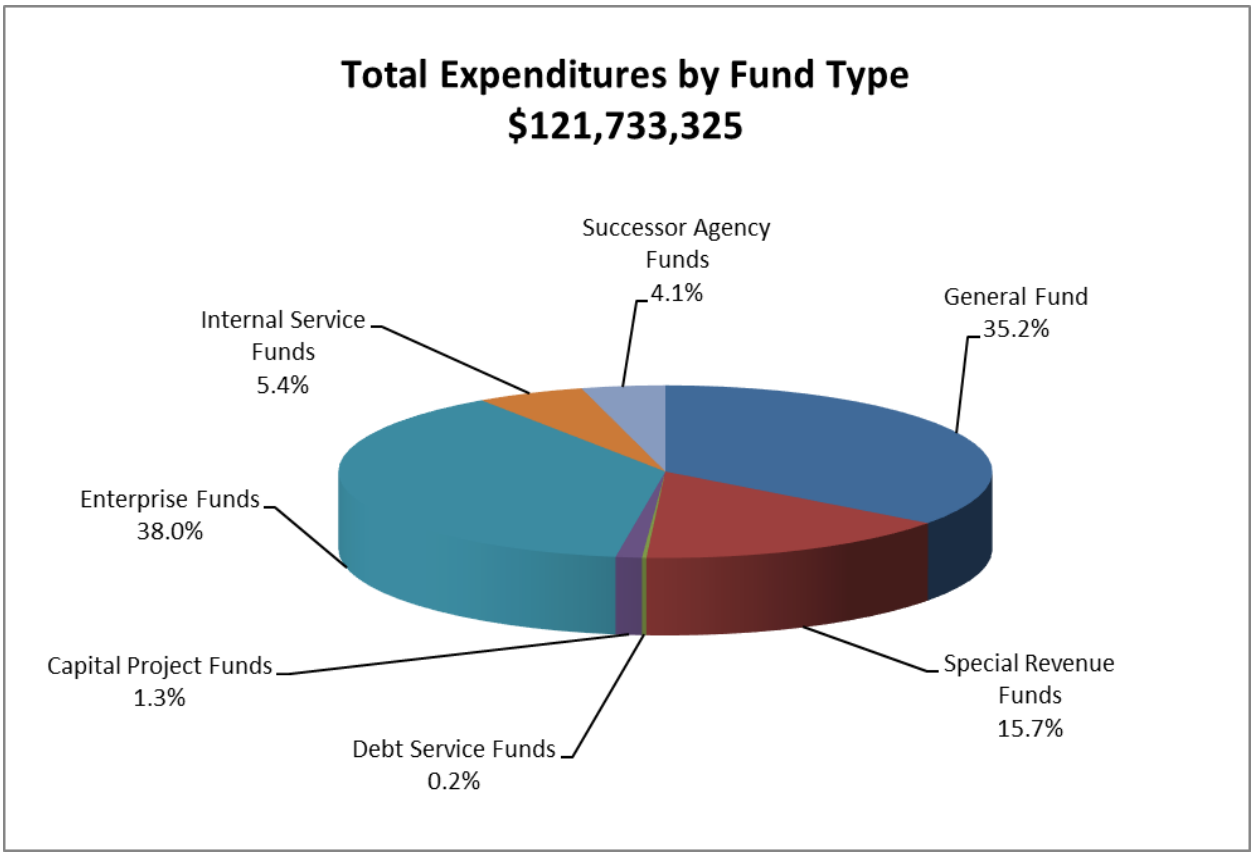
This budget is based upon the following premises:

- City expenditures have been evaluated on their own merits, based on sound, functional decisions related to the staffing and programming needs of Upland;

- A slow recovery of the economy is expected, so conservative growth is projected for revenues.

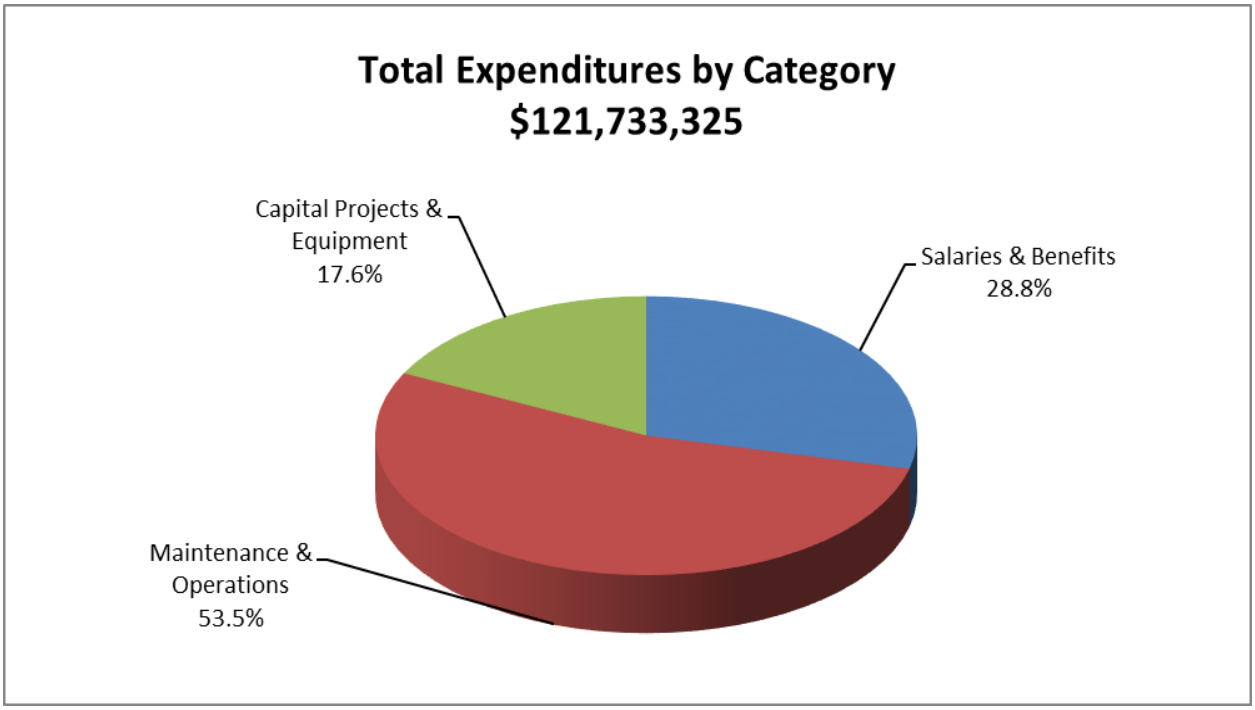


Total City operating revenues are projected to be $104,242,267, an increase of $4.1 million compared to the prior year. The funds with the highest revenues are as follows: General Fund ($43,646,692), Water Utility Fund ($19,669,623), Solid Waste Utility ($10,353,000), and Sewer Utility Fund ($8,152,651). The net increase of $4.1 million is a result of increased revenues in a variety of areas: General Fund $2.5 million, Special Revenue Funds $0.2 million, Enterprise Funds $1.0 million, Internal Service Funds $0.1 million and Successor Agency $1.9 million, which is offset somewhat by a $1.6 million decrease in Capital Project Fund revenues.



The FY 2015-16 operating expenditure budget totals $121,733,325, including Capital Improvement Project (CIP) requests. Many funds make up the total budget amount, with one of the largest being the General Fund in the amount of $42,837,594, or 35.2% of the organization's total. Other major fund expenditures include the Water Utility Fund ($27,561,478), Sewer Utility Fund ($9,830,273), Solid Waste Utility ($8,922,666), Gas Tax Fund ($6,827,212) and Successor Agency ($5,046,426). For FY 2015-16, Animal Services was determined not to be an Enterprise Fund and was therefore combined with the General Fund. In sum, appropriations reflect a total increase of approximately $7.3 million or 6.4% from the prior year.

Current year operating expenditures exceed current year operating revenues by $17.5 million due to the use of reserves. These reserves are often accumulated for specific purposes and spent when needed. The use of reserves come from the following funds: Housing ($1.9 million), Gas Tax ($4.8 million), Measure I ($1.8 million), Water Utility ($7.9 million), and the Sewer Utility ($1.4 million).



Personnel costs inclusive of all City funds are increasing by $697 from $35.1 million to $35.1 million. The relatively small increase is the result of contracting out the Library and effectively reducing the number of personnel by 11.75 full time employees (FTEs). This decrease was offset by the PERS rate increases and the addition of a Senior HR Analyst, an IT Technician and an Administrative Assistant III. In total, the number of authorized positions decreased from 280 to 271.5.

Maintenance and operations appropriations are increasing by $5,012,944 from $60.2 million to $65.2 million. The $2.7 million General Fund portion of the increase is due to a rise in supplies, contract services (namely the roughly $1.1 million Library Contract with LSSI) and an increase in the percentage of Self-Funded Insurance expenses allocated to the General Fund. Another part of this increase is due to a $1.2 million rise in Successor Agency operations costs and increased Internal Service Fund operations costs of $0.6 million. The jump in Internal Service Fund operation expenditures stems from the decision to centralize telephone and copier expenses, coupled with rising upkeep costs associated with aging vehicles and buildings.

Capital Projects & Equipment appropriations are increasing by $2,298,700 from $19.2 million to $21.5 million. This increase is primarily due to changes in the budget for capital projects. Measure I funded projects increased by $0.6 million and Gas Tax funded projects increased by $2.7 million due to anticipated funding and projects being carried over from the prior year. The Water Fund projects budget increased by $0.1 million and the Sewer Fund projects budget decreased by $0.3 million due to the completion of FY 2014-15 projects and others that are being postponed.

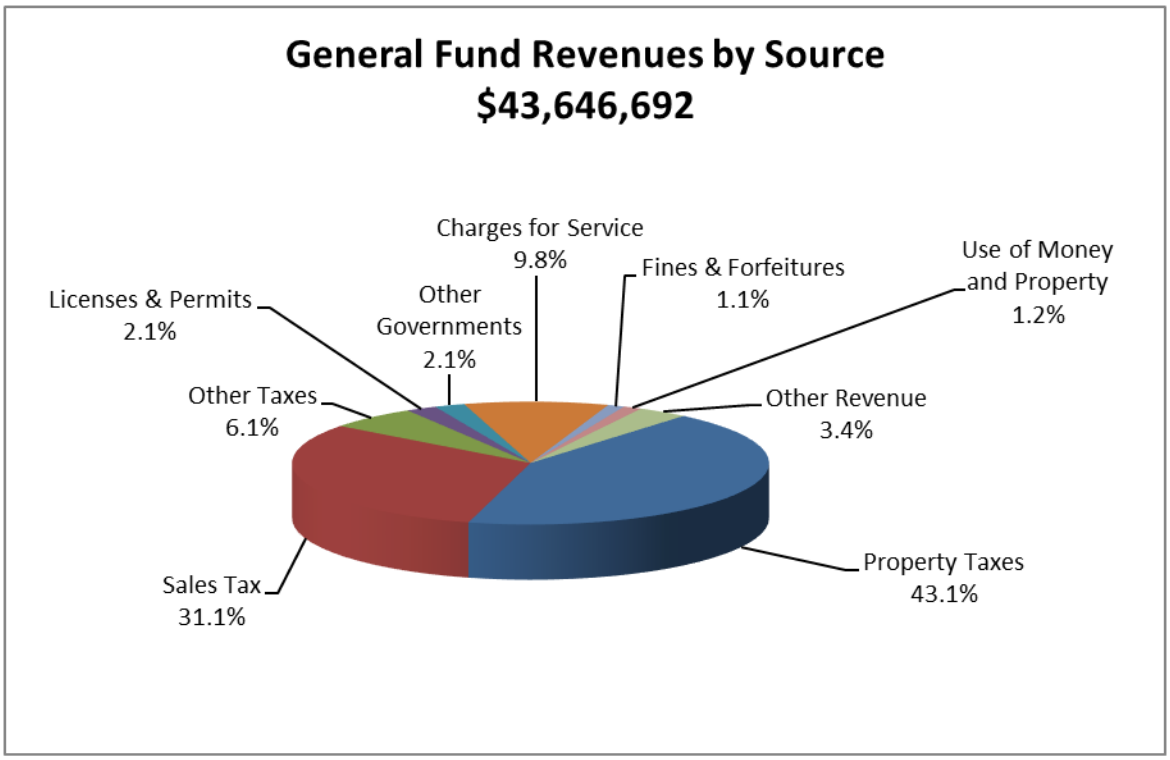
GENERAL FUND

In summary, the proposed General Fund budget is balanced without the use of one-time revenues or General Fund reserves. The General Fund ending balance is projected to be $4,656,119, which meets the reserve policy limit of 10% of operating expenditures. A summary of the General Fund balance is illustrated below:

General Fund - Fund Balance		
Beginning Fund Balance		**$4,113,156**
Operating:		
Revenues	43,646,692	
Expenditures	(42,837,594)	
Non-Operating:		
Transfers In	-	
Transfers Out	(266,135)	
Net Change		**542,963**
Ending Fund Balance		**$4,656,119**

General Fund Revenues:

Total General Fund operating revenues are projected to be $43,646,692, a rise of $2.5 million or 6.0% from the prior year budget. The increase can be attributed to anticipated growth in property and sales tax revenues.



- Property Taxes

  Property tax revenues are projected to be $18,799,840, which includes property tax in-lieu of VLF. This estimate reflects an overall increase of $681,270, or 3.8%, over the prior year budget.

- Sales Taxes

  Retail sales tax is showing signs of continued growth. Forecasts provided by our sales tax consultant, HdL Companies, estimate that retail sales tax revenues will be $13,571,000, an increase of $1,698,520 from the prior year budget.

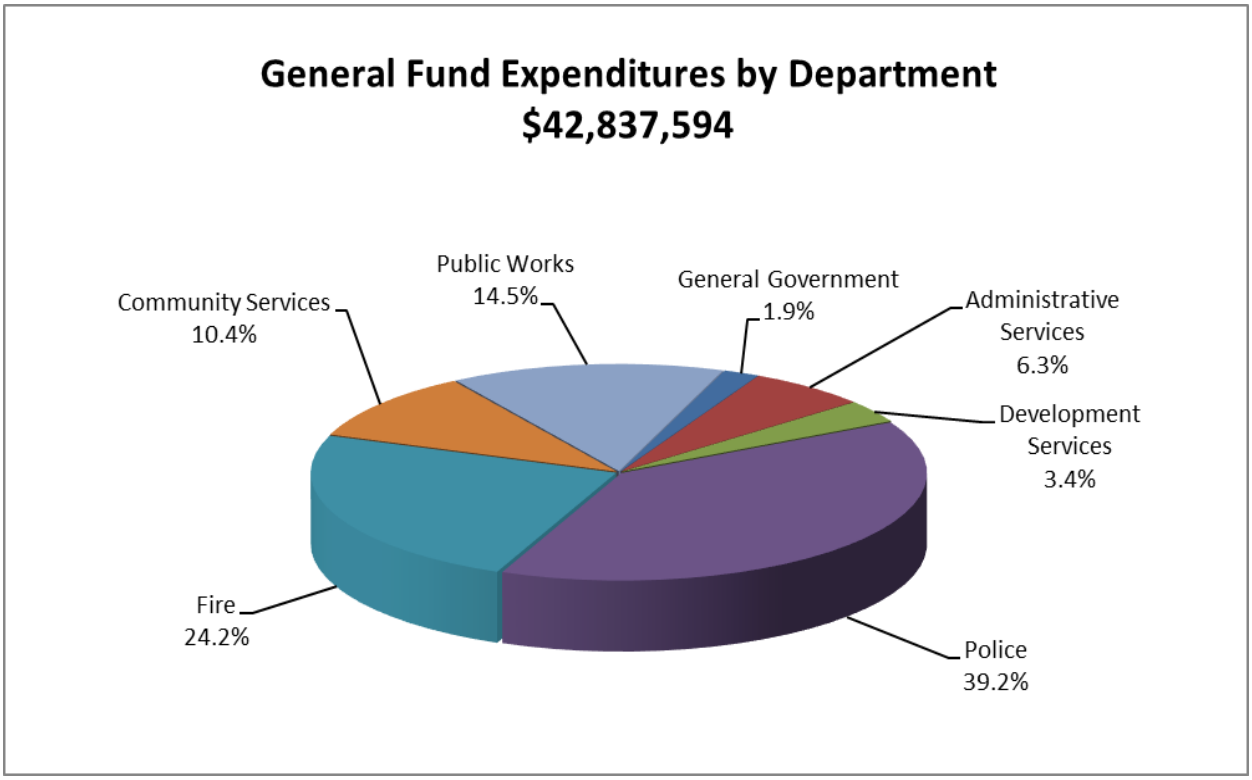
- Investment Earnings

  Interest rates have remained low so interest earnings revenue has not been included in the proposed budget.

General Fund Expenditures:

General Fund operating expenditures are projected to be $42,837,594, which is $1.9 million more than the prior year budget. The change is due to a higher percentage of Self-Funded Insurance expenditures being allocated to the General Fund and increased PERS costs.

The majority of General Fund expenditures are appropriated for public safety services (63.4%) followed by public works (14.5%) and community services (10.4%). The chart below illustrates General Fund Expenditures by Department.



- Personnel

  General Fund personnel costs are projected to total $27.4 million, a decrease of $0.7 million from the prior year budget. The decrease is a result of contracting out the library with LSSI, which is partially offset by increased PERS costs and the addition of one new General Funded position.

- Maintenance and Operations (M&O)

  The maintenance and operations budget is $15,373,097, which is an increase of $2.7 million from the prior year. This change is due to a higher percentage of Self-Funded Insurance expenses allocated to the General Fund and increased contract services and supplies.

- Capital Outlay

  The capital outlay budget is $80,000, which is a decrease of $72,181 from the prior year budget. The current year budget includes Cardiac Monitors and VHF Radios for the Fire Department.

- Transfers Out

  The General Fund will make transfers out to the Public Financing Authority fund in the amount of $0.27 million, which will fund bond principal and interest payments.

SPECIAL REVENUE FUNDS

HOUSING FUND

The Housing Division is responsible for the administration and implementation of the Low- and Moderate-Income (LMI) Housing program. Available resources provide for the development and implementation of housing programs to increase and improve or preserve affordable housing within the City's corporate limits for persons or families of low- to moderate-incomes. The total appropriations for the Housing Fund are $5,105,378.

STREET MAINTENANCE AND IMPROVEMENT FUNDS

The City receives two sources of funds for street infrastructure improvements. The Gas Tax Fund accounts for gasoline taxes received from the State of California, and the Measure I Fund accounts for revenue received from the State of California from a special 1/2% sales tax. For FY 2015-16, the total budget for street improvement projects from these sources is $9.7 million. Projects of interest include: Arrow Highway Rehabilitation (Mountain to San Antonio), Mountain Avenue Overlay (9th to Foothill), 9th Street Rehab. (3rd Ave to Campus), Foothill Boulevard Rehab. (Campus to Grove), 16th St. Rehab (San Antonio to Euclid) and 22nd Street Reconstruction (Mountain to Euclid).

HOME/CALHOME INVESTMENT PARTNERSHIP PROGRAM

The Home Investment Partnership Program budget appropriated $2,208,500. These funds are received from the U.S. Housing and Urban Development Department and are used to assist limited income individuals and families in the purchase of their first home or make needed improvements and repairs.

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS (CDBG)

This year's CDBG program allocation totals $744,382. The recommendations for these funds have been processed and approved by the CDBG Committee, and the City Council has reviewed and supported the recommendation. These funds continue to support many important community needs that may not otherwise be possible. Programs such as Code Enforcement, Graffiti Removal, and Homeless Services are examples of how these funds directly benefit the Upland community.

AIR QUALITY MANAGEMENT DISTRICT

This fund accounts for the receipt of funds generated by AB2766, which sets forth requirements for the reduction of air pollution from mobile sources as promulgated by the South Coast Air Quality Management District. The total appropriations are $96,510, and total revenues are $94,000.

CITIZEN'S OPTION FOR PUBLIC SAFETY (COPS)

This fund is used to account for the receipt of funds generated by AB3299 and expenditures for front-line police activity. The total appropriations are $375,025 and total revenues are $100,000, bringing the projected year-end fund balance to zero.

DEBT SERVICE FUNDS

PUBLIC FINANCING AUTHORITY

This fund is used to accumulate resources necessary to make payments on the police building lease revenue bonds. The appropriation of $266,135 is for annual principal and interest due on the bonds. Revenues and transfers in are projected at $266,135.

CAPITAL PROJECT FUNDS

Capital Project Funds include: General Capital Improvements, Park Acquisition and Development, Storm Drain Development, Street & Traffic Facility Development, and Street & Alley Repairs. The total budget is $1,567,491; this includes $1,027,640 in FY 2014-15 carry-over projects. Projects of interest are as follows: Fire Station #3 Roof Repair, Sports Park, Storm Drain Improvements, Street and Alley Repairs, and Traffic Signal Upgrades. The revenues for these funds are derived from development impact fees and are projected to be $1,165,790.

ENTERPRISE FUNDS

WATER UTILITY FUND

The Water Utility Fund budget includes the cost of delivering water and service to City customers and maintaining the system. Total Water Utility appropriations are $27,561,478, an increase of $0.7 million. Proposed capital improvement projects of interest for FY 2015-16 include: Mountain Ave. Water Main Replacement (9th St to Foothill) and (16th to 19th), 14th St. Water Main Replacement (Euclid to Campus), and 22nd St. Water Main Replacement (Mountain to San Antonio). Revenues are projected at $19,669,623. The Water Utility year-end fund balance is projected to be $1,296,994.

SOLID WASTE UTILITY FUND

The Solid Waste Utility Fund budget includes the cost of providing refuse service to City customers. Revenues are projected at $10,353,000 and appropriations and transfers out are $9,167,666. The Solid Waste fund balance is projected to be $573,579.

SEWER UTILITY FUND

The Sewer Utility Fund operating budget includes the cost of providing sewer services to City customers and to maintain the system. Total appropriations are $9,830,273, an increase of $0.7 million from the prior year due to a combination of increased sewer treatment disposal costs, the Ontario Airport Plume Joint Agreement and a decrease in CIP expenditures. Revenues and transfers in are projected to be $8,397,651, leaving a year-end fund balance of $5,705,572.

INTERNAL SERVICE FUNDS

SELF-FUNDED INSURANCE FUND

This fund contains revenues (derived from charge-outs) of $3,750,000 and expenditures of $3,750,000, an increase of $165,000 from the prior year budget. For FY 2015-16, Self-Funded Insurance expenses have been allocated to other funds based on a fund's percentage of actual liability and worker's comp claims from FY 13/14, resulting in a much larger portion being allocated to the General Fund and away from the Enterprise Funds.

FLEET MANAGEMENT FUND

The Fleet Management Fund provides for the operation of the City's Fleet Management division, which accounts for repairs and routine maintenance of City vehicles. In FY 2015-16, Fleet Management revenues are $745,367 and expenditures are $704,408. The fund is projected to have a balance of $45,269 at year-end, which will go towards the purchase of new vehicles in future years.

INFORMATION SYSTEMS FUND

The Information Systems Fund provides for the operation of the City's Information Systems division, including maintenance of the City's computer network and hardware infrastructure. In FY 2015-16, Information Systems revenues are $1,461,355 and expenditures are $1,356,230. The fund is projected to have a $97,175 balance at year-end, to be used for computer replacement in future years.

BUILDING MAINTENANCE & OPERATIONS FUND

The Building Maintenance & Operations Fund provides for the operation of the City's Building Maintenance & Operations division which maintains the City's facilities. In FY 2015-16, Building Maintenance & Operations revenues are $735,010 and expenditures are $735,010. The fund is projected to have a zero balance at year-end.

CONCLUSION

The fiscal health and future outlook of the City of Upland has improved significantly over the last 18 months, thanks to hard work by the City Council and staff. I would like to thank the dedicated staff of the Administrative Services Department, as well as those Finance Division staff members that spent many hours preparing this budget document. On behalf of your Executive Management Team, as well as all Upland staff members, I submit this sound and comprehensive financial plan for FY 2015-16.

Respectfully submitted,

Rod Butler
City Manager

2015-2016 SUMMARY OF CHANGES IN FUND BALANCE

	Estimated Fund Balance 7/1/2015	2015-2016 Estimated Revenue	2015-2016 Operating Expenditures	Transfers In/(Out)	Change in Fund Balance	Fund Balance 6/30/16
General Fund*	**$ 4,113,156**	**$ 43,646,692**	**$ 42,837,594**	**$ (266,135)**	**$ 542,963**	**$ 4,656,119**
Housing	$ 6,600,952	$ 3,245,972	$ 5,105,378	$ -	$ (1,859,406)	$ 4,741,546
Public Safety Augmentation	-	815,000	815,000	-	-	-
Gas Tax	6,068,727	2,046,211	6,827,212	-	(4,781,001)	1,287,726
Measure I	1,884,759	1,000,000	2,840,407	-	(1,840,407)	44,352
HOME Investment Partnership Program	620,870	701,630	1,322,500	-	(620,870)	-
Community Development Block Grant	283,219	546,540	744,382	-	(197,842)	85,377
Parking Business Improvement Area	70,870	33,000	30,000	-	3,000	73,870
Air Quality Management District	16,559	94,000	96,510	-	(2,510)	14,049
Homeland Security Grants - PD	-	-	-	-	-	-
Prop 30	49,873	75,000	103,000	-	(28,000)	21,873
COPS	275,025	100,000	375,025	-	(275,025)	-
Other Grants	7,024	-	-	-	-	7,024
Office of Traffic Safety	4,153	-	-	-	-	4,153
Local Law Enforcement Block Grant	38,960	-	-	-	-	38,960
Asset Forfeiture	57,518	10,000	10,200	-	(200)	57,318
Homeland Security Grants - Fire	-	-	-	-	-	-
CalHOME	37,000	849,000	886,000	-	(37,000)	-
Total Special Revenue Funds	**$ 16,015,509**	**$ 9,516,353**	**$ 19,155,614**	**$ -**	**$ (9,639,261)**	**$ 6,376,248**
Public Financing Authority	$ 269,075	$ -	$ 266,135	$ 266,135	$ -	$ 269,075
Total Debt Service Fund	**$ 269,075**	**$ -**	**$ 266,135**	**$ 266,135**	**$ -**	**$ 269,075**
General Capital Improvements	$ 152,160	$ 138,144	$ 247,807	$ -	$ (109,663)	$ 42,497
Park Acquisition & Development	2,245,027	614,287	517,936	-	96,351	2,341,378
Storm Drain Development	1,824,585	159,646	451,748	-	(292,102)	1,532,483
Street & Traffic Facility Development	517,536	53,713	150,000	-	(96,287)	421,249
Street & Alley Repairs	140,003	200,000	200,000	-	-	140,003
Total Capital Project Funds	**$ 4,879,311**	**$ 1,165,790**	**$ 1,567,491**	**$ -**	**$ (401,701)**	**$ 4,477,610**
Water Utility	$ 9,188,849	$ 19,669,623	$ 27,561,478	$ -	$ (7,891,855)	$ 1,296,994
Solid Waste Utility	(611,755)	10,353,000	8,922,666	(245,000)	1,185,334	573,579
Sewer Utility	7,138,194	8,152,651	9,830,273	245,000	(1,432,622)	5,705,572
Total Enterprise Funds	**$ 15,715,288**	**$ 38,175,274**	**$ 46,314,417**	**$ -**	**$ (8,139,143)**	**$ 7,576,145**
Self-Funded Insurance	$ (8,680,978)	$ 3,750,000	$ 3,750,000	$ -	$ -	$ (8,680,978)
Fleet Management	4,310	745,367	704,408	-	40,959	45,269
Information Systems	(7,950)	1,461,355	1,356,230	-	105,125	97,175
Building Maintenance & Operations	-	735,010	735,010	-	-	-
Total Internal Service Funds	**$ (8,684,618)**	**$ 6,691,732**	**$ 6,545,648**	**$ -**	**$ 146,084**	**$ (8,538,534)**
Successor Agency	$ 8,678,829	$ 5,046,426	$ 5,046,426	$ -	$ -	$ 8,678,829
Total Private Purpose Trust Fund	**$ 8,678,829**	**$ 5,046,426**	**$ 5,046,426**	**$ -**	**$ -**	**$ 8,678,829**
Grand Total	**$ 40,986,550**	**$ 104,242,267**	**$ 121,733,325**	**$ -**	**$ (17,491,058)**	**$ 23,495,492**

* Animal Services, the Traffic Safety Fund and non grant portion of the Office of Traffic Safety Fund were combined into the General Fund.

2015-2016 SCHEDULE OF REVENUES BY FUND & CATEGORY

	2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Adopted
General Fund *	**$ 38,609,328**	**$ 44,522,132**	**$ 41,144,395**	**$ 43,646,692**
Housing	$ 3,235,072	$ 3,340,829	$ 3,034,300	$ 3,245,972
Public Safety Augmentation Fund	727,402	768,385	725,000	815,000
Gas Tax	1,725,838	2,371,001	1,967,305	2,046,211
Measure I	1,086,675	1,118,962	1,001,000	1,000,000
HOME Investment Partnership Program	207,495	109,763	775,000	701,630
Community Development Block Grant	851,346	512,399	528,847	546,540
Parking Business Improvement Area	32,967	45,755	33,000	33,000
Air Quality Management District	90,185	92,955	92,000	94,000
Homeland Security Grants-PD	15,745	41,302	-	-
Prop 30	-	152,074	75,920	75,000
COPS	112,320	130,751	119,000	100,000
Other Grants	87,064	20,670	-	-
Office of Traffic Safety	49,218	105,091	-	-
Local Law Enforcement Block Grant	10,988	122	-	-
Asset Forfeiture	174,652	29,106	10,000	10,000
Homeland Security Grants-Fire	18,608	12,530	-	-
CalHOME	250,760	140,703	1,000,000	849,000
Total Special Revenue Funds	**$ 8,676,335**	**$ 8,992,398**	**$ 9,361,372**	**$ 9,516,353**
Public Financing Authority	$ 112	$ 92	$ -	$ -
Total Debt Service Fund	**$ 112**	**$ 92**	**$ -**	**$ -**
General Capital Improvements	$ 700,834	$ 514,703	$ 858,725	$ 138,144
Park Acquisition & Development	207,487	225,464	503,000	614,287
Storm Drain Development	533,048	226,279	768,617	159,646
Street & Traffic Facility Development	267,709	102,216	667,000	53,713
Street & Alley Repairs	-	-	-	200,000
Total Capital Project Funds	**$ 1,709,078**	**$ 1,068,662**	**$ 2,797,342**	**$ 1,165,790**
Water Utility	$ 17,346,667	$ 18,190,510	$ 19,950,000	$ 19,669,623
Solid Waste Utility	9,545,790	9,626,062	10,119,564	10,353,000
Sewer Utility	6,325,917	6,457,474	7,049,050	8,152,651
Total Enterprise Funds	**$ 33,218,374**	**$ 34,274,046**	**$ 37,118,614**	**$ 38,175,274**
Self-Funded Insurance	$ 2,861,963	$ 2,756,573	$ 3,585,149	$ 3,750,000
Fleet Management	68,417	36,415	483,923	745,367
Information Systems	-	127,753	1,877,612	1,461,355
Building Maintenance & Operations	-	-	607,851	735,010
Total Internal Service Funds	**$ 2,930,380**	**$ 2,920,741**	**$ 6,554,535**	**$ 6,691,732**
Successor Agency	$ 6,583,807	$ 3,496,549	$ 3,132,333	$ 5,046,426
Total Private Purpose Trust Fund	**$ 6,583,807**	**$ 3,496,549**	**$ 3,132,333**	**$ 5,046,426**
Grand Total	**$ 91,727,414**	**$ 95,274,620**	**$ 100,108,591**	**$ 104,242,267**

* Animal Services was determined to not be an Enterprise Fund and Traffic Safety Fund activity was determined to not be special revenue, so the activity was combined with the General Fund.

2015-2016 SCHEDULE OF REVENUE DETAIL BY FUND

		2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Proposed
General Fund					
3001	Current Secured Tax	$ 10,113,765	$ 15,996,876	$ 11,039,400	$ 11,116,466
3001	Property Tax (In-Lieu)	5,851,361		6,197,150	6,642,739
3002	Current Unsecured Tax	426,157	442,668	443,200	430,000
3003	Aircraft Taxes	50,314	58,914	56,570	49,315
3004	Prior Year Collections	389,179	812,656	404,750	400,000
3005	Current Supplemental	45,425	91,157	-	15,000
3006	Homeowner Property Tax Relief	137,443	136,891	135,000	130,000
3009	Weed Abatement Assessment	22,248	14,672	12,500	16,320
3010	SB2557 Property Tax Admin Fee	-	(127,867)	(170,000)	-
Revenue from Property Tax		**$ 17,035,892**	**$ 17,425,967**	**$ 18,118,570**	**$ 18,799,840**
3101	Sales and Use Tax	$ 7,594,514	$ 8,683,590	$ 8,753,320	$ 11,962,941
3101	Sales and Use Tax (In-Lieu)	2,572,965	2,599,240	3,119,160	1,608,059
3102	Business License Tax	814,383	870,394	800,000	820,000
3103	Rock Extraction Tax	202,554	221,067	190,000	220,000
3104	Transient Occupancy Tax	87,947	138,500	89,710	140,000
3105	Real Property Transfer Tax	243,854	304,386	248,730	240,000
3110	Disability Access Fee	3,791	3,001	3,870	3,064
3121	Franchise Tax	1,236,293	1,180,536	1,261,020	1,230,000
Revenue from Other Taxes		**$ 12,756,301**	**$ 14,000,714**	**$ 14,465,810**	**$ 16,224,064**
3201	Building Permits	$ 258,393	$ 371,115	$ 344,000	$ 410,000
3202	Plumbing Permits	59,477	90,481	64,328	75,000
3203	Electrical Permits	71,584	109,537	86,000	86,000
3204	Heating & Cooling Permits	47,672	69,280	74,992	60,000
3205	Public Works Construction Permits	70,300	40,803	35,000	30,000
3206	Grading Permits	3,333	2,895	2,000	2,000
3207	Wall Permits	15,433	13,635	25,800	15,000
3208	Roofing Permits	50,796	45,180	64,328	45,000
3222	Yard Sale Permits	5,940	5,296	300	3,000
3223	Alarm Permits	2,061	1,795	2,000	-
3215	Other Permits	1,714	1,395	14,900	7,000
3216	Bicycle Licenses	110	63	60	60
3217	Animal Licenses	215,342	173,440	200,000	175,000
Revenue from Licenses & Permits		**$ 802,155**	**$ 924,915**	**$ 913,708**	**$ 908,060**
3401	Trailer Coach in Lieu Tax	$ 119,094	$ 170,166	$ 118,000	$ 150,000
3402	State Mandated Costs	38,876	47,278	38,000	38,000
3403	Motor Vehicle in Lieu Tax	32,288	-	-	-
3421	Police Officer Standard Training	139,379	34,735	40,000	-
3424	OTS-TOP Local Revenue	45,300	2,300	-	-
3429	AB 26 Reimbursements	712,539	1,179,128	700,000	700,000
3482	State Literacy Program	29,939	19,756	10,000	10,000
Revenue from Other Governments		**$ 1,117,415**	**$ 1,453,363**	**$ 906,000**	**$ 898,000**
3601	Finance Department Fees	$ 34,249	$ 33,483	$ 30,000	$ 30,000
3602	City Clerk Fees	1,496	3,538	4,000	1,000
3603	Damage to City Property	12,635	5,765	-	-
3611	Planning - Department Fees	119,099	287,399	120,000	120,000
3613	Planning - Deposit Fees	-	-	80,000	80,000
3614	Building - Plan Check Fees	139,599	190,334	172,000	155,000
3615	Building - Department Fees	3,612	7,966	1,032	3,000
3616	Building - Special Inspection Fees	531	410	10,664	500

2015-2016 SCHEDULE OF REVENUE DETAIL BY FUND

		2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Proposed
3622	Police - Department Fees	100,339	120,442	104,000	130,000
3623	Police - Special Service Fees	22,577	34,414	20,000	20,000
3624	Animal Services - Animal Impounds	23,867	21,302	25,000	21,000
3625	Animal Services - Animal Adoptions	45,643	39,082	45,000	43,000
3626	Police - 30 Day Vehicle Impound Fee	298,228	396,592	260,000	260,000
3627	Police - School Resources Officer	56,262	52,637	52,976	61,476
3628	Police - Emergency Response	3,846	-	4,000	4,000
3629	Animal Services - Spay/Neuter Fees	93,179	63,866	90,000	120,000
3630	Animal Services - Animal Control Fees	2,730	12,170	10,000	10,000
3631	Animal Services - Store Sales	3,123	2,770	-	-
3635	Fire - Department Fees	113,241	131,758	75,000	100,000
3638	Fire - Emergency Response	53,904	31,375	50,000	11,828
3640	Fire - Permit Fees	85,846	145,420	115,000	115,000
3641	Fire - Air Ambulance	1,184,702	1,317,809	1,525,210	1,525,210
3642	Fire Merger Reimbursement	-	73,877	132,000	140,000
3645	Public Works - Department Fees	169,305	262,968	110,000	148,808
3646	Public Works - Engr Map & Plan Check Fees	135,910	240,316	150,000	80,000
3655	Recreation - Recreation Program Fees	11,566	13,588	12,000	13,000
3656	Recreation - Youth Sports	74,609	76,710	73,200	87,500
3657	Recreation - User Fees	296,179	283,905	275,000	300,000
3658	Recreation - Special Events	80,593	51,930	51,000	46,500
3659	Senior Center Program Fees	6,782	5,150	5,000	5,000
3660	Youth Partnership Program	14,792	20,939	32,000	40,000
3661	ACCESS Program	500,500	469,208	491,500	491,500
3665	Library - Photocopy Revenue	7,229	7,339	6,500	7,000
3666	Library - Audio/Visual Fees	7,995	7,402	7,000	-
3667	Landecena - Program Fees	1,495	3,015	5,000	-
3668	Library - Department Fees	8,309	-	8,500	-
3679	Library - Passport Services	22,658	29,629	21,000	27,400
3680	User Dept- OPEB	69,810	70,462	73,822	81,934
Revenue from Charges for Service		**$ 3,806,440**	**$ 4,514,970**	**$ 4,247,404**	**$ 4,279,656**
3701	Non-Vehicle Code Fines	$ 1,744	$ 855	$ 1,000	$ 1,000
3702	Vehicle Code Fines	283,570	284,217	281,000	260,000
3703	Red Light Code Fines	15,190	19,258	3,444	-
3704	Muni Code - Code Enforcement Fines	500	16,397	2,000	20,000
3705	Muni Code - Animal Fines	33,670	28,046	35,000	30,000
3706	Muni Code - Parking Citation Fines	52,738	60,127	40,000	40,000
3707	Muni Code - Business License Fines	52,970	50,972	45,000	45,000
3708	Muni Code - False Alarm Fines	62,761	70,637	70,000	70,000
3709	Muni Code - Library Fines	30,916	30,818	30,000	30,000
Revenue from Fines & Forfeitures		**$ 534,059**	**$ 561,327**	**$ 507,444**	**$ 496,000**
3801	Interest Earnings	$ (648)	$ 2,800	$ -	$ 28,280
3802	Lease of City Property	411,351	456,020	427,085	436,044
3803	Rents - Recreation	27,425	32,399	27,000	30,000
3804	Rents - Park Sites	45,312	44,681	35,000	40,000
3807	Rents - Library	4,055	-	4,800	4,500
3814	City Stop Sales	323	75	300	300
Revenue from Use of Money & Property		**$ 487,818**	**$ 535,975**	**$ 494,185**	**$ 539,124**

2015-2016 SCHEDULE OF REVENUE DETAIL BY FUND

		2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Proposed
3902	Lease Proceeds	$ 178,431	$ 145,000	$ -	$ -
3904	Donations - General	8,237	13,051	-	-
3906	Donation - Library/Literacy	12,931	19,272	-	-
3908	Miscellaneous Reimbursements	284,387	3,547,128	26,250	22,000
3909	Other Revenue	163,586	(18,101)	-	-
3910	Water - Administrative Service Fee	808,377	887,004	929,670	916,604
3911	Solid Waste - Administrative Service Fee	306,699	308,034	323,826	331,296
3912	Sewer - Administrative Service Fee	157,059	159,884	174,328	194,848
3913	Cash- Over/ Short	(214)	131	-	-
3915	Donations - Animal	143,499	41,225	30,000	30,000
3916	Miscellaneous Reimbursements - Animal	6,256	2,273	7,200	7,200
Other Revenue		**$ 2,069,248**	**$ 5,104,901**	**$ 1,491,274**	**$ 1,501,948**
Total General Fund		**$ 38,609,328**	**$ 44,522,132**	**$ 41,144,395**	**$ 43,646,692**
Housing Fund					
3801	Interest Earnings	$ 2,099	$ 9,902	$ -	$ 3,000
3805	Rents- Apartment	3,105,887	3,203,772	2,981,060	3,189,732
3908	Miscellaneous Reimbursements	-	2,944	3,240	3,240
3909	Other Revenue	127,086	124,211	50,000	50,000
Total Housing Fund		**$ 3,235,072**	**$ 3,340,829**	**$ 3,034,300**	**$ 3,245,972**
Public Safety Augmentation Fund					
3106	Sales Tax- Prop 172	$ 727,475	$ 768,385	$ 725,000	$ 815,000
3801	Interest Earnings	(73)	-	-	-
Total Public Safety Augmentation Fund		**$ 727,402**	**$ 768,385**	**$ 725,000**	**$ 815,000**
Gas Tax Fund					
3450	Gas Tax Apportionment - 2107.5	$ 7,500	$ 7,500	$ 7,500	$ 7,500
3451	Gas Tax Apportionment - 2106	241,364	247,278	289,339	215,751
3452	Gas Tax Apportionment - 2107	539,588	548,700	499,252	597,656
3453	Gas Tax Apportionment - 2105	329,290	512,931	365,623	434,811
3456	Gas Tax Apportionment - 2103	597,909	1,050,710	795,591	790,493
3801	Interest Earnings	10,137	3,882	10,000	-
3909	Other Revenue	50	-	-	-
Total Gas Tax Fund		**$ 1,725,838**	**$ 2,371,001**	**$ 1,967,305**	**$ 2,046,211**
Measure I Fund					
3501	Measure I Apportionment	$ 1,083,572	$ 1,116,906	$ 1,000,000	$ 1,000,000
3801	Interest Earnings	2,863	1,616	1,000	-
3909	Other Revenue	240	440	-	-
Total Measure I Fund		**$ 1,086,675**	**$ 1,118,962**	**$ 1,001,000**	**$ 1,000,000**
HOME Investment Partnership Program Fund					
331X	HOME Program Apportionment	$ -	$ -	$ 700,000	$ 682,500
3801	Interest Earnings	1,460	304	-	-
3909	Other Revenue	185,431	102,062	67,500	-
3921	Program Income- Admin 10%	20,604	7,397	7,500	1,913
3925	Program Income Revenue - Rental Rehab	-	-	-	17,217
Total HOME Fund		**$ 207,495**	**$ 109,763**	**$ 775,000**	**$ 701,630**

2015-2016 SCHEDULE OF REVENUE DETAIL BY FUND

		2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Proposed
Community Development Block Grant Fund					
3310	CDBG Apportionment	$ 851,346	$ 512,129	$ 528,847	$ 546,540
3909	Other Revenue	-	270	-	-
Total Community Development Block Grant Fund		**$ 851,346**	**$ 512,399**	**$ 528,847**	**$ 546,540**
Parking Business Improvement Area Fund					
3108	Park & Bus Imp Tax- Zone A	$ 26,793	$ 38,902	$ 27,000	$ 27,000
3109	Park & Bus Imp Tax- Zone B	5,907	6,790	6,000	6,000
3801	Interest Earnings	267	63	-	-
3909	Other Revenue	-	-	-	-
Total Parking Business Improvement Area Fund		**$ 32,967**	**$ 45,755**	**$ 33,000**	**$ 33,000**
Air Quality Management District Fund					
3502	Motor Vehicle AB2766 Fees	$ 89,953	$ 92,931	$ 92,000	$ 94,000
3801	Interest Earnings	232	24	-	-
Total Air Quality Management District Fund		**$ 90,185**	**$ 92,955**	**$ 92,000**	**$ 94,000**
Homeland Security Grants Fund - PD					
3427	Homeland Security Grants - PD	$ 15,745	$ 41,302	$ -	$ -
3428	911 Grant	-	-	-	-
Total Homeland Security Grants Fund - PD		**$ 15,745**	**$ 41,302**	**$ -**	**$ -**
Proposition 30 Fund					
3420	Proposition 30 Allocation	$ -	$ 151,840	$ 75,920	$ 75,000
3801	Interest Earnings	-	234	-	-
Total Proposition 30 Fund		**$ -**	**$ 152,074**	**$ 75,920**	**$ 75,000**
COPS Fund					
3423	COPS Allocation	$ 111,256	$ 130,463	$ 119,000	$ 100,000
3801	Interest Earnings	1,064	288	-	-
Total COPS Fund		**$ 112,320**	**$ 130,751**	**$ 119,000**	**$ 100,000**
Other Grants Fund					
3481	Public Library Funding	$ 8,629	$ 1,370	$ -	$ -
3504	County Literacy Grant	9,988	-	-	-
3505	County Library Grant	14,021	-	-	-
3506	County Fire Grant	12,679	2,143	-	-
3507	County Gazebo Grant	41,747	7,197	-	-
3508	Future Force Grant - Library	-	10,000	-	-
3801	Interest Earnings	-	(40)	-	-
3908	Miscellaneous Reimbursements	-	-	-	-
3909	Other Revenue	-	-	-	-
Total Other Grants Fund		**$ 87,064**	**$ 20,670**	**$ -**	**$ -**
Office of Traffic Safety Fund					
3419	OTS-Alcohol Beverage Control	$ -	$ 5,097	$ -	$ -
3426	OTS-Other Grants	49,218	49,112	-	-
3432	OTS-Sobriety Checkpoint Grants	-	42,994	-	-
3433	OTS-Avoid the 25 Grants	-	7,888	-	-
Total Office of Traffic Safety Fund		**$ 49,218**	**$ 105,091**	**$ -**	**$ -**

2015-2016 SCHEDULE OF REVENUE DETAIL BY FUND

		2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Proposed
Local Law Enforcement Block Grants Fund					
3302	Byrne Justice Asst Grant 2009	$ -	$ -	$ -	$ -
3322	Local Law Enforcement Block Grant	10,670	-	-	-
3434	JAG Grants	-	82	-	-
3801	Interest Earnings	318	40	-	-
Total Local Law Enforcement Block Grants Fund		**$ 10,988**	**$ 122**	**$ -**	**$ -**
Asset Forfeiture Fund					
3321	H&S Police Forfeiture	$ 173,079	$ 2,580	$ 10,000	$ 10,000
3422	Asset Forfeiture - State	-	5,909	-	-
3435	Asset Forfeiture - Federal	-	20,312	-	-
3801	Interest Earnings	1,573	305	-	-
Total Asset Forfeiture Fund		**$ 174,652**	**$ 29,106**	**$ 10,000**	**$ 10,000**
Homeland Security Grants Fund - Fire					
3425	St Homeland Security Grant Program	$ 18,608	$ 4,231	$ -	$ -
3908	Miscellaneous Reimbursements	-	8,299	-	-
Total Homeland Security Grants Fund - Fire		**$ 18,608**	**$ 12,530**	**$ -**	**$ -**
CalHOME Investment Partnership Program Fund					
3314	CalHOME - State Project Reimbursement	$ 246,760	$ 117,137	$ 1,000,000	$ 844,000
3XXX	CalHOME - Program Income	4,000	19,498	-	5,000
3801	Interest Earnings	-	4,068	-	-
Total CalHOME Fund		**$ 250,760**	**$ 140,703**	**$ 1,000,000**	**$ 849,000**
Public Financing Authority Fund					
3801	Interest Earnings	$ 112	$ 92	$ -	$ -
Total Public Financing Authority Fund		**$ 112**	**$ 92**	**$ -**	**$ -**
General Capital Improvements Fund					
3219	General Capital Impact Fee	$ 17,857	$ 24,127	$ 205,000	$ 57,174
3220	Fire Capital Impact Fee	12,182	15,381	112,000	29,080
3221	Police Capital Impact Fee	16,238	21,946	185,000	51,890
3801	Interest Earnings	(164)	453,249	-	-
3908	Miscellaneous Reimbursements	608,221	-	356,725	-
3909	Other Revenue	46,500	-	-	-
Total General Capital Improvements Fund		**$ 700,834**	**$ 514,703**	**$ 858,725**	**$ 138,144**
Park Acquisition & Development Fund					
3107	Construction Tax	$ 204,164	$ 224,700	$ 500,000	$ 614,287
3801	Interest Earnings	3,323	764	3,000	-
3909	Other Revenue	-	-	-	-
Total Park Acquisition & Development Fund		**$ 207,487**	**$ 225,464**	**$ 503,000**	**$ 614,287**
Storm Drain Development Fund					
3211	Storm Drain Permits	$ 280,643	$ 141,738	$ 700,000	$ 159,646
3801	Interest Earnings	2,200	919	2,000	-
3902	Lease Proceeds	38,705	83,622	66,617	-
3908	Miscellaneous Reimbursements	211,500	-	-	-
Total Storm Drain Development Fund		**$ 533,048**	**$ 226,279**	**$ 768,617**	**$ 159,646**

2015-2016 SCHEDULE OF REVENUE DETAIL BY FUND

		2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Proposed
Street & Traffic Facility Development Fund					
3212	Street & Traffic Facility Permits	$ 87,659	$ 102,207	$ 665,000	$ 53,713
3801	Interest Earnings	2,245	9	2,000	-
3908	Miscellaneous Reimbursements	177,805	-	-	-
Total Street & Traffic Facility Development Fund		**$ 267,709**	**$ 102,216**	**$ 667,000**	**$ 53,713**
Street & Alley Repairs Fund					
3225	Street & Alley - Burrtec	-	-	-	200,000
Total Street & Alley Repairs Fund		**$ -**	**$ -**	**$ -**	**$ 200,000**
Water Utility Fund					
3214	Water Construction Permits	$ 112,409	$ 123,721	$ 100,000	$ 199,623
3681	Water Sales - Metered	15,362,551	16,688,476	18,285,000	18,285,000
3682	Water Sales - Flat Rate	392,661	230,404	250,000	100,000
3688	Water Sales - Recycled	76,696	263,625	470,000	470,000
3690	Water Connection Fee	67,890	87,013	100,000	100,000
3691	Water Meter Installation	33,065	29,350	25,000	25,000
3710	Municipal Code - Late Charges	215,145	215,807	190,000	200,000
3801	Interest Earnings	22,176	6,167	10,000	10,000
3908	Miscellaneous Reimbursements	230,282	203,784	-	-
3909	Other Revenue	833,792	342,163	520,000	280,000
Total Water Utility Fund		**$ 17,346,667**	**$ 18,190,510**	**$ 19,950,000**	**$ 19,669,623**
Solid Waste Utility Fund					
3351	Beverage Recycling Grant	$ 3,588	$ 3,000	$ 19,564	$ -
3352	Used Oil Block Grant	7,846	20,220	-	-
3685	Solid Waste - Residential	4,015,701	4,071,422	4,330,000	4,284,000
3686	Solid Waste - Non-Residential	5,518,926	5,520,443	5,770,000	5,916,000
3689	HHW Transfer In				153,000
3801	Interest Earnings	(771)	10,478	-	-
3909	Other Revenue	500	499	-	-
Total Solid Waste Utility Fund		**$ 9,545,790**	**$ 9,626,062**	**$ 10,119,564**	**$ 10,353,000**
Sewer Utility Fund					
3210	Sanitary Sewer Permits - City	$ 151,202	$ 100,900	$ 218,000	$ 64,701
3213	Wastewater Permits	71,929	56,524	60,000	60,000
3683	Sewer Collection Charges	2,018,678	1,988,324	2,043,690	2,795,740
3684	Sewer Treatment - IEUA	3,944,548	4,239,069	4,662,360	5,166,430
3687	Sewer Connection Fees	32,520	16,658	20,000	18,300
3693	Stormwater Service Fees	28	168	-	-
3694	Sewer - Pass - Thru - Montclair	507	475	500	490
3695	Sewer - Pass - Thru - Ontario	38,010	37,448	32,500	35,000
3696	Sewer - Pass - Thru - La County	12,038	11,975	12,000	11,990
3801	Interest Earnings	31,386	11,904	-	-
3901	Sale of Assets	25,254	(6,021)	-	-
3908	Miscellaneous Reimbursements	-	50	-	-
3909	Other Revenue	(183)	-	-	-
Total Sewer Utility Fund		**$ 6,325,917**	**$ 6,457,474**	**$ 7,049,050**	**$ 8,152,651**

2015-2016 SCHEDULE OF REVENUE DETAIL BY FUND

		2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Proposed
Self-Funded Insurance Fund					
3603	Damage to City Property	$ -	$ 200	$ -	$ -
3671	User Departments - Workers Compensation	829,350	1,040,840	1,363,924	1,501,222
3672	User Departments - Unemployment	42,900	72,520	-	-
3673	User Departments - Long-term Disability	55,490	52,220	-	-
3674	User Departments - Liability	1,164,940	1,410,340	2,221,225	2,248,778
3675	User Departments - Loss Prevention	126,720	119,150	-	-
3908	Miscellaneous Reimbursements	634,712	60,729	-	-
3909	Other Revenue	7,851	574	-	-
Total Self-Funded Insurance Fund		**$ 2,861,963**	**$ 2,756,573**	**$ 3,585,149**	**$ 3,750,000**
Fleet Management Fund					
3676	User Departments - Vehicle Replacement	$ -	$ -	$ 483,923	$ 560,427
3801	Interest Earnings	(521)	111	-	-
3901	Sale of Assets	68,938	36,304	-	-
3909	Other Revenue		-	-	-
3662	Replacement Charges				184,940
Total Fleet Management Fund		**$ 68,417**	**$ 36,415**	**$ 483,923**	**$ 745,367**
Information Systems Fund					
3125	PEG Fees	$ -	$ 127,753	$ -	$ 120,000
3669	User Departments - Information Systems	-	-	1,877,612	1,291,355
3662	Replacement Charges	-	-	-	50,000
Total Information Systems Fund		**$ -**	**$ 127,753**	**$ 1,877,612**	**$ 1,461,355**
Building Maintenance & Operations Fund					
3670	User Departments - Building Main & Operations	$ -	$ -	$ 607,851	$ 735,010
Total Building Maintenance & Operations Fund		**$ -**	**$ -**	**$ 607,851**	**$ 735,010**
Successor Agency Fund					
3430	SA Administrative Allowance	$ 296,500	$ 112,473	$ 250,000	$ 250,000
3431	SA RPTTF	6,152,970	3,334,493	2,864,333	4,777,393
3801	Interest Earnings	105,959	29,124	-	-
3802	Rents General	19,543	18,300	18,000	19,033
3908	Miscellaneous Reimbursements	8,272	2,159	-	-
3909	Other Revenue	563	-	-	-
Total Successor Agency Fund		**$ 6,583,807**	**$ 3,496,549**	**$ 3,132,333**	**$ 5,046,426**
Grand Total		**$ 91,727,414**	**$ 95,274,620**	**$ 100,108,591**	**$ 104,242,267**

2015-2016 SCHEDULE OF EXPENDITURES BY FUND

	2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Proposed
General Fund *	**$ 40,638,108**	**$ 40,090,381**	**$ 40,939,181**	**$ 42,837,594**
Housing	$ 2,569,160	$ 2,608,833	$ 5,046,907	$ 5,105,378
Public Safety Augmentation	727,475	768,740	725,000	815,000
Gas Tax	1,276,621	88,704	4,133,002	6,827,212
Measure I	1,108,826	491,797	2,195,000	2,840,407
HOME Investment Partnership Program	36,475	48,243	980,000	1,322,500
Community Development Block Grant	851,346	512,130	559,026	744,382
Parking Business Improvement Area	-	5,840	30,000	30,000
Air Quality Management District	41,301	39,362	150,507	96,510
Homeland Security Grants - PD	8,299	75,692	-	-
Prop 30	-	75,920	-	103,000
COPS	60,566	153,829	119,000	375,025
Other Grants	138,386	13,764	-	-
Office of Traffic Safety	64,740	101,681	-	-
Local Law Enforcement Block Grant	10,835	3,680	-	-
Asset Forfeiture	67,819	29,432	10,200	10,200
Homeland Security Grants - Fire	19,166	3,488	-	-
CalHOME	294,079	175,504	1,000,000	886,000
Total Special Revenue Funds	**$ 7,275,094**	**$ 5,196,639**	**$ 14,948,642**	**$ 19,155,614**
Public Financing Authority	$ 261,830	$ 261,940	$ 266,675	$ 266,135
Total Debt Service Fund	**$ 261,830**	**$ 261,940**	**$ 266,675**	**$ 266,135**
General Capital Improvements	$ 1,841,617	$ 148,403	$ 754,718	$ 247,807
Park Acquisition & Development	144,890	28,876	469,190	517,936
Storm Drain Development	813,875	29,166	459,770	451,748
Street & Traffic Facility Development	1,171,437	182,491	150,000	150,000
Street & Alley Repairs	-	-	-	200,000
Total Capital Project Funds	**$ 3,971,819**	**$ 388,936**	**$ 1,833,678**	**$ 1,567,491**
Water Utility	$ 17,915,617	$ 18,612,998	$ 26,861,121	$ 27,561,478
Solid Waste Utility	9,254,261	9,321,918	10,050,526	8,922,666
Sewer Utility	5,791,387	6,174,343	9,106,282	9,830,273
Total Enterprise Funds	**$ 32,961,265**	**$ 34,109,259**	**$ 46,017,929**	**$ 46,314,417**
Self-Funded Insurance	$ 4,502,192	$ 2,834,793	$ 3,585,149	$ 3,750,000
Fleet Management	-	15,586	483,923	704,408
Information Systems	-	-	1,877,612	1,356,230
Building Maintenance & Operations	-	-	607,851	735,010
Total Internal Service Funds	**$ 4,502,192**	**$ 2,850,379**	**$ 6,554,535**	**$ 6,545,648**
Successor Agency	$ 2,425,982	$ 743,431	$ 3,860,344	$ 5,046,426
Total Private Purpose Trust Fund	**$ 2,425,982**	**$ 743,431**	**$ 3,860,344**	**$ 5,046,426**
Grand Total	**$ 92,036,290**	**$ 83,640,965**	**$ 114,420,984**	**$ 121,733,325**

* Animal Services was determined to not be an Enterprise Fund and Traffic Safety Fund activity was determined to not be special revenue, so the activity was combined with the General Fund.

2015-2016 SCHEDULE OF EXPENDITURES BY FUND & CATEGORY

	Salaries & Benefits	Maintenance & Operations	Capital Projects & Equipment	Total
General Fund	**$ 27,384,497**	**$ 15,373,097**	**$ 80,000**	**$ 42,837,594**
Housing	$ 809,942	$ 3,720,436	$ 575,000	$ 5,105,378
Public Safety Augmentation	815,000	-	-	815,000
Gas Tax	-	2,500	6,824,712	6,827,212
Measure I	-	-	2,840,407	2,840,407
HOME Investment Partnership Program	-	1,322,500	-	1,322,500
Community Development Block Grant	153,871	107,074	483,437	744,382
Parking Business Improvement Area	-	30,000	-	30,000
Air Quality Management District	4,700	31,810	60,000	96,510
Homeland Security Grants - PD	-	-	-	-
Prop 30	-	103,000	-	103,000
COPS	-	119,000	256,025	375,025
Other Grants	-	-	-	-
Office of Traffic Safety	-	-	-	-
Local Law Enforcement Block Grant	-	-	-	-
Asset Forfeiture	-	10,200	-	10,200
Homeland Security Grants - Fire	-	-	-	-
CalHOME	-	886,000	-	886,000
Total Special Revenue Funds	**$ 1,783,513**	**$ 6,332,520**	**$ 11,039,581**	**$ 19,155,614**
Public Financing Authority	$ -	$ 266,135	$ -	$ 266,135
Total Debt Service Fund	**$ -**	**$ 266,135**	**$ -**	**$ 266,135**
General Capital Improvements	$ -	$ -	$ 247,807	$ 247,807
Park Acquisition & Development	-	-	517,936	517,936
Storm Drain Development	-	-	451,748	451,748
Street & Traffic Facility Development	-	-	150,000	150,000
Street & Alley Repairs	-	-	200,000	200,000
Total Capital Project Funds	**$ -**	**$ -**	**$ 1,567,491**	**$ 1,567,491**
Water Utility	$ 2,927,178	$ 17,553,675	$ 7,080,625	$ 27,561,478
Solid Waste Utility	285,896	8,636,770	-	8,922,666
Sewer Utility	1,197,650	7,196,123	1,436,500	9,830,273
Total Enterprise Funds	**$ 4,410,724**	**$ 33,386,568**	**$ 8,517,125**	**$ 46,314,417**
Self-Funded Insurance	$ 274,455	$ 3,475,545	$ -	$ 3,750,000
Fleet Management	310,458	247,950	146,000	704,408
Information Systems	377,299	875,931	103,000	1,356,230
Building Maintenance & Operations	336,365	398,645	-	735,010
Total Internal Service Funds	**$ 1,298,577**	**$ 4,998,071**	**$ 249,000**	**$ 6,545,648**
Successor Agency	$ 224,776	$ 4,821,650	$ -	$ 5,046,426
Total Private Purpose Trust Fund	**$ 224,776**	**$ 4,821,650**	**$ -**	**$ 5,046,426**
Grand Total	**$ 35,102,087**	**$ 65,178,041**	**$ 21,453,197**	**$ 121,733,325**

2015-2016 EXPENDITURES BY DEPARTMENT PROGRAM

	2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Adopted
General Government				
City Council	$ 173,816	$ 178,733	$ 152,586	$ 111,874
City Treasurer	13,613	13,485	15,355	15,632
Administration	509,571	731,392	235,747	682,340
Total General Government	**$ 697,000**	**$ 923,610**	**$ 403,688**	**$ 809,846**
Administrative Services				
Finance	$ 1,544,274	$ 1,613,654	$ 1,984,056	$ 1,906,588
Information Technology	161,518	112,819	1,877,612	1,356,230
Human Resources	504,202	503,203	624,324	568,807
Risk Management	4,502,192	2,834,793	3,585,149	3,750,000
City Attorney	133,310	262,462	350,000	350,000
City Clerk	452,734	400,127	316,381	252,269
Non-Departmental	1,206,429	1,160,050	-	-
Total Administrative Services	**$ 8,504,659**	**$ 6,887,108**	**$ 8,737,522**	**$ 8,183,894**
Development Services				
Building & Safety	$ 678,131	$ 735,396	$ 666,368	$ 706,771
Weed Abatement	29,351	41,548	45,481	48,239
Economic Development	-	-	62,000	140,537
Planning Commission	5,186	7,352	12,740	12,740
Planning	522,395	599,371	521,251	544,988
Housing	2,569,160	2,608,833	5,046,907	5,105,378
CBDG	851,346	512,130	559,026	744,382
HOME Program	36,475	48,243	980,000	1,322,500
CalHOME Program	294,079	175,504	1,000,000	886,000
PBIA	-	5,840	30,000	30,000
Successor Agency	2,425,982	743,431	3,860,344	5,046,426
Total Development Services	**$ 7,412,105**	**$ 5,477,648**	**$ 12,784,117**	**$ 14,587,961**
Fire				
Administration	$ 1,046,720	$ 1,566,094	$ 2,596,421	$ 1,875,267
Fire Reserves	3,494	-	250	6,631
Fire Station I	2,124,419	2,221,654	1,685,071	1,805,426
Fire Station II	1,675,959	1,563,676	1,546,941	1,675,028
Fire Station III	1,507,374	1,462,524	1,554,947	1,673,185
Fire Station IV	1,760,794	1,570,480	1,592,397	1,749,728
Emergency Medical Services	77,854	129,835	123,641	149,540
Special Operations	19,053	7,892	33,758	37,099
Air Ambulance	977,859	1,021,985	1,082,466	1,094,264
Historic Fire Station	4,338	6,212	16,972	19,202
Fire Prevention	218,888	225,569	232,930	248,336
Fire Training & Emergency	45,327	31,622	45,563	52,343
Fire Grants	41,096	5,631	-	-
Total Fire	**$ 9,503,175**	**$ 9,813,174**	**$ 10,511,357**	**$ 10,386,049**

2015-2016 EXPENDITURES BY DEPARTMENT PROGRAM

	2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Adopted
Police				
Administration	$ 3,138,462	$ 3,068,722	$ 3,573,077	$ 4,361,978
Investigations	1,999,094	1,825,800	1,777,413	1,918,975
Community Relations	1,720	5,066	-	-
Patrol	11,378,662	10,573,340	11,076,538	11,084,150
Police Special Events & Community Outreach	20,949	19,974	14,405	17,282
Police Reserves	1,786	1,307	3,626	3,635
Code Enforcement	296,135	259,070	315,496	216,835
Police Grants	212,259	440,234	129,200	488,225
Total Police	**$ 17,049,067**	**$ 16,193,513**	**$ 16,889,755**	**$ 18,091,080**
Public Works				
Public Works Administration	$ 331,707	$ 284,309	$ 451,077	$ 299,326
Engineering Administration	43,275	94,618	295,319	263,423
Development/Traffic Engineering	307,105	290,614	355,955	404,667
Street Maintenance	796,071	684,802	453,943	498,660
Street Sweeping	235,674	235,443	261,280	17,543
Sidewalk Maintenance	217,280	204,976	264,949	1,161,735
Street Lighting	803,686	800,988	862,353	870,762
Traffic Control	21,510	15,613	98,728	160,373
Traffic Facility Maintenance	164,753	170,707	206,000	206,300
Weed Abatement	24,213	17,847	31,525	28,368
Flood Control	7,462	2,309	18,986	17,775
Street Tree Maintenance	394,558	400,746	425,823	649,586
Public ROW Maintenance	569,957	641,170	538,128	540,126
Maintenance - Main Street	1,398	1,038	41,551	43,004
Maintenance - Metrolink	61,665	10,366	12,500	12,500
Damage to City Property	5,315	35,801	44,000	44,000
Park Maintenance	617,134	564,610	568,787	567,765
Sports Field Maintenance	137,498	136,399	218,058	229,889
Civic Center	410,082	466,337	192,288	207,615
Street Projects	2,385,447	580,501	6,328,002	9,667,619
General Capital Improvement	1,841,617	148,403	754,718	247,807
Park Acquisition & Development	144,890	28,876	469,190	517,936
Storm Drain Development	813,875	29,166	459,770	451,748
Street & Traffic Facility Development	1,171,437	182,491	150,000	150,000
Street & Alley Repairs	-	-	-	200,000
Water Utility	17,915,617	18,612,998	26,861,121	27,561,478
Solid Waste Utility	9,265,695	9,322,169	10,050,526	8,922,666
Sewer Utility	5,791,387	6,174,343	9,106,282	9,830,273
Fleet Management	123,748	165,509	483,923	704,408
Building Maintenance & Operations	-	-	607,851	735,010
Total Public Works	**$ 44,604,056**	**$ 40,303,149**	**$ 60,612,633**	**$ 65,212,362**

2015-2016 EXPENDITURES BY DEPARTMENT PROGRAM

	2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Adopted
Community Services				
Recreation Administration	$ 789,698	$ 718,848	$ 639,547	$ 669,519
Recreation Classes	172,816	185,689	221,500	231,200
Recreation Facilities	55,794	8,617	27,247	41,647
Youth Programs/Sports	53,375	61,584	73,840	75,777
Senior Center	163,615	156,550	252,072	297,764
Special Events	70,850	63,986	66,107	58,328
Community Outreach Services	19,635	22,911	31,725	33,696
ACCESS Program	463,962	465,632	490,683	444,919
Landecena Center	17,946	13,086	17,102	17,640
Library	1,452,842	1,392,335	1,575,417	1,615,500
Carnegie Library Operation	16,529	13,386	32,973	42,732
Library Literacy Program	73,667	76,989	87,380	-
Passports	-	-	10,317	14,317
Animal Services	915,499	863,150	956,002	919,094
Total Community Services	**$ 4,266,228**	**$ 4,042,763**	**$ 4,481,912**	**$ 4,462,133**
Grand Total	**$ 92,036,290**	**$ 83,640,965**	**114,420,984**	**$ 121,733,325**

SUMMARY OF OPERATING TRANSFERS

Fund No.	Fund Name	Transfers In	Transfers Out
301	Public Financing Authority	$ 266,135	
101	General Fund		$ 266,135
	To fund debt service payment on Police Building bond issue.		
645	Sewer Utility	245,000	
641	Solid Waste Utility		245,000
	To transfer for landfill costs.		
	Total	**$ 511,135**	**$ 511,135**

2015-2016 Capital Improvement Projects

Fund	Project No.	Project Name	2014-15 Amended Budget	2014-15 Projected Expenses	Return to Fund Balance	2015-16 New Approp.	2015-16 Adopted Budget
204	ST-7003	Pavement Management System	$ 22,959	$ (12,000)	$ -	$ 30,000	$ 40,959
204	ST-7031	Traffic Safety Projects - Annual	30,403	(28,000)	-	-	2,403
204	ST-7040	Mountain Ave. Overlay (9th to Foothill)	749,844	(114,451)	-	-	635,393
204	ST-7049	16th St. Rehab (Euclid to Campus)	584,876	-	-	-	584,876
204	ST-7050	16th St. Rehab (San Antonio to Mountain)	455,081	-	-	-	455,081
204	ST-7051	Citywide Crack Seal/Slurry Seal/Rubberized Overlay 2014/15	400,000	(4,000)	-	-	396,000
204	ST-7052	Citywide Concrete Repairs 2014/2015	300,000	(25,000)	-	-	275,000
204	ST-7053	Citywide Striping Repl. 2014/2015	105,000	(95,000)	(10,000)	-	-
204	ST-7054	Foothill Blvd. Rehab. (Campus to Grove)	800,000	-	-	-	800,000
204	ST-7055	16th St. Rehab (San Antonio to Euclid)	480,000	-	-	-	480,000
204	ST-7056	Arrow Hwy. (Mountain to San Antonio)	50,000	-	-	-	50,000
204	ST-7057	Citywide Crack Seal/Slurry Seal/Rubberized Overlay 2015/16	-	-	-	500,000	500,000
204	ST-7058	Citywide Concrete Repairs 2015/2016	-	-	-	500,000	500,000
204	ST-7059	Citywide Striping Repl. 2015/2016	-	-	-	100,000	100,000
204	ST-7060	ATP Cycle 2 Grant Participation with Ontario	-	-	-	5,000	5,000
204	ST-9121	9th Street Rehabilitation (3rd Ave. to Campus)	-	-	-	1,000,000	1,000,000
204	ST-9124	Arrow Hwy. Rehabilitation (Mountain to San Antonio)	-	-	-	1,000,000	1,000,000
		Total Amounts	**$ 3,978,163**	**$ (278,451)**	**$ (10,000)**	**$ 3,135,000**	**$ 6,824,712**
205	ST-7320	17th Street (Mountain to San Antonio)	$ 15,263	$ (1,000)	$ (14,263)	$ -	$ -
205	ST-7329	Citywide Pavement Maint. 2013/2014	185,000	(21,000)	-	-	164,000
205	ST-7330	Mountain Avenue (16th to 18th)	850,000	(542,861)	-	-	307,139
205	ST-7331	Annual Traffic Census 2014/2015	10,000	-	(10,000)	-	-
205	ST-7332	Citywide Pavement Maint. 2014/2015	185,000	(300)	-	-	184,700
205	ST-7333	Mountain Ave. Rehab. (Foothill to 14th St.)	400,000	(20,432)	-	-	379,568
205	ST-7334	Citywide Pavement Maint. 2015/2016	-	-	-	150,000	150,000
205	ST-9115	14th Street Rehab. (Euclid to Campus)	490,000	-	-	-	490,000
205	ST-9122	13th Street Reconstruction (Euclid to Campus)	-	-	-	465,000	465,000
205	ST-9123	22nd Street Reconstruction (Mountain to Euclid)	-	-	-	700,000	700,000
		Total Amounts	**$ 2,135,263**	**$ (585,593)**	**$ (24,263)**	**$ 1,315,000**	**$ 2,840,407**
209	ST-7607	CDBG Concrete Improvements 2013/2014	$ 29,402	$ (571)	$ (28,831)	$ -	$ -
209	ST-7608	CDBG Concrete Improvements 2014/2015	198,842	(1,000)	-	-	197,842
209	ST-7609	CDBG Concrete Improvements 2015/2016	-	-	-	161,595	161,595
209	ST-7610	CDBG Downtown Facade Enhancement Prog.				124,000	124,000
		Total Amounts	**$ 228,244**	**$ (1,571)**	**$ (28,831)**	**$ 285,595**	**$ 483,437**
420	CV-8015	General Plan	$ 130,956	$ (103,000)	$ -	$ -	$ 27,956
420	CV-8030	Fire Station #3 (Roof Repair)	-	-	-	119,851	119,851
420	CV-8032	Citywide Records Center Remodel	-	-	-	10,000	10,000
420	CV-8033	Magnolia Rec. Center (Roof Repair)	-	-	-	80,000	80,000
420	CV-8034	Police Dept. Parking Lot Seal Coat and Striping	-	-	-	10,000	10,000
		Total Amounts	**$ 130,956**	**$ (103,000)**	**$ -**	**$ 219,851**	**$ 247,807**
421	PK-8203	Sports Park	$ 279,846	$ (10,000)	$ -	$ -	$ 269,846
421	PK-8208	Memorial Park Ph. 4 - SB Field & Plaza	49,309	-	(49,309)	-	-
421	PK-8209	Magnolia Restroom ADA Compliance	23,400	-	-	-	23,400
421	PK-8214	Playground Safety Surfacing Restoration	32,700	-	-	-	32,700
421	PK-8226	Musco Controllers for Park Sites	16,990	-	-	-	16,990

2015-2016 Capital Improvement Projects

Fund	Project No.	Project Name	2014-15 Amended Budget	2014-15 Projected Expenses	Return to Fund Balance	2015-16 New Approp.	2015-16 Adopted Budget
421	PK-8231	Memorial Park Rotary Field Safety Netting	45,000	-	(15,000)	-	30,000
421	PK-8232	Misc. Park Improvements	25,000	-	-	-	25,000
421	PK-8233	Memorial Park Chain Link Fencing around Baker Field	-	-	-	100,000	100,000
421	PK-8234	Landecena Building HVAC Replacement	-	-	-	20,000	20,000
		Total Amounts	**$ 472,245**	**$ (10,000)**	**$ (64,309)**	**$ 120,000**	**$ 517,936**
422	SD-8402	Misc. Storm Drain Repl. - Annual	$ 50,028	$ -	$ -	$ -	$ 50,028
422	SD-8403	Storm Drain across SCE ROW s/o 16th	10,000	-	-	-	10,000
422	SD-8405	Euclid Ave. Storm Drain	91,946	-	-	-	91,946
422	SD-8408	Storm Drain Master Plan Improvements - Phase 1	99,770	-	-	-	99,770
422	SD-8410	Storm Drain w/o Benson crossing 16th St.	200,004	-	-	-	200,004
		Total Amounts	**$ 451,748**	**$ -**	**$ -**	**$ -**	**$ 451,748**
423	TS-8617	Arrow Rte. Widening (Monte Vista to Central)	$ 50,000	$ -	$ -	$ -	$ 50,000
423	TS-8621	Traffic Signal Upgrades	100,000	-	-	-	100,000
		Total Amounts	**$ 150,000**	**$ -**	**$ -**	**$ -**	**$ 150,000**
426	SA-8801	Street & Alley Program	$ -	$ -	$ -	$ 200,000	$ 200,000
		Total Amounts	**$ -**	**$ -**	**$ -**	**$ 200,000**	**$ 200,000**
640	WT-9048	Reservoir 16 Structural Evaluation	$ 180,850	$ -	$ -	$ -	$ 180,850
640	WT-9049	Citywide Lateral Repl. - Annual	89,994	-	-	-	89,994
640	WT-9050	Citywide Hydrant Repl. - Annual	20,000	-	-	30,000	50,000
640	WT-9052	Waste to Drain Discharge Lines	99,850	-	-	-	99,850
640	WT-9065	Retrofit Designs for Phase 1 Recycled Water Users.	94,950	(50,000)	-	56,000	100,950
640	WT-9079	Mountain Ave. Water Main Repl. (9th St. to Foothill)	923,594	(12,615)	-	-	910,979
640	WT-9080	Local Main Replacement Program 2015/16	300,000	-	-	-	300,000
640	WT-9081	Reservoir 16 Repairs	75,000	-	-	-	75,000
640	WT-9082	Onsite Disinfection Generation (Plant 6 & 7)	31,955	-	-	-	31,955
640	WT-9084	Plant 3 Booster Upgrades	110,000	-	-	-	110,000
640	WT-9086	Mt. View 4 SCADA	55,000	-	(55,000)	-	-
640	WT-9087	PRV Stations - Zones 5/4 & Zone 4/3	249,043	-	-	-	249,043
640	WT-9088	Well Maintenance - Annual	299,644	(3,087)	-	-	296,557
640	WT-9089	Booster & Motor Maintenance	150,000	-	-	-	150,000
640	WT-9090	Reservoir Recoating (#7 (22nd St) & #14)	309,000	-	(309,000)	-	-
640	WT-9094	Greentree Road Water Main	99,834	-	-	-	99,834
640	WT-9095	7th Street Water Main	399,817	-	-	-	399,817
640	WT-9098	14th Street Water Recharge	280,000	-	(260,000)		20,000
640	WT-9099	Mountain Ave. Water Main Repl. (16th to 19th)	1,000,000	(562,735)	-	-	437,265
640	WT-9100	Onsite Disinfection Generation (Plant 5 & 13)	30,000	-	-	220,000	250,000
640	WT-9114	Smart Median Water Efficiency (US Bureau Grant)	65,000	(65,000)	-	-	-
640	WT-9115	14th Street Main Repl. (Euclid to Campus)	500,000	(1,000)	-	-	499,000
640	WT-9116	Water Telemetry System Software Upgrade	150,000	-	(150,000)	-	-
640	WT-9117	Highland Ct. Main Repl. (Campus to 11th Ave.)	250,000	-	(250,000)	-	-

2015-2016 Capital Improvement Projects

Fund	Project No.	Project Name	2014-15 Amended Budget	2014-15 Projected Expenses	Return to Fund Balance	2015-16 New Approp.	2015-16 Adopted Budget
640	WT-9118	Emergency Replacement Switchgear (Plant 4)	75,000	(50,000)	-	-	25,000
640	WT-9665	Well #5 Rehab.	124,259	(102,500)	(21,759)	-	-
640	WT-9119	New Well in Six Basins	-	-	-	400,000	400,000
640	WT-9120	Alley Water Main Replacement	-	-	-	200,000	200,000
640	WT-9121	9th Street Water Main Replacement (3rd Ave. to Campus)	-	-	-	250,000	250,000
640	WT-9122	13th Street Water Main Replacement (Euclid to Campus)	-	-	-	400,000	400,000
640	WT-9123	22nd Street Water Main Replacement (Mountain to Euclid)	-	-	-	550,000	550,000
640	WT-9124	Arrow Hwy. Water Main Replacement (Mountain to San Antonio)	-	-	-	400,000	400,000
640	WT-9125	San Antonio Water Treatment Plant Repairs	-	-	-	300,000	300,000
640	WT-9126	Landscape Conservation Project	-	-	-	200,000	200,000
		Total Amounts	**$ 5,962,790**	**$ (846,937)**	**$ (1,045,759)**	**$ 3,006,000**	**$ 7,076,094**
645	SW-9301	Upland Landfill Post-Closure Plan	$ 10,000	$ -	$ -	$ -	$ 10,000
645	SW-9305	Update Sewer Model	50,000	-	(20,000)	-	30,000
645	SW-9323	Citywide Trenchless Sewer Rehab & CCTV 2013/2014	243,136	(239,000)	(4,136)	-	-
645	SW-9324	Upland Landfill Flare Supplemental Gas Line Installation	300,000	-	-	-	300,000
645	SW-9325	Citywide Sewer Main Replacements 2014/2015 (Hydraulic Deficiencies)	177,755	-	(177,755)	-	-
645	SW-9326	Citywide Sewer Main Replacements 2014/2015 (Root/Debris Obstructions)	300,000	-	(300,000)	-	-
645	SW-9327	Citywide Sewer Rehabilitation 2014/2015	500,000	(4,000)	-	-	496,000
645	SW-9328	Citywide Sewer Rehabilitation 2015/2016 (Hydraulic Deficiencies, Root Intrusion, Structural Manhole Replacements)	-	-	-	600,000	600,000
		Total Amounts	**$ 1,580,891**	**$ (243,000)**	**$ (501,891)**	**$ 600,000**	**$ 1,436,000**
		Totals:	**$ 15,090,300**	**$ (2,068,552)**	**$ (1,675,053)**	**$ 8,881,446**	**$ 20,228,141**

Totals by Fund

204	Gas Tax	$ 3,978,163	$ (278,451)	$ (10,000)	$ 3,135,000	$ 6,824,712
205	Measure I	2,135,263	(585,593)	(24,263)	1,315,000	2,840,407
209	CDBG	228,244	(1,571)	(28,831)	285,595	483,437
420	General Capital Improvements	130,956	(103,000)	-	219,851	247,807
421	Park Acquisition & Development	472,245	(10,000)	(64,309)	120,000	517,936
422	Storm Drain Development	451,748	-	-	-	451,748
423	Street & Traffic Facilities Development	150,000	-	-	-	150,000
426	Street & Alley Repairs	-	-	-	200,000	200,000
640	Water Utility	5,962,790	(846,937)	(1,045,759)	3,006,000	7,076,094
645	Sewer Enterprise	1,580,891	(243,000)	(501,891)	600,000	1,436,000
	Totals:	**$ 15,090,300**	**$ (2,068,552)**	**$ (1,675,053)**	**$ 8,881,446**	**$ 20,228,141**

2015-2016 SCHEDULE OF POSITIONS

	Labor Group	2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Proposed
GENERAL GOVERNMENT					
ELECTED/APPOINTED					
MAYOR	ELEC	1.00	1.00	1.00	1.00
COUNCIL	ELEC	4.00	4.00	4.00	4.00
TREASURER	ELEC	1.00	1.00	1.00	1.00
		6.00	6.00	6.00	6.00
ADMINISTRATION					
CITY MANAGER	EXEC	1.00	1.00	1.00	1.00
DEPUTY CITY MANAGER	EXEC	0.00	0.00	0.00	1.00
EXECUTIVE ASSISTANT TO CITY MANAGER	MMGT	2.00	2.00	2.00	1.00
		3.00	3.00	3.00	3.00
GENERAL GOVERNMENT-TOTAL		9.00	9.00	9.00	9.00
ADMINISTRATIVE SERVICES					
CITY CLERK					
ADMINISTRATIVE SERVICES DIRECTOR	EXEC	1.00	1.00	1.00	0.00
DEPUTY CITY CLERK	GENL	0.00	0.00	0.00	1.00
SENIOR ADMINISTRATIVE ASSISTANT	GENL	1.00	1.00	1.00	0.00
ADMINISTRATIVE ASSISTANT II	GENL	0.50	0.50	0.50	0.00
ADMINISTRATIVE ASSISTANT III	GENL	0.00	0.00	0.00	1.00
		2.50	2.50	2.50	2.00
FINANCE					
FINANCE MANAGER	MMGT	1.00	1.00	1.00	1.00
ACCOUNTING SUPERVISOR	MMGT	0.00	0.00	1.00	1.00
SENIOR ACCOUNTANT	GENL	1.00	1.00	1.00	1.00
ACCOUNTANT	GENL	1.00	1.00	1.00	1.00
SENIOR ACCOUNTING TECHNICIAN	GENL	3.00	3.00	1.00	1.00
ACCOUNTING TECHNICIAN	GENL	1.00	1.00	3.00	3.00
REVENUE COORDINATOR	GENL	1.00	1.00	1.00	0.00
CUSTOMER SERVICES SUPERVISOR	MMGT	0.00	0.00	0.00	1.00
SENIOR CUSTOMER SERVICE SPECIALIST	GENL	1.00	1.00	0.00	0.00
CUSTOMER SERVICE SPECIALIST II	GENL	4.00	4.00	3.00	3.00
CUSTOMER SERVICE SPECIALIST I	GENL	0.00	0.00	2.00	2.00
BUSINESS LICENSE INSPECTOR	GENL	1.00	1.00	0.00	0.00
BUDGET CLERK	GENL	0.00	0.00	1.00	1.00
		14.00	14.00	15.00	15.00
INFORMATION TECHNOLOGY					
IT MANAGER	MMGT	1.00	1.00	1.00	1.00
IT TECHNICIAN	GENL	1.00	1.00	1.00	2.00
		2.00	2.00	2.00	3.00
HUMAN RESOURCES					
HR MANAGER	MMGT	0.00	0.00	0.00	1.00
SENIOR HR ANALYST	MMGT	1.00	1.00	1.00	1.00
HR ANALYST	MMGT	1.00	1.00	1.00	1.00
HR SPECIALIST	GENL	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT II	GENL	0.75	0.75	0.75	1.00
		3.75	3.75	3.75	5.00
ADMINISTRATIVE SERVICES-TOTAL		22.25	22.25	23.25	25.00

2015-2016 SCHEDULE OF POSITIONS

	Labor Group	2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Proposed
DEVELOPMENT SERVICES					
BUILDING AND PLANNING					
DEVELOPMENT SERVICES DIRECTOR	EXEC	1.00	1.00	1.00	1.00
DEVELOPMENT SERVICES MANAGER	MMGT	1.00	1.00	1.00	1.00
DEVELOPMENT SPECIALIST	GENL	1.00	1.00	1.00	1.00
PLANNING MANAGER	MMGT	1.00	1.00	1.00	0.00
SENIOR PLANNER	MMGT	0.00	0.00	0.00	1.00
ASSISTANT PLANNER	MMGT	2.00	2.00	2.00	2.00
SENIOR ADMINISTRATIVE ASSISTANT	GENL	1.00	1.00	1.00	2.00
BUILDING OFFICIAL	MMGT	0.00	1.00	1.00	1.00
BUILDING INSPECTOR I	GENL	0.00	0.00	0.00	1.00
BUILDING INSPECTOR II	GENL	2.00	2.00	2.00	2.00
PLANS EXAMINER	GENL	1.00	1.00	1.00	1.00
COUNTER TECHNICIAN	GENL	0.00	1.00	1.00	1.00
		10.00	12.00	12.00	14.00
CODE ENFORCEMENT					
CODE ENFORCEMENT OFFICER	GENL	3.00	3.00	3.00	0.00
HOUSING / SUCCESSOR AGENCY					
HOUSING COORDINATOR	GENL	1.00	1.00	1.00	1.00
		1.00	1.00	1.00	1.00
DEVELOPMENT SERVICES-TOTAL		14.00	16.00	16.00	15.00
PUBLIC WORKS					
PUBLIC WORKS - ADMINISTRATION					
PUBLIC WORKS DIRECTOR	EXEC	1.00	1.00	1.00	1.00
DEPUTY PW DIRECTOR	MMGT	1.00	1.00	1.00	0.00
OPERATIONS MANAGER	MMGT	0.00	0.00	0.00	1.00
SENIOR ADMINISTRATIVE ASSISTANT	GENL	0.00	0.00	0.00	1.00
ADMINISTRATIVE ASSISTANT II	GENL	2.00	2.00	2.00	1.00
		4.00	4.00	4.00	4.00
PUBLIC WORKS - OPERATIONS					
FACILITIES & FLEET MAINT. SUPERINTENDENT	MMGT	1.00	1.00	0.00	0.00
FACILITIES SPECIALIST	GENL	2.00	2.00	2.00	2.00
CUSTODIAN	GENL	2.00	2.00	2.00	3.50
LEAD EQUIPMENT MECHANIC	GENL	1.00	1.00	1.00	1.00
EQUIPMENT MECHANIC II	GENL	2.00	2.00	2.00	2.00
INVENTORY SPECIALIST	GENL	1.00	1.00	1.00	1.00
OPERATIONS MAINT. SUPERINTENDENT	MMGT	1.00	1.00	1.00	0.00
MAINTENANCE SUPERVISOR	MMGT	0.00	0.00	0.00	1.00
MAINTENANCE CREW LEAD	GENL	3.00	3.00	3.00	3.00
MAINTENANCE WORKER II	GENL	10.00	10.00	10.00	10.00
		23.00	23.00	22.00	23.50
PUBLIC WORKS - CAPITAL PROJECTS					
PRINCIPAL ENGINEER	MMGT	1.00	1.00	1.00	0.00
ENGINEERING MANAGER	MMGT	0.00	0.00	0.00	1.00
SENIOR ENGINEER	MMGT	1.00	1.00	1.00	1.00
ASSOCIATE ENGINEER	MMGT	1.00	1.00	1.00	1.00
ENGINEERING TECHNICIAN	GENL	0.50	0.00	0.00	0.00
SR PUBLIC WORKS INSPECTOR	GENL	1.00	1.00	1.00	1.00
PUBLIC WORKS INSPECTOR II	GENL	1.00	1.00	1.00	1.00
WATER UTILITY INSPECTOR II	GENL	1.00	1.00	1.00	1.00
		6.50	6.00	6.00	6.00

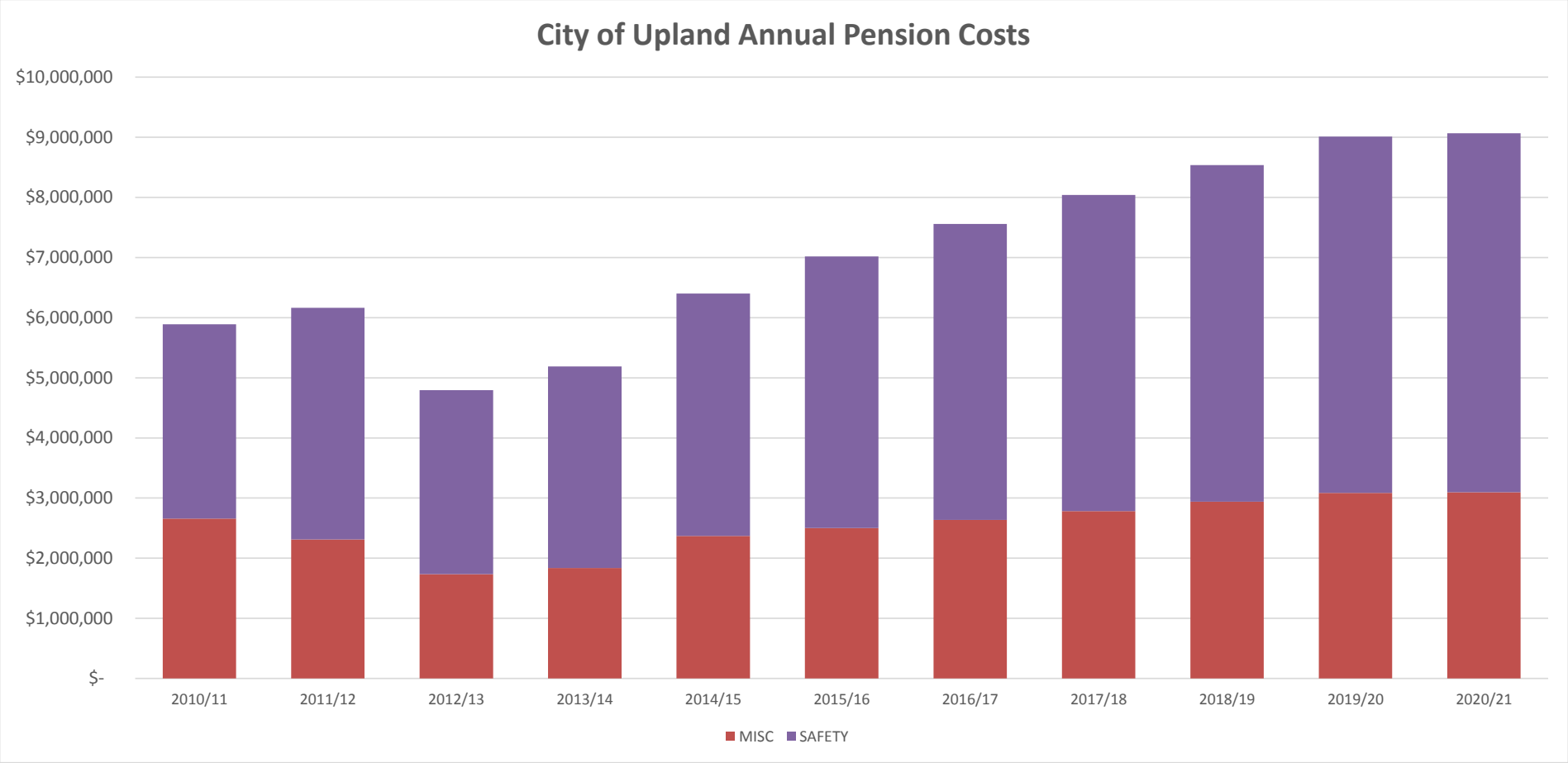
2015-2016 SCHEDULE OF POSITIONS

	Labor Group	2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Proposed
PUBLIC WORKS-CON'T					
TRAFFIC ENGINEERING					
PRINCIPAL ENGINEER	MMGT	1.00	0.00	1.00	1.00
ASSISTANT ENGINEER	MMGT	0.00	1.00	1.00	1.00
ASSOCIATE ENGINEER	MMGT	1.00	1.00	0.00	0.00
ENGINEERING TECHNICIAN	GENL	0.50	0.00	0.00	0.00
COUNTER TECHNICIAN	GENL	0.00	1.00	1.00	1.00
		2.50	3.00	3.00	3.00
PUBLIC WORKS - SEWER					
ENVIRONMENTAL QUALITY ADMINISTRATOR	MMGT	1.00	1.00	1.00	1.00
ASSOCIATE ENGINEER	MMGT	1.00	1.00	1.00	1.00
ASSISTANT ENGINEER	MMGT	1.00	1.00	1.00	1.00
SENIOR ENVIRONMENTAL CONTROL TECHNICIAN	GENL	1.00	1.00	1.00	1.00
		4.00	4.00	4.00	4.00
PUBLIC WORKS - WATER					
UTILITIES OPERATIONS MANAGER	MMGT	1.00	1.00	1.00	1.00
WATER CONSERVATION SPECIALIST	GENL	1.00	1.00	1.00	1.00
WATER DISTRIBUTION SUPERVISOR	MMGT	1.00	1.00	1.00	1.00
GIS/CADD TECHNICIAN	GENL	1.00	1.00	1.00	1.00
WATER SYSTEMS OPERATOR CHIEF	GENL	1.00	1.00	1.00	1.00
WATER SYSTEMS OPERATOR IV	GENL	4.00	4.00	2.00	2.00
WATER SYSTEMS OPERATOR II	GENL	0.00	0.00	1.00	1.00
WATER SYSTEMS OPERATOR I	GENL	0.00	0.00	1.00	1.00
LEAD WATER UTILITY WORKER V	GENL	1.00	1.00	1.00	1.00
LEAD WATER UTILITY WORKER III	GENL	1.00	1.00	1.00	1.00
WATER UTILITY WORKER V	GENL	0.00	0.00	1.00	1.00
WATER UTILITY WORKER IV	GENL	1.00	1.00	1.00	1.00
WATER UTILITY WORKER III	GENL	1.00	1.00	0.00	0.00
WATER UTILITY WORKER II	GENL	4.00	4.00	4.00	4.00
MAINTENANCE WORKER II	GENL	4.00	4.00	4.00	4.00
SENIOR WATER METER TECHNICIAN	GENL	1.00	1.00	1.00	1.00
WATER METER TECHNICIAN	GENL	2.00	2.00	2.00	2.00
		24.00	24.00	24.00	24.00
PUBLIC WORKS-TOTAL		64.00	64.00	63.00	64.50
FIRE					
FIRE CHIEF	EXEC	1.00	1.00	1.00	1.00
DEPUTY FIRE CHIEF	FRMG	0.00	0.00	2.00	2.00
BATTALION CHIEF	FRMG	3.00	3.00	1.00	1.00
FIRE CAPTAIN	FRSW	13.00	12.00	12.00	12.00
FIRE ENGINEER	FRSW	12.00	12.00	12.00	12.00
FIRE FIGHTER	FRSW	12.00	12.00	12.00	12.00
FLIGHT PARAMEDIC	GENL	2.00	2.00	2.00	2.00
NURSE	GENL	4.00	4.00	4.00	4.00
FIRE INSPECTOR/INVESTIGATOR	GENL	2.00	2.00	2.00	1.00
DEPUTY FIRE MARSHAL	GENL	0.00	0.00	0.00	1.00
SENIOR ADMINISTRATIVE ASSISTANT	GENL	0.00	0.00	0.00	1.00
ADMINISTRATIVE ASSISTANT I	GENL	1.00	1.00	1.00	0.00
FIRE-TOTAL		50.00	49.00	49.00	49.00

2015-2016 SCHEDULE OF POSITIONS

	Labor Group	2012-13 Actual	2013-14 Actual	2014-15 Adopted	2015-16 Proposed
POLICE					
CHIEF OF POLICE	EXEC	1.00	1.00	1.00	1.00
POLICE CAPTAIN	PDCP	1.00	1.00	2.00	2.00
POLICE LIEUTENANT	PD - MMGT	5.00	5.00	4.00	4.00
POLICE SERGEANT	PD - MMGT	8.00	8.00	8.00	8.00
POLICE DETECTIVE	PDSW	9.00	9.00	9.00	9.00
POLICE OFFICER	PDSW	46.00	46.00	46.00	46.00
POLICE DISPATCH SUPERVISOR	MMGT	1.00	1.00	1.00	1.00
POLICE DISPATCHER II	GENL	12.00	12.00	12.00	12.00
FORENSIC SPECIALIST	GENL	1.00	1.00	1.00	1.00
SENIOR ADMINISTRATIVE ASSISTANT	GENL	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT II	GENL	0.50	0.50	0.50	1.00
POLICE RECORDS SPECIALIST II	GENL	7.00	7.00	6.00	6.00
POLICE RECORDS SPECIALIST I	GENL	0.00	0.00	1.00	1.00
CODE ENFORCEMENT OFFICER	GENL	0.00	0.00	0.00	3.00
POLICE-TOTAL		92.50	92.50	92.50	96.00
COMMUNITY SERVICES					
LIBRARY					
PRINCIPAL LIBRARIAN	MMGT	2.00	2.00	2.00	0.00
SENIOR LIBRARIAN	MMGT	1.00	1.00	0.50	0.00
LITERACY COORDINATOR	GENL	1.00	1.00	1.00	0.00
SENIOR LIBRARY ASSISTANT	GENL	2.00	2.00	2.00	0.00
LIBRARY TECHNICIAN	GENL	2.00	2.00	2.00	0.00
LIBRARY ASSISTANT	GENL	0.75	0.75	0.75	0.00
SENIOR LIBRARY CLERK	GENL	1.50	1.50	1.50	0.00
LIBRARY CLERK	GENL	1.25	1.25	1.25	0.00
LIBRARY MONITOR	GENL	0.75	0.75	0.75	0.00
SENIOR ADMINISTRATIVE ASSISTANT	GENL	1.00	1.00	1.00	0.00
		13.25	13.25	12.75	0.00
RECREATION AND COMMUNITY SERVICES					
COMMUNITY SERVICES DIRECTOR	EXEC	1.00	1.00	1.00	1.00
RECREATION COORDINATOR	GENL	3.00	3.00	3.00	3.00
ADMINISTRATIVE ASSISTANT III	GENL	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT II	GENL	1.00	1.00	1.00	1.00
CUSTODIAN	GENL	1.50	1.50	1.50	0.00
		7.50	7.50	7.50	6.00
COMMUNITY SERVICE-CON'T					
ANIMAL SERVICES					
ANIMAL SERVICES SUPERVISOR	MMGT	1.00	1.00	1.00	1.00
ANIMAL CONTROL OFFICER	GENL	3.00	3.00	3.00	3.00
ANIMAL SHELTER ATTENDANT II	GENL	3.00	3.00	2.00	2.00
ANIMAL SHELTER ATTENDANT I	GENL	0.00	0.75	1.00	1.00
		7.00	7.75	7.00	7.00
COMMUNITY SERVICES-TOTAL		27.75	28.50	27.25	13.00
GRAND TOTAL		**279.50**	**281.25**	**280.00**	**271.50**

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
TOTAL	$ 5,888,952	$ 6,163,702	$ 4,794,566	$ 5,187,096	$ 6,402,348	$ 7,017,980	$ 7,556,488	$ 8,041,714	$ 8,536,673	$ 9,010,591	$ 9,065,555



[1] Data for FY 2010/11 - FY 2013/14 is taken from the Annual CAFR, while data for FY 2014/15 - FY 2020/21 is taken from the Annual Budget and PERS estimates provided by Bartel Associates, LLC.

2010/11	2011/12	2012/13
220.5	174.5	168.5
128	117	111
348.5	291.5	279.5
11.913%	15.466%	15.897%
17.514%	22.409%	26.236%

STAFF REPORT

ITEM NO. 13.A

DATE:	JUNE 8, 2015
TO:	MAYOR AND CITY COUNCIL
FROM:	ROD BUTLER, CITY MANAGER
PREPARED BY:	SCOTT WILLIAMS, INTERIM FINANCE MANAGER MARSHALL LINN, FINANCIAL ADVISOR
SUBJECT:	ECONOMIC REFUNDING OF BONDS FOR COMMUNITY FACILITIES DISTRICT NO. 2003-2

RECOMMENDED ACTION

It is recommended that the City Council adopt a Resolution authorizing the issuance of its special tax refunding bonds, issue of 2015, in an aggregate principal amount of not to exceed $21,000,000 and approving a bond purchase agreement, an indenture, an escrow agreement, a continuing disclosure agreement and a preliminary official statement and taking certain other actions in connection therewith; and direct staff to take those actions necessary to refund the above referenced bonds.

GOAL STATEMENT

The proposed action supports the City's goal to provide fiscal stewardship for the City of Upland.

BACKGROUND

During the fall of 2004, the City of Upland issued two series of bonds to assist in the financing of infrastructure projects for the Colonies residential and the Colonies commercial improvement areas.

The Colonies Improvement Area No. 1 financed the backbone improvements on approximately 92 gross acres of which approximately 56 acres have been developed with single-family homes.

Bonds for Improvement Area No. 1 were refinanced last year, which resulted in substantial "real" dollar savings for the residential property owners located within the boundaries of the District.

ISSUES/ANALYSIS

With interest rates at historic lows, the City's financing team analyzed the potential to refund (refinance) the existing bonds without extending the term of the original issuance.

At its March 23, 2015 meeting, the City Council directed the financing team to proceed with the refunding.

In keeping with the City's goal statement, the refunding supports the City's goals of providing sounds fiscal stewardship for the City of Upland.

FISCAL IMPACTS

Based on today's rates (subject to market conditions), the Series B Bonds can now be refunded with an estimated net-present-value savings of approximately $4,400,000.

ALTERNATIVES

Provide alternative direction to staff.

ATTACHMENTS:

Resolution

Indenture (draft)

Official Statement (draft)

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2003-2 OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO) IMPROVEMENT AREA NO. 2 AUTHORIZING THE ISSUANCE OF ITS SPECIAL TAX REFUNDING BONDS, ISSUE OF 2015 IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED TWENTY ONE MILLION DOLLARS ($21,000,000) AND APPROVING A BOND PURCHASE AGREEMENT, AN INDENTURE, AN ESCROW AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND A PRELIMINARY OFFICIAL STATEMENT AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

Intent of the Parties and Findings

(i) The City Council of the City of Upland, located in San Bernardino County, California (the "City Council"), has heretofore undertaken proceedings and declared the necessity of the Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) Improvement Area No. 2 (the "District") to issue bonds pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act") to finance the acquisition and construction of various public facilities; and

(ii) The District has previously issued its $19,650,000 Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) Improvement Area No. 2 Special Tax Bonds, Series B of 2004 (the "2004 Bonds") pursuant to the Act, of which $17,565,000 is currently outstanding; and

(iii) In order to benefit taxpayers within the District by lowering the annual special taxes to be levied, the District now desires to defease all of the outstanding 2004 Bonds through the issuance of its Special Tax Refunding Bonds, Issue of 2015 (the "Refunding Bonds") in an aggregate principal amount of not to exceed $21,000,000 and the application of certain existing District funds to such defeasance; and

(iv) The Refunding Bonds shall be issued in accordance with the Bond Indenture, dated as of June 1, 2015 (the "Indenture"), by and between the District and U.S. Bank National Association, as trustee (the "Trustee"); and

(v) In order to effect the issuance of the Refunding Bonds, the City Council, acting in its capacity as the legislative body of the District, desires to approve the form of a Preliminary Official Statement for the Refunding Bonds (the "Preliminary Official Statement") and to approve the forms of and authorize the execution and delivery of the Indenture, a Bond Purchase Agreement, a Continuing Disclosure Agreement and an Escrow Agreement, in substantially the forms on file with the City Clerk and to authorize such changes and additions thereto as the Authorized Officers (defined herein) deem necessary or desirable; and

(vi) On the basis of certain information set forth in the Report to City Council regarding the proposed issuance of the Refunding Bonds (the "Report to City Council"), the City Council, acting in its capacity as the legislative body of the District, has determined in accordance with Government Code Section 53360.4 that a negotiated sale of the Refunding Bonds to Southwest Securities, Inc., as Underwriter (the "Underwriter"), in accordance with the terms of the Bond Purchase Agreement to be entered into by and between the District and the Underwriter (the "Bond Purchase Agreement") will result in a lower overall cost to the District than a sale of the Refunding Bonds on sealed proposals to the highest bidder as described in Government Code Section 53360, in that a negotiated sale will allow for adequate

time to pre-market the Refunding Bonds and for the timing of the sale of the Refunding Bonds to be flexible, thereby maximizing the likely debt service savings to the District; and

(vii) The City Council, acting in its capacity as the legislative body of the District, has determined that it is prudent in the management of its fiscal affairs to issue the Refunding Bonds; and

(viii) The aggregate assessed value of the real property in the District subject to the special tax to pay debt service on the Refunding Bonds based on the full cash value of the property within the District as shown on the most recent *ad valorem* assessment roll for property within the District having a lien date as of January 1, 2014 is more than three times the principal amount of the Refunding Bonds and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act or a special assessment levied on property within the District, which assessed value exceeds the minimum value required by the Act for the issuance of the Refunding Bonds; and

(ix) The City Council, acting in its capacity as the legislative body of the District, finds that the issuance of the Refunding Bonds will achieve debt service savings and will benefit taxpayers within the District; and

NOW, THEREFORE, the Upland City Council hereby finds, determines and resolves as follows:

Section 1. Each of the above recitals is true and correct and is adopted by the City Council, acting in its capacity as the legislative body of the District.

Section 2. The City Council, acting in its capacity as the legislative body of the District, finds that the issuance of the Refunding Bonds as described in the Preliminary Official Statement will provide significant public benefits by reducing the total amount of special taxes to be levied for debt service within the District.

Section 3. The City Council, acting in its capacity as the legislative body of the District, has determined to defease the 2004 Bonds, subject to the provisions of Section 5 below regarding debt service savings, through the issuance of its Refunding Bonds pursuant to the Indenture and a Bond Purchase Agreement and the application of certain existing District funds to such defeasance.

Section 4. The District is authorized pursuant to Section 53362 *et seq.* of the Act to issue the Refunding Bonds for the purpose of refunding the 2004 Bonds.

Section 5. The issuance of the Refunding Bonds in an aggregate principal amount of not to exceed $21,000,000 is hereby authorized, with the exact principal amount to be determined by the official signing the Bond Purchase Agreement in accordance with Section 6 below. The Refunding Bonds may be issued to refund the 2004 Bonds only if the City Manager, or his designee, determines that there is an economic benefit to the District in the form of aggregate net present value savings of at least 3%, expressed as a percentage of the par amount of the 2004 Bonds to be refunded by the Refunding Bonds. Each of the foregoing determinations to be made by the City Manager, or his designee, will be conclusively evidenced by the execution of the Bond Purchase Agreement by the District and the Underwriter.

The City Council, acting in its capacity as the legislative body of the District, hereby determines that it is prudent in the management of its fiscal affairs to issue the Refunding Bonds. The Refunding Bonds shall mature on the dates and pay interest at the rates set forth

in the Bond Purchase Agreement. The Refunding Bonds shall be governed by the terms and conditions of the Indenture. The form of the Indenture presented at this meeting is hereby approved. The Indenture shall be executed by any one of the Mayor, City Manager or Finance Manager of the City or the written designee of one of the foregoing (collectively, the "Authorized Officers") substantially in the form of the Indenture presented at this meeting, with such additions thereto and changes therein as the officer or officers executing the same deem necessary or desirable, including to insert the offering price(s), interest rate(s), selling compensation, principal amount per maturity, redemption dates and prices, reserve account deposits and such other related terms and provisions as limited by Section 8 hereof, or to conform any provisions therein to the Bond Purchase Agreement and the Official Statement delivered to the purchasers of the Refunding Bonds. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Indenture by any one of the Authorized Officers. Capitalized terms used in this Resolution which are not defined herein have the meanings ascribed to them in the Indenture.

In satisfaction of the requirements contained in Section 53363.2 of the Act, the City Council, acting in its capacity as the legislative body of the District, hereby determines that: (1) it is anticipated that the Refunding Bonds will be issued prior to September 1, 2015, with the 2004 Bonds maturing on and after September 1, 2015 being redeemed on September 1, 2015; (2) the Refunding Bonds shall be dated their date of issuance, be in the denominations, have the maturity dates (which do not exceed the latest maturity date of the 2004 Bonds being refunded), and be payable at the place and be in the form specified in the Indenture; (3) the Refunding Bonds will bear interest at the minimum rate of 0.25% per annum; and (4) the designated cost of issuing the Refunding Bonds, as defined by Section 53363.8 of the Act, shall include all of the costs specified in Section 53363.8(a), (b)(2) and (c).

In satisfaction of the requirements contained in Section 53364.2 of the Act, the City Council, acting in its capacity as the legislative body of the District, hereby determines that any savings achieved through the issuance of the Refunding Bonds shall be used to reduce the special taxes of the District levied for debt service, and such reductions shall be made in accordance with the Act.

Section 6. The Refunding Bonds shall be executed on behalf of the District by the manual or facsimile signature of the President of the legislative body of the District and the seal of the District or the City, or a facsimile thereof, may be impressed or imprinted thereon and the signature of the Mayor shall be attested to with the manual or facsimile signature of the City Clerk or Deputy City Clerk.

Section 7. The covenants set forth in the Indenture are hereby approved, including that the District shall not issue any obligations or security in the future having a lien or charge upon the special taxes levied on property within the District pursuant to the Act except as set forth in the Indenture. Such covenants shall be deemed to be covenants of the legislative body of the District, and shall be complied with by the District and its officers. The City Council, acting as the legislative body of the District, hereby makes and adopts the findings and determinations in Section 5.2(g) of the Indenture regarding the reduction of the maximum special tax rates.

Section 8. The Underwriter is hereby appointed for purposes of offering the Refunding Bonds for sale in accordance with the provisions of the Bond Purchase Agreement and the Indenture. The form of the Bond Purchase Agreement presented at this meeting is hereby approved, and any one of the Authorized Officers is hereby authorized to execute the Bond Purchase Agreement substantially in the form presented at this meeting, with such additions thereto and changes therein as the officer or officers executing the same deem necessary or desirable, including to conform the Bond Purchase Agreement to the dates,

amounts and interest rates applicable to the Refunding Bonds. Approval of such additions and changes shall be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement; provided, however, that the Bond Purchase Agreement shall be signed only if the requirements of Section 5 hereof have been satisfied.

Section 9. The form of the Continuing Disclosure Agreement presented at this meeting is hereby approved, and any one of the Authorized Officers is hereby authorized and directed to execute the Continuing Disclosure Agreement substantially in the form hereby approved, with such additions therein and changes thereto as the Authorized Officer or Authorized Officers executing the same deem necessary or desirable, with such approval to be conclusively evidenced by the execution and delivery of the Continuing Disclosure Agreement.

Section 10. The proposed form of the Escrow Agreement (the "Escrow Agreement"), by and between the District and U.S. Bank National Association, as escrow agent (the "Escrow Agent"), presented at this meeting, is hereby approved, and any one of the Authorized Officers is hereby authorized and directed to execute the Escrow Agreement substantially in the form hereby approved, with such additions therein and changes thereto as the Authorized Officer or Authorized Officers executing the same deem necessary or desirable, with such approval to be conclusively evidenced by the execution and delivery of the Escrow Agreement.

Section 11. The form and content of the Preliminary Official Statement substantially in the form presented to and considered at this meeting is hereby approved, with such additions thereto and changes therein as are determined to be necessary or desirable by any one of the Authorized Officers, including, but not limited to, such additions and changes as are necessary to make all information set forth therein accurate and not misleading, such approval to be conclusively evidenced by the delivery of the Preliminary Official Statement to the Underwriter. The Authorized Officers are, and each of them acting alone is, hereby authorized to certify to the Underwriter on behalf of the District that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (except for the omission of certain information as permitted therein). The distribution by the Underwriter of copies of the Preliminary Official Statement and the Official Statement to persons who may be interested in the purchase of the Refunding Bonds is hereby authorized and approved. Each of the Authorized Officers is hereby authorized and directed to deliver to the Underwriter a final Official Statement in the form of the Preliminary Official Statement, together with such changes as are determined necessary or desirable by the Authorized Officer executing the Official Statement to make such Official Statement complete and accurate as of its date, such approval to be conclusively evidenced by the delivery of the Official Statement to the Underwriter.

Section 12. In accordance with the requirements of Section 53345.8 of the Act and the policies of the City, the City Council, acting in its capacity as the legislative body of the District, hereby determines that the value of the real property in the District subject to the special tax to pay debt service on the Refunding Bonds is at least three times the sum of the principal amount of the Refunding Bonds plus the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act or a special assessment levied on property within the District. This determination is based exclusively on the full cash value of property within the District as shown on the *ad valorem* assessment roll for property within the District provided by the County of San Bernardino and having a lien date as of January 1, 2014.

Section 13. Each of the Authorized Officers is authorized to provide for all services necessary to effect the issuance, sale and delivery of the Refunding Bonds. Such services shall include, but not be limited to, obtaining legal services, trustee services, verification agent services, consultant services and any other services deemed appropriate by an Authorized

Officer. Any one of the Authorized Officers is authorized to pay for the cost of such services, together with other Costs of Issuance (as defined in the Indenture and as otherwise agreed to in writing by an Authorized Officer) from the sale and delivery of Refunding Bond proceeds. The Authorized Officers are hereby authorized and directed to pay all the fees and other costs of issuance of the Refunding Bonds in accordance with the Bond Purchase Agreement and as otherwise agreed to by the District and the respective parties thereto, including applicable CDIAC fees, verification agent fees and printer fees.

Section 14. The Authorized Officers, or the written designees thereof, are authorized to solicit bids from municipal bond insurers, to evaluate such bids and select an insurer to provide municipal bond insurance with respect to the Refunding Bonds and a debt service reserve policy, if applicable, and to execute and negotiate any agreements necessary in connection with the procurement of such municipal bond insurance or debt service reserve policy, provided that such municipal bond insurance provide debt service savings or other benefits to the proposed transaction, as determined by the City. The City's execution of an insurance commitment shall be conclusive evidence of such determination. Each of the above-referenced officers is hereby authorized to direct Bond Counsel and/or the City Attorney to make any necessary revisions to the legal documents to effectuate the procurement of municipal bond insurance and/or a debt service reserve fund policy.

Seciton 15. All actions heretofore taken by any Authorized Officers, or by any officers, employees or agents of the City, with respect to: (1) the issuance, delivery or sale of the Refunding Bonds; (2) the refunding, defeasance and redemption of the 2004 Bonds; and (3) the Indenture, Bond Purchase Agreement, Escrow Agreement, Continuing Disclosure Agreement or any of the documents referenced therein, are hereby approved, confirmed and ratified. The Authorized Officers or the designees thereof and the other officers responsible for the fiscal affairs of the District are hereby jointly and severally authorized and directed to do all things and take any and all actions and execute and deliver any and all documents as are necessary or desirable to accomplish the issuance, sale and delivery of the Refunding Bonds in accordance with the provisions of this Resolution and as are necessary or appropriate for the fulfillment of the purposes of the Refunding Bonds as described in the Indenture. Any document authorized herein to be signed by the City Clerk may be signed by a duly appointed Deputy City Clerk.

Section 16. The City Clerk shall certify the adoption of this Resolution.

PASSED, APPROVED and ADOPTED this 8th day of June, 2015.

_____
Ray M. Musser, Mayor

I, Stephanie A. Mendenhall, City Clerk of the City of Upland, do hereby certify that the foregoing Resolution was passed and adopted at a regular meeting of the City Council of the City of Upland held on the 8th day of June, 2015, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

ATTEST: _____
Stephanie A. Mendenhall, City Clerk

BOND INDENTURE

By and Between

COMMUNITY FACILITIES DISTRICT NO. 2003-2
OF THE CITY OF UPLAND
(THE COLONIES AT SAN ANTONIO)

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

$_____
COMMUNITY FACILITIES DISTRICT NO. 2003-2
OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)
IMPROVEMENT AREA NO. 2
SPECIAL TAX REFUNDING BONDS, ISSUE OF 2015

Dated as of June 1, 2015

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BOND INDENTURE

THIS BOND INDENTURE dated as of June 1, 2015, by and between COMMUNITY FACILITIES DISTRICT NO. 2003-2 OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO) (the "District") and U.S. BANK NATIONAL ASSOCIATION, as trustee (the "Trustee"), governs the terms of the Improvement Area No. 2 Special Tax Refunding Bonds, Issue of 2015 of Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) issued in accordance herewith.

R E C I T A L S:

WHEREAS, the City Council of the City of Upland, located in San Bernardino County, California (hereinafter sometimes referred to as the "legislative body of the District" or the "City"), has heretofore undertaken proceedings and declared the necessity to issue bonds on behalf of the District pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5, of the Government Code of the State of California (the "Act"); and

WHEREAS, the District has previously issued its Improvement Area No. 2 Special Tax Bonds, Series B of 2004 (the "2004 Bonds") in the aggregate principal amount of $19,650,000, which are the only bonds relating to Improvement Area No. 2 of the District that are outstanding; and

WHEREAS, the legislative body of the District intends to accomplish the refunding of the 2004 Bonds through the issuance of bonds in an aggregate principal amount of $_____ designated as the "Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) Improvement Area No. 2 Special Tax Refunding Bonds, Issue of 2015" (the "Bonds") and to fund a deposit to the Reserve Account and pay certain costs related to the issuance of the Bonds; and

WHEREAS, the District has determined that the issuance of the Bonds will provide significant public benefits by reducing the total amount of Special Taxes to be levied for debt service on indebtedness of the District; and

WHEREAS, the Bonds are to be issued and sold in accordance with Resolution No. ___ of the City Council of the City, acting in its capacity as the legislative body of the District, and in accordance with this Indenture; and

WHEREAS, the District has determined that all requirements of the Act for the issuance of the Bonds have been satisfied; and

WHEREAS, upon their issuance and the refunding of the 2004 Bonds, the Bonds will be the only outstanding bonds relating to Improvement Area No. 2 of the District, and the District is covenanting herein not to issue any future obligation or security having a lien, charge, pledge or encumbrance upon the Special Taxes except as set forth herein;

NOW, THEREFORE, in order to establish the terms and conditions upon and subject to which the Bonds are to be issued, and in consideration of the premises and of the mutual covenants contained herein and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the District does hereby

covenant and agree, for the benefit of the Owners of the Bonds which may be issued hereunder from time to time, as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Unless the context otherwise requires, the following terms shall have the following meanings:

"Account" means any account created pursuant to this Indenture.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Sections 53311 *et seq.* of the California Government Code.

"Administrative Expenses" means the administrative costs with respect to the calculation and collection of the Special Taxes, including all attorneys' fees and other costs related thereto, the fees and expenses of the Trustee and any Special Tax Consultant to the District, any fees and related costs for credit enhancement for the Bonds which are not otherwise paid as Costs of Issuance, any costs related to the District's compliance with state and federal laws requiring continuing disclosure of information concerning the Bonds and the District, and any other costs otherwise incurred by the City staff on behalf of the District in order to carry out the purposes of the District as set forth in the Resolution of Formation and any obligation of the District hereunder.

"Administrative Expenses Cap" means $[25,000] per Bond Year and escalating 2% each Bond Year thereafter after the initial Bond Year, or such lesser amount as may be designated in written instructions from an Authorized Representative of the District.

"Alternative Penalty Account" means the account by that name created and established in the Rebate Fund pursuant to Section 3.1 hereof.

"Annual Debt Service" means the principal amount of any Outstanding Bonds payable in a Bond Year at maturity and any interest payable on any Outstanding Bonds in such Bond Year, if the Bonds are retired as scheduled.

"Authorized Investments" means any of the following which at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein:

(1) (A) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"); (B) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America; (C) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America; or (D) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

(2) Federal Housing Administration debentures.

(3) The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

- Federal Home Loan Mortgage Corporation (FHLMC)
  Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)
  Senior Debt obligations
- Federal Farm Credit Banks
  Consolidated system-wide bonds and notes
- Federal Home Loan Banks (FHL Banks)
  Consolidated debt obligations
- Federal National Mortgage Association (FNMA)
  Senior debt obligations
  Mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)
-

(4) Unsecured certificates of deposit, time deposits, bank deposits, demand deposits and bankers' acceptances (having maturities of not more than 30 days) of any bank (including the Trustee and any affiliate) the short-term obligations of which are rated "A-1" or better by Standard & Poor's.

(5) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation in banks (including the Trustee and any affiliate) which have capital and surplus of at least $5 million.

(6) Commercial paper (having original maturities of not more than 270 days rated "A-1" or "A-1+" by Standard & Poor's and "Prime-1" by Moody's.

(7) Money market funds rated "AAm" or "AAm-G" by Standard & Poor's, or better (including those of the Trustee or its affiliates).

(8) "State Obligations," which means:

(A) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated "A3" by Moody's and "A-" by Standard & Poor's, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(B) Direct general short-term obligations of any state agency or subdivision or agency thereof described in clause (A) above and rated "A-1+" by Standard & Poor's and "Prime-l" by Moody's.

(C) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in clause (A) above and rated "AA-" or better by Standard & Poor's and "Aa3" or better by Moody's.

(9) Pre-refunded municipal obligations rated by S & P and by Moody's not lower than United States Treasury Obligations meeting the following requirements:

(A) the municipal obligations are: (1) not subject to redemption prior to maturity; or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(B) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(C) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification");

(D) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

(E) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(F) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(10) Repurchase agreements:

(A) With: (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "A" by Standard & Poor's and Moody's; or (2) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "A" by Standard & Poor's and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated "A" or better by Standard & Poor's and Moody's, provided that:

(a) The market value of the collateral is maintained at levels equal to 102% of the amount of cash transferred by the Trustee to the provider of the repurchase agreement plus accrued interest with the collateral being valued weekly and marked-to-market at one current market price plus accrued interest;

(b) The Trustee or a third party acting solely as agent therefor or for the District (the "Holder of the Collateral") has possession of the collateral or the collateral has

been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

(c) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession); and

(d) The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or Standard & Poor's is withdrawn or suspended or falls below "A-" by Standard & Poor's or "A3" by Moody's, as appropriate, the provider must, at the direction of the District or the Trustee, within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the District or Trustee.

(11) Investment agreements with a domestic or foreign bank or corporation the long-term debt of which or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA-" by Standard & Poor's and "Aa3" by Moody's; provided that, by the terms of the investment agreement:

(A) interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the Costs of Issuance Fund, construction draws) on the Bonds;

(B) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the District and the Trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(C) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof, or, in the case of a bank, that the obligation of the bank to make payments under the agreement ranks *pari passu* with the obligations of the bank to its other depositors and its other unsecured and unsubordinated creditors;

(D) the District and the Trustee receives the opinion of domestic counsel (which opinion shall be addressed to the District and the Trustee) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the District;

(E) the investment agreement shall provide that if during its term:

(1) the provider's rating by either Standard & Poor's or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either: (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the District, the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to

Standard & Poor's and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment; and

(2) the provider's rating by either Standard & Poor's or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the District or the Fiscal Agent, within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the District or Trustee; and

(F) The investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession); and

(G) the investment agreement must provide that if during its term:

(1) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the District or the Trustee, be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the District or Trustee, as appropriate; and

(2) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the District or Trustee, as appropriate.

(12) The State of California Local Agency Investment Fund; provided that the Trustee may restrict investments in such fund to the extent necessary to keep moneys available for the purposes of this Indenture.

"Authorized Representative of the City" means the Mayor of the City, the City Manager of the City, the Finance Manager of the City or any other person or persons designated by the Mayor, the City Manager or the Finance Manager by a written certificate signed by the Mayor, the City Manager or the Finance Manager and containing the specimen signature of each such person.

"Authorized Representative of the District" means Mayor of the City, the City Manager of the City or any other person or persons designated by the Mayor or the City Manager by a written certificate signed by the Mayor or the City Manager and containing the specimen signature of each such person.

"Bond Counsel" means an attorney at law or a firm of attorneys selected by the District of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on bonds issued by states and their political subdivisions duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia.

"Bond Register" means the books which the Trustee shall keep or cause to be kept on which the registration and transfer of the Bonds shall be recorded.

"Bondowner" or "Owner" means the person or persons in whose name or names any Bond is registered.

"Bonds" means the District's Improvement Area No. 2 Special Tax Refunding Bonds, Issue of 2015.

"Bond Year" means the twelve month period commencing on September 2 of each year and ending on September 1 of the following year, except that the first Bond Year for the Bonds shall begin on the Delivery Date and end on the first September 1 which is not more than 12 months after the Delivery Date.

"Business Day" means a day which is not a Saturday or Sunday or a day of the year on which banks in New York, New York, Los Angeles, California, or the city where the corporate trust office of the Trustee is located, are not required or authorized to remain closed.

"Certificate of an Authorized Representative" means a written certificate or warrant request executed by an Authorized Representative of the City.

"Certificate of the Special Tax Administrator" means a certificate of an Authorized Representative of the District, or any successor entity appointed by the City, to administer the calculation and collection of the Special Taxes.

"City" means the City of Upland, California.

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

"Continuing Disclosure Agreement" means that certain Continuing Disclosure Agreement dated as of June 1, 2015, executed and delivered by and between the District and Willdan Financial Services, together with any amendments thereto.

"Costs of Issuance" means the costs and expenses incurred in connection with the issuance and sale of the Bonds, including the acceptance and initial annual fees and expenses of the Trustee, the Financial Advisor to the City, the Special Tax Consultant, legal fees and expenses, costs of printing the Bonds and the preliminary and final official statements for the Bonds, fees of financial consultants and all other related fees and expenses, as set forth in a Certificate of an Authorized Representative of the City.

"Costs of Issuance Fund" means the fund by that name established pursuant to Section 3.1 hereof.

"Delivery Date" means, with respect to the Bonds, the date on which the bonds of such issue were issued and delivered to the initial purchasers thereof.

"Depository" means The Depository Trust Company, New York, New York, and its successors and assigns as securities depository for the Bonds, or any other securities depository acting as Depository under Article II hereof.

"Developed Property" means real property within the District for which a building permit has been issued.

"District" means Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) established pursuant to the Act and the Resolution of Formation.

"Escrow Bank" means U.S. Bank National Association, as escrow bank with respect to the defeasance of the 2004 Bonds under the provisions of the Escrow Agreement.

"Escrow Agreement" means that certain Escrow Agreement, dated as of June 1, 2015, by and between the District and the Escrow Bank.

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

"Event of Default" means any of the events of default described in Section 8.1 hereof.

"Federal Securities" means any of the following: (a) non-callable direct obligations of the United States of America ("Treasuries"); (b) evidence of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated; and (c) pre-refunded municipal obligations rated "AAA" and "Aaa" by Standard & Poor's and Moody's, respectively (or any combination thereof).

"Fiscal Year" means the period beginning on July 1 of each year and ending on the next following June 30.

"Fund" means any fund created pursuant to this Indenture and the accounts therein.

"Gross Taxes" means the amount of all Special Taxes received by the District, together with the proceeds collected from the sale of property pursuant to the foreclosure provisions of this Indenture for the delinquency of such Special Taxes remaining after the payment of all costs and expenses related to such foreclosure actions.

"Indenture" means this Bond Indenture, together with any Supplemental Indenture approved pursuant to Article VI hereof.

"Independent Financial Consultant" means a financial consultant or firm of such consultants generally recognized to be well qualified in the financial consulting field, appointed and paid by the District, who, or each of whom: (1) is in fact independent and not under the domination of the District or the City; (2) does not have any substantial interest, direct or indirect, in the District or the City; and (3) is not connected with the District or the City as a member, officer or employee of the District or the City, but who may be regularly retained to make annual or other reports to the District or the City.

"Interest Account" means the account by that name created and established in the Special Tax Fund pursuant to Section 3.1 hereof.

"Interest Payment Date" means September 1, 2015 and each March 1 and September 1 thereafter; provided, however, that, if any such day is not a Business Day, interest up to the Interest Payment Date will be paid on the Business Day next succeeding such date.

"Maximum Annual Debt Service" means the maximum sum obtained for any Bond Year prior to the final maturity of the Bonds by adding the following for each Bond Year: (1) the principal amount of all Outstanding Bonds payable in such Bond Year at maturity; and (2) the interest payable on the aggregate principal amount of all Bonds Outstanding in such Bond Year if the Bonds are retired as scheduled.

"Moody's" means Moody's Investors Service, Inc., its successors and assigns.

"Net Taxes" means Gross Taxes minus amounts set aside to pay Administrative Expenses.

"Nominee" means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 2.16 hereof.

"Ordinance" means Ordinance No. 1759 adopted by the legislative body of the District on November 10, 2003 providing for the levying of the Special Tax, as it may be amended from time to time, or any other ordinance adopted by the City Council levying the Special Taxes.

"Outstanding" or "Outstanding Bonds" means all Bonds theretofore issued by the District, except: (1) Bonds theretofore cancelled or surrendered for cancellation in accordance with Section 10.1 hereof; (2) Bonds for payment or redemption of which moneys shall have been theretofore deposited in trust (whether upon or prior to the maturity or the redemption date of such Bonds), provided that, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in this Indenture; and (3) Bonds which have been surrendered to the Trustee for transfer or exchange pursuant to Section 2.9 hereof or for which a replacement has been issued pursuant to Section 2.10 hereof.

"Participants" means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds Bonds as securities depository.

"Person" means natural persons, firms, corporations, partnerships, associations, trusts, public bodies and other entities.

"Prepayments" means any amounts paid by the District to the Trustee and designated by the District as a prepayment of Special Taxes for one or more parcels in of the District made in accordance with the RMA.

"Principal Account" means the account by that name created and established in the Special Tax Fund pursuant to Section 3.1 hereof.

"Principal Office of the Trustee" means the corporate trust office of the Trustee located in Los Angeles, California or St. Paul, Minnesota, or such other office or offices as the Trustee may designate from time to time, or the office of any successor Trustee where it principally conducts its business of serving as trustee under indentures pursuant to which municipal or governmental obligations are issued.

"Rebate Account" means the account by that name created and established in the Rebate Fund pursuant to Section 3.1 hereof.

"Rebate Fund" means the fund by that name established pursuant to Section 3.1 hereof in which there are established the Accounts described in Section 3.1 hereof.

"Rebate Regulations" means any final, temporary or proposed Regulations promulgated under Section 148(f) of the Code.

"Record Date" means the fifteenth day of the month preceding an Interest Payment Date, regardless of whether such day is a Business Day.

"Redemption Account" means the account by that name created and established in the Special Tax Fund pursuant to Section 3.1 hereof.

"Regulations" means the regulations adopted or proposed by the Department of Treasury from time to time with respect to obligations issued pursuant to Section 103 of the Code.

"Representation Letter" means the Blanket Letter of Representations from the District to the Depository as described in Section 2.13 hereof.

"Reserve Account" means the account by that name created and established in the Special Tax Fund pursuant to Section 3.1 hereof.

"Reserve Requirement" means that amount as of any date of calculation equal to the lesser of: (i) 10% of the initial principal amount of the Bonds; (ii) Maximum Annual Debt Service on the then Outstanding Bonds; and (iii) 125% of average Annual Debt Service on the then Outstanding Bonds.

"Resolution of Formation" means Resolution No. R-5506 adopted by the City Council of the City on October 29, 2003, pursuant to which the City formed the District.

"RMA" means the Rate and Method of Apportionment of Special Taxes approved by the qualified electors within the District at the October 29, 2003 election, as amended from time to time.

"Special Tax Fund" means the fund by that name created and established pursuant to Section 3.1 hereof.

"Special Taxes" means the taxes levied by the legislative body of the District on property within the District in accordance with the Ordinance, the Resolution of Formation, the Act and the voter approval obtained at the October 29, 2003 election in the District, including any scheduled payments and any Prepayments thereof, the net proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes to the amount of said lien.

"Standard & Poor's" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, its successors and assigns.

"Supplemental Indenture" means any supplemental indenture amending or supplementing this Indenture.

"Surplus Fund" means the fund by that name created and established pursuant to Section 3.1 hereof.

"Tax Certificate" means the certificate by that name to be executed by the District on a Delivery Date to establish certain facts and expectations and which contains certain covenants relevant to compliance with the Code.

"Trustee" means U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States of America, with a corporate trust office in Los Angeles, California, and its successors or assigns, or any other bank or trust company which may at any time be substituted in its place as provided in Sections 7.2 or 7.3 and any successor thereto.

"2004 Bonds" means the Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) Improvement Area No. 2 Special Tax Bonds, Series B of 2004.

"Underwriter" means Southwest Securities, Inc.

"Verification" shall have the meaning contained in clause 9(c) of the definition of "Authorized Investments."

ARTICLE II

GENERAL AUTHORIZATION AND BOND TERMS

Section 2.1. Amount, Issuance, Purpose and Nature of Bonds. Under and pursuant to the Act, the Bonds in the aggregate principal amount of $_____ shall be issued for the purposes of refunding the 2004 Bonds, funding the Reserve Account and paying Costs of Issuance. The Bonds shall be and are limited obligations of the District and shall be payable as to the principal thereof and interest thereon and any premiums upon the redemption thereof solely from the Net Taxes and the other amounts in the Special Tax Fund (other than amounts in the Administrative Expense Account of the Special Tax Fund).

Section 2.2. Type and Nature of Bonds. Neither the faith and credit nor the taxing power of the City, the State of California, or any political subdivision thereof other than the District is pledged to the payment of the Bonds. Except for the Special Taxes, no other taxes are pledged to the payment of the Bonds. The Bonds are neither general or special obligations of the City nor general obligations of the District, but are limited obligations of the District payable solely from certain amounts deposited by the District in the Special Tax Fund (exclusive of the Administrative Expense Account), as more fully described herein. The District's limited obligation to pay the principal of, premium, if any, and interest on the Bonds from amounts in the Special Tax Fund (exclusive of the Administrative Expense Account) is absolute and unconditional, free of deductions and without any abatement, offset, recoupment, diminution or set-off whatsoever. No Owner of the Bonds may compel the exercise of the taxing power by the District (except as pertains to the Special Taxes) or the City or the forfeiture of any of their property. The principal of and interest on the Bonds and premiums upon the redemption thereof, if any, are not a debt of the City, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory limitation or restriction. The Bonds are not a legal or equitable pledge, charge, lien, or encumbrance upon any of the District's property, or upon any of its income, receipts, revenues or assets, except the

Net Taxes and other amounts in the Special Tax Fund (exclusive of the Administrative Expense Account) which are, under the terms of this Indenture and the Act, set aside for the payment of the Bonds, and interest thereon, and neither the members of the legislative body of the District or the City Council of the City nor any persons executing the Bonds, are liable personally on the Bonds, by reason of their issuance.

Notwithstanding anything to the contrary contained in this Indenture, the District shall not be required to advance any money derived from any source of income other than the Net Taxes for the payment of the interest on or the principal of the Bonds, or for the performance of any covenants contained herein. The District may, however, advance funds for any such purpose, provided that such funds are derived from a source legally available for such purpose.

Section 2.3. Equality of Bonds and Pledge of Net Taxes. Pursuant to the Act and this Indenture, the Bonds shall be equally payable from the Net Taxes and other amounts in the Special Tax Fund (exclusive of the Administrative Expense Account), without priority for number, date of the Bonds, date of execution, or date of delivery, and the payment of the interest on and principal of the Bonds and any premiums upon the redemption thereof, shall be exclusively paid from the Net Taxes and other amounts in the Special Tax Fund (exclusive of the Administrative Expense Account), which are hereby set aside for the payment of the Bonds. Amounts in the Special Tax Fund (other than the Administrative Expense Account therein) shall constitute a trust fund held for the benefit of the Owners to be applied to the payment of the interest on and principal of the Bonds and, so long as any of the Bonds or interest thereon remain Outstanding, shall not be used for any other purpose, except as permitted by this Indenture or any Supplemental Indenture. Notwithstanding any provision contained in this Indenture to the contrary, Net Taxes deposited in the Rebate Fund and the Surplus Fund shall no longer be considered to be pledged to the Bonds, and none of the Rebate Fund, the Surplus Fund, the Costs of Issuance Fund or the Administrative Expense Account of the Special Tax Fund shall be construed as a trust fund held for the benefit of the Owners.

Section 2.4. Description of Bonds; Interest Rates. The Bonds shall be issued in fully registered form in denominations of $5,000 or any integral multiple thereof. The Bonds shall be numbered as desired by the Trustee.

The Bonds shall be designated "COMMUNITY FACILITIES DISTRICT NO. 2003-2 OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO) IMPROVEMENT AREA NO. 2 SPECIAL TAX REFUNDING BONDS, ISSUE OF 2015". The Bonds shall be dated as of their Delivery Date and shall mature and be payable on September 1 in the years and in the aggregate principal amounts and shall be subject to and shall bear interest at the rates set forth in the table below payable on September 1, 2015 and each Interest Payment Date thereafter:

Maturity Date (September 1)	*Principal Amount*	*Interest Rate*
	$	%

Interest shall be payable on each Bond from the date established in accordance with Section 2.5 below on each Interest Payment Date thereafter until the principal sum of that Bond has been paid; provided, however, that if at the maturity date of any Bond (or if the same is redeemable and shall be duly called for redemption, then at the date fixed for redemption) funds are available for the payment or redemption thereof in full, in accordance with the terms of this Indenture, such Bonds shall then cease to bear interest. Interest due on the Bonds shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

Section 2.5. Place and Form of Payment. The Bonds shall be payable both as to principal and interest, and as to any premiums upon the redemption thereof, in lawful money of the United States of America. The principal of the Bonds and any premiums due upon the redemption thereof shall be payable upon presentation and surrender thereof at the Principal Office of the Trustee, or at the designated office of any successor Trustee. Interest on any Bond shall be payable from the Interest Payment Date next preceding the date of authentication of that Bond, unless: (i) such date of authentication is an Interest Payment Date, in which event interest shall be payable from such date of authentication; (ii) the date of authentication is after a Record Date but prior to the immediately succeeding Interest Payment Date, in which event interest shall be payable from the Interest Payment Date immediately succeeding the date of authentication; or (iii) the date of authentication is prior to the close of business on the first Record Date occurring after the issuance of such Bond, in which event interest shall be payable from the dated date of such Bond; provided, however, that if at the time of authentication of such Bond, interest is in default, interest on that Bond shall be payable from the last Interest Payment Date to which the interest has been paid or made available for payment or, if no interest has been paid or made available for payment on that Bond, interest on that Bond shall be payable from its dated date. Interest on any Bond shall be paid to the person whose name shall appear in the Bond Register as the Owner of such Bond as of the close of business on the Record Date. Such interest shall be paid by check of the Trustee mailed by first class mail, postage prepaid, to such Bondowner at his or her address as it appears on the Bond Register. In addition, upon a request in writing received by the Trustee on or before the applicable Record Date from an Owner of $1,000,000 or more in principal amount of the Bonds, payment shall be made on the Interest Payment Date by wire transfer in immediately available funds to an account designated by such Owner.

Section 2.6. Form of Bonds. The definitive Bonds may be printed from steel engraved or lithographic plates or may be typewritten. The Bonds and the certificate of authentication shall be substantially in the form attached hereto as Exhibit A, which form is hereby approved and adopted as the form of such Bonds and of the certificate of authentication.

Until definitive Bonds shall be prepared, the District may cause to be executed and delivered in lieu of such definitive Bonds temporary bonds in typed, printed, lithographed or engraved form and in fully registered form, subject to the same provisions, limitations and conditions as are

applicable in the case of definitive Bonds, except that they may be in any denominations authorized by the District. Until exchanged for definitive Bonds, as applicable, any temporary bond shall be entitled and subject to the same benefits and provisions of this Indenture as definitive Bonds. If the District issues temporary Bonds, it shall execute and furnish definitive Bonds without unnecessary delay and thereupon any temporary Bond may be surrendered to the Trustee at its office, without expense to the Owner, in exchange for a definitive Bond of the same maturity, interest rate and principal amount in any authorized denomination. All temporary Bonds so surrendered shall be cancelled by the Trustee and shall not be reissued.

Section 2.7. Execution and Authentication. The Bonds shall be signed on behalf of the District by the manual or facsimile signature of the Mayor of the City Council of the City and countersigned by the manual or facsimile signature of the City Clerk of the City, or any duly appointed deputy City Clerk, in their capacity as officers of the District. In case any one or more of the officers who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed have been authenticated and delivered by the Trustee (including new Bonds delivered pursuant to the provisions hereof with reference to the transfer and exchange of Bonds or to lost, stolen, destroyed or mutilated Bonds), such Bonds shall nevertheless be valid and may be authenticated and delivered as herein provided, and may be issued as if the person who signed such Bonds had not ceased to hold such office.

Only the Bonds as shall bear thereon such certificate of authentication in the form set forth in Exhibit A attached hereto shall be entitled to any right or benefit under this Indenture, and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been signed by the Trustee.

Section 2.8. Bond Register. The Trustee will keep or cause to be kept, at its office, sufficient books for the registration and transfer of the Bonds which shall upon reasonable prior notice be open to inspection by the District during all regular business hours, and, subject to the limitations set forth in Section 2.9 below, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be transferred on said Bond Register Bonds as herein provided.

The District and the Trustee may treat the Owner of any Bond whose name appears on the Bond Register as the absolute Owner of that Bond for any and all purposes, and the District and the Trustee shall not be affected by any notice to the contrary. The District and the Trustee may rely on the address of the Bondowner as it appears in the Bond Register for any and all purposes. It shall be the duty of the Bondowner to give written notice to the Trustee of any change in the Bondowner's address so that the Bond Register may be revised accordingly.

Section 2.9. Registration of Exchange or Transfer. Subject to the limitations set forth in the following paragraph, the registration of any Bond may, in accordance with its terms, be transferred upon the Bond Register by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Bond for cancellation at the office of the Trustee, accompanied by delivery of written instrument of transfer in a form acceptable to the Trustee and duly executed by the Bondowner or his or her duly authorized attorney.

Bonds may be exchanged at the office of the Trustee for a like aggregate principal amount of Bonds for other authorized denominations of the same maturity. The Trustee shall not collect from the Owner any charge for any new Bond issued upon any exchange or transfer, but shall require the

Bondowner requesting such exchange or transfer to pay any tax or other governmental charge required to be paid with respect to such exchange or transfer. Whenever any Bonds shall be surrendered for registration of transfer or exchange, the District shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds of the same maturity, for a like aggregate principal amount; provided that the Trustee shall not be required to register transfers or make exchanges of: (i) Bonds for a period of 15 days next preceding any selection of the Bonds to be redeemed; or (ii) any Bonds chosen for redemption.

Section 2.10. Mutilated, Lost, Destroyed or Stolen Bonds. If any Bond shall become mutilated, the District shall execute, and the Trustee shall authenticate and deliver, a new Bond of like tenor, date and maturity in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled by the Trustee pursuant to Section 10.1 hereof. 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 is satisfactory to the Trustee and, if any indemnity satisfactory to the Trustee shall be given, the District shall execute and the Trustee shall authenticate and deliver, a new Bond of like tenor and maturity, numbered and dated as the Trustee shall determine in lieu of and in substitution for the Bond so lost, destroyed or stolen. Any Bond issued in lieu of any Bond alleged to be mutilated, lost, destroyed or stolen, shall be equally and proportionately entitled to the benefits hereof with all other Bonds issued hereunder. The Trustee shall not 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 executed, authenticated and delivered 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. Notwithstanding any other provision of this Section, in lieu of delivering a new Bond which has been mutilated, lost, destroyed or stolen, and which has matured, the Trustee may make payment with respect to such Bonds.

Section 2.11. Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be affected in any way by any defect in any proceedings taken by the District with respect to the issuance of the Bonds, and the recital contained in the Bonds that the same are issued pursuant to the Act and other applicable laws of the State shall be conclusive evidence of their validity and of the regularity of their issuance.

Section 2.12. Book-Entry System. The Bonds shall be initially delivered in the form of a separate single fully registered Bond (which may be typewritten) for each of the maturities of the Bonds. Upon initial delivery, the ownership of each such Bond shall be registered in the registration books kept by the Trustee in the name of the Nominee as nominee of the Depository. Except as provided in Section 2.14 hereof, all of the Outstanding Bonds shall be registered in the registration books kept by the Trustee in the name of the Nominee.

With respect to Bonds registered in the registration books kept by the Trustee in the name of the Nominee, the District and the Trustee shall have no responsibility or obligation to any such Participant or to any Person on behalf of which such a Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the District and the Trustee shall have no responsibility or obligation with respect to: (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other Person, other than an Owner as shown in the registration books kept by the Trustee, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository and its Participants of the beneficial interests in the Bonds to be

redeemed in the event the Bonds are redeemed in part, or (iv) the payment to any Participant or any other Person, other than an Owner as shown in the registration books kept by the Trustee, of any amount with respect to principal of, premium, if any, or interest due with respect to the Bonds. The District and the Trustee may treat and consider the Person in whose name each Bond is registered in the registration books kept by the Trustee as the holder and absolute owner of such Bond for the purpose of payment of the principal of, premium, if any, and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal of, premium, if any, and interest due on the Bonds only to or upon the order of the respective Owner, as shown in the registration books kept by the Trustee, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to satisfy and discharge fully the District's obligations with respect to payment of the principal, premium, if any, and interest due on the Bonds to the extent of the sum or sums so paid. No Person other than an Owner, as shown in the registration books kept by the Trustee, shall receive a Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant to this Indenture. Upon delivery by the Depository to the Trustee and the District of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word Nominee in this Indenture shall refer to such new nominee of the Depository.

Section 2.13. Representation Letter. In order to qualify the Bonds which the District elects to register in the name of the Nominee for the Depository's book-entry system, an authorized representative of the District or the Trustee is hereby authorized to execute from time to time and deliver to such Depository the Representation Letter. The execution and delivery of the Representation Letter shall not in any way limit the provisions of Section 2.12 or in any other way impose upon the District or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Owners, as shown on the registration books kept by the Trustee. In addition to the execution and delivery of the Representation Letter, the Authorized Representatives of the District are hereby authorized to take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository's book-entry program.

Section 2.14. Transfers Outside Book-Entry System. In the event that: (i) the Depository determines not to continue to act as securities depository for the Bonds; or (ii) the District determines that the Depository shall no longer so act, then the District will discontinue the book-entry system with the Depository. If the District fails to identify another qualified securities depository to replace the Depository, then the Bonds so designated shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of the Nominee, but shall be registered in whatever name or names Persons transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 2.9 hereof.

Section 2.15. Payments to the Nominee. Notwithstanding any other provisions of this Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal, premium, if any, and interest due with respect to such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository.

Section 2.16. Initial Depository and Nominee. The initial Depository under this Article II shall be The Depository Trust Company, New York, New York. The initial Nominee shall be Cede & Co., as Nominee of The Depository Trust Company, New York, New York.

ARTICLE III

CREATION OF FUNDS AND APPLICATION OF PROCEEDS

Section 3.1. Creation of Funds; Application of Proceeds.

(a) There are hereby created and established and shall be maintained by the Trustee the following funds and accounts:

(1) The Community Facilities District No. 2003-2 Special Tax Fund (the "Special Tax Fund") (in which there shall be established and created an Interest Account, a Principal Account, a Redemption Account, a Reserve Account and an Administrative Expense Account).

(2) The Community Facilities District No. 2003-2 Rebate Fund (the "Rebate Fund") (in which there shall be established a Rebate Account and an Alternative Penalty Account).

(3) The Community Facilities District No. 2003-2 Costs of Issuance Fund (the "Costs of Issuance Fund").

(4) The Community Facilities District No. 2003-2 Surplus Fund (the "Surplus Fund").

The amounts on deposit in the foregoing funds and accounts shall be held by the Trustee and the Trustee shall invest and disburse the amounts in such funds and accounts in accordance with the provisions of this Article III and shall disburse investment earnings thereon in accordance with the provisions of Section 3.10 hereof.

The Trustee, at the direction of an Authorized Representative of the City, may create new funds, accounts or subaccounts, or may create additional accounts within any of the foregoing funds and accounts.

(b) The proceeds of the sale of the Bonds shall be received by the Trustee on behalf of the District and deposited and transferred as follows:

(1) $_____ shall be deposited to the Costs of Issuance Fund to pay the Costs of Issuance of the Bonds;

(2) $_____ shall be deposited to the Reserve Account of the Special Tax Fund to fund the Reserve Requirement; and

(3) $_____ shall be transferred to the Escrow Bank for deposit in the Escrow Fund.

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

Section 3.2. Deposits to and Disbursements from Special Tax Fund.

(a) Except for Prepayments which shall be deposited to the Redemption Account as specified in a Certificate of an Authorized Representative, the Trustee shall, on each date on which

the Special Taxes are received from the District, deposit the Special Taxes in the Special Tax Fund to be held in trust for the Owners. The Trustee shall transfer the Special Taxes on deposit in the Special Tax Fund on the dates and in the amounts set forth in the following Sections, in the following order of priority, to:

(1) the Administrative Expense Account of the Special Tax Fund;

(2) the Interest Account of the Special Tax Fund;

(3) the Principal Account of the Special Tax Fund;

(4) the Redemption Account of the Special Tax Fund;

(5) the Reserve Account of the Special Tax Fund;

(6) the Rebate Fund; and

(7) the Surplus Fund.

(b) At maturity of all of the Bonds and, after all principal and interest then due on the Bonds then Outstanding has been paid or provided for and any amounts owed to the Trustee have been paid in full, moneys in the Special Tax Fund and any accounts therein may be used by the District for any lawful purpose.

Section 3.3. Administrative Expense Account of the Special Tax Fund. The Trustee shall transfer from the Special Tax Fund and deposit in the Administrative Expense Account of the Special Tax Fund from time to time amounts necessary to make timely payment of Administrative Expenses as set forth in a Certificate of an Authorized Representative of the District; provided, however, that, except as set forth in the following sentence, the total amount transferred in a Bond Year shall not exceed the Administrative Expenses Cap until such time as there has been deposited to the Interest Account and the Principal Account an amount, together with any amounts already on deposit therein, that is sufficient to pay the interest and principal on all Bonds due in such Bond Year and to restore the Reserve Account to the Reserve Requirement. Notwithstanding the foregoing, amounts in excess of the Administrative Expenses Cap may be transferred to the Administrative Expense Account to the extent necessary to collect delinquent Special Taxes. Moneys in the Administrative Expense Account of the Special Tax Fund shall be invested in any Authorized Investments as directed in writing by an Authorized Representative of the District and shall be disbursed as directed in a Certificate of an Authorized Representative.

Section 3.4. Interest Account and Principal Account of the Special Tax Fund. The principal of and interest due on the Bonds until maturity, other than principal due upon redemption, shall be paid by the Trustee from the Principal Account and the Interest Account of the Special Tax Fund, respectively. For the purpose of assuring that the payment of principal of and interest on the Bonds will be made when due, after making the transfer required by Section 3.3, at least one Business Day prior to each March 1 and September 1, the Trustee shall make the following transfers from the Special Tax Fund, first to the Interest Account and then to the Principal Account; provided that, if amounts in the Special Tax Fund (exclusive of the Reserve Account) are inadequate to make the foregoing transfers, then any deficiency shall be made up by transfers from the Reserve Account:

(a) To the Interest Account, an amount such that the balance in the Interest Account one Business Day prior to each Interest Payment Date shall be equal to the installment of interest due on the Bonds on said Interest Payment Date and any installment of interest due on a previous Interest Payment Date which remains unpaid. Moneys in the Interest Account shall be used for the payment of interest on the Bonds as the same become due.

(b) To the Principal Account, an amount such that the balance in the Principal Account one Business Day prior to September 1 of each year, commencing September 1, 2015, shall equal the principal payment due on the Bonds maturing on such September 1 and any principal payment due on a previous September 1 which remains unpaid. Moneys in the Principal Account shall be used for the payment of the principal of such Bonds as the same become due at maturity.

Section 3.5. Redemption Account of the Special Tax Fund.

(a) Prepayments deposited to the Redemption Account, along with any amounts that an Authorized Officer of the District directs to be transferred from the Reserve Account to the Redemption Account in connection with any Prepayments, shall be applied on the redemption date established pursuant to Section 4.1 hereof for the use of such Prepayments to the payment of the principal of, premium, and interest on the Bonds to be redeemed with such Prepayments; provided that amounts shall be transferred from the Reserve Account only if immediately following such redemption the amount in the Reserve Account will meet the Reserve Requirement.

(b) Moneys set aside in the Redemption Account shall be used solely for the purpose of redeeming Bonds and shall be applied on or after the redemption date to the payment of principal of and premium, if any, on the Bonds to be redeemed upon presentation and surrender of such Bonds and in the case of an extraordinary redemption from Prepayments to pay the interest thereon; provided, however, that in lieu or partially in lieu of such call and redemption, moneys deposited in the Redemption Account may be used to purchase Outstanding Bonds in the manner hereinafter provided. Purchases of Outstanding Bonds may be made by the District at public or private sale as and when and at such prices as the District may in its discretion determine but only at prices (including brokerage or other expenses) not more than par plus accrued interest, plus, in the case of moneys set aside for an extraordinary redemption, the premium applicable at the next following call date according to the premium schedule established pursuant to Section 4.1 hereof. Any accrued interest payable upon the purchase of Bonds may be paid from the amount reserved in the Interest Account of the Special Tax Fund for the payment of interest on the next following Interest Payment Date.

Section 3.6. Reserve Account of the Special Tax Fund. There shall be maintained in the Reserve Account of the Special Tax Fund an amount equal to the Reserve Requirement; provided that the amount shall never exceed the amount of the initial Reserve Requirement. The amounts in the Reserve Account shall be applied as follows:

(a) Moneys in the Reserve Account shall be used solely for the purpose of paying the principal of and interest on the Bonds when due in the event that the moneys in the Interest Account and the Principal Account of the Special Tax Fund are insufficient therefor and for the purpose of making any required transfer to the Rebate Fund pursuant to Section 3.7 hereof upon written direction from the District. If the amounts in the Interest Account or the Principal Account of the Special Tax Fund are insufficient to pay the principal of or interest on any Bonds when due, or amounts in the Special Tax Fund are insufficient to make transfers to the Rebate Fund when required,

the Trustee shall withdraw from the Reserve Account for deposit in the Interest Account or the Principal Account of the Special Tax Fund or the Rebate Fund, as applicable, moneys necessary for such purposes.

(b) Whenever moneys are withdrawn from the Reserve Account, after making the required transfers referred to in Sections 3.3, 3.4 and 3.5 above, the Trustee shall transfer to the Reserve Account from available moneys in the Special Tax Fund, or from any other legally available funds which the District elects to apply to such purpose, the amount needed to restore the amount of such Reserve Account to the Reserve Requirement. Moneys in the Special Tax Fund shall be deemed available for transfer to the Reserve Account only if the Trustee determines that such amounts will not be needed to make the deposits required to be made to the Administrative Expense Account, the Interest Account, the Principal Account or the Redemption Account of the Special Tax Fund on or before the next September 1. If amounts in the Special Tax Fund together with any other amounts transferred to replenish the Reserve Account are inadequate to restore the Reserve Account to the Reserve Requirement, then the District shall include the amount necessary to restore the Reserve Account to the Reserve Requirement in the next annual Special Tax levy to the extent of the maximum permitted Special Tax rates.

(c) In connection with a redemption of Bonds pursuant to Section 4.1, or a defeasance of Bonds in accordance with Section 9.1, amounts in the Reserve Account may be applied to such redemption or defeasance so long as the amount on deposit in the Reserve Account following such redemption or any partial defeasance equals the Reserve Requirement. The District shall set forth in a Certificate of an Authorized Representative the amount in the Reserve Account to be transferred to the Redemption Account on a redemption date or to be transferred pursuant to this Indenture to partially defease Bonds, and the Trustee shall make such transfer on the applicable redemption or defeasance date, subject to the limitation in the preceding sentence.

(d) To the extent that the Reserve Account is at the Reserve Requirement as of the first day of the final Bond Year for the Bonds, amounts in the Reserve Account may be applied to pay the principal of and interest due on the Bonds in the final Bond Year for such issue. Moneys in the Reserve Account in excess of the Reserve Requirement not transferred in accordance with the preceding provisions of this section shall be withdrawn from the Reserve Account on the Business Day before each March 1 and September 1 and shall be transferred to the Interest Account of the Special Tax Fund.

Section 3.7. Rebate Fund.

(a) Establishment. The Trustee shall establish and maintain a fund separate from any other fund established and maintained hereunder designated as the Rebate Fund and shall establish a separate Rebate Account and Alternative Penalty Account therein. The District shall cause to be deposited in the Rebate Fund such amounts as required under the Tax Certificate. All money at any time deposited in the Rebate Account or the Alternative Penalty Account of the Rebate Fund shall be held by the Trustee in trust, for payment to the United States Treasury. All amounts on deposit in the Rebate Fund shall be governed by this Section 3.7 and the Tax Certificate.

Without limiting the generality of the foregoing, the District agrees that there shall be paid from time to time all amounts required to be rebated to the United States pursuant to Section 148(f) of the Code and any temporary, proposed or final treasury regulations as may be applicable to the Bonds from time to time, which the District covenants to pay or cause to be paid to the United States

at the times and in the amounts determined under the Tax Certificate. The Trustee agrees to comply with all instructions given to it by the District in accordance with this covenant. The Trustee shall conclusively be deemed to have complied with the provisions of this Section 3.7 if it follows the instructions of the District and shall not be required to take any actions hereunder in the absence of instructions from the District.

(b) Disposition of Unexpended Funds. Any funds remaining in the Accounts of the Rebate Fund with respect to the Bonds after payment in full of such issue and after making the payments required to comply with this Section 3.7 and the Tax Certificate may be withdrawn by the Trustee at the written direction of the District and utilized in any manner by the District.

(c) Survival of Defeasance and Final Payment. Notwithstanding anything in this Section or this Indenture to the contrary, the obligation to comply with the requirements of this Section shall survive the defeasance and final payment of the Bonds.

(d) Amendment Without Consent of Owners. This Section 3.7 may be deleted or amended in any manner without the consent of the Owners, provided that prior to such event there is delivered to the District an opinion of Bond Counsel to the effect that such deletion or amendment will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds issued on a tax-exempt basis. Notwithstanding any provision of this Section, if the District shall provide to the Trustee an opinion of a nationally recognized bond or tax counsel that any specified action required under this Section 3.7 is no longer required or that some further or different action is required to maintain the tax-exempt status of interest on the Bonds, the Trustee and the District may conclusively rely on such opinion in complying with the requirements of this Section, and the covenants hereunder shall be deemed to be modified to that extent.

Section 3.8. Surplus Fund. After making the transfers required by Sections 3.3, 3.4, 3.5, 3.6 and 3.7 hereof, as soon as practicable after each September 1, and in any event prior to each October 1, the Trustee shall transfer all remaining amounts in the Special Tax Fund to the Surplus Fund, unless on or prior to such date, it has received a Certificate of an Authorized Representative directing that certain amounts be retained in the Special Tax Fund because the District has included such amounts as being available in the Special Tax Fund in calculating the amount of the levy of Special Taxes for such Fiscal Year pursuant to Section 5.2(b) hereof. Moneys deposited in the Surplus Fund will be transferred by the Trustee at the direction of an Authorized Representative of the District: (i) to the Interest Account or the Principal Account of the Special Tax Fund to pay the principal of and interest on the Bonds when due in the event that moneys in the Special Tax Fund and the Reserve Account of the Special Tax Fund are insufficient therefor; (ii) to the Reserve Account in order to replenish the Reserve Account to the Reserve Requirement; (iii) to the Administrative Expense Account of the Special Tax Fund to pay Administrative Expenses to the extent that the amounts on deposit in the Administrative Expense Account of the Special Tax Fund are insufficient to pay Administrative Expenses; or (iv) for any other lawful purpose of the District.

The amounts in the Surplus Fund are not pledged to the repayment of the Bonds and may be used by the District for any lawful purpose. In the event that the District reasonably expects to use any portion of the moneys in the Surplus Fund to pay debt service on any Outstanding Bonds, the District will notify the Trustee in a Certificate of an Authorized Representative and the Trustee will segregate such amount into a separate subaccount and the moneys on deposit in such subaccount of the Surplus Fund shall be invested at the written direction of the District in Authorized Investments the interest on which is excludable from gross income under Section 103 of the Code (other than

bonds the interest on which is a tax preference item for purposes of computing the alternative minimum tax of individuals and corporations under the Code) or in Authorized Investments at a yield not in excess of the yield on the issue of Bonds, unless, in the opinion of Bond Counsel, investment at a higher yield will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Section 3.9. Costs of Issuance Fund.

(a) The moneys in the Costs of Issuance Fund shall be disbursed by the Trustee pursuant to a Certificate of an Authorized Representative of the District to pay Costs of Issuance.

(b) Upon receipt of a Certificate of an Authorized Representative of the District stating that all or a specified portion of the amount remaining in the Costs of Issuance Fund is no longer needed to pay Costs of Issuance, the Trustee shall transfer all or such specified portion, as applicable, of the moneys remaining on deposit in the Costs of Issuance Fund to the Interest Account of the Special Tax Fund. On the date which is six months after the date of issuance of the Bonds, all amounts remaining in the Costs of Issuance Fund shall be transferred to the Interest Account of the Special Tax Fund and the Costs of Issuance Fund shall be closed.

Section 3.10. Investments. Moneys held in any of the Funds and Accounts under this Indenture shall be invested at the written direction of the District in accordance with the limitations set forth below only in Authorized Investments, which shall be deemed at all times to be a part of such Funds and Accounts. Any loss resulting from such Authorized Investments shall be credited or charged to the Fund or Account from which such investment was made, and any investment earnings on a Fund or Account shall be applied as follows: (i) investment earnings on all amounts deposited in the Costs of Issuance Fund, the Special Tax Fund, the Surplus Fund and the Rebate Fund and each Account therein (other than the Reserve Account of the Special Tax Fund) shall be deposited in those respective Funds and Accounts; and (ii) investment earnings on all amounts deposited in the Reserve Account shall be deposited therein to be applied as set forth in Section 3.6. Moneys in the Funds and Accounts held under this Indenture shall be invested by the Trustee as directed in writing by the District, from time to time, in Authorized Investments subject to the following restrictions:

(a) Moneys in the Costs of Issuance Fund shall be invested in Authorized Investments which will by their terms mature, or in the case of an Investment Agreement are available without penalty, as close as practicable to the date the District estimates the moneys represented by the particular investment will be needed for withdrawal from the Costs of Issuance Fund.

(b) Moneys in the Interest Account, the Principal Account and the Redemption Account of the Special Tax Fund shall be invested only in Authorized Investments which will by their terms mature, or in the case of an Investment Agreement are available for withdrawal without penalty, on such dates so as to ensure the payment of principal of, premium, if any, and interest on the Bonds as the same become due.

(c) Moneys in the Reserve Account of the Special Tax Fund may be invested only in Authorized Investments; provided that no such Authorized Investment of amounts in the Reserve Account shall mature later than the final maturity date of the Bonds.

(d) Moneys in the Rebate Fund shall be invested only in Authorized Investments of the type described in clause (1) of the definition thereof which by their terms will mature, as nearly as

practicable, on the dates such amounts are needed to be paid to the United States Government pursuant to Section 3.7 hereof or in Authorized Investments of the type described in clause (7) of the definition thereof.

(e) In the absence of written investment directions from the District, the Trustee shall invest solely in Authorized Investments specified in clause (7) of the definition thereof.

The Trustee shall sell, or present for redemption, any Authorized Investment whenever it may be necessary to do so in order to provide moneys to meet any payment or transfer to such Funds and Accounts or from such Funds and Accounts. For the purpose of determining at any given time the balance in any such Funds and Accounts, any such investments constituting a part of such Funds and Accounts shall be valued at their cost, except that amounts in the Reserve Account shall be valued at the market value thereof at least annually on or before each September 1. In making any valuations hereunder, the Trustee may utilize such computerized securities pricing services as may be available to it, including, without limitation, those available through its regular accounting system, and conclusively rely thereon. Notwithstanding anything herein to the contrary, the Trustee shall not be responsible for any loss from investments, sales or transfers undertaken in accordance with the provisions of this Indenture.

The Trustee may act as agent in the making or disposing of any investment and shall be entitled to its customary fee for making such investment. The Trustee may sell at the best market price obtainable, or present for redemption, any Authorized Investment so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Authorized Investment is credited, and, subject to the provisions of Section 7.4, the Trustee shall not be liable or responsible for any loss resulting from such investment. For investment purposes, the Trustee may commingle the funds and accounts established hereunder, but shall account for each separately.

The District acknowledges that, to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the District periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.1. Optional Redemption.

The Bonds maturing on or after September 1, 20__ may be redeemed, at the option of the District from any source of funds on any date on or after September 1, 20__, in whole, or in part from such maturities as are selected by the District and by lot within a maturity, at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

Section 4.2. Mandatory Sinking Fund Redemption.

The Bonds maturing on September 1, 20__ (the "Term Bonds") will be called before maturity and redeemed, from the sinking fund payments that have been deposited into the Redemption Account established by the Indenture, on September 1, 20__, and on each September 1 thereafter prior to maturity, in accordance with the schedule of sinking fund payments set forth below. The Term Bonds so called for redemption shall be selected by the Trustee by lot and shall be redeemed at a redemption price for each redeemed Term Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

Term Bonds Maturing September 1, 20__

Year	Amount
20__	$
20__ (Maturity)	

In the event of a partial optional redemption or extraordinary mandatory redemption of the Term Bonds, each of the remaining sinking fund payments for such Term Bonds, as applicable, will be reduced, as nearly as practicable, on a pro rata basis, in integral multiples of $5,000.

Section 4.3. Extraordinary Redemption of Bonds.

The Bonds are subject to extraordinary redemption as a whole, or in part on a pro rata basis among maturities, on any date, on or after September 1, 20__, and shall be redeemed by the Trustee, from Prepayments of Special Taxes deposited to the Redemption Account pursuant to Section 3.2, plus amounts transferred from the Reserve Account pursuant to Section 3.6(c), at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the redemption date, without premium.

Section 4.4. Selection of Bonds for Redemption. If less than all of the Bonds Outstanding are to be redeemed, the portion of any Bond of a denomination of more than $5,000 to be redeemed shall be in the principal amount of $5,000 or an integral multiple thereof. In selecting portions of such Bonds for redemption, the Trustee shall treat such Bonds as representing that number of Bonds of $5,000 denominations which is obtained by dividing the principal amount of such Bonds to be redeemed in part by $5,000. The Trustee shall promptly notify the District in writing of the Bonds, or portions thereof, selected for redemption.

Section 4.5. Notice of Redemption. When Bonds are due for redemption under Section 4.1 above, the Trustee shall give notice, in the name of the District, of the redemption of such Bonds; provided, however, that such notice for optional redemption may be conditioned on there being on deposit on the redemption date sufficient money to pay the redemption price of the Bonds to be redeemed and may be further conditioned as stated in the notice of redemption. If any condition stated in the redemption notice shall not have been satisfied on or prior to the redemption date: (a) the redemption notice shall be of no force and effect; (b) the District shall not be required to redeem such Bonds; (c) the redemption shall not be made; and (d) the Trustee shall within a reasonable time thereafter give notice to the persons in the manner in which the conditional redemption notice was given that such condition or conditions were not met and that the redemption was canceled.

Such notice of redemption shall: (i) specify the CUSIP numbers (if any), the bond numbers and the maturity date or dates of the Bonds selected for redemption, except that where all of the

Bonds are subject to redemption, or all the Bonds of one maturity, are to be redeemed, the bond numbers of such issue need not be specified; (ii) state the date fixed for redemption and surrender of the Bonds to be redeemed; (iii) state the redemption price; (iv) state the place or places where the Bonds are to be redeemed; (v) in the case of Bonds to be redeemed only in part, state the portion of such Bond which is to be redeemed; (vi) state the date of issue of the Bonds as originally issued; (vii) state the rate of interest borne by each Bond being redeemed; and (viii) state any other descriptive information needed to identify accurately the Bonds being redeemed as shall be specified by the Trustee. Such notice shall further state that on the date fixed for redemption, there shall become due and payable on each Bond or portion thereof called for redemption, the principal thereof, together with any premium, and interest accrued to the redemption date, and that from and after such date, interest thereon shall cease to accrue and be payable. At least 30 days but no more than 45 days prior to the redemption date, the Trustee shall mail a copy of such notice, by first class mail, postage prepaid, to the respective Owners thereof at their addresses appearing on the Bond Register, and to the original purchaser of the Bonds. The actual receipt by the Owner of any Bond or the original purchaser of any Bond of notice of such redemption shall not be a condition precedent to redemption, and neither the failure to receive nor any defect in such notice shall affect the validity of the proceedings for the redemption of such Bonds, or the cessation of interest on the redemption date. A certificate by the Trustee that notice of such redemption has been given as herein provided shall be conclusive as against all parties and the Owner shall not be entitled to show that he or she failed to receive notice of such redemption.

In addition to the foregoing notice, further notice shall be given by the Trustee as set out below, but no defect or omission in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the legality or effectiveness of a call for redemption if notice thereof is given as above prescribed.

Each further notice of redemption shall be sent not later than the date that notice of redemption is mailed to the Bondowners pursuant to the first paragraph of this Section by registered or certified mail or overnight delivery service to the Depository and to any other registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds as determined by the Trustee and to one or more of the national information services that the District determines are in the business of disseminating notice of redemption of obligations such as the Bonds.

Upon the payment of the redemption price of any Bonds being redeemed, each check or other transfer of funds issued for such purpose shall to the extent practicable bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Section 4.6. Partial Redemption of Bonds. Upon surrender of any Bond to be redeemed in part only, the District shall execute and the Trustee shall authenticate and deliver to the Bondowner, at the expense of the District, a new Bond or Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered, with the same interest rate and the same maturity.

Section 4.7. Effect of Notice and Availability of Redemption Money. Notice of redemption having been duly given, as provided in Section 4.3 hereof, and the amount necessary for the redemption having been made available for that purpose and being available therefor on the date fixed for such redemption:

(a) the Bonds, or portions thereof, designated for redemption shall, on the date fixed for redemption, become due and payable at the redemption price thereof as provided in this Indenture, anything in this Indenture or in the Bonds to the contrary notwithstanding;

(b) upon presentation and surrender thereof at the office of the Trustee, the redemption price of such Bonds shall be paid to the Owners thereof;

(c) as of the redemption date the Bonds, or portions thereof so designated for redemption, shall be deemed to be no longer Outstanding and such Bonds, or portions thereof, shall cease to bear further interest; and

(d) as of the date fixed for redemption no Owner of any of the Bonds, or portions thereof so designated for redemption, shall be entitled to any of the benefits of this Indenture or any Supplemental Indenture, or to any other rights, except with respect to payment of the redemption price and interest accrued to the redemption date from the amounts so made available.

ARTICLE V

COVENANTS AND WARRANTY

Section 5.1. Warranty. The District warrants that it shall preserve and protect the security pledged hereunder to the Bonds against all claims and demands of all persons.

Section 5.2. Covenants. So long as any of the Bonds issued hereunder are Outstanding and unpaid, the District makes the following covenants with the Bondowners under the provisions of the Act and this Indenture (to be performed by the District or its proper officers, agents or employees), which covenants are necessary and desirable to secure the Bonds and tend to make them more marketable; provided, however, that said covenants do not require the District to expend any funds or moneys other than the Special Taxes and other amounts deposited to the Special Tax Fund:

(a) Punctual Payment; Against Encumbrances. The District covenants that it will receive all Special Taxes in trust for the Owners and will instruct the Authorized Representatives of the District to deposit all Special Taxes with the Trustee as soon as reasonably practicable following their apportionment to the District, and the District shall have no beneficial right or interest in the amounts so deposited except as provided by this Indenture. All such Special Taxes shall be disbursed, allocated and applied solely to the uses and purposes set forth herein, and shall be accounted for separately and apart from all other money, funds, accounts or other resources of the District.

The District covenants that it will duly and punctually pay or cause to be paid the principal of and interest on every Bond issued hereunder, together with the premium, if any, thereon on the date, at the place and in the manner set forth in the Bonds and in accordance with this Indenture to the extent that Net Taxes and other amounts pledged hereunder are available therefor, and that the payments into the Funds and Accounts created hereunder will be made, all in strict conformity with the terms of the Bonds and this Indenture, and that it will faithfully observe and perform all of the conditions, covenants and requirements of this Indenture and all Supplemental Indentures and of the Bonds issued hereunder.

The District will not mortgage or otherwise encumber, pledge or place any charge upon any of the Special Taxes except as provided in this Indenture, and will not issue any obligation or security having a lien or charge upon the Special Taxes other than the Bonds.

(b) Levy of Special Tax. Beginning in Fiscal Year 2015-16 and so long as any Bonds are Outstanding, the legislative body of the District covenants to levy the Special Tax in an amount sufficient, together with other amounts on deposit in the Special Tax Fund, to pay: (1) the principal of and interest on the Bonds when due; (2) the Administrative Expenses; and (3) any amounts required to replenish the Reserve Account of the Special Tax Fund to the Reserve Requirement. The District further covenants that it will take no actions that would discontinue or cause the discontinuance of the Special Tax levy or the District's authority to levy the Special Tax for so long as the Bonds are Outstanding.

(c) Commence Foreclosure Proceedings. The District covenants for the benefit of the Owners of the Bonds that it: (1) will commence judicial foreclosure proceedings against parcels with delinquent Special Taxes in excess of $10,000 by the October 1 following the close of each Fiscal Year in which such Special Taxes were due; (2) will commence judicial foreclosure proceedings against all parcels with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than 95% of the total Special Tax levied and the amount on deposit in the Reserve Account is at less than the Reserve Requirement; and (3) will diligently pursue such foreclosure proceedings until the delinquent Special Taxes are paid.

The District covenants that it will deposit the net proceeds of any foreclosure in the Special Tax Fund and will apply such proceeds remaining after the payment of Administrative Expenses to make current payments of principal and interest on the Bonds, to bring the amount on deposit in the Reserve Account up to the Reserve Requirement and to pay any delinquent installments of principal or interest due on the Bonds.

(d) Payment of Claims. The District will pay and discharge any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the Net Taxes or other funds in the Special Tax Fund (other than the Administrative Expense Account therein), or which might impair the security of the Bonds then Outstanding; provided, however, that nothing herein contained shall require the District to make any such payments so long as the District in good faith shall contest the validity of any such claims.

(e) Books and Accounts. The District will keep proper books of records and accounts, separate from all other records and accounts of the District, in which complete and correct entries shall be made of all transactions relating to the improvements constructed with the proceeds of bonded indebtedness issued by the District, the levy of the Special Tax and the deposits to the Special Tax Fund. Such books of records and accounts shall at all times during business hours be subject to the inspection of the Trustee or of the Owners of not less than 10% of the principal amount of the Bonds then Outstanding or their representatives authorized in writing.

(f) Federal Tax Covenants. Notwithstanding any other provision of this Indenture, absent an opinion of Bond Counsel that the exclusion from gross income of interest on the Bonds will not be adversely affected for federal income tax purposes, the District covenants to comply with all applicable requirements of the Code necessary to preserve such exclusion from gross income and specifically covenants, without limiting the generality of the foregoing, as follows:

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

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

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

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

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

(6) Miscellaneous. The District will take no action or refrain from taking any action inconsistent with its expectations stated in the Tax Certificate executed on the Delivery Date by the District in connection with the Bonds and will comply with the covenants and requirements stated therein and incorporated by reference herein.

(7) Other Tax Exempt Issues. The District will not use proceeds of other tax exempt securities to redeem any Bonds without first obtaining the written opinion of Bond Counsel that doing so will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds.

(g) Reduction of Maximum Special Taxes. The District hereby finds and determines that, historically, delinquencies in the payment of special taxes authorized pursuant to the Act in community facilities districts in Southern California have from time to time been at levels requiring the levy of special taxes at the maximum authorized rates in order to make timely payment of principal of and interest on the outstanding indebtedness of such community facilities districts. For this reason, the District hereby determines that a reduction in the maximum Special Tax rates authorized to be levied on parcels in the District below the levels provided in this Section 5.2(g) would interfere with the timely retirement of the Bonds. The District determines it to be necessary in order to preserve the security for the Bonds to covenant, and, to the maximum extent that the law permits it to do so, the District hereby does covenant, that it shall not initiate proceedings to reduce the maximum Special Tax rates for the District, unless, in connection therewith: (1) the District receives a certificate from one or more Independent Financial Consultants which, when taken together, certify that such changes do not reduce the maximum Special Taxes that may be levied in each year on Developed Property within the District to an amount which is less than 110% of the Annual Debt Service due in each corresponding future Bond Year with respect to the Bonds

Outstanding as of the date of such proposed reduction; and (2) the District is not delinquent in the payment of the principal of or interest on the Bonds. For purposes of estimating Administrative Expenses for the foregoing calculation, the Independent Financial Consultants shall compute the Administrative Expenses for the current Fiscal Year and escalate that amount by two percent (2%) in each subsequent Fiscal Year.

(h) Covenants to Defend. The District covenants that, in the event that any initiative is adopted by the qualified electors in the District which purports to reduce the maximum Special Tax below the levels specified in Section 5.2(g) above or to limit the power of the District to levy the Special Taxes for the purposes set forth in Section 5.2(b) above, it will commence and pursue legal action in order to preserve its ability to comply with such covenants.

(i) Limitation on Right to Tender Bonds. The District hereby covenants that it will not adopt any policy pursuant to Section 53341.1 of the Act permitting the tender of Bonds in full payment or partial payment of any Special Taxes unless the District shall have first received a certificate from an Independent Financial Consultant that the acceptance of such a tender will not result in the District having insufficient Special Tax revenues to pay the principal of and interest on the Bonds when due.

(j) Continuing Disclosure. The District covenants to comply with the terms of the Continuing Disclosure Agreement and with the terms of any other agreement executed by the District with respect to any Bonds to assist the Underwriters in complying with Rule 15(c)2-12 adopted by the Securities and Exchange Commission.

(k) Further Assurances. The District shall make, execute and deliver any and all such further agreements, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture and for the better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Resolution.

ARTICLE VI

AMENDMENTS TO INDENTURE

Section 6.1. Supplemental Indentures or Orders Not Requiring Bondowner Consent. The District may from time to time, and at any time, without notice to or consent of any of the Bondowners, adopt Supplemental Indentures for any of the following purposes:

(a) to cure any ambiguity, to correct or supplement any provisions herein which may be inconsistent with any other provision herein, or to make any other provision with respect to matters or questions arising under this Indenture or in any additional resolution or order, provided that such action is not materially adverse to the interests of the Bondowners;

(b) to add to the covenants and agreements of and the limitations and the restrictions upon the District contained in this Indenture, other covenants, agreements, limitations and restrictions to be observed by the District which are not contrary to or inconsistent with this Indenture as theretofore in effect or which further secure Bond payments;

(c) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute

hereafter in effect, or to comply with the Code or regulations issued thereunder, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute, and which shall not materially adversely affect the interests of the Owners of the Bonds then Outstanding;

(d) to modify, alter or amend the RMA in any manner, so long as the Trustee receives a certificate of an Independent Financial Consultant stating that such changes do not reduce the maximum Special Taxes that may be levied in each year on Developed Property within the District to an amount which is less than 110% of the Annual Debt Service due in each corresponding future Bond Year with respect to the Bonds Outstanding as of the date of such amendment; or

(e) to modify, alter, amend or supplement this Indenture in any other respect which is not materially adverse to the Bondowners.

Section 6.2. Supplemental Indentures or Orders Requiring Bondowner Consent. Exclusive of the Supplemental Indentures described in Section 6.1, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding shall have the right to consent to and approve the adoption by the District of such Supplemental Indentures as shall be deemed necessary or desirable by the District for the purpose of waiving, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture; provided, however, that nothing herein shall permit, or be construed as permitting: (a) an extension of the maturity date of the principal, or the payment date of interest on, any Bond; (b) a reduction in the principal amount of, or redemption premium on, any Bond or the rate of interest thereon; (c) a preference or priority of any Bond over any other Bond; or (d) a reduction in the aggregate principal amount of the Bonds the Owners of which are required to consent to such Supplemental Indenture, without the consent of the Owners of all Bonds then Outstanding.

If at any time the District shall desire to adopt a Supplemental Indenture, which pursuant to the terms of this Section shall require the consent of the Bondowners, the District shall so notify the Trustee and shall deliver to the Trustee a copy of the proposed Supplemental Indenture. The Trustee shall, at the expense of the District, cause notice of the proposed Supplemental Indenture to be mailed, by first class mail, postage prepaid, to all Bondowners at their addresses as they appear in the Bond Register. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that a copy thereof is on file at the office of the Trustee for inspection by all Bondowners. The failure of any Bondowners to receive such notice shall not affect the validity of such Supplemental Indenture when consented to and approved by the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding as required by this Section. Whenever at any time within one year after the date of the first mailing of such notice, the Trustee shall receive an instrument or instruments purporting to be executed by the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding, which instrument or instruments shall refer to the proposed Supplemental Indenture described in such notice, and shall specifically consent to and approve the adoption thereof by the District substantially in the form of the copy referred to in such notice as on file with the Trustee, such proposed Supplemental Indenture, when duly adopted by the District, shall thereafter become a part of the proceedings for the issuance of the Bonds. In determining whether the Owners of a majority of the aggregate principal amount of the Bonds have consented to the adoption of any Supplemental Indenture, Bonds which are owned by the District or by any person directly or indirectly controlling or controlled by or under the direct or indirect common control with the District, shall be disregarded and shall be treated as though they were not Outstanding for the purpose of any such determination.

Upon the adoption of any Supplemental Indenture and the receipt of consent to any such Supplemental Indenture from the Owners of not less than a majority in aggregate principal amount of the Outstanding Bonds in instances where such consent is required pursuant to the provisions of this section, this Indenture shall be, and shall be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the District and all Owners of Outstanding Bonds shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

Section 6.3. Notation of Bonds; Delivery of Amended Bonds. After the effective date of any action taken as hereinabove provided, the District may determine that the Bonds may bear a notation, by endorsement in form approved by the District, as to such action, and in that case upon demand of the Owner of any Outstanding Bond at such effective date and presentation of his Bond for the purpose at the office of the Trustee or at such additional offices as the Trustee may select and designate for that purpose, a suitable notation as to such action shall be made on such Bonds. If the District shall so determine, new Bonds so modified as, in the opinion of the District, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the Owner of any Outstanding Bond at such effective date such new Bonds shall be exchanged at the office of the Trustee or at such additional offices as the Trustee may select and designate for that purpose, without cost to each Owner of Outstanding Bonds, upon surrender of such Outstanding Bonds.

ARTICLE VII

TRUSTEE

Section 7.1. Trustee. U.S. Bank National Association shall be the Trustee for the Bonds unless and until another Trustee is appointed by the District hereunder. The Trustee represents that it has a combined capital (exclusive of borrowed capital) and surplus of at least $100,000,000. The District may, at any time, appoint a successor Trustee satisfying the requirements of Section 7.2 below for the purpose of receiving all money which the District is required to deposit with the Trustee hereunder and to allocate, use and apply the same as provided in this Indenture.

The Trustee is hereby authorized to and shall mail by first class mail, postage prepaid, or wire transfer in accordance with Section 2.5 above, interest payments to the Bondowners, to select Bonds for redemption, and to maintain the Bond Register. The Trustee is hereby authorized to pay the principal of and premium, if any, on the Bonds when the same are duly presented to it for payment at maturity or on call and redemption, to provide for the registration of transfer and exchange of Bonds presented to it for such purposes, to provide for the cancellation of Bonds all as provided in this Indenture, and to provide for the authentication of Bonds, and shall perform all other duties assigned to or imposed on it as provided in this Indenture. The Trustee shall keep accurate records of all funds administered by it and all Bonds paid, discharged and cancelled by it.

The Trustee is hereby authorized to 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 in accordance with the provisions of Section 10.1 hereof.

The District shall from time to time, subject to any agreement between the District and the Trustee then in force, pay to the Trustee compensation for its services, reimburse the Trustee for all its advances and expenditures, including, but not limited to, advances to and fees and expenses of

independent accountants or counsel employed by it in the exercise and performance of its powers and duties hereunder, and indemnify and save the Trustee, its officers, directors, employees and agents, harmless against costs, claims, expenses and liabilities, including, without limitation, fees and expenses of its attorneys, not arising from its own negligence or willful misconduct which it may incur in the exercise and performance of its powers and duties hereunder. The foregoing obligation of the District to indemnify the Trustee shall survive the removal or resignation of the Trustee or the discharge of the Bonds.

The District shall indemnify and save the Trustee, its officers, directors, employees and agents, harmless against from and against all costs, claims, expenses and liabilities, including, without limitation, fees and expenses of its attorneys, not arising from its own negligence or willful misconduct which it may incur in the exercise and performance of its powers and duties hereunder. The foregoing obligation of the District to indemnify the Trustee shall survive the removal or resignation of the Trustee or the discharge of the Bonds.

The Trustee shall receive as compensation for its services hereunder only such fees as are set forth on the fee schedule attached as Exhibit B hereto, which fee schedule is incorporated herein, and the Trustee shall be entitled to be reimbursed by the District for its other reasonable expenses hereunder, including the reasonable compensation, expenses and disbursements of such agents, representatives, experts and counsel as the Trustee may employ in connection with the exercise and performance of its rights and its duties hereunder. All such fees and reimbursements shall be paid solely from amounts held in the Administrative Expense Account pursuant to a Certificate of an Authorized Representative.

Section 7.2. Removal of Trustee. The District may at any time at its sole discretion remove the Trustee initially appointed, and any successor thereto, by delivering to the Trustee a written notice of its decision to remove the Trustee and may appoint a successor or successors thereto; provided that any such successor shall be a bank or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least $100,000,000, and subject to supervision or examination by federal or state authority. Any removal shall become effective only upon acceptance of appointment by the successor Trustee. If any bank or trust company appointed as a successor publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section, the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. Any removal of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee and notice being sent by the successor Trustee to the Bondowners of the successor Trustee's identity and address.

Section 7.3. Resignation of Trustee. The Trustee may at any time resign by giving written notice to the District and by giving to the Owners notice of such resignation, which notice shall be mailed to the Owners at their addresses appearing in the registration books in the office of the Trustee. Upon receiving such notice of resignation, the District shall promptly appoint a successor Trustee satisfying the criteria in Section 7.2 above by an instrument in writing. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee.

Section 7.4. Liability of Trustee. The recitals of fact and all promises, covenants and agreements contained herein and in the Bonds shall be taken as statements, promises, covenants and

agreements of the District, and the Trustee assumes no responsibility for the correctness of the same and makes no representations as to the validity or sufficiency of this Indenture or, the Bonds, and shall incur no responsibility in respect thereof, other than in connection with its duties or obligations specifically set forth herein, in the Bonds, or in the certificate of authentication assigned to or imposed upon the Trustee. The Trustee shall be under no responsibility or duty with respect to the issuance of the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct.

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

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

Whenever in the administration of its duties under this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Trustee, be deemed to be conclusively proved and established by a written certificate of the District, and such certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The Trustee shall have no duty or obligation whatsoever to enforce the collection of Special Taxes or other funds to be deposited with it hereunder, or as to the correctness of any amounts received, but its liability shall be limited to the proper accounting for such funds as it shall actually receive. No provision in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of its rights or powers.

The Trustee shall not be deemed to have knowledge of any default or Event of Default until an officer at the Trustee's corporate trust office responsible for the administration of its duties hereunder shall have actual knowledge thereof or the Trustee shall have received written notice thereof at its corporate trust office.

The Trustee shall have no responsibility for, and makes no representations with respect to, any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds.

Section 7.5. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, shall be the successor to the

Trustee without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

ARTICLE VIII

EVENTS OF DEFAULT; REMEDIES

Section 8.1. Events of Default. Any one or more of the following events shall constitute an "Event of Default":

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

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

(c) except as described in clauses (a) or (b), default shall be made by the District in the observance of any of the agreements, conditions or covenants on its part contained in this Indenture, the Bonds, and such default shall have continued for a period of 30 days after the District shall have been given notice in writing of such default by the Trustee or the Owners of 25% in aggregate principal amount of the Outstanding Bonds; provided, however, that if in the reasonable opinion of the District the default stated in the notice can be corrected, but not within such 30 day period and corrective action is instituted by the District within such 30 day period and diligently pursued in good faith until the default is corrected, such default shall not be an Event of Default hereunder

The Trustee agrees to give notice to the Owners as soon as practicable upon the occurrence of an Event of Default under clauses (a) or (b) above and within 30 days of the Trustee's knowledge of an Event of Default under clause (c) above.

Section 8.2. Remedies of Owners. Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Outstanding Bonds, and to enforce any rights of the Trustee under or with respect to this Indenture, including:

(a) by mandamus or other suit or proceeding at law or in equity to enforce his rights against the District and any of the members, officers and employees of the District, and to compel the District or any such members, officers or employees to perform and carry out their duties under the Act and their agreements with the Owners as provided in this Indenture;

(b) by suit in equity to enjoin any actions or things which are unlawful or violate the rights of the Owners; or

(c) by a suit in equity to require the District and its members, officers and employees to account as the trustee of an express trust.

If an Event of Default shall have occurred and be continuing, and if requested so to do by the Owners of at least twenty-five percent (25%) in aggregate principal amount of Outstanding Bonds, and if indemnified to its satisfaction, the Trustee shall be obligated to exercise such one or more of

the rights and powers conferred by this Article VIII, as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Owners of the Bonds.

No remedy herein conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Act or any other law.

Section 8.3. Application of Revenues and Other Funds After Default. All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of this Indenture relating to the Bonds shall be applied by the Trustee in the following order upon presentation of the several Bonds:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in carrying out the provisions of this Article VIII, including reasonable compensation to its agents, attorneys and counsel, and to the payment of all other outstanding fees and expenses of the Trustee; and

Second, to the payment of the whole amount of interest on and principal of the Bonds then due and unpaid, with interest on overdue installments of principal and interest to the extent permitted by law at the net effective rate of interest then borne by the Outstanding Bonds; provided, however, that in the event such amounts shall be insufficient to pay in full the full amount of such interest and principal, then such amounts shall be applied in the following order of priority:

(a) first, to the payment of all installments of interest on the Bonds then due and unpaid on a pro rata basis based on the total amount then due and owing;

(b) second, to the payment of all installments of principal of the Bonds then due and unpaid on a pro rata basis based on the total amount then due and owing; and

(c) third, to the payment of interest on overdue installments of principal and interest on the Bonds on a pro rata basis based on the total amount then due and owing.

Section 8.4. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in aggregate principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other such litigation. Any suit, action or proceeding which any Owner of Bonds shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners of Bonds similarly situated, and the Trustee is hereby appointed (and the successive respective Owners of the Bonds issued hereunder, by taking and holding the same, shall

be conclusively deemed so to have appointed it) the true and lawful attorney in fact of the respective Owners of the Bonds for the purposes of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners of the Bonds as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact.

Section 8.5. Appointment of Receivers. Upon the occurrence of an Event of Default hereunder, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners of the Bonds under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Net Taxes and other amounts pledged hereunder, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 8.6. Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture, or in the Bonds, shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the interest on and principal of the Bonds to the respective Owners of the Bonds at the respective dates of maturity, as herein provided, out of the Net Taxes and other moneys herein pledged for such payment.

A waiver of any default or breach of duty or contract by the Trustee or any Owners shall not affect any subsequent default or breach of duty or contract, or impair any rights or remedies on any such subsequent default or breach. No delay or omission of the Trustee or any Owner of any of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy conferred upon the Trustee or the Owners by the Act or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee or the Owners, as the case may be.

Section 8.7. Limitations on Rights and Remedies of Owners. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless: (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds of any remedy hereunder; it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

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

Section 8.8. Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case, the District, the Trustee and the Owners shall be restored to their former positions and rights hereunder, respectively, with regard to the property subject to this Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

ARTICLE IX

DEFEASANCE

Section 9.1. Defeasance. If the District shall pay or cause to be paid, or there shall otherwise be paid, to the Owner of an Outstanding Bond the interest due thereon and the principal thereof, at the times and in the manner stipulated in this Indenture or any Supplemental Indenture, then the Owner of such Bond shall cease to be entitled to the pledge of Net Taxes, and, other than as set forth below, all covenants, agreements and other obligations of the District to the Owner of such Bond under this Indenture shall thereupon cease, terminate and become void and be discharged and satisfied. In the event of a defeasance of all Outstanding Bonds pursuant to this Section, the Trustee shall execute and deliver to the District all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the District's general fund all money or securities held by it pursuant to this Indenture which are not required for the payment of the principal of, premium, if any, and interest due on such Bonds.

Any Outstanding Bond shall be deemed to have been paid within the meaning expressed in the first paragraph of this Section if such Bond is paid in any one or more of the following ways:

(a) by paying or causing to be paid the principal of, premium, if any, and interest on such Bond, as and when the same become due and payable;

(b) by depositing with the Trustee, in trust, at or before maturity, money which, together with the amounts then on deposit in the Special Tax Fund (exclusive of the Administrative Expense Account) and available for such purpose, is fully sufficient to pay the principal of, premium, if any, and interest on such Bond, as and when the same shall become due and payable; or

(c) by depositing with the Trustee or another escrow bank appointed by the District, in trust, Federal Securities, in which the District may lawfully invest its money, in such amount as will be sufficient, together with the interest to accrue thereon and moneys then on deposit in the Special Tax Fund (exclusive of the Administrative Expense Account) and available for such purpose, together with the interest to accrue thereon, to pay and discharge the principal of, premium, if any, and interest on such Bond, as and when the same shall become due and payable.

If paid as provided above, then, at the election of the District, and notwithstanding that any Outstanding Bonds shall not have been surrendered for payment, all obligations of the District under

this Indenture and any Supplemental Indenture with respect to such Bond shall cease and terminate, except for the obligation of the Trustee to pay or cause to be paid to the Owners of any such Bond not so surrendered and paid, all sums due thereon and except for the covenants of the District contained in Section 5.2(f) or any covenants in a Supplemental Indenture relating to compliance with the Code. Notice of such election shall be filed with the Trustee not less than ten days prior to the proposed defeasance date, or such shorter period of time as may be acceptable to the Trustee. In connection with a defeasance under clause (c) above, there shall be provided to the District a verification report from an independent nationally recognized certified public accountant stating its opinion as to the sufficiency of the moneys or securities deposited with the Trustee or the escrow bank to pay and discharge the principal of, premium, if any, and interest on all Outstanding Bonds to be defeased in accordance with this Section, as and when the same shall become due and payable, and an opinion of Bond Counsel (which may rely upon the opinion of the certified public accountant) to the effect that the Bonds being defeased have been legally defeased in accordance with this Indenture and any applicable Supplemental Indenture.

Upon a defeasance, the Trustee, upon request of the District, shall release the rights of the Owners of such Bonds which have been defeased under this Indenture and execute and deliver to the District all such instruments as may be desirable to evidence such release, discharge and satisfaction. In the case of a defeasance hereunder of all Outstanding Bonds, the Trustee shall pay over or deliver to the District any funds held by the Trustee at the time of a defeasance, which are not required for the purpose of paying and discharging the principal of or interest on the Bonds when due. The Trustee shall, at the written direction of the District, mail, first class, postage prepaid, a notice to the Bondowners whose Bonds have been defeased, in the form directed by the District, stating that the defeasance has occurred.

ARTICLE X

MISCELLANEOUS

Section 10.1. Cancellation of Bonds. All Bonds surrendered to the Trustee for payment upon maturity or for redemption shall be upon payment therefor, and any Bond purchased by the District as authorized herein and delivered to the Trustee for such purpose shall be, cancelled forthwith and shall not be reissued. The Trustee shall destroy such Bonds, as provided by law, and, upon request of the District, furnish to the District a certificate of such destruction.

Section 10.2. Execution of Documents and Proof of Ownership. Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by this Indenture to be signed or executed by Bondowners may be in any number of concurrent instruments of similar tenor may be signed or executed by such Owners in person or by their attorneys appointed by an instrument in writing for that purpose, or by the bank, trust company or other depository for such Bonds. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, and of the ownership of Bonds shall be sufficient for the purposes of this Indenture (except as otherwise herein provided), if made in the following manner:

(a) The fact and date of the execution by any Owner or his or her attorney of any such instrument and of any instrument appointing any such attorney, may be proved by a signature guarantee of any bank or trust company located within the United States of America. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership

on behalf of such corporation, association or partnership, such signature guarantee shall also constitute sufficient proof of his authority.

(b) As to any Bond, the person in whose name the same shall be registered in the Bond Register shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Bond, and the interest thereon, shall be made only to or upon the order of the registered Owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond and the interest thereon to the extent of the sum or sums to be paid. Neither the District nor the Trustee shall be affected by any notice to the contrary.

Nothing contained in this Indenture shall be construed as limiting the Trustee or the District to such proof, it being intended that the Trustee or the District may accept any other evidence of the matters herein stated which the Trustee or the District may deem sufficient. Any request or consent of the Owner of any Bond shall bind every future Owner of the same Bond in respect of anything done or suffered to be done by the Trustee or the District in pursuance of such request or consent.

Section 10.3. Unclaimed Moneys. Anything in this Indenture to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of any of the Outstanding Bonds which remain unclaimed for two years after the date when such Outstanding Bonds have become due and payable, if such money was held by the Trustee at such date, or for two years after the date of deposit of such money if deposited with the Trustee after the date when such Outstanding Bonds become due and payable, shall be repaid by the Trustee to the District, as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for the payment of such Outstanding Bonds; provided, however, that, before being required to make any such payment to the District, the Trustee, at the expense of the District, shall cause to be mailed by first-class mail, postage prepaid, to the registered Owners of such Outstanding Bonds at their addresses as they appear on the registration books of the Trustee a notice that said money remains unclaimed and that, after a date named in said notice, which date shall not be less than 30 days after the date of the mailing of such notice, the balance of such money then unclaimed will be returned to the District.

Section 10.4. Provisions Constitute Contract. The provisions of this Indenture shall constitute a contract between the District and the Bondowners and the provisions hereof shall be construed in accordance with the laws of the State of California.

In case any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and, should said suit, action or proceeding be abandoned, or be determined adversely to the Bondowners or the Trustee, then the District, the Trustee and the Bondowners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

After the issuance and delivery of the Bonds this Indenture shall be irrepealable, but shall be subject to modifications to the extent and in the manner provided in this Indenture, but to no greater extent and in no other manner.

Section 10.5. Future Contracts. Nothing herein contained shall be deemed to restrict or prohibit the District from making contracts or creating bonded or other indebtedness payable from a pledge of the Net Taxes which is subordinate to the pledge hereunder, or which is payable from the general fund of the District or from taxes or any source other than the Net Taxes and other amounts pledged hereunder.

Section 10.6. Further Assurances. The District will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in this Indenture.

Section 10.7. Severability. If any covenant, agreement or provision, or any portion thereof, contained in this Indenture, or the application thereof to any person or circumstance, is held to be unconstitutional, invalid or unenforceable, the remainder of this Indenture and the application of any such covenant, agreement or provision, or portion thereof, to other persons or circumstances, shall be deemed severable and shall not be affected thereby, and this Indenture, the Bonds issued pursuant hereto shall remain valid and the Bondowners shall retain all valid rights and benefits accorded to them under the laws of the State of California.

Section 10.8. Notices. Any notices required to be given to the District with respect to the Bonds or this Indenture shall be mailed, first class, postage prepaid, or personally delivered to the Finance Manager of the City of Upland, 460 N. Euclid Avenue, Upland, California 91786, and all notices to the Trustee in its capacity as Trustee shall be mailed, first class, postage prepaid, or personally delivered to the Trustee, U.S. Bank National Association, 633 West Fifth Street, 24th Floor, Los Angeles, California 90071, Attention: Global Corporate Trust Services.

IN WITNESS WHEREOF, COMMUNITY FACILITIES DISTRICT NO. 2003-2 OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO) has caused this Bond Indenture to be signed by an Authorized Representative of the District and U.S. Bank National Association, in token of its acceptance of the trust created hereunder, has caused this Bond Indenture to be signed in its corporate name by its officer identified below, all as of the day and year first above written.

COMMUNITY FACILITIES DISTRICT NO. 2003-2 OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)

By: _____
City Manager

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Officer

EXHIBIT A

FORM OF
SPECIAL TAX REFUNDING BOND, ISSUE OF 2015

R-___ $_____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

COMMUNITY FACILITIES DISTRICT NO. 2003-2
OF THE CITY OF UPLAND(THE COLONIES AT SAN ANTONIO)
IMPROVEMENT AREA NO. 2
SPECIAL TAX REFUNDING BONDS, ISSUE OF 2015

INTEREST RATE:	**MATURITY DATE:**	**DATED DATE:**	**CUSIP:**
____%	September 1, 20___	June __, 2015	____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ AND NO/100 DOLLARS

COMMUNITY FACILITIES DISTRICT NO. 2003-2 OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO) (the "District") which was formed by the City of Upland (the "City") and is situated in the County of San Bernardino, State of California, FOR VALUE RECEIVED, hereby promises to pay, solely from certain amounts held under the Indenture (as hereinafter defined), to the Registered Owner named above, or registered assigns, on the Maturity Date set forth above, unless redeemed prior thereto as hereinafter provided, the Principal Amount set forth above, and to pay interest on such Principal Amount from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication hereof, unless: (i) the date of authentication is an Interest Payment Date, in which event interest shall be payable from such date of authentication; (ii) the date of authentication is after a Record Date (as hereinafter defined) but prior to the immediately succeeding Interest Payment Date, in which event interest shall be payable from the Interest Payment Date immediately succeeding the date of authentication; or (iii) the date of authentication is prior to the close of business on the first Record Date, in which event interest shall be payable from the Dated Date set forth above. Notwithstanding the foregoing, if at the time of authentication of this Bond interest is in default, interest on this Bond shall be payable from the last Interest Payment Date to which the interest has been paid or made available for payment or, if no interest has been paid or made available for payment, interest on this Bond shall be payable from the Dated Date set forth above. Interest will be paid semiannually on September 1, 2015 and each March 1 and September 1 thereafter (each, an "Interest Payment Date"), at the Interest Rate set forth above, until the Principal Amount hereof is paid or made available for payment.

The principal of and premium, if any, on this Bond are payable to the Registered Owner hereof in lawful money of the United States of America upon presentation and surrender of this Bond at the Principal Office of the Trustee (as such term is defined in the Bond Indenture), initially, U.S. Bank National Association (the "Trustee"). Interest on this Bond shall be paid by check of the Trustee mailed, by first class mail, postage prepaid, or in certain circumstances described in the Indenture by wire transfer to an account within the United States of America, to the Registered Owner hereof as of the close of business on the fifteenth day of the month preceding the month in which the Interest Payment Date occurs (the "Record Date") at such Registered Owner's address as it appears on the registration books maintained by the Trustee.

This Bond is one of a duly authorized issue of "Community Facilities District No. 2003-2 of the City of Upland, (The Colonies at San Antonio) Improvement Area No. 2 Special Tax Refunding Bonds, Issue of 2015" (the "Bonds") issued in the aggregate principal amount of $_____ pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being Sections 53311, *et seq.*, of the California Government Code (the "Act") for the purpose of refunding the District's Special Tax Bonds, Series B of 2004, funding a reserve account and paying certain costs related to the issuance of the Bonds. The issuance of the Bonds and the terms and conditions thereof are provided for by a resolution adopted by the City Council of the City, acting in its capacity as the legislative body of the District (the "Legislative Body"), on April 27, 2015 and a Bond Indenture executed in connection therewith (the "Indenture"), and this reference incorporates the Indenture herein, and by acceptance hereof the Registered Owner of this Bond assents to said terms and conditions. The Indenture is adopted under and this Bond is issued under, and both are to be construed in accordance with, the laws of the State of California.

Pursuant to the Act and the Indenture, the principal of, premium, if any, and interest on this Bond are payable solely from the portion of the annual special taxes authorized under the Act to be levied and collected within the District (the "Special Taxes") and certain other amounts pledged to the repayment of the Bonds as set forth in the Indenture. Any amounts for the payment hereof shall be limited to the Special Taxes pledged and collected or foreclosure proceeds received following a default in payment of the Special Taxes and other amounts deposited to the Special Tax Fund (other than the Administrative Expense Account therein) established under the Indenture, except to the extent that other provision for payment has been made by the Legislative Body, as may be permitted by law. The District has covenanted for the benefit of the owners of the Bonds that under certain circumstances described in the Indenture it will commence and diligently pursue to completion appropriate foreclosure proceedings in the event of delinquencies of Special Tax installments levied for payment of principal and interest on the Bonds.

The Bonds maturing on or after September 1, 20__ may be redeemed, at the option of the District from any source of funds on any date on or after September 1, 20__, in whole, or in part from such maturities as are selected by the District and by lot within a maturity, at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

The Bonds maturing on September 1, 20__ (the "Term Bonds") will be called before maturity and redeemed, from the sinking fund payments that have been deposited into the Redemption Account established by the Indenture, on September 1, 20__, and on each September 1 thereafter prior to maturity, in accordance with the schedule of sinking fund payments set forth below. The Term Bonds so called for redemption shall be selected by the Trustee by lot and shall be

redeemed at a redemption price for each redeemed Term Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

Term Bonds Maturing September 1, 20__	
Year	**Amount**
20 __	$
20__ (Maturity)	

In the event of a partial optional redemption or extraordinary mandatory redemption of the Term Bonds, each of the remaining sinking fund payments for such Term Bonds, as applicable, will be reduced, as nearly as practicable, on a pro rata basis, in integral multiples of $5,000.

The Bonds are subject to extraordinary redemption as a whole, or in part on a pro rata basis among maturities, on any date, on or after September 1, 20__, and shall be redeemed by the Trustee, from Prepayments of Special Taxes deposited to the Redemption Account plus amounts transferred from the Reserve Account in connection with such transfers, at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the redemption date, without premium.

Notice of redemption with respect to the Bonds to be redeemed shall be mailed to the registered owners thereof not less than 30 nor more than 45 days prior to the redemption date by first class mail, postage prepaid, to the addresses set forth in the registration books. Neither a failure of the Registered Owner hereof to receive such notice nor any defect therein will affect the validity of the proceedings for redemption. All Bonds or portions thereof so called for redemption will cease to accrue interest on the specified redemption date, provided that funds for the redemption are on deposit with the Trustee on the redemption date. Thereafter, the registered owners of such Bonds shall have no rights except to receive payment of the redemption price upon the surrender of the Bonds.

This Bond shall be registered in the name of the Registered Owner hereof, as to both principal and interest, and the District and the Trustee may treat the Registered Owner hereof as the absolute owner for all purposes and shall not be affected by any notice to the contrary.

The Bonds are issuable only in fully registered form in the denomination of $5,000 or any integral multiple thereof and may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same issue and maturity, all as more fully set forth in the Indenture. This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, upon surrender and cancellation of this Bond. Upon such transfer, a new registered Bond of authorized denomination or denominations for the same aggregate principal amount of the same issue and maturity will be issued to the transferee in exchange therefor.

The Trustee shall not be required to register transfers or make exchanges of: (i) any Bonds for a period of 15 days next preceding any selection of the Bonds to be redeemed; or (ii) any Bonds chosen for redemption.

The rights and obligations of the District and of the registered owners of the Bonds may be amended at any time, and in certain cases without notice to or the consent of the registered owners, to the extent and upon the terms provided in the Indenture.

THE BONDS DO NOT CONSTITUTE OBLIGATIONS OF THE CITY OF UPLAND OR OF THE DISTRICT FOR WHICH THE CITY OF UPLAND OR THE DISTRICT IS OBLIGATED TO LEVY OR PLEDGE, OR HAS LEVIED OR PLEDGED, GENERAL OR SPECIAL TAXES, OTHER THAN THE SPECIAL TAXES REFERENCED HEREIN. THE BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE FROM THE PORTION OF THE SPECIAL TAXES AND OTHER AMOUNTS PLEDGED UNDER THE INDENTURE BUT ARE NOT A DEBT OF THE CITY OF UPLAND, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR RESTRICTION.

This Bond shall not become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been dated and signed by the Trustee.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the District, does not exceed any debt limit prescribed by the laws or Constitution of the State of California.

IN WITNESS WHEREOF, Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) has caused this Bond to be signed on behalf of the District by the Mayor of the City Council by his facsimile signature and attested by the facsimile signature of the City Clerk of the City.

_____
Mayor

ATTEST:

_____
City Clerk of the City of Upland

(FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION AND REGISTRATION)

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

Dated: June _____, 2015

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Its: Authorized Signatory

(FORM OF LEGAL OPINION)

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

_____
City Clerk of The City of Upland

(FORM OF ASSIGNMENT)

For value received the undersigned do(es) hereby sell, assign and transfer unto

_____
whose tax identification number is _____,
the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s)

_____
attorney to transfer the same on the books of the Trustee with full power of substitution in the premises.

Dated:_____

Signature guaranteed:

_____
NOTE: Signature(s) must be guaranteed by an eligible guarantor institution.

NOTE: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B

SCHEDULE OF TRUSTEE FEES

U.S. Bank Customer Confidential
Schedule of Fees for Services as
Trustee and Escrow Agent

For

Community Facilities District No. 2003-2
of the City of Upland (The Colonies at San Antonio)
Improvement Area No. 2
Special Tax Refunding Bonds, Issue of 2015

[TO COME FROM TRUSTEE]

PRELIMINARY OFFICIAL STATEMENT DATED JUNE __, 2015

NEW ISSUE – BOOK-ENTRY ONLY **See the caption "RATINGS"**

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California ("Bond Counsel"), under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. See the caption "TAX EXEMPTION" with respect to other tax consequences relating to the Bonds.

$_____*

COMMUNITY FACILITIES DISTRICT NO. 2003-2 OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO) IMPROVEMENT AREA NO. 2 SPECIAL TAX REFUNDING BONDS, ISSUE OF 2015

Dated: Delivery Date **Due: September 1, as shown on the inside cover page**

The Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) Improvement Area No. 2 Special Tax Refunding Bonds, Issue of 2015 (the "Bonds") are being issued by Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) (the "District"): (i) to refund the District's outstanding Improvement Area No. 2 Special Tax Bonds, Series B of 2004 (the "Refunded Bonds"); (ii) to fund a deposit to the Reserve Account; and (iii) to pay costs of issuance of the Bonds. See the caption "THE REFUNDING PLAN." The Bonds are authorized to be issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (Sections 53311 *et seq*. of the Government Code of the State of California), and pursuant to that certain Bond Indenture (the "Indenture"), dated as of June 1, 2015, by and between the District and U.S. Bank National Association, as trustee (the "Trustee").

The Bonds are special obligations of the District payable from Net Taxes (as defined herein) derived from a certain annual Special Tax (as defined herein) to be levied on taxable land within Improvement Area No. 2 of the District and from certain other funds pledged under the Indenture, all as further described herein. The Special Tax is to be levied according to the rate and method of apportionment approved by the City Council of the City of Upland (the "City") and the qualified electors within the District. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and Appendix A.

The Bonds are issuable in fully-registered form and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases of the Bonds may be made in principal amounts of $5,000 and integral multiples thereof and will be in book-entry form only. Purchasers of Bonds will not receive certificates representing their beneficial ownership of the Bonds but will receive credit balances on the books of their respective nominees. The Bonds will not be transferable or exchangeable except for transfer to another nominee of DTC or as otherwise described herein. Interest on the Bonds will be payable on March 1 and September 1 of each year, commencing [March 1, 2016]. Principal of and interest on the Bonds will be paid by the Trustee to DTC for subsequent disbursement to DTC Participants, who will remit such payments to the Beneficial Owners of the Bonds. See the caption "THE BONDS—General Provisions."

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE COUNTY OF SAN BERNARDINO, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. EXCEPT FOR THE NET TAXES, NO OTHER REVENUES OR TAXES ARE PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE NOT GENERAL OR SPECIAL OBLIGATIONS OF THE CITY OR GENERAL OBLIGATIONS OF THE DISTRICT BUT ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM NET TAXES AND OTHER AMOUNTS HELD UNDER THE INDENTURE AS MORE FULLY DESCRIBED HEREIN.

The Bonds are subject to optional redemption, mandatory sinking fund redemption and extraordinary redemption as set forth under the caption "THE BONDS—Redemption of the Bonds."

Investment in the Bonds involves risks that are not appropriate for certain investors. Certain events could affect the ability of the District to pay the principal of and interest on the Bonds when due. See the caption "SPECIAL RISK FACTORS" for a discussion of certain risk factors that should be considered, in addition to the other matters set forth herein, in evaluating the investment quality of the Bonds.

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of this issue. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision.

MATURITY SCHEDULE
(See Inside Cover Page)

The Bonds are offered when, as and if issued and accepted by the Underwriter, subject to approval as to their legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel, and subject to certain other conditions. Stradling Yocca Carlson & Rauth, a Professional Corporation, is serving as Disclosure Counsel to the District with respect to the Bonds. Certain legal matters will be passed on for the City and the District by Richard L. Adams II, Interim City Attorney. [Certain legal matters will be passed on for the Underwriter by _____, _____, as counsel to the Underwriter]. It is anticipated that the Bonds in book-entry form will be available for delivery on or about July 1, 2015.

SOUTHWEST SECURITIES

Dated: June __, 2015

* *Preliminary; subject to change.*

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy them be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

$_____*

COMMUNITY FACILITIES DISTRICT NO. 2003-2
OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)
IMPROVEMENT AREA NO. 2
SPECIAL TAX REFUNDING BONDS, ISSUE OF 2015

MATURITY SCHEDULE

BASE CUSIP®† _____

Maturity Date (September 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Price*	*CUSIP®†*
	$	%	%		

$_____ ___% Term Bonds maturing September 1, 2034, Yield ___%, Price ___ CUSIP®† ___

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* *Preliminary; subject to change.*

† *CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright© 2015 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the City, the District or the Underwriter takes any responsibility for the accuracy of such numbers.*

CITY OF UPLAND
COUNTY OF SAN BERNARDINO
STATE OF CALIFORNIA

MAYOR AND MEMBERS OF THE CITY COUNCIL

Ray Musser, Mayor
Glenn Bozar, Mayor Pro Tem
Gino L. Filippi, Councilmember
Debbie Stone, Councilmember
Carol Timm, Councilmember

STAFF

Rod Butler, City Manager
Richard L. Adams II, City Attorney
Stephanie A. Mendenhall, City Clerk and Administrative Services Director
Rosemary Hoernig, Deputy Public Works Director
Scott Williams, Interim Finance Manager

SPECIAL SERVICES

Bond Counsel and Disclosure Counsel

Stradling Yocca Carlson & Rauth, a Professional Corporation
Newport Beach, California

Financial Advisor
Urban Futures, Inc.
Orange, California

Special Tax Consultant

Willdan Financial Services
Temecula, California

Trustee/Escrow Agent

U.S. Bank National Association
Los Angeles, California

Verification Agent

_____
_____, _____

Except where otherwise indicated, all information contained in this Official Statement has been provided by the City and the District. No dealer, broker, salesperson or other person has been authorized by the City, the District, the Trustee or the Underwriter to give any information or to make any representations in connection with the offer or sale of the Bonds other than those contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the City, the District, the Trustee or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers or owners of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City, the District or any other parties described herein since the date hereof. All summaries of the Indenture or other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the City for further information in connection therewith.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as a "plan," "expect," "estimate," "project," "budget" or similar words. Such forward-looking statements include, but are not limited to certain statements contained in the information under the caption "THE COMMUNITY FACILITIES DISTRICT."

The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Except as set forth in the Continuing Disclosure Agreement, a form of which is attached hereto as Appendix E, neither the District nor the City plans to issue any updates or revisions to the forward-looking statements set forth in this Official Statement.

A wide variety of other information, including financial information concerning the City, is available from publications and websites of the City and others. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded. No such information is a part of or incorporated into this Official Statement.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT. THE BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

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[MAP]

$_____*

COMMUNITY FACILITIES DISTRICT NO. 2003-2
OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)
IMPROVEMENT AREA NO. 2
SPECIAL TAX REFUNDING BONDS, ISSUE OF 2015

INTRODUCTION

The purpose of this Official Statement, which includes the cover page, the table of contents and the attached appendices (collectively, the "Official Statement"), is to provide certain information concerning the issuance by Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) (the "District") of its Improvement Area No. 2 Special Tax Refunding Bonds, Issue of 2015 in the aggregate principal amount of $_____* (the "Bonds"). The proceeds of the Bonds, together with certain existing funds of the District, will be used to defease all of the District's outstanding Improvement Area No. 2 Special Tax Bonds, Series B of 2004, originally issued in the aggregate principal amount of $19,650,000 and now outstanding in the aggregate principal amount of $17,565,000 (the "Refunded Bonds"). A portion of the proceeds of the Bonds will be used to fund a deposit to the Reserve Account for the Bonds and to pay costs of issuance of the Bonds. See the captions "THE REFUNDING PLAN" and "ESTIMATED SOURCES AND USES OF FUNDS."

The Bonds are authorized to be issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (Sections 53311 *et seq.* of the Government Code of the State of California) (the "Act"), and that certain Bond Indenture dated, as of June 1, 2015 (the "Indenture"), by and between the District and U.S. Bank National Association, as trustee (the "Trustee"). The Bonds are secured under the Indenture by a pledge of and lien upon Net Taxes (as defined herein) and all moneys in the Special Tax Fund as described in the Indenture.

The Bonds are being sold pursuant to a purchase contract between Southwest Securities, Inc., as underwriter (the "Underwriter") and the District. For more complete information, see the captions "THE BONDS—General Provisions" and "UNDERWRITING."

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement and the documents summarized or described herein. A full review should be made of the entire Official Statement. The sale and delivery of Bonds to potential investors is made only by means of the entire Official Statement. All capitalized terms used in this Official Statement and not defined have the meanings set forth in Appendix D.

The District

The District consists of approximately 300 gross acres of land located in the northeastern part of the City of Upland, California (the "City"), adjoining Interstate 210 both to the north and the south of the freeway, generally south of 20th Street, primarily to the east of Campus Avenue, west of the Cucamonga Creek Channel from 20th Street to 19th Street, west of Colonies Parkway between 19th Street and Tanglewood Avenue, west of Tanglewood Avenue from Colonies Parkway to Hummingbird Lane, and north of the Country Club Villas Apartments, and Upland Hills Country Club Golf Course. The District is located within the Colonies at San Antonio Specific Plan of the City (as amended, the "Specific Plan"), which provided for the development of a 447.8 acre mixed-use residential, commercial, and public use project (the "Colonies Project"), which generally includes, in addition to the property within the District, the remaining property west of the Cucamonga Creek Channel and south of 19th Street, east of Colonies Parkway and Tanglewood Avenue, and north of Hummingbird Lane. Both 19th Street and the I-210 freeway extend in an east-west direction through the northern portion of the Colonies Project and the District.

* *Preliminary; subject to change.*

The District was formed and the improvement areas therein, including Improvement Area No. 2, were designated by the City on October 29, 2003 under the Act following a public hearing held on such date. Following the formation of the District, the City conducted a special election at which the qualified electors of each of the Improvement Areas approved the levy of special taxes within each such Improvement Area and the issuance of bonds secured by such special taxes. The City Council of the City had designated two Improvement Areas within the District: Improvement Area No. 1 and Improvement Area No. 2 (each, an "Improvement Area" and collectively, the "Improvement Areas").

The Bonds are being issued for and are secured by the Special Tax payable from Improvement Area No. 2 only.

Improvement Area No. 2 consists of approximately 109 gross acres, approximately [84] of which have been developed into commercial uses subject to the levy of Special Taxes pursuant to the rate and method of apportionment of Special Taxes for Improvement Area No. 2 (the "Rate and Method"). See Appendix A. The Bonds are payable from and secured by Special Taxes levied only on the taxable property within Improvement Area No. 2 pursuant to the Rate and Method. The Bonds are neither payable from nor secured by Special Taxes levied within Improvement Area No. 1.

Description of the Development

[CITY TO UPDATE THIS SECTION] The property within Improvement Area No. 2 of the District was developed by The Colonies Partners L.P., a California limited partnership (the "Master Developer"), [and subsequently transferred (except as described below) to The Colonies-Pacific, LLC, a California limited liability company, The Colonies-Pacific 19C, LLC, and the Colonies-Pacific 17, LLC (collectively, the "Developer"). The Developer commenced construction of the property in 2004. Currently, there are no outstanding approvals that impact the ability to develop or build on the property within Improvement Area No. 2.

Improvement Area No. 2 comprises approximately 12.36 Minimum Taxable Acres (as such term is defined the Rate and Method) in Planning Area ("PA") 17, 37.09 Minimum Taxable Acres in PA 18, 41.02 Minimum Taxable Acres in PA 19, 9.23 Minimum Taxable Acres in PA 20, and 9.42 Minimum Taxable Acres in PA 21.

The Colonies Pacific, LLC owns PA 18, except for approximately 10 acres purchased by Target Corporation in June 2004. The Colonies-Pacific 19C, LLC owns PA 19A, PA 19B and PA 19C. The Colonies Pacific 17, LLC owns PA17. Approximately 1.35 acres of Parcel 4 of Parcel Map 17477 is owned by Crossroads Travel center, LLC. PA20, except Parcel 4 of Parcel Map 17447, and PA21 are still owned by the Master Developer.

As of March 17, 2015, PAs 17, 18, 19B and 19C, which comprise approximately, are fully built out. Portions of PAs 19A and 20 are built out as well. In total, as of March 17, 2015, 865,000 square feet of commercial buildings have been built within Improvement Area No. 2, and 6,000 square feet were under construction. Construction on an additional 12,000 square feet is expected to begin in early 2015. All public improvements within Improvement Area No. 2 acquired with the Refunded Bonds are complete, and all private improvements within PA 17, 18, 19A, 19B and 19C are complete as well.

Current tenants in Improvement Area No. 2 include [_____]

Forward-Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of

the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as a "plan," "expect," "estimate," "project," "budget" or similar words. Such forward-looking statements include, but are not limited to certain statements contained in the information under the caption "THE COMMUNITY FACILITIES DISTRICT."

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

Sources of Payment for the Bonds

As used in this Official Statement, the term "Special Tax" is that tax which has been authorized to be levied against certain land within Improvement Area No. 2 of the District pursuant to the Act and in accordance with the Rate and Method. See Appendix A. Under the Indenture, the principal of and interest on the Bonds are payable from Net Taxes and all amounts in the Special Tax Fund (exclusive of the Administrative Expense Fund) established under the Indenture. The "Net Taxes" are all Special Taxes received by the District with respect to Improvement Area No. 2, together with the proceeds collected from the sale of property pursuant to the foreclosure provisions of the Indenture for the delinquency of such Special Taxes less amounts set aside to pay Administrative Expenses (as such term defined in Appendix D). The Bonds are secured only by the Net Taxes collected within Improvement Area No. 2 of the District and amounts held in the Special Tax Fund from time to time. Amounts in the Surplus Fund are not pledged to the repayment of the Bonds.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE COUNTY OF SAN BERNARDINO (THE "COUNTY"), THE STATE OF CALIFORNIA (THE "STATE") OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. EXCEPT FOR THE NET TAXES, NO OTHER REVENUES OR TAXES ARE PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE NOT GENERAL OR SPECIAL OBLIGATIONS OF THE CITY OR GENERAL OBLIGATIONS OF THE DISTRICT BUT ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM NET TAXES AND OTHER AMOUNTS HELD UNDER THE INDENTURE AS MORE FULLY DESCRIBED HEREIN.

The Net Taxes are the primary security for the repayment of the Bonds. In the event that the Special Taxes are not paid when due, the only sources of funds available to pay the debt service on the Bonds are amounts held by the Trustee in certain funds under the Indenture, including amounts held in the Reserve Account of the Special Tax Fund. The District has covenanted for the benefit of the owners of the Bonds that it will, under certain circumstances described herein, commence, or cause to be commenced, and diligently prosecute to judgment (unless the delinquency is brought current) judicial foreclosure proceedings against assessor's parcels with delinquent Special Taxes. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Proceeds of Foreclosure Sales."

The District has covenanted not to issue additional indebtedness secured by the Special Taxes senior to or on a parity with the lien of the Bonds. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—No Senior or Parity Bonds." Other taxes and/or special assessments with liens equal in priority to the continuing lien of the Special Taxes may also be levied on the property within the District. See the caption "SPECIAL RISK FACTORS—Parity Taxes and Special Assessments."

EXCEPT FOR THE NET TAXES, NO OTHER TAXES ARE PLEDGED TO THE PAYMENT OF THE BONDS.

Properties in the District are substantially developed and the District has not conducted an appraisal of any of the properties in the District. Based on the assessed values set forth herein (without regard to pending appeals) and the Fiscal Year 2014-15 Special Tax levy, parcels having an assessed value-to-lien ratio of less than 5 to 1 comprise less than 5.5%* of the Fiscal Year 2014-15 Special Tax levy; in the aggregate, Taxable Property in the District has an estimated assessed value-to-lien ratio of 8.14* to 1. See the captions "THE COMMUNITY FACILITIES DISTRICT—Estimated Value-to-Lien Ratios" and "SPECIAL RISK FACTORS."

Description of the Bonds

The Bonds will be issued and delivered as fully-registered Bonds, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to actual purchasers of the Bonds (the "Beneficial Owners") in the denominations of $5,000 or any integral multiple thereof, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. In the event that the book-entry system described herein is no longer used with respect to the Bonds, the Bonds will be registered and transferred in accordance with the Indenture. See Appendix F.

Principal of, premium, if any, and interest on the Bonds is payable by the Trustee to DTC. Disbursement of such payments to DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of DTC Participants. See Appendix F.

The Bonds are subject to optional redemption, mandatory sinking fund redemption and extraordinary redemption as described herein. For a more complete descriptions of the Bonds and the basic documentation pursuant to which the Bonds are being sold and delivered, see the caption "THE BONDS" and Appendix D.

Tax Exemption

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California ("Bond Counsel"), under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest on the Bonds is exempt from State of California personal income tax. Bond Counsel notes that, with respect to corporations, interest on the Bonds may be included as an adjustment in the calculation of alternative minimum taxable income, which may affect the alternative minimum tax liability of such corporations. See the caption "TAX EXEMPTION."

Set forth in Appendix B is the form of the opinion of Bond Counsel that is expected to be delivered in connection with the issuance of the Bonds. For a more complete discussion of such opinion and certain other tax consequences incidental to the ownership of the Bonds, including certain exceptions to the tax treatment of interest, see the caption "TAX EXEMPTION."

Professionals Involved in the Offering

U.S. Bank National Association, Los Angeles, California, will act as Trustee under the Indenture and as Escrow Agent under the Escrow Agreement (as such terms are defined herein). Southwest Securities, Inc. is the Underwriter of the Bonds. All proceedings in connection with the issuance and delivery of the Bonds are

* *Preliminary; subject to change*.

subject to the approval of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel. Certain legal matters will be passed on for the City and the District by Richard L. Adams II, Interim City Attorney, and by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as Disclosure Counsel. [Certain legal matters will be passed on for the Underwriter by _____, _____] and for the Trustee by its counsel. Other professional services have been performed by Urban Futures, Inc., Orange, California, as Financial Advisor to the District (the "Financial Advisor"), Willdan Financial Services, Temecula, California, as Special Tax Consultant (the "Special Tax Consultant") and _____, as Verification Agent.

For information concerning whether certain of the above-mentioned professionals, advisors, counsel and consultants may have a financial or other interest in the offering of the Bonds, see the caption "FINANCIAL INTERESTS."

Continuing Disclosure

The District will agree to provide, or cause to be provided, to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system available on the Internet at http://emma.msrb.org ("EMMA") certain annual financial information and operating data. The District will further agree to provide notice of certain listed events. These covenants will be made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5). See the caption "CONTINUING DISCLOSURE" and Appendix E for a description of the specific nature of the annual reports to be filed by the District and notices of listed events to be provided by the District. Except as set forth under the caption "CONTINUING DISCLOSURE," within the last five years, the District and the City have not failed to timely comply with their respective prior continuing disclosure obligations under Rule 15c2-12(b)(5) in all material respects.

No Senior or Parity Bonds

The District has covenanted not to mortgage or otherwise encumber, pledge or place any charge upon any of the Special Taxes except as provided in this Indenture, and will not issue any obligation or security having a lien or charge upon the Special Taxes other than the Bonds. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—No Senior or Parity Bonds."

Bondowners' Risks

Certain events could affect the ability of the District to pay the principal of and interest on the Bonds when due. See the caption "SPECIAL RISK FACTORS" for a discussion of certain factors which should be considered, in addition to other matters set forth herein, in evaluating an investment in the Bonds. The purchase of the Bonds involves risks, and the Bonds may not be appropriate investments for some types of investors.

Reserve Account

A Reserve Account for the Bonds is established pursuant to the Indenture in an amount equal to the Reserve Requirement. Moneys in the Reserve Account will be used solely for the purpose of paying the principal of and interest on the Bonds when due in the event that the moneys in the Interest Account and the Principal Account of the Special Tax Fund are insufficient therefor and for the purpose of making any required transfer to the Rebate Fund pursuant to the Indenture upon written direction from the District. If the amounts in the Interest Account or the Principal Account of the Special Tax Fund are insufficient to pay the principal of or interest on any Bonds when due, or amounts in the Special Tax Fund are insufficient to make transfers to the Rebate Fund when required, the Trustee will withdraw from the Reserve Account for deposit in the Interest Account or the Principal Account of the Special Tax Fund or the Rebate Fund, as applicable, moneys

necessary for such purposes. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Reserve Account."

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

Brief descriptions of the Bonds and the Indenture are included in this Official Statement. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Indenture, the Bonds and the Constitution and laws of the State as well as the proceedings of the City Council, acting as the legislative body of the District, are qualified in their entirety by references to such documents, laws and proceedings, and with respect to the Bonds, by reference to the Indenture. Capitalized terms not otherwise defined herein have the meanings set forth in the Indenture.

Copies of the Indenture and other documents and information are available for inspection and (upon request and payment to the District of a charge for copying, mailing and handling) for delivery from the City at 460 N. Euclid Ave., Upland, CA 91786, Attention: Finance Manager.

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the expected sources and uses of Bond proceeds, together with prior funds on hand.

Sources of Funds[1]	
Principal Amount of Bonds	$
Plus/Less Net Original Issue Premium/Discount	
Less Underwriter's Discount	
Prior Funds[2]	
Total Sources	**$**
Uses of Funds[1]	
Escrow Fund to Redeem Refunded Bonds	$
Reserve Account	
Costs of Issuance Fund[3]	
Total Uses	**$**

(1) Rounded to the nearest dollar.
(2) Includes moneys held in funds and accounts established in connection with the Refunded Bonds.
(3) Includes certain fees of Bond Counsel, Disclosure Counsel, the Special Tax Consultant, the Financial Advisor, the Verification Agent, the Trustee, printing costs and other miscellaneous costs of issuance.

THE REFUNDING PLAN

General

The Refunded Bonds, which are currently outstanding in the aggregate principal amount of $17,565,000, were issued by the District pursuant to the Bond Indenture, dated as of May 1, 2004 (the "2004 Indenture"), by and between the District and U.S. Bank National Association, as trustee (the "2004 Trustee"). The District plans to apply a portion of the proceeds of the Bonds, together with certain moneys on deposit with the 2004 Trustee, to pay the scheduled principal of and interest on the Refunded Bonds on September 1, 2015, and to pay all principal of and interest on the Refunded Bonds maturing after September 1, 2015 pursuant to an early call for redemption on September 1, 2015 (the "Redemption Date") at a redemption price

equal to 101% of the principal amount thereof plus accrued interest to the Redemption Date (the "Redemption Price").

Under an Escrow Agreement, dated as of June 1, 2015 (the "Escrow Agreement"), by and between the District and U.S. Bank National Association, as escrow agent (the "Escrow Agent") and as 2004 Trustee, the District will deliver a portion of the proceeds of the Bonds to the Escrow Agent for deposit in the escrow fund (the "Escrow Fund") established under the Escrow Agreement on or about the date of issuance of the Bonds. In addition, the 2004 Trustee will transfer certain moneys held in connection with the Refunded Bonds to the Escrow Agent for deposit in the Escrow Fund on or about the date of issuance of the Bonds. The Escrow Agent [will hold such funds uninvested as cash therein]. From the moneys on deposit in the Escrow Fund, the 2004 Trustee will pay the principal of and interest on the Refunded Bonds maturing on September 1, 2015 and the Redemption Price of the Refunded Bonds maturing after September 1, 2015 on the Redemption Date in accordance with the Escrow Agreement.

Sufficiency of the deposits in the Escrow Fund for such purposes will be verified by _____ (the "Verification Agent"). Assuming the accuracy of such computations, as a result of the deposit and application of funds as provided in the Escrow Agreement, the Refunded Bonds will be defeased pursuant to the provisions of the 2004 Indenture as of the date of issuance of the Bonds and the owners of the Refunded Bonds will have no rights thereunder except to be paid the principal and interest due on the Refunded Bonds from amounts in the Escrow Fund.

The portion of the proceeds of the Bonds deposited with the 2004 Trustee is pledged solely to the payment of the Refunded Bonds and will not be available for the payments of principal of and interest on the Bonds.

Verification

Upon the issuance of the Bonds, the Verification Agent will deliver a report on the mathematical accuracy of certain computations based upon certain information and assertions provided to it by the Underwriter relating to the computations of yield of the Bonds which support Bond Counsel's opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes.

THE BONDS

Authority for Issuance

The Bonds in the aggregate principal amount of $_____* are authorized to be issued by the District under and subject to the terms of the Indenture, the Act and other applicable laws of the State.

Purpose of the Bonds

The Bonds are being issued to provide funds: (i) to defease the Refunded Bonds; (ii) to fund the Reserve Account; and (iii) to pay Costs of Issuance of the Bonds See the captions "ESTIMATED SOURCES AND USES OF FUNDS," "THE REFUNDING PLAN" and "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Reserve Account."

General Provisions

The Bonds will be issued and delivered in the aggregate principal amount of $_____* initially in book-entry form and will bear interest at the rates per annum and mature on the dates set forth on the inside front cover page hereof. Individual purchases of the Bonds may be made in principal amounts of $5,000 and

* *Preliminary; subject to change.*

any integral multiple thereof. The Bonds will be dated the Delivery Date and interest will be payable thereon on March 1 and September 1 of each year, commencing [March 1, 2016] (each, an "Interest Payment Date"). Interest on the Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Each Bond will bear interest from the Interest Payment Date next preceding the date of authentication of such Bond, unless: (i) such date of authentication is an Interest Payment Date, in which event interest will be payable from such date of authentication; (ii) the date of authentication is after the fifteenth day of the month preceding an Interest Payment Date, regardless of whether such day is a Business Day ("Record Date") but prior to the immediately succeeding Interest Payment Date, in which event interest will be payable from the Interest Payment Date immediately succeeding the date of authentication; or (iii) the date of authentication is prior to the close of business on the first Record Date occurring after the issuance of such Bond, in which event interest will be payable from the dated date of such Bond; provided, however, that if at the time of authentication of such Bond, interest is in default, interest on such Bond will be payable from the last Interest Payment Date to which the interest has been paid or made available for payment or, if no interest has been paid or made available for payment on that Bond, interest on that Bond will be payable from its dated date.

The Bonds are issued as fully-registered bonds and will be registered in the name of Cede & Co., as Nominee of DTC. DTC will act as securities depository of the Bonds. Ownership interests in the Bonds may be purchased in book-entry form only in denominations of $5,000 and any integral multiple thereof. See Appendix F.

Debt Service Schedule

The Special Tax is to be levied against the property within the District and collected according to the Rate and Method. See Appendix A. The District has covenanted to levy the Special Tax each year in time to have it placed on the secured property tax roll of the County. Actual collections of the Special Tax will depend on the Special Tax delinquencies.

COMMUNITY FACILITIES DISTRICT NO. 2003-2
OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)
IMPROVEMENT AREA NO. 2
SPECIAL TAX REFUNDING BONDS, ISSUE OF 2015
DEBT SERVICE SCHEDULE

Period Ending September 1	***Principal***	***Interest***	***Total Debt Service***
2016	$	$	$
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
Totals	$	$	$

Source: Underwriter.

Redemption of the Bonds

Optional Redemption.* The Bonds maturing on or after September 1, 20__ may be redeemed, at the option of the District from any source of funds on any date on or after September 1, 20__, in whole, or in part from such maturities as are selected by the District and by lot within a maturity, at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

Mandatory Sinking Fund Redemption. The Bonds maturing on September 1, 20__ (the "Term Bonds") will be called before maturity and redeemed, from the sinking fund payments that have been deposited into the Redemption Account established by the Indenture, on September 1, 20__, and on each September 1 thereafter prior to maturity, in accordance with the schedule of sinking fund payments set forth below. The Term Bonds so called for redemption will be selected by the Trustee by lot and redeemed at a redemption price for each redeemed Term Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

* *Preliminary; subject to change*.

Redemption Date (September 1)	*Principal Amount*
20__	$
20__	
20__	
20__*	

* Final Maturity.

In the event of a partial optional redemption or extraordinary mandatory redemption of the Term Bonds, each of the remaining sinking fund payments for such Term Bonds, as applicable, will be reduced, as nearly as practicable, on a pro rata basis, in integral multiples of $5,000.

Extraordinary Redemption. The Bonds are subject to extraordinary redemption as a whole, or in part on a pro rata basis among maturities, on any date, on or after September 1, 20__, and will be redeemed by the Trustee, from Prepayments of Special Taxes deposited to the Redemption Account pursuant to the Indenture, plus amounts transferred from the Reserve Account pursuant to the Indenture (see the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Reserve Account"), at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the redemption date, without premium.

Purchase of Bonds. In lieu of payment at maturity or redemption, moneys deposited in the Redemption Account may be used to purchase Outstanding Bonds by the District at public or private sale as and when and at such prices as the District may in its discretion determine but only at prices (including brokerage or other expenses) not more than par plus accrued interest, plus, in the case of moneys set aside for an extraordinary redemption, the premium applicable at the next following call date according to the premium schedule established pursuant to Indenture, if any. Any accrued interest payable upon the purchase of Bonds may be paid from the amount reserved in the Interest Account of the Special Tax Fund for the payment of interest on the next following Interest Payment Date.

Selection of Bonds for Redemption

If less than all of the Bonds Outstanding are to be redeemed, the portion of any Bond of a denomination of more than $5,000 to be redeemed will be in the principal amount of $5,000 or an integral multiple thereof. In selecting portions of such Bonds for redemption, the Trustee will treat such Bonds as representing that number of Bonds of $5,000 denominations which is obtained by dividing the principal amount of such Bonds to be redeemed in part by $5,000. The Trustee will promptly notify the District in writing of the Bonds, or portions thereof, selected for redemption.

Notice of Redemption

When Bonds are due for redemption under the Indenture, the Trustee will give notice, in the name of the District, of the redemption of such Bonds; provided, however, that such notice for optional redemption may be conditioned on there being on deposit on the redemption date sufficient money to pay the redemption price of the Bonds to be redeemed and may be further conditioned as stated in the notice of redemption. If any condition stated in the redemption notice has not satisfied on or prior to the redemption date: (a) the redemption notice will be of no force and effect; (b) the District is not required to redeem such Bonds; (c) the redemption will not be made; and (d) the Trustee will within a reasonable time thereafter give notice to the persons in the manner in which the conditional redemption notice was given that such condition or conditions were not met and that the redemption was canceled.

Such notice of redemption will: (i) specify the CUSIP numbers (if any), the bond numbers and the maturity date or dates of the Bonds selected for redemption, except that where all of the Bonds are subject to redemption, or all the Bonds of one maturity, are to be redeemed, the bond numbers of such issue need not be

specified; (ii) state the date fixed for redemption and surrender of the Bonds to be redeemed; (iii) state the redemption price; (iv) state the place or places where the Bonds are to be redeemed; (v) in the case of Bonds to be redeemed only in part, state the portion of such Bond which is to be redeemed; (vi) state the date of issue of the Bonds as originally issued; (vii) state the rate of interest borne by each Bond being redeemed; and (viii) state any other descriptive information needed to identify accurately the Bonds being redeemed as specified by the Trustee. Such notice will further state that on the date fixed for redemption, there will become due and payable on each Bond or portion thereof called for redemption, the principal thereof, together with any premium, and interest accrued to the redemption date, and that from and after such date, interest thereon will cease to accrue and be payable. At least 30 days but no more than 45 days prior to the redemption date, the Trustee will mail a copy of such notice, by first class mail, postage prepaid, to the respective Owners thereof at their addresses appearing on the Bond Register, and to the original purchaser of the Bonds. The actual receipt by the Owner of any Bond or the original purchaser of any Bond of notice of such redemption will not be a condition precedent to redemption, and neither the failure to receive nor any defect in such notice will affect the validity of the proceedings for the redemption of such Bonds, or the cessation of interest on the redemption date. A certificate by the Trustee that notice of such redemption has been given as provided in the Indenture will be conclusive as against all parties and the Owner will not be entitled to show that he or she failed to receive notice of such redemption.

In addition to the foregoing notice, further notice will be given by the Trustee as set out below, but no defect or omission in said further notice nor any failure to give all or any portion of such further notice will in any manner defeat the legality or effectiveness of a call for redemption if notice thereof is given as above prescribed.

Each further notice of redemption will be sent not later than the date that notice of redemption is mailed to the Bondowners pursuant to the Indenture by registered or certified mail or overnight delivery service to the Depository and to any other registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds as determined by the Trustee and to one or more of the national information services that the District determines are in the business of disseminating notice of redemption of obligations such as the Bonds.

Upon the payment of the redemption price of any Bonds being redeemed, each check or other transfer of funds issued for such purpose will to the extent practicable bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Registration of Exchange or Transfer

Subject to the limitations set forth in the following paragraph, the registration of any Bond may, in accordance with its terms, be transferred upon the Bond Register by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Bond for cancellation at the office of the Trustee, accompanied by delivery of written instrument of transfer in a form acceptable to the Trustee and duly executed by the Bondowner or his or her duly authorized attorney.

Bonds may be exchanged at the office of the Trustee for a like aggregate principal amount of Bonds for other authorized denominations of the same maturity. The Trustee will not collect from the Owner any charge for any new Bond issued upon any exchange or transfer, but will require the Bondowner requesting such exchange or transfer to pay any tax or other governmental charge required to be paid with respect to such exchange or transfer. Whenever any Bonds are surrendered for registration of transfer or exchange, the District will execute and the Trustee will authenticate and deliver a new Bond or Bonds of the same maturity, for a like aggregate principal amount; provided that the Trustee is not required to register transfers or make exchanges of: (i) Bonds for a period of 15 days next preceding any selection of the Bonds to be redeemed; or (ii) any Bonds chosen for redemption.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

As described below, the principal of and interest on the Bonds are payable from Net Taxes (Special Taxes remaining after the payment of the Administrative Expense Requirement) and all amounts in the Special Tax Fund (exclusive of the Administrative Expense Account) established under the Indenture. Amounts in the Surplus Fund, the Rebate Fund, the Costs of Issuance Fund, and the Administrative Expense Account of the Special Tax Fund are not pledged to the repayment of the Bonds. The "Net Taxes" are the Special Tax proceeds, including all Special Taxes received by the District, together with the proceeds collected from the sale of property pursuant to the foreclosure provisions of this Indenture for the delinquency of such Special Taxes remaining after the payment of all costs and expenses related to such foreclosure actions and all Administrative Expenses. The Bonds are secured only by the Net Taxes collected within the District and amounts held in the Special Tax Fund from time to time.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. EXCEPT FOR THE NET TAXES, NO OTHER REVENUES OR TAXES ARE PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE NOT GENERAL OR SPECIAL OBLIGATIONS OF THE CITY OR GENERAL OBLIGATIONS OF THE DISTRICT BUT ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM NET TAXES AND OTHER AMOUNTS HELD UNDER THE INDENTURE AS MORE FULLY DESCRIBED HEREIN.

Special Taxes

General. In accordance with the provisions of the Act, the City Council established the District on October 29, 2003, for the purpose of financing the design, construction, expansion, acquisition, leasing and rehabilitation of certain public facilities within or serving the District, as provided in the Resolution of Formation. The Resolution of Formation and the Resolution to Incur Bonded Indebtedness authorized the District to submit a proposition to the qualified electors within Improvement Area No. 2 of the District to authorize the issuance of an aggregate principal amount of bonds not to exceed $27,000,000 and the annual levy and collection of the Special Tax pursuant to the terms and conditions of the Act. The levy of the Special Tax and the Rate and Method were approved by the qualified electors within Improvement Area No. 2 of the District on October 29, 2003. On November 10, 2003, the City Council, acting as the legislative body of the District, adopted Ordinance No. 1759 (the "Ordinance"), which provides for the levying of the Special Tax. The Rate and Method approved by the City Council and the qualified electors is set forth in Appendix A.

The City Council, as the legislative body of the District, has covenanted in the Indenture to levy the Special Tax in an amount sufficient, together with other amounts on deposit in the Special Tax Fund, to pay: (1) the principal of and interest on the Bonds when due; (2) the Administrative Expenses; and (3) any amounts required to replenish the Reserve Account of the Special Tax Fund to the Reserve Requirement (as described under the caption "—Reserve Account"). The District has covenanted that it will take no actions that would discontinue or cause the discontinuance of the Special Tax levy or the District's authority to levy the Special Tax for so long as the Bonds are Outstanding.

The District has further covenanted that it will not initiate proceedings to reduce the maximum Special Tax rates for the District, unless, in connection therewith: (1) the District receives a certificate from one or more Independent Financial Consultants which, when taken together, certify that such changes do not reduce the maximum Special Taxes that may be levied in each year on Developed Property within the District to an amount which is less than 110% of the Annual Debt Service due in each corresponding future Bond Year with respect to the Bonds Outstanding as of the date of such proposed reduction; and (2) the District is not delinquent in the payment of the principal of or interest on the Bonds. For purposes of estimating Administrative Expenses for the foregoing calculation, the Independent Financial Consultants will compute the Administrative Expenses for the current Fiscal Year and escalate such amount by 2% in each subsequent Fiscal Year.

Notwithstanding the foregoing, the Special Taxes levied in any Fiscal Year of the District ending June 30 (each, a "Fiscal Year") may not exceed the maximum rates authorized pursuant to the Rate and Method. See Appendix A. There is no assurance that the Special Tax proceeds will, in all circumstances, be adequate to pay the principal of and interest on the Bonds when due. See the caption "SPECIAL RISK FACTORS—Insufficiency of Special Taxes."

The Special Taxes will be payable and collected in the same manner and at the same time and in the same installment as the general taxes on real property are payable, and have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property; provided that the City Council may provide for direct collection of the Special Taxes in certain circumstances.

Under no circumstances will the Special Taxes levied against any parcel of residential property be increased by more than 10% per Fiscal Year as a consequence of delinquency or default by the owner of any other parcel within the District. Improvement Area No. 2 is primarily composed of non-residential properties.

Although the Special Taxes constitute liens on taxed parcels within the District, such taxes do not constitute a personal indebtedness of the owners of property within the District. Moreover, other liens for taxes and assessments already exist on the property located within the District and others could come into existence in the future in certain situations without the consent or knowledge of the District or the landowners therein. See the caption "SPECIAL RISK FACTORS—Parity Taxes and Special Assessments." There is no assurance that the property owners in the District will be financially able to pay the annual Special Taxes or that they will pay such taxes even if financially able to do so. See the caption "SPECIAL RISK FACTORS."

Rate and Method of Apportionment of Special Tax. Under the Rate and Method, all Taxable Property in the District will be classified each Fiscal Year as Developed Property, Approved Property, Undeveloped Property, Association Property, Open Space Property, or Public Property and will be subject to a Special Tax levy at the maximum rates described in Sections C and D of the Rate and Method; provided that Section G of the Rate and Method exempts up to 24.81 acres of Association Property, Open Space Property, or Public Property from the levy of any Special Taxes, with tax-exempt status assigned in the chronological order in which property becomes Association Property, Open Space Property or Public Property. The full text of the Rate and Method is set forth in Appendix A, and capitalized terms used in this caption have the meanings assigned to them in the Rate and Method.

The Maximum Special Tax for Developed Property, Approved Property, Undeveloped Property is set forth in Table 1 of the Rate and Method, and is subject to a 2% annual escalator which commenced on July 1, 2005, and was implemented on each July 1 thereafter. The Maximum Special Tax for Fiscal Years 2014-15 and 2015-16 was $15,846.93 and $16,163.86, respectively, per Minimum Taxable Acre for all three types of property; provided, however, that the Maximum Special Tax per acre may be increased above such amount if the Gross Acres of a Planning Area are less than the Minimum Taxable Acres applicable to such Planning Area as set forth in Table 2 of the Rate and Method. A parcel will be classified as Developed Property if it is Taxable Property for which a building permit has been issued as of the March 1 preceding the Fiscal Year for which the Special Taxes are being levied. A parcel will be classified as Approved Property if it is Taxable Property located within a Final Subdivision and for which a building permit has not been issued as of the March 1 preceding the Fiscal Year for which the Special Taxes are being levied.

The City Council or its designee will determine the Special Tax Requirement for each Fiscal Year. "Special Tax Requirement" is defined in the Rate and Method as the amount required in any Fiscal Year: (1) to pay Administrative Expenses; (2) to pay debt service on outstanding Bonds payable in the calendar year which commences in the Fiscal Year; (3) to replenish and/or establish the Reserve Account to the Reserve Requirement; (4) to pay the costs of remarketing, credit enhancement and liquidity facility fees, and other periodic costs on the Bonds, if any; (5) to pay for reasonably anticipated delinquent Special Taxes based on the

delinquency rate for previously levied Special Taxes; (6) to pay directly for the acquisition and/or construction of public facilities; and less (7) available funds as directed under the Indenture.

The Special Tax will be levied first proportionately on Developed Property up to 100% of the applicable Maximum Special Tax as needed to satisfy the Special Tax Requirement. If additional moneys are needed to satisfy the Special Tax Requirement after levying on all Developed Property at the applicable Maximum Special Tax, the Special Tax will be levied next proportionately on Approved Property up to 100% of the applicable Maximum Special Tax. If additional moneys are needed to satisfy the Special Tax Requirement after levying the foregoing Special Taxes, the Special Tax will be levied next proportionately on Undeveloped Property up to 100% of the applicable Maximum Special Tax; Association Property, Open Space Property, or Public Property that is not exempt from the Special Tax under Section G of the Rate and Method will be subject to the levy of the Special Tax and will be taxed proportionately as part of the foregoing clause (set forth as the third step of Section D of the Rate and Method), at up to 100% of the applicable Maximum Special Tax for Undeveloped Property. See Appendix A.

The District is legally authorized and has covenanted to cause the levy of the Special Taxes in an amount determined according to the Rate and Method, which the City Council and the qualified electors of the District have approved. The Rate and Method apportions the total amount of Special Taxes to be collected among the taxable parcels in the District as more particularly described in Appendix A. The District adopted the Rate and Method following public hearings and elections conducted pursuant to the provisions of the Act. The full text of the Rate and Method is set forth in Appendix A.

UNDER NO CIRCUMSTANCES MAY THE SPECIAL TAX ON ANY ASSESSOR'S PARCEL EXCEED THE MAXIMUM RATES AS SET FORTH IN APPENDIX A.

In connection with the issuance of the Bonds, Willdan Financial Services, the District's Special Tax Consultant, will certify that the Maximum Special Tax that may be levied on assessor's parcels within the District will be at least equal to 110% of maximum annual debt service on the Bonds plus the Administrative Expense Requirement. Actual collections of the Special Tax will depend on the amount of Special Tax delinquencies.

Prepayment of Special Taxes. Under the Rate and Method, the owner of a parcel may voluntarily prepay the Special Tax obligation for a parcel in whole or in part. Any voluntary prepayment of Special Taxes will result in an extraordinary redemption of the Bonds. See the caption "THE BONDS—Redemption of the Bonds—Extraordinary Redemption."

Collection of Special Taxes and Flow of Funds. The District has covenanted to and will, on each date on which Special Taxes are apportioned to the District, deposit the Special Taxes in the Special Tax Fund maintained by the District (except for Prepayments which will be deposited to the Redemption Account as specified in a Certificate of an Authorized Representative).

Except for Prepayments, which will be deposited in the Redemption Account of the Special Tax Fund Fund and applied to redeem Bonds as described under the caption "THE BONDS—Redemption of the Bonds—Extraordinary Redemption," the Trustee will, on each date on which the Net Taxes are received from the District, deposit the Net Taxes in the Special Tax Fund to be held in trust for the Owners. The Trustee will transfer the Special Taxes on deposit in the Special Tax Fund on the dates and in the amounts set forth in the Indenture, in the following order of priority, to: (1) the Administrative Expense Account; (2) the Interest Account; (3) the Principal Account; (4) the Redemption Account; (5) the Reserve Account; (6) the Rebate Fund; and (7) the Surplus Fund. The amounts in the Administrative Expense Account, the Rebate Fund, and the Surplus Fund are not pledged to the repayment of the Bonds and may be transferred to the District to be used for any lawful purpose.

Covenant Not to Reduce Special Tax Rates Unless Certain Conditions are Met

The District has covenanted in the Indenture that it will take no actions that would discontinue or cause the discontinuance of the Special Tax levy or the District's authority to levy the Special Tax so long as the Bonds are Outstanding, including the initiation of proceedings under the Act to reduce the maximum Special Tax rates on then existing Developed Property below the amounts which are necessary to pay Administrative Expenses and to provide Special Taxes in an amount equal to 110% of annual debt service on the Outstanding Bonds unless, in connection therewith: (1) the District receives a certificate from one or more Independent Financial Consultants which, when taken together, certify that such changes do not reduce the maximum Special Taxes that may be levied in each year on Developed Property within the District to an amount which is less than 110% of the Annual Debt Service due in each corresponding future Bond Year with respect to the Bonds Outstanding as of the date of such proposed reduction; and (2) the District is not delinquent in the payment of the principal of or interest on the Bonds.

The District has further covenanted that in the event that any initiative is adopted which purports to reduce maximum Special Tax rates or to limit the power of the District to levy Special Taxes for the purposes set forth above, it will commence and pursue legal action seeking to preserve its ability to comply with its covenants. There are no California court cases interpreting the enforceability of the foregoing covenants in light of Article XIIIC of the State Constitution. See the caption "SPECIAL RISK FACTORS—Proposition 218."

Existing Liens

The lots within the District are subject to additional indebtedness as set forth under the heading "THE COMMUNITY FACILITIES DISTRICT—Direct and Overlapping Indebtedness."

The lien for the Special Taxes is co-equal to the lien for the overlapping assessments and special taxes and the lien for general property taxes. See the caption "THE COMMUNITY FACILITIES DISTRICT—Direct and Overlapping Indebtedness."

Except as disclosed in this Official Statement, the District is unaware of any present or contemplated assessment district or community facilities district that includes property within the District. See the caption "THE COMMUNITY FACILITIES DISTRICT." The District has no control, and the City has only limited control, over the amount of additional indebtedness that may be issued in the future by other public agencies, the payment of which, through the levy of a tax or an assessment, will be on a parity with the Special Taxes. See the caption "SPECIAL RISK FACTORS—Parity Taxes and Special Assessments."

No Obligation of the City Upon Delinquency

The City is under no obligation to transfer any funds of the City into the Special Tax Fund for payment of the principal of or interest on the Bonds if a delinquency occurs in the payment of any Special Taxes. See the caption "—Proceeds of Foreclosure Sales" for a discussion of the District's obligation to foreclose Special Tax liens upon delinquencies.

Special Taxes Are Not Within Teeter Plan

The County operates under a statutory program entitled the Alternate Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"). Under the Teeter Plan, certain local taxing entities receive 100% of their tax levies net of delinquencies, but do not receive interest or penalties on delinquent taxes collected by the County. Community facilities districts such as the District are not eligible to participate in the Teeter Plan; the Special Taxes are therefore not subject to the Teeter Plan. Accordingly, the District's receipt of Special Taxes is impacted by delinquencies in payment, as well as by the collection of

interest and penalties on past delinquencies. See the caption "THE COMMUNITY FACILITIES DISTRICT—Delinquency History" for historical delinquencies within the District.

Proceeds of Foreclosure Sales

The District has covenanted that it will deposit the net proceeds of any foreclosure in the Special Tax Fund and will apply such proceeds remaining after the payment of Administrative Expenses to make current payments of principal and interest on the Bonds, to bring the amount on deposit in the Reserve Account up to the Reserve Requirement and to pay any delinquent installments of principal or interest due on the Bonds.. See the caption "—Special Taxes."

Pursuant to Section 53356.1 of the Act, in the event of any delinquency in the payment of any Special Tax or receipt by the District of Special Taxes in an amount which is less than the Special Tax levied, the City Council, as the legislative body of the District, may order that Special Taxes be collected by a superior court action to foreclose the lien within specified time limits. In such an action, the real property subject to the unpaid amount may be sold at a judicial foreclosure sale. Under the Act, the commencement of judicial foreclosure following the nonpayment of a Special Tax is not mandatory. However, the District has covenanted for the benefit of the owners of the Bonds that it will order, and cause to be commenced as hereinafter provided and thereafter diligently prosecute to judgment (unless such delinquency is theretofore brought current), an action in the Superior Court of the County to foreclose the lien of any Special Tax or installment thereof not paid when due as provided in the following paragraphs.

The District has covenanted for the benefit of the Owners of the Bonds that it: (1) will commence judicial foreclosure proceedings against parcels with delinquent Special Taxes in excess of $10,000 by the October 1 following the close of each Fiscal Year in which such Special Taxes were due; (2) will commence judicial foreclosure proceedings against all parcels with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than 95% of the total Special Tax levied and the amount on deposit in the Reserve Account is at less than the Reserve Requirement; and (3) will diligently pursue such foreclosure proceedings until the delinquent Special Taxes are paid.

If foreclosure is necessary and other funds (including amounts in the Reserve Account of the Special Tax Fund) have been exhausted, debt service payments on the Bonds could be delayed until the foreclosure proceedings have ended with the receipt of any foreclosure sale proceeds. Judicial foreclosure actions are subject to the normal delays associated with court cases and may be further slowed by bankruptcy actions, involvement by agencies of the federal government and other factors beyond the control of the District. See the caption "SPECIAL RISK FACTORS—Bankruptcy and Foreclosure." Moreover, no assurances can be given that the real property subject to foreclosure and sale at a judicial foreclosure sale will be sold or, if sold, that the proceeds of such sale will be sufficient to pay any delinquent Special Tax installment. See the caption "SPECIAL RISK FACTORS—Land Values." Although the Act authorizes the District to cause such an action to be commenced and diligently pursued to completion, the Act does not impose on the District or the City any obligation to purchase or acquire any lot or parcel of property sold at a foreclosure sale if there is no other purchaser at such sale. The Act provides that, in the case of a delinquency, the Special Tax will have the same lien priority as is provided for *ad valorem* taxes.

Reserve Account

In order to secure further the payment of principal of and interest on the Bonds, the District is required, upon delivery of the Bonds, to deposit in the Reserve Account and thereafter to maintain in such Reserve Account an amount equal to the Reserve Requirement, which is defined in the Indenture as means that amount as of any date of calculation equal to the lesser of: (i) 10% of the initial principal amount of the Bonds; (ii) Maximum Annual Debt Service on the then Outstanding Bonds; and (iii) 125% of average Annual Debt Service on the then Outstanding Bonds (the "Reserve Requirement").

The amounts in the Reserve Account will be applied as follows:

(a) Moneys in the Reserve Account will be used solely for the purpose of paying the principal of and interest on the Bonds when due in the event that the moneys in the Interest Account and the Principal Account of the Special Tax Fund are insufficient therefor and for the purpose of making any required transfer to the Rebate Fund pursuant to the Indenture upon written direction from the District. If the amounts in the Interest Account or the Principal Account of the Special Tax Fund are insufficient to pay the principal of or interest on any Bonds when due, or amounts in the Special Tax Fund are insufficient to make transfers to the Rebate Fund when required, the Trustee will withdraw from the Reserve Account for deposit in the Interest Account or the Principal Account of the Special Tax Fund or the Rebate Fund, as applicable, moneys necessary for such purposes.

(b) Whenever moneys are withdrawn from the Reserve Account, after making required transfers to the Administrative Expense Account, Interest Account, Principal Account and Redemption Account of the Special Tax Fund in accordance with the Indenture, the Trustee will transfer to the Reserve Account from available moneys in the Special Tax Fund, or from any other legally available funds which the District elects to apply to such purpose, the amount needed to restore the amount of such Reserve Account to the Reserve Requirement. Moneys in the Special Tax Fund will be deemed available for transfer to the Reserve Account only if the Trustee determines that such amounts will not be needed to make the deposits required to be made to the Administrative Expense Account, the Interest Account, the Principal Account or the Redemption Account of the Special Tax Fund on or before the next September 1. If amounts in the Special Tax Fund together with any other amounts transferred to replenish the Reserve Account are inadequate to restore the Reserve Account to the Reserve Requirement, then the District will include the amount necessary to restore the Reserve Account to the Reserve Requirement in the next annual Special Tax levy to the extent of the maximum permitted Special Tax rates.

(c) In connection with a redemption of Bonds pursuant to the Indenture, or a defeasance of Bonds in accordance with the Indenture, amounts in the Reserve Account may be applied to such redemption or defeasance so long as the amount on deposit in the Reserve Account following such redemption or any partial defeasance equals the Reserve Requirement. The District will set forth in a Certificate of an Authorized Representative the amount in the Reserve Account to be transferred to the Redemption Account on a redemption date or to be transferred pursuant to the Indenture to partially defease Bonds, and the Trustee will make such transfer on the applicable redemption or defeasance date, subject to the limitation in the preceding sentence.

(d) To the extent that the Reserve Account is at the Reserve Requirement as of the first day of the final Bond Year for the Bonds, amounts in the Reserve Account may be applied to pay the principal of and interest due on the Bonds in the final Bond Year for such issue. Moneys in the Reserve Account in excess of the Reserve Requirement not transferred in accordance with the preceding provisions will be withdrawn from the Reserve Account on the Business Day before each March 1 and September 1 and transferred to the Interest Account of the Special Tax Fund.

No Senior Parity Bonds

The District has covenanted under the Indenture not to mortgage or otherwise encumber, pledge or place any charge upon any of the Special Taxes except as provided in the Indenture, and will not issue any obligation or security having a lien or charge upon the Special Taxes other than the Bonds, whether senior or on a parity with the Bonds.

Priority of Bonds and Pledge of Net Taxes

The District has pledged and assigned to the Trustee all Net Taxes for the payment of principal of, premium, if any, and interest on the Bonds. Pursuant to the Act and the Indenture, the Bonds will be and are

equally secured by a pledge of and lien upon the Net Taxes, and certain other amounts on deposit in the Special Tax Fund. So long as any of such Bonds are Outstanding and unpaid, the Net Taxes and the interest thereon may be used only as provided in the Indenture unless the Bondowners authorize other uses of such Net Taxes pursuant to the provisions of the Indenture. Nothing in the Indenture or in any Supplemental Indenture precludes the redemption prior to maturity of any Bonds subject to call and redemption or the payment of the Bonds from proceeds of refunding bonds issued under the Act or under any other law of the State.

THE COMMUNITY FACILITIES DISTRICT

General Description of the District and Improvement Area No. 2

The District was formed and the Improvement Areas therein, including Improvement Area No. 2, were designated on October 29, 2003. The District consists of approximately 300 gross acres, and is generally located in the northeastern part of the City, adjoining Interstate 210 both to the north and the south of the freeway, generally south of 20th Street, primarily to the east of Campus Avenue, west of the Cucamonga Creek Channel from 20th Street to 19th Street, west of Colonies Parkway between 19th Street and Tanglewood Avenue, west of Tanglewood Avenue from Colonies Parkway to Hummingbird Lane, and north of the Country Club Villas Apartments, and Upland Hills Country Club Golf Course. The District is located within the Colonies at San Antonio Specific Plan of the City (as amended, the "Specific Plan"), which provided for the development of a 447.8 acre mixed-use residential, commercial, and public use project (the "Colonies Project"), which generally includes, in addition to the property within the District, the remaining property west of the Cucamonga Creek Channel and south of 19th Street, east of Colonies Parkway and Tanglewood Avenue, and north of Hummingbird Lane. Both 19th Street and the I-210 freeway extend in an east-west direction through the northern portion of the Colonies Project and the District.

[CITY TO UPDATE THIS SECTION] The property within Improvement Area No. 2 of the District was developed by the Master Developer, and subsequently transferred (except as described below) to the Developer. The Developer commenced construction of the property in 2004. Currently, there are no outstanding approvals that impact the ability to develop or build on the property within Improvement Area No. 2.

Improvement Area No. 2 comprises approximately 12.36 Minimum Taxable Acres (as such term is defined the Rate and Method) in PA 17, 37.09 Minimum Taxable Acres in PA 18, 41.02 Minimum Taxable Acres in PA 19, 9.23 Minimum Taxable Acres in PA 20, and 9.42 Minimum Taxable Acres in PA 21.

The Colonies Pacific, LLC owns PA 18, except for approximately 10 acres purchased by Target Corporation in June 2004. The Colonies-Pacific 19C, LLC owns PA 19A, PA 19B and PA 19C. The Colonies Pacific 17, LLC owns PA17. Approximately 1.35 acres of Parcel 4 of Parcel Map 17477 is owned by Crossroads Travel center, LLC. PA20, except Parcel 4 of Parcel Map 17447, and PA21 are still owned by the Master Developer.

As of March 17, 2015, PAs 17, 18, 19B and 19C, which comprise approximately, are fully built out. Portions of PAs 19A and 20 are built out as well. In total, as of March 17, 2015, 865,000 square feet of commercial buildings have been built within Improvement Area No. 2, and 6,000 square feet were under construction. Construction on an additional 12,000 square feet is expected to begin in early 2015. All public improvements within Improvement Area No. 2 acquired with the Refunded Bonds are complete, and all private improvements within PA 17, 18, 19A, 19B and 19C are complete as well.

Current tenants in Improvement Area No. 2 include [_____]

The average Assigned Special Tax levied for Fiscal Year 2014-15 per parcel within the District was $_____ or $_____ per Minimum Taxable Acre. The actual Assigned Special Tax for Developed Property was levied at the maximum Assigned Special Tax for Fiscal Year 2014-15.

Direct and Overlapping Indebtedness

The ability of an owner of land within the District to pay the Special Taxes could be affected by the existence of other taxes and assessments imposed upon the property. These taxes consist of the direct and overlapping debt set forth in Table 1 below. As of May 1, 2015, the sum of the direct and overlapping tax and assessment debt applicable to the property within the District, including the Refunded Bonds, was $19,649,922. In addition, other public agencies whose boundaries overlap those of the District could, without the consent of the District, and in certain cases without the consent of the owners of the land within the District, impose additional taxes or assessment liens on the property within the District in order to finance public improvements to be located inside of or outside of such area. The lien created on the property within the District through the levy of such additional taxes or assessments may be on a parity with the lien of the Special Taxes. See the caption "SPECIAL RISK FACTORS—Parity Taxes and Special Assessments."

Set forth below is a direct and overlapping debt report prepared by California Municipal Statistics, Inc. as of May 1, 2015. The table reflects an assessed value of the taxable property within the District of $152,219,657 for Fiscal Year 2014-15. Allocations of overlapping debt to property within the District are based on the assessed value of the area covered by the overlapping indebtedness. The debt report sets forth those entities which have issued debt and does not include entities which only levy or assess fees, charges, 1% *ad valorem* taxes or other special taxes.

TABLE 1
COMMUNITY FACILITIES DISTRICT NO. 2003-2
OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)
IMPROVEMENT AREA NO. 2
DIRECT AND OVERLAPPING INDEBTEDNESS

Fiscal Year 2014-15 Local Secured Assessed Valuation: $152,219,657

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 5/1/15
Metropolitan Water District General Obligation Bonds	0.007%	$ 7,259
Chaffey Community College District General Obligation Bonds	0.169	269,749
Upland Unified School District General Obligation Bonds	1.927	1,807,914
Community Facilities District No. 2003-2, Improvement Area No. 2	**100.000**	**17,565,000**[1]
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$19,649,922
OVERLAPPING GENERAL FUND DEBT:		
San Bernardino County General Fund Obligations	0.085%	$399,615
San Bernardino County Pension Obligation Bonds	0.085	387,427
San Bernardino County Flood Control District General Fund Obligations	0.085	82,646
Chaffey Community College District General Fund Obligations	0.169	19,461
City of Upland Certificates of Participation	1.981	9,806
TOTAL OVERLAPPING GENERAL FUND DEBT		$898,955
COMBINED TOTAL DEBT		$20,548,877[2]

Ratios to 2014-15 Assessed Valuation:

Direct Debt ($17,565,000)..... 11.54%
Total Direct and Overlapping Tax and Assessment Debt.... 12.91%
Combined Total Debt 13.50%

(1) Reflects Refunded Bonds.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
Source: California Municipal Statistics, Inc.

Table 2 below sets forth the Fiscal Year 2014-15 effective tax rate within the District. The estimated tax rates and amounts presented below are based on currently available information and actual amounts may vary and increase or decrease in future years. The below estimated Fiscal Year 2014-15 effective tax rate is an average for a typical parcel within the District and does not represent the actual tax rate for any parcel or parcels.

TABLE 2
COMMUNITY FACILITIES DISTRICT NO. 2003-2
OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)
IMPROVEMENT AREA NO. 2
ESTIMATED FISCAL YEAR 2014-15 EFFECTIVE TAX RATE

Assessed Value[1] $2,108,588.00

	Percent of Assessed Value	*Projected Amount*
General Tax Levy	1.0000%	$21,085.88
ASSESSMENTS, SPECIAL TAXES, AND PARCEL CHARGES[2]		
Community Facilities District No. 2003-2 Improvement Area No. 2		$14,436.54
School Bonds		974.16
School State Repayment		0.00
The Metropolitan Water District of Southern California		73.80
Upland Vector Control		10.26
Chaffey College Bonds		229.83
School Bonds	-	0.00
Chino Basin Water Debt Service		0.00
The Metropolitan Water District of Southern California Water Standby Charge		7.59
Total Assessments, Special Taxes, and Parcel Charges		***$15,732.18***
PROJECTED TOTAL PROPERTY TAXES		**$36,818.06**
PROJECTED TOTAL EFFECTIVE TAX RATE		**1.75%**

(1) Reflects Fiscal Year 2014-15 assessed valuation. Sample tax bill is for a parcel with median assessed value for Improvement Area No. 2.
(2) Reflects estimated property taxes based on Fiscal Year 2014-15 assessed values and Fiscal Year 2014-15 tax rates.
Source: Special Tax Consultant.

Summary of Special Tax Levy

A summary of the District's Fiscal Year 2014-15 Special Tax levy is set forth in Table 3 below.

TABLE 3
COMMUNITY FACILITIES DISTRICT NO. 2003-2
OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)
IMPROVEMENT AREA NO. 2
FISCAL YEAR 2014-15 SPECIAL TAX LEVY

Special Tax Classification	*Fiscal Year 2014-15 Maximum Special Tax*	*Fiscal Year 2014-15 Assigned Special Tax*	*Fiscal Year 2014-15 Assigned Special Tax as a Percentage of Maximum*
Developed Property	$15,846.93	$15,846.92	100.00%
Approved Property [(2)]	15,846.93	N/A	N/A
Undeveloped Property	15,846.93	3,015.45	19.03

(1) In accordance with the Rate and Method, Maximum Special Tax rates have been escalated by 2% per annum beginning in Fiscal Year 2004-05.
(2) For Fiscal Year 2014-15, there were no parcels classified as "Approved Property."
Source: Special Tax Consultant.

Historical Assessed Values

The following table sets forth the assessed valuation within the District for the current and nine prior Fiscal Years.

TABLE 4
COMMUNITY FACILITIES DISTRICT NO. 2003-2
OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)
IMPROVEMENT AREA NO. 2
HISTORICAL ASSESSED VALUES

Fiscal Year	*Number of Active Parcels*	*Number of Levied Parcels*	*Fiscal Year 2014-15 Assessed Land Valuation*	*Fiscal Year 2014-15 Assessed Structure Valuation*	*Fiscal Year 2014-15 Total Assessed Valuation*[1]	*% Change*
2005-06	31	29	$21,531,296	$ 16,913,000	$ 38,444,296	N/A%
2006-07	39	31	26,080,585	27,532,400	53,612,985	39.46
2007-08	39	37	27,917,529	64,413,383	92,330,912	72.22
2008-09	39	37	30,075,064	86,452,951	116,528,015	26.21
2009-10	39	37	30,676,566	88,576,751	119,253,317	2.34
2010-11[2]	39	37	30,602,971	75,176,265	105,779,236	(11.30)
2011-12	39	37	30,828,470	75,688,392	106,516,862	0.70
2012-13	42	40	31,328,765	77,019,375	108,348,140	1.72
2013-14	52	49	36,458,987	97,778,687	134,237,674	23.89
2014-15	50	49	38,983,190	113,236,467	152,219,657	13.40

(1) Based on County secured property tax rolls, as compiled by the Special Tax Consultant.
(2) The reduction in total assessed value in Fiscal Year 2010-11 is due partially to the annual review of by the County Assessor to reflect taxable values accurately in consideration of recent market declines. Under Proposition 13, real property is reappraised only when a change in ownership occurs, or when new construction takes place. Generally, a change in ownership is a sale or transfer of property, while new construction is any improvement to property that is not considered normal maintenance. Except for these two instances, property assessments cannot be increased by more than 2% per annum. Revenue and Taxation Code § 51 requires the County Assessor to enroll the lower of either the property's Factored Base Year Value (established under Proposition 13) or its market value as of the lien date (January 1). The County Assessor is required to review the market value of the property each lien date after the reduction until such time as the Factored Base Year Value is less than or equal to the market value. When the Factored Base Year Value is again enrolled, the property is no longer subject to the annual review, and will receive indexing not to exceed 2% per annum.

Source: Special Tax Consultant.

[The assessed values shown above reflect the latest information as of the Fiscal Year 2014-15 tax roll and are not adjusted to reflect any appeals; the Special Tax Consultant reports that as of April 1, 2015, there were no pending appeals of assessed valuations in the District.]

Estimated Value-to-Lien Ratios

The following table sets forth the estimated assessed value-to-lien ratios for parcels within the District by various ranges based on the Fiscal Year 2014-15 assessed valuation and the direct and overlapping debt information included in Table 1. As summarized below, the estimated assessed value-to-lien ratio for all parcels within the District is approximately 8.14* to 1, but the ratios over individual parcels vary widely. The value of the individual parcels is significant because, in the event of a delinquency in payment, the District's only remedy is to foreclose on the delinquent parcel. A parcel with a lower value-to-lien ratio may be less likely to sell at foreclosure or provide sale proceeds adequate to pay all delinquent Special Tax installments. The value-to-lien ratios shown in the below table are based on assessed values rather than market values. Prospective purchasers of the Bonds should not assume that the property within the District could be sold for the assessed values listed in the below table. See the caption "SPECIAL RISK FACTORS—Land Values."

* *Preliminary; subject to change*.

Assessed values do not necessarily represent market values. Article XIIIA of the State Constitution (Proposition 13) defines "full cash value" to mean "the County assessor's valuation of real property as shown on the 1975/76 roll under 'full cash value,' or, thereafter, the appraised value of real property when purchased or newly constructed or when a change in ownership has occurred after the 1975 assessment," subject to exemptions in certain circumstances of property transfer or reconstruction. The "full cash value" is subject to annual adjustment to reflect increases, not to exceed 2% for any year, or decreases in the consumer price index or comparable local data, or to reflect reductions in property value caused by damage, destruction or other factors. Because of the general limitation to 2% per year in increases in full cash value of properties which remain in the same ownership, the County tax roll does not reflect values uniformly proportional to actual market values. Moreover, as a result of declines in the market value of properties in recent years, assessed valuations of many properties in the County have declined in the recent years. As a result of the foregoing, there can be no assurance that the assessed valuations of the properties within the District accurately reflect their respective market values, and the future fair market values of those properties may be lower than their current assessed valuations. See the caption "SPECIAL RISK FACTORS—Land Values."

No assurance can be given that, should a delinquent parcel be foreclosed and sold for the amount of the delinquency, any bid will be received for such parcel, or if a bid is received that such bid will be sufficient to pay such delinquent Special Taxes.

TABLE 5
COMMUNITY FACILITIES DISTRICT NO. 2003-2
OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)
IMPROVEMENT AREA NO. 2
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES*

Estimated Assessed Values to Lien Ratios	*Number of Levied Parcels*	*Fiscal Year 2014-15 Assessed Land Valuation*	*Fiscal Year 2014-15 Assessed Structure Valuation*	*Fiscal Year 2014-15 Total Assessed Valuation*(1)	*Fiscal Year 2014-15 Special Tax Levied*	*Fiscal Year 2014-15 Maximum Special Tax*	*Pro Rata Share of Principal Amount of Bonds*(2)*	*Value to Lien Ratio**
30:1 to 39.99:1	1	$ 165,276	$ 2,191,974	$ 2,357,250	$ 6,627	$ 6,627	$ 71,657	32.90
10:1 to 19.99:1	24	14,832,819	75,113,539	89,946,358	627,655	627,656	6,786,583	13.25
3:1 to 9.99:1	11	21,856,124	35,930,954	57,787,078	763,395	763,396	8,254,285	7.00
Less than 3:1	13	2,128,971	0	2,128,971	110,140	331,324	3,582,475	0.59
Total	**49**	**$ 38,983,190**	**$ 113,236,467**	**$ 152,219,657**	**$ 1,507,818**	**$ 1,729,003**	**$ 18,695,000**	**8.14**

(1) Based on the County Fiscal Year 2014-15 secured property tax roll, as compiled by the Special Tax Consultant.
(2) Bonded Debt is allocated to each parcel based on the pro rata share of the parcel's Maximum Special Tax multiplied by the principal amount of Bonds outstanding.
Source: Special Tax Consultant.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

* *Preliminary; subject to change*.

Delinquency History

The following table is a summary of Special Tax levies, collections and delinquency rates in the District for Fiscal Years 2005-06 through the first installment of Fiscal Year 2014-15.

TABLE 6
COMMUNITY FACILITIES DISTRICT NO. 2003-2
OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)
DELINQUENCY HISTORY[(1)]

Fiscal Year	*Aggregate Annual Special Tax*	*Total Annual Special Taxes Collected*	*Number of Levied Parcels*	*Number of Delinquent Parcels*	*Fiscal Year Amount Delinquent*	*Fiscal Year Delinquency Rate*	*Remaining Parcels Delinquent*	*Remaining Amount Delinquent*	*Remaining Delinquency Rate*
2005-06	$1,115,683	$ 982,819	29	2	$132,864	11.91%	0	$ 0	0.00%
2006-07	1,308,509	1,308,509	31	0	0	0.00	0	0	0.00
2007-08	1,323,493	1,266,381	37	2	57,111	4.32	0	0	0.00
2008-09	1,353,574	1,353,574	37	0	0	0.00	0	0	0.00
2009-10	1,376,258	1,376,258	37	0	0	0.00	0	0	0.00
2010-11	1,402,198	1,402,198	37	0	0	0.00	0	0	0.00
2011-12	1,430,676	1,430,676	37	0	0	0.00	0	0	0.00
2012-13	1,430,676	1,430,676	40	0	0	0.00	0	0	0.00
2013-14	1,454,620	1,454,620	49	0	0	0.00	0	0	0.00
2014-15	1,507,818	N/A	49	N/A	N/A	N/A	1	18,937	1.26

(1) Delinquency information as of June 30 in the Fiscal Year in which the Special Taxes were levied. Does not include any penalties, interest or fees.
Source: Special Tax Consultant.

Debt Service Coverage

The following table shows projected coverage of debt service on the Bonds from Net Taxes. Notwithstanding the debt service coverage indicated in the below table, the District may not levy Special Taxes at the maximum assigned rate because of limitations in the Act. Pursuant to Government Code § 53321(d), the Special Tax for public facilities levied against any parcel for which an occupancy permit for commercial use has been issued may not be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within the District by more than 10% above the amount that would have been levied in such Fiscal Year had there never been any such delinquencies or defaults. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Special Taxes—General." Investors should not assume actual coverage in excess of 110% of debt service.

TABLE 7
COMMUNITY FACILITIES DISTRICT 2003-2
OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)
IMPROVEMENT AREA NO. 2
PROJECTED DEBT SERVICE COVERAGE*

Fiscal Year	*Maximum Special Tax*(1)	*Administrative Expenses*(2)	*Special Tax Revenues Available for Debt Service*	*Annual Debt Service*	*Coverage*
2015-16	$1,729,002.76	$17,578.91	$1,711,423.85	$ 726,735.42	2.35
2016-17	1,763,582.82	17,930.49	1,745,652.33	1,287,650.00	1.36
2017-18	1,798,854.47	18,289.10	1,780,565.38	1,313,450.00	1.36
2018-19	1,834,831.56	18,654.88	1,816,176.68	1,318,450.00	1.38
2019-20	1,871,528.20	19,027.98	1,852,500.22	1,318,050.00	1.41
2020-21	1,908,958.76	19,408.54	1,889,550.22	1,315,387.50	1.44
2021-22	1,947,137.93	19,796.71	1,927,341.23	1,317,387.50	1.46
2022-23	1,986,080.69	20,192.64	1,965,888.05	1,317,787.50	1.49
2023-24	2,025,802.31	20,596.49	2,005,205.81	1,317,437.50	1.52
2024-25	2,066,318.35	21,008.42	2,045,309.93	1,321,337.50	1.55
2025-26	2,107,644.72	21,428.59	2,086,216.13	1,314,337.50	1.59
2026-27	2,149,797.61	21,857.17	2,127,940.45	1,549,585.00	1.37
2027-28	2,192,793.57	22,294.31	2,170,499.26	1,549,075.00	1.40
2028-29	2,236,649.44	22,740.19	2,213,909.24	1,319,437.50	1.68
2029-30	2,281,382.43	23,195.00	2,258,187.43	1,318,400.00	1.71
2030-31	2,327,010.08	23,658.90	2,303,351.18	1,318,925.00	1.75
2031-32	2,373,550.28	24,132.08	2,349,418.20	1,318,225.00	1.78
2032-33	2,421,021.28	24,614.72	2,396,406.56	1,313,662.50	1.82
2033-34	2,469,441.71	25,000.00	2,444,441.71	1,312,787.50	1.86
2034-35	2,518,830.54	25,000.00	2,493,830.54	1,315,412.50	1.90
2035-36	2,569,207.15	25,000.00	2,544,207.15	1,316,350.00	1.93
2036-37	2,620,591.30	25,000.00	2,595,591.30	1,315,600.00	1.97

(FOOTNOTES ON FOLLOWING PAGE)

* *Preliminary; subject to change.*

(1) Based on Fiscal Year 2014-15 actual amounts, with 2% annual increases thereafter.
(2) The Administrative Expense Cap is $25,000 per annum, with a 2% annual increase.
Source: Special Tax Consultant.

THE CITY OF UPLAND

The following information relating to the City is included only for the purpose of supplying general information regarding the City. Neither the faith and credit nor taxing power of the City have been pledged to the payment of the Bonds and the Bonds will not be payable from any of City's revenues or assets.

Further information relating to the City is set forth in Appendix C.

General Information

The City is situated on the western border of San Bernardino County, bordered by the cities of Claremont, Montclair, Ontario and Rancho Cucamonga. The City, which was incorporated in 1906, is known as the "City of Gracious Living" and is nestled at the base of the San Gabriel Mountains. The City encompasses approximately 15.8 square miles. It has an estimated population of 75,787 persons as of January 1, 2015. The City provides police, fire, recreational, economic development, housing assistance, water, sewer, refuse collection, animal control and library services to residents.

The City had approximately 281 full time equivalent employees as of June 30, 2014. City employees are represented by 8 labor unions and associations pursuant to memorandum of understanding. Certain of the memoranda of understanding expire on June 30, 2015. The City has commenced negotiations with the applicable bargaining units with respect to new memoranda of understanding extending beyond June 30, 2015. In the event that the City does not enter into new memoranda of understanding with such bargaining units prior to the respective expiration dates of the current memoranda of understanding, the City expects relations with such bargaining units to continue to be governed by the terms of the current memoranda of understanding until new memoranda of understanding are entered into.

Certain management and confidential employees are exempt from collective bargaining. Salaries for exempt employees are set by the City Council. The City has never experienced a strike, slowdown or work stoppage.

Government and Administration

The City is a general law city and operates under a council/manager form of government. The City Manager is appointed by the City Council to direct the operation of all City departments through department heads. The City Manager enforces the ordinances and resolutions of the City Council and is responsible for the administration of City programs. The City Manager's office responds to inquiries and requests of citizens, disseminates information regarding City activities, and provides input on regional, State and federal issues that affect the City.

Rod Butler is the City Manager. Mr. Butler has over 25 years of experience in the city management profession and has spent most of his career serving Inland Valley cities. He previously worked for the cities of Claremont, Chino, Ontario, and Pomona. After leaving Pomona, he served as the City Manager of Crescent City, California and prior to coming to Upland, he was the City Manager of Patterson, California. Mr. Butler earned a Bachelor of Arts degree in Political Science from the University of California at Riverside and a Masters of Public Administration degree from California State University at Long Beach.

Other key personnel responsible for management of the City include the Administrative Services Director, the Public Works Director, the Finance Manager, and the City Attorney.

SPECIAL RISK FACTORS

The purchase of the Bonds involves significant risks and, therefore, the Bonds are not suitable investments for many investors. The following is a discussion of certain risk factors which should be considered, in addition to other matters set forth herein, in evaluating the investment quality of the Bonds. This discussion does not purport to be comprehensive or definitive and does not purport to be a complete statement of all factors which may be considered as risks in evaluating the credit quality of the Bonds. Furthermore, the order in which the following factors are presented is not intended to reflect the relative importance of any such risks. The occurrence of one or more of the events discussed herein could adversely affect the ability or willingness of property owners in the District to pay their Special Taxes when due. Such failures to pay Special Taxes could result in the inability of the District to make full and punctual payments of debt service on the Bonds. In addition, the occurrence of one or more of the events discussed herein could adversely affect the value of the property in the District. See the captions "—Land Values" and "—Limited Secondary Market" below.

Risks of Real Estate Secured Investments Generally

The Bondowners will be subject to the risks generally incident to an investment secured by real estate, including, without limitation: (i) adverse changes in local market conditions, such as changes in the market value of real property in the vicinity of the District, the supply of or demand for competitive properties in such area and the market value of residential property or commercial buildings and/or sites in the event of sale or foreclosure; (ii) changes in real estate tax rates and other operating expenses, governmental rules (including, without limitation, zoning laws and laws relating to endangered species and hazardous materials) and fiscal policies; (iii) natural disasters (including, without limitation, earthquakes, high winds, droughts, wildfires and floods), which may result in uninsured losses; (iv) adverse changes in local market conditions; and (v) increased delinquencies due to rising mortgage costs and other factors.

No assurance can be given that the individual property owners will pay Special Taxes in the future or that they will be able to pay such Special Taxes on a timely basis. See the caption "—Bankruptcy and Foreclosure" for a discussion of certain limitations on the District's ability to pursue judicial proceedings with respect to delinquent parcels.

Limited Obligations

The Bonds and interest thereon are not payable from the general funds of the City. Except with respect to the Special Taxes, neither the credit nor the taxing power of the District or the City is pledged for the payment of the Bonds or the interest thereon, and, except as provided in the Indenture, no Owner of the Bonds may compel the exercise of any taxing power by the District or the City or force the forfeiture of any City or District property. The principal of, premium, if any, and interest on the Bonds are not a debt of the City or a legal or equitable pledge, charge, lien or encumbrance upon any of the City's or the District's property or upon any of the City's or the District's income, receipts or revenues, except the Special Taxes and other amounts pledged under the Indenture.

The amount of annual installments of Special Taxes that are collected could be insufficient to pay principal of and interest on the Special Tax Refunding Bonds due to non-payment of such Special Taxes levied or due to insufficient proceeds received from a judicial foreclosure sale of land within the District following delinquency. The City's and District's legal obligations with respect to any delinquent Special Taxes are limited to: (1) payments from the Reserve Account to the extent of funds on deposit therein; and (2) the institution of judicial foreclosure proceedings under certain circumstances with respect to any parcels for which Special Taxes are delinquent. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Proceeds of Foreclosure Sales." The Bonds cannot be accelerated in the event of any default.

The obligation to pay Special Taxes does not constitute a personal obligation of the current or subsequent owners of the respective parcels which are subject to such liens. Enforcement of Special Tax payment obligations by the District is limited to judicial foreclosure in the Superior Court. There is no assurance that any current or subsequent owner of a parcel subject to a Special Tax lien will be able to pay the amounts due or that such owner will choose to pay such amounts even though financially able to do so.

Insufficiency of Special Taxes

The primary source of payment of principal of and interest on the Bonds is the proceeds of the annual levy and collection of the Special Tax against property within the District. The annual levy of the Special Tax is subject to the maximum tax rates authorized. The levy cannot be made at a higher rate even if the failure to do so means that the estimated proceeds of the levy and collection of the Special Tax, together with other available funds, will not be sufficient to pay debt service on the Bonds. Other funds which might be available include funds derived from the payment of penalties on delinquent Special Taxes and funds derived from the tax sale or foreclosure and sale of parcels on which levies of the Special Tax are delinquent.

The levy of the Special Tax will rarely, if ever, result in a uniform relationship between the value of particular Taxable Property and the amount of the levy of the Special Tax against such parcels. Thus, there will rarely, if ever, be a uniform relationship between the value of such parcels and the proportionate share of debt service on the Bonds, and certainly not a direct relationship.

The Special Tax levied in any particular tax year on a Taxable Property is based upon the revenue needs and application of the Rate and Method in accordance with the Resolution of Formation and the Act. Application of the Rate and Method will, in turn, be dependent upon certain development factors with respect to each Taxable Property by comparison with similar development factors with respect to the other Taxable Property within the District. Thus, in addition to annual variations of the revenue needs from the Special Tax, the following are some of the factors which might cause the levy of the Special Tax on any particular Taxable Property to vary from the Special Tax that might otherwise be expected:

(1) Failure of the owners of Taxable Property to pay the Special Tax and delays in the collection of or inability to collect the Special Tax by tax sale or foreclosure and sale of the delinquent parcels, thereby resulting in an increased tax burden on the remaining parcels of Taxable Property.

(2) Reduction in the amount of Taxable Property, for such reasons as acquisition of Taxable Property by a government and failure of the government to pay the Special Tax based upon a claim of exemption or, in the case of the federal government or an agency thereof, immunity from taxation, thereby resulting in an increased tax burden on the remaining parcels of Taxable Property. The Act provides that, if any property within the District not otherwise exempt from the Special Tax is acquired by a public entity through a negotiated transaction, or by gift or devise, the Special Tax will continue to be levied on and enforceable against the public entity that acquired the property. In addition, the Act provides that, if property subject to the Special Tax is acquired by a public entity through eminent domain proceedings, the obligation to pay the Special Tax with respect to that property is to be treated as if it were a special assessment and be paid from the eminent domain award. The constitutionality and operation of these provisions of the Act have not been tested in the courts. Due to the problems associated with collecting taxes from public agencies, if a substantial portion of land within the District were to become owned by public agencies, collection of the Special Tax might become more difficult and could result in collections of the Special Tax which might not be sufficient to pay principal of and interest on the Bonds when due, and a default could occur with respect to the payment of such principal and interest. See the caption "—FDIC/Federal Government Interests in Properties."

Except as set forth above under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Special Taxes," the Indenture provides that the Special Tax is to be collected in the same manner as ordinary *ad valorem* property taxes are collected and, except as provided in the special covenant for foreclosure described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—

Proceeds of Foreclosure Sales" and in the Act, is subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as is provided for *ad valorem* property taxes. Pursuant to these procedures, if taxes are unpaid for a period of five years or more, the property is subject to sale by the County.

In the event that sales or foreclosures of property are necessary, there could be a delay in payments to owners of the Bonds pending such sales or the prosecution of foreclosure proceedings and receipt by the District of the proceeds of sale if the Reserve Account is depleted. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Proceeds of Foreclosure Sales."

In addition, under no circumstances will the Special Taxes levied against any parcel of residential property be increased by more than 10% per Fiscal Year as a consequence of delinquency or default by the owner of any other parcel within the District. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Special Taxes—General." Improvement Area No. 2 is primarily comprised of non-residential properties.

Natural Disasters

The District, like all California communities, may be subject to unpredictable seismic activity, wildfires, flood, landslide, high winds or other natural disasters. Southern California is a seismically active area. Seismic activity represents a potential risk for damage to buildings, roads, bridges and property within the District. There is significant potential for destructive ground-shaking in the District during the occurrence of a major seismic event. In addition, land along the aforementioned fault lines may be subject to liquefaction during the occurrence of such an event.

In recent years, portions of Southern California have experienced outbreaks of wildfires that have burned thousands of acres at a time and destroyed thousands of homes and structures, affecting areas near the District and resulting in the destruction of homes.

In the event of a severe earthquake, wildfire, flood, landslide, drought, high winds or other natural disaster, there may be significant damage to both property and infrastructure in the District. As a result, a substantial portion of the property owners may be unable or unwilling to pay the Special Taxes when due. In addition, the value of land in the District could be diminished in the aftermath of such a natural disaster, reducing the resulting proceeds of foreclosure sales in the event of delinquencies in the payment of the Special Taxes.

Hazardous Substances

The presence of hazardous substances on a parcel may result in a reduction in the value of a parcel. In general, the owners and operators of a parcel may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but State laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner or operator is obligated to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the taxed parcels be affected by a hazardous substance, is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

The value of the property within the District, as set forth in the various tables herein, does not reflect the presence of any hazardous substance or the possible liability of the owner (or operator) for the remedy of a hazardous substance condition of the property. [CONFIRM] [The District has not independently verified, but is not aware, that any owner (or operator) of any of the parcels within the District has such a current liability

with respect to any such parcel.] However, it is possible that such liabilities do currently exist and that the District is not aware of them.

Further, it is possible that liabilities may arise in the future with respect to any of the parcels resulting from the existence, currently, on the parcel of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the value of a parcel and the willingness or ability of the owner of any parcel to pay the Special Tax installments.

Payment of the Special Tax is not a Personal Obligation of the Owners

An owner of a taxable parcel is not personally obligated to pay the Special Tax. Rather, the Special Tax is an obligation which is secured only by a lien against the taxable parcel. If the value of a taxable parcel is not sufficient, taking into account other liens imposed by public agencies, to secure fully the Special Tax, the District has no recourse against the owner and its only remedy is to pursue judicial foreclosure proceedings on the delinquent parcel.

Parity Taxes and Special Assessments

Property within the District is subject to taxes and assessments imposed by public agencies that also have jurisdiction over the land within the District. In addition, significant authorized but unissued overlapping debt exists which, if issued, will burden Taxable Property in the District. See the captions "THE COMMUNITY FACILITIES DISTRICT—Direct and Overlapping Indebtedness."

The Special Taxes and any penalties thereon will constitute a lien against the lots and parcels of land on which they will be annually imposed until they are paid. Such lien is on a parity with all special taxes and special assessments levied by other agencies and is co-equal to and independent of the lien for general property taxes regardless of when they are imposed upon the same property. The Special Taxes have priority over all existing and future private liens imposed on the property except, possibly, for liens or security interests held by the Federal Deposit Insurance Corporation (the "FDIC"). See the caption "—FDIC/Federal Government Interests in Properties."

Neither the District nor the City, however, have control over the ability of other entities and districts to issue indebtedness secured by special taxes, *ad valorem* taxes or assessments payable from all or a portion of the property within the District. In addition, the landowners within the District may, without the consent or knowledge of the District, petition other public agencies to issue public indebtedness secured by special taxes, *ad valorem* taxes or assessments. Accordingly, the debt on the property within the District could increase without any corresponding increase in the value of the property therein. Any such special taxes, *ad valorem* taxes or assessments may have a lien on such property on a parity with the Special Taxes and could reduce the estimated value-to-lien ratios for the property within the District described herein or the willingness or ability of property owners within the District to pay the Special Taxes when due. Moreover, in the event of a delinquency in the payment of Special Taxes, no assurance can be given that the proceeds of any foreclosure sale of property with delinquent Special Taxes would be sufficient to pay the delinquent Special Taxes. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and "THE COMMUNITY FACILITIES DISTRICT—Direct and Overlapping Indebtedness."

Land Values

The value of land within the District is an important factor in evaluating the investment quality of the Bonds. In the event that a property owner defaults in the payment of a Special Tax installment, the District's

only remedy is to commence foreclosure proceedings on such property. Prospective purchasers of the Bonds should not assume that the property within the District could be sold for the assessed value described herein at a foreclosure sale for delinquent Special Tax installments or for an amount adequate to pay delinquent Special Tax installments. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Proceeds of Foreclosure Sales." Reductions in property values within the District due to a downturn in the economy or the real estate market, events such as earthquakes, wildfires, droughts, or floods, stricter land use regulations, threatened or endangered species or other events may adversely impact the security underlying the liens. The property within Improvement Area No. 2 is substantially developed. See the caption "THE COMMUNITY FACILITIES DISTRICT."

The assessed values set forth in this Official Statement do not represent market values arrived at through an appraisal process and generally reflect only the sales price of a parcel when acquired by its current owner, adjusted annually by an amount determined by the County Assessor, generally not to exceed an increase of more than 2% per Fiscal Year as limited by Proposition 13, as amended by Proposition 8. In recent years, many counties in the State, including the County, have reassessed certain properties acquired in recent years at the peak of the real estate market. See Table 4 under the caption "THE COMMUNITY FACILITIES DISTRICT—Historical Assessed Values" for the assessed values within the District in recent Fiscal Years. The District cannot predict whether the County will reduce assessed values within the District in future years. If the County did decide to broadly reassess assessed valuations in the County, it is possible that in future years the assessed values shown in this Official Statement could be adjusted downward from the values reflected on the Fiscal Year 2014-15 Assessor's Roll, as shown in Table 5. No assurance can be given that Fiscal Year 2014-15 assessed values reflect market values or that a parcel could actually be sold for its assessed value.

The actual market value of the property is subject to future events such as a downturn in the economy, occurrences of certain acts of nature and the decisions of various governmental agencies as to land use, all of which could adversely impact the value of the land in the District, which is the security for the Bonds. As discussed herein, many factors could adversely affect property values within the District.

Shapiro Decision

On August 1, 2014, the California Court of Appeal, Fourth Appellate District, Division One (the "Court"), issued its opinion in *City of San Diego v. Melvin Shapiro, et al.* (D063997). The case involved a Convention Center Facilities District (the "CCFD") established by the City of San Diego. The CCFD was a financing district established under the City of San Diego's charter (the "Charter") and was intended to function much like a community facilities district established under the provisions of the Act. The CCFD was comprised of all of the real property in the entire City of San Diego. However, the special tax to be levied within the CCFD was to be levied only on properties improved with a hotel located within the CCFD.

At the election to authorize such special tax, the Charter proceeding limited the electorate to owners of hotel properties and lessees of real property owned by a governmental entity on which a hotel is located. Thus, the election was an election limited to owners and lessees of properties on which the special tax would be levied, and not a registered voter election. Such approach to determining who would constitute the qualified electors of the CCFD was based on Section 53326(c) of the Act, which generally provides that, if a special tax will not be apportioned in any tax year on residential property, the legislative body may provide that the vote shall be by the landowners of the proposed district whose property would be subject to the special tax. The Court held that the CCFD special tax election did not comply with applicable requirements of Article XIIIA, Section 4 thereof and Article XIIIC, Section 2 of the State Constitution, or with applicable provisions of the City of San Diego's Charter, because the electors in such an election were not the registered voters residing within the district.

In the case of the CCFD, at the time of the election there were several hundred thousand registered voters within the CCFD (*viz.*, all of the registered voters in the City of San Diego). In the case of the District, there were no registered voters within the District at the time of the elections to authorize the special tax levy

for the District. In *City of San Diego*, the Court expressly stated that it was not addressing the validity of landowner voting to impose special taxes pursuant to the Act in situations where there are fewer than 12 registered voters. Thus, by its terms, the Court's holding does not apply to the special tax election in the District. Moreover, Section 53341 of the Act provides that any "action or proceeding to attack, review, set aside, void or annul the levy of a special tax … shall be commenced within 30 days after the special tax is approved by the voters." Similarly, Section 53359 of the Act provides that any action to determine the validity of bonds issued pursuant to the Act or the levy of special taxes authorized pursuant to the Act be brought within 30 days of the voters approving the issuance of such bonds or the special tax. Voters approved the special tax and the issuance of bonds for the District in compliance with all applicable requirements of the Act at the time of formation of the District in 2003. Therefore, under the provisions of Sections 53341 and 53359 of the Act, the statute of limitations period to challenge the validity of the special tax for the District has expired.

Disclosures to Future Purchasers

The willingness or ability of an owner of a parcel to pay the Special Tax even if the value of the parcel is sufficient may be affected by whether or not the owner was given due notice of the Special Tax authorization at the time when the owner purchased the parcel, was informed of the amount of the Special Tax on the parcel, was informed of the maximum tax rate and the risk of such a levy and the ability of such owner to pay the Special Tax as well as other expenses and obligations. The District has caused a Notice of Special Tax Lien to be recorded in the Office of the Recorder for the County against each parcel. While title companies normally refer to such notices in title reports, there can be no guarantee that such reference will be made or, if made, that a prospective purchaser or lender will consider such Special Tax obligation when purchasing a property within the District or lending money with respect to such property.

The Act requires the subdivider (or its agent or representative) of a subdivision to notify a prospective purchaser or long-term lessor of any lot, parcel or unit that is subject to a Mello-Roos special tax of the existence and maximum amount of such special tax using a statutorily prescribed form. California Civil Code § 1102.6b requires that in the case of transfers other than those covered by the above requirement, the seller must at least make a good faith effort to notify the prospective purchaser of the special tax lien in a format prescribed by statute. Failure by an owner of the property to comply with the above requirements, or failure by a purchaser or lessor to consider or understand the nature and existence of the Special Tax, could adversely affect the willingness and ability of the purchaser or lessor to pay the Special Tax when due.

Concentration of Ownership

No property owner in the District is presently responsible for more than [___]% of the Special Taxes levied within the District, and no property owner owns more than [___] parcels within the District. See the caption "THE COMMUNITY FACILITIES DISTRICT." There may be subsequent transfers of ownership of the property within the District. Failure of the owners of property to pay the annual Special Taxes when due could result in a default in payments of the principal of and interest on the Bonds. Such risk may be greater or its consequence more severe when ownership is concentrated and may be expected to decrease when ownership is diversified.

Potential Early Redemption of Bonds from Prepayments

Property owners within the District are permitted to prepay their Special Taxes at any time. Such prepayments will result in a redemption of Bonds on the first March 1 or September 1 which is more than 30 days following the receipt of the prepayment. See the caption "THE BONDS—Redemption of the Bonds—Extraordinary Redemption."

Special Tax Delinquencies

Under provisions of the Act, the Special Taxes, from which funds necessary for the payment of principal of, and interest on, the Bonds are derived, are customarily billed to the properties within the District on the *ad valorem* property tax bills sent to owners of such properties. The Act currently provides that such Special Tax installments are due and payable, and bear the same penalties and interest for non-payment, as do *ad valorem* property tax installments.

See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Proceeds of Foreclosure Sales" for a discussion of the provisions which apply, and procedures which the District is obligated to follow under the Indenture, in the event of delinquencies in the payment of Special Taxes. See the caption "—FDIC/Federal Government Interests in Properties" for a discussion of the policy of FDIC regarding the payment of special taxes and assessments and limitations on the District's ability to foreclose on the lien of the Special Taxes in certain circumstances.

FDIC/Federal Government Interests in Properties

General. The ability of the District to foreclose the lien of delinquent unpaid Special Tax installments may be limited with regard to properties in which the FDIC, the Drug Enforcement Agency, the Internal Revenue Service, or other federal agencies such as the Federal National Mortgage Association ("FNMA") or Freddie Mac, has or obtains an interest.

The supremacy clause of the United States Constitution reads as follows: "This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the contrary notwithstanding."

The foregoing is generally interpreted to mean that, unless the United States Congress has otherwise provided, if a federal governmental entity owns a parcel that is subject to Special Taxes within the District but does not pay taxes and assessments levied on the parcel (including Special Taxes), the applicable State and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

Moreover, unless the United States Congress has otherwise provided, if the federal government has a mortgage interest in the parcel and the District wishes to foreclose on the parcel as a result of delinquent Special Taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to pay delinquent taxes and assessments on a parity with the Special Taxes and preserve the federal government's mortgage interest. In *Rust v. Johnson* 597 F.2d 174 (9th Cir. 1979), the United States Court of Appeal, Ninth Circuit (the "Ninth Circuit"), held that FNMA is a federal instrumentality for purposes of this doctrine, and not a private entity, and that, as a result, an exercise of state power over a mortgage interest held by FNMA constitutes an exercise of state power over property of the United States. For a discussion of risks associated with taxable parcels within the District becoming owned by the federal government, federal government entities or federal government sponsored entities, see the caption "—Insufficiency of Special Taxes."

The District has not undertaken to determine whether any federal governmental entity currently has, or is likely to acquire, any interest (including a mortgage interest) in any of the parcels subject to the Special Taxes, and therefore expresses no view concerning the likelihood that the risks described above will materialize while the Bonds are outstanding.

FDIC. In the event that any financial institution making any loan which is secured by real property within the District is taken over by the FDIC, and prior thereto or thereafter the loan or loans go into default, resulting in ownership of the property by the FDIC, then the ability of the District to collect interest and penalties specified by State law and to foreclose the lien of delinquent unpaid Special Taxes may be limited.

The FDIC's policy statement regarding the payment of state and local real property taxes (the "Policy Statement") provides that property owned by the FDIC is subject to state and local real property taxes only if those taxes are assessed according to the property's value, and that the FDIC is immune from real property taxes assessed on any basis other than property value. According to the Policy Statement, the FDIC will pay its property tax obligations when they become due and payable and will pay claims for delinquent property taxes as promptly as is consistent with sound business practice and the orderly administration of the institution's affairs, unless abandonment of the FDIC's interest in the property is appropriate. The FDIC will pay claims for interest on delinquent property taxes owed at the rate provided under state law, to the extent that the interest payment obligation is secured by a valid lien. The FDIC will not pay any amounts in the nature of fines or penalties and will not pay nor recognize liens for such amounts. If any property taxes (including interest) on FDIC-owned property are secured by a valid lien (in effect before the property became owned by the FDIC), the FDIC will pay those claims. The Policy Statement further provides that no property of the FDIC is subject to levy, attachment, garnishment, foreclosure or sale without the FDIC's consent. In addition, the FDIC will not permit a lien or security interest held by the FDIC to be eliminated by foreclosure without the FDIC's consent.

The Policy Statement states that the FDIC generally will not pay non-*ad valorem* taxes, including special assessments, on property in which it has a fee interest unless the amount of tax is fixed at the time that the FDIC acquires its fee interest in the property, nor will it recognize the validity of any lien to the extent that it purports to secure the payment of any such amounts. Special taxes imposed under the Act and a special tax formula which determines the special tax due each year are specifically identified in the Policy Statement as being imposed each year and therefore covered by the FDIC's federal immunity. The Ninth Circuit issued a ruling on August 28, 2001 in which it determined that the FDIC, as a federal agency, is exempt from Act special taxes.

The District is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency in the payment of Special Taxes on a parcel within the District in which the FDIC has or obtains an interest, although prohibiting the lien of the Special Taxes from being foreclosed at a judicial foreclosure sale could reduce or eliminate the number of persons willing to purchase a parcel at a foreclosure sale. Such an outcome could cause a draw on the Reserve Account and perhaps, ultimately, if enough property were to become owned by the FDIC, a default in payment on the Bonds. The District notes that Improvement Area No. 2 is primarily comprised of non-residential properties.

Bankruptcy and Foreclosure

Bankruptcy, insolvency and other laws generally affecting creditors' rights could adversely impact the interests of owners of the Bonds in at least two ways. First, the payment of property owners' taxes and the ability of the District to foreclose the lien of delinquent unpaid Special Taxes pursuant to its covenant to pursue judicial foreclosure proceedings may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights (such as the Soldiers' and Sailors' Relief Act of 1940) or by the laws of the State relating to judicial foreclosure. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Proceeds of Foreclosure Sales." In addition, the prosecution of a foreclosure could be delayed for many reasons, including crowded local court calendars or lengthy procedural delays.

Second, the United States Bankruptcy Code might prevent moneys on deposit in the Special Tax Fund from being applied to pay interest on the Bonds and/or to redeem Bonds if bankruptcy proceedings were brought by or against a landowner in the District and if the court found that any of such landowners had an interest in such moneys within the meaning of Section 541(a)(1) of the United States Bankruptcy Code.

Although a bankruptcy proceeding would not cause the lien of the Special Taxes to become extinguished, the amount and priority of any Special Tax lien could be modified if the value of the property falls below the value of the lien. If the value of the property is less than the lien, such excess amount could be treated as an unsecured claim by a bankruptcy court. In addition, the bankruptcy of a property owner could

result in a stay of enforcement or other delay in procuring Superior Court foreclosure proceedings or adversely affect the willingness of a property owner to pay the Special Taxes. If enough parcels were subject to bankruptcy proceedings, court delays would increase the likelihood of a delay or default in payment of the principal of, and interest on, the Bonds and the possibility of delinquent tax installments not being paid in full.

The various legal opinions to be delivered concurrently with the delivery of the Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the various legal instruments by moratorium, bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Other laws generally affecting creditors' rights or relating to judicial foreclosure may affect the ability to enforce payment of Special Taxes or the timing of enforcement of Special Taxes. For example, the Soldiers and Sailors Civil Relief Act of 1940 affords protections such as a stay in enforcement of the foreclosure covenant, a six-month period after termination of military service to redeem property sold to enforce the collection of a tax or assessment and a limitation on the interest rate on the delinquent tax or assessment to persons in military service if a court concludes that the ability to pay such taxes or assessments is materially affected by reason of such service.

Funds Invested in the County Investment Pool

On January 24, 1996, the United States Bankruptcy Court for the Central District of California held that a State statute providing for a priority of distribution of property held in trust conflicted with, and was preempted by, federal bankruptcy law. In that case, the court addressed the priority of the disposition of moneys held in a county investment pool upon bankruptcy of the county. Following payment of the Special Taxes to the District, such funds may be invested in the name of the City or the District for a period of time in the County investment pool. In the event of a petition of or the adjustment of County debts under Chapter 9 of the United States Bankruptcy Code, a court might hold that the Bondowners do not have a valid and/or prior lien on the Special Taxes or debt service payments where such amounts are deposited in the County investment pool and may not provide the Bondowners with a priority interest in such amounts. In that circumstance, unless the Bondowners could "trace" the funds that have been deposited in the County investment pool, the Bondowners would be unsecured (rather than secured) creditors of the County. There can be no assurance that the Bondowners could successfully so trace the Special Taxes or debt service payments.

No Acceleration Provision

The Act, the Bonds and the Indenture do not contain a provision allowing for the acceleration of the Bonds in the event of a payment default or other default under the terms of the Bonds or the Indenture or in the event that interest on the Bonds becomes included in gross income for federal income tax purposes. Pursuant to the Indenture and further subject to the prior lien of owners of Bonds, an owner is given the right for the equal benefit and protection of all owners of a series similarly situated to pursue certain remedies described in Appendix D. See the caption "—Limitations on Remedies."

Limited Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Although the District has committed to provide certain financial and operating information on an annual basis, there can be no assurance that such information will be available to Bondowners on a timely basis. See the caption "CONTINUING DISCLOSURE" and Appendix E. Any failure to provide annual financial information, if required, does not give rise to monetary damages but merely an action for specific performance. Occasionally, because of general market conditions, lack of current information or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are

suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price.

Proposition 218

An initiative measure entitled the "Right to Vote on Taxes Act" (the "Initiative") was approved by the voters of the State at the November 5, 1996, general election. The Initiative added Articles XIIIC and XIIID to the State Constitution. According to the "Title and Summary" of the Initiative prepared by the State Attorney General, the Initiative limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." Significant provisions of the Initiative have not yet been interpreted by the courts, although a number of lawsuits have been filed requesting the courts to interpret various aspects of the Initiative. The Initiative could potentially impact the Special Taxes otherwise available to the District to pay the principal of and interest on the Bonds as described below.

Among other things, Section 3 of Article XIIIC states that "…the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge." The Act provides for a procedure, which includes notice, hearing, protest and voting requirements to alter the rate and method of an existing special tax. However, the Act prohibits a legislative body from adopting any resolution to reduce the rate of any special tax or terminate the levy of any special tax pledged to repay any debt incurred pursuant to the Act unless such legislative body determines that the reduction or termination of the special tax would not interfere with the timely retirement of that debt. On July 1, 1997, a bill was signed into law by the Governor of the State enacting Government Code Section 5854, which states that:

> "Section 3 of Article XIIIC of the California Constitution, as adopted at the November 5, 1996, general election, shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after that date, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights protected by Section 10 of Article I of the United States Constitution."

Accordingly, although the matter is not free from doubt, it is likely that the Initiative has not conferred on the voters the power to repeal or reduce the Special Taxes if such reduction would interfere with the timely retirement of the Bonds.

It may be possible, however, for voters of the District or the City Council, acting as the legislative body of the District, to reduce the Special Taxes in a manner which does not interfere with the timely repayment of the Bonds, but which does reduce the maximum amount of Special Taxes that may be levied in any year below the existing levels. Furthermore, no assurance can be given with respect to the future levy of the Special Taxes in amounts greater than the amount necessary for the timely retirement of the Bonds. Therefore, no assurance can be given with respect to the levy of Special Taxes for Administrative Expenses. Nevertheless, to the maximum extent that the law permits it to do so, the District has covenanted that it will not initiate proceedings under the Act to reduce the maximum Special Tax rates on parcels of Developed Property within the District to less than an amount projected to equal to 110% of annual debt service each year on the Outstanding Bonds plus the Administrative Expense Requirement. In connection with the foregoing covenant, the District has made a legislative finding and determination that any elimination or reduction of Special Taxes below the foregoing level would interfere with the timely retirement of the Bonds. The District also has covenanted that, in the event that an initiative is adopted which purports to alter the Rate and Method, it will commence and pursue legal action in order to preserve its ability to comply with the foregoing covenant. However, no assurance can be given as to the enforceability of the foregoing covenants.

The interpretation and application of the Initiative will ultimately be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainty

the outcome of such determination or the timeliness of any remedy afforded by the courts. See the caption "—Limitations on Remedies."

Ballot Initiatives and Legislative Measures

The Initiative was adopted pursuant to a measure that qualified for the ballot pursuant to the State's Constitutional initiative process and the State Legislature has in the past enacted legislation which has altered the spending limitations or established minimum funding provisions for particular activities. On March 6, 1995, in the case of *Rossi v. Brown*, the State Supreme Court held that an initiative can repeal a tax ordinance and prohibit the imposition of further such taxes and that the exemption from the referendum requirements does not apply to initiatives. From time to time, other initiative measures could be adopted by State voters or legislation enacted by the State Legislature. The adoption of any such initiative or legislation might place limitations on the ability of the State, the City, or local districts to increase revenues or appropriations.

Loss of Tax Exemption

As discussed under the caption "TAX EXEMPTION," the interest on the Bonds could become includable in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds as a result of acts or omissions of the District or the City in violation of certain provisions of the Internal Revenue Code of 1986, as amended (the "Code") and the covenants of the Indenture. In order to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds, the District has covenanted in the Indenture not to take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of interest on the Bonds under Section 103 of the Code. Should such an event of taxability occur, the Bonds are not subject to early redemption and will remain outstanding to maturity or until redeemed under the optional redemption provisions of the Indenture. See the caption "THE BONDS—Selection of Bonds for Redemption."

Pending or future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such future legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

IRS Audit of Tax-Exempt Bond Issues

The Internal Revenue Service has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the Internal Revenue Service. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of similar municipal obligations).

Limitations on Remedies

Remedies available to the Owners may be limited by a variety of factors and may be inadequate to assure the timely payment of principal of and interest on the Bonds or to preserve the tax-exempt status of the Bonds.

Bond Counsel has limited its opinion as to the enforceability of the Bonds and of the Indenture to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or other similar laws affecting generally the enforcement of creditors' rights, by equitable principles and by the exercise of judicial discretion. Additionally, the Bonds are not subject to acceleration in

the event of the breach of any covenant or duty under the Indenture. The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation or modification of the rights of the Owners.

Enforceability of the rights and remedies of the Owners of the Bonds, and the obligations incurred by the District, may become subject to the United States 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, equity 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, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against governmental entities in the State. See the captions "—Bankruptcy and Foreclosure" and "—FDIC/Federal Government Interests in Properties."

CONTINUING DISCLOSURE

Pursuant to a Continuing Disclosure Agreement, dated as of June 1, 2015 (the "Disclosure Agreement"), by and between the District and Willdan Financial Services, as disclosure dissemination agent, the District has agreed to provide, or cause to be provided, to EMMA, on an annual basis certain financial information and operating data concerning the District. The District has further agreed to provide notice to EMMA of certain listed events. These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12 adopted by the Securities and Exchange Commission (the "Rule"). See Appendix E for a description of the specific nature of the annual reports to be filed by the District and notices of listed events to be provided by the District.

[TO BE UPDATED] [The City filed its audited financial statements under the continuing disclosure undertaking (the "Undertaking") for the Refunded Bonds after the date required by the Undertaking for the Fiscal Year ended June 30, 2010. In addition, the Undertaking required each annual report to include a table listing all taxpayers within Improvement Area No. 2 upon which 5% or more of the total Special Taxes for the then-current Fiscal Year were levied, and for such table to include the assessor's parcel number identifying such parcel. While the District provided such tables in its annual reports, it failed to include the assessor's parcel numbers. Updated annual reports reflecting such information were filed on April 30, 2015].

[TO BE UPDATED] [Although the City is not the "obligated person" for purposes of the Rule with respect to the District's bonds, City staff is responsible for working with the City's dissemination agent to prepare the annual reports for the District's bonds. The City has in certain cases in the past five years failed to provide notices of ratings changes, notices of defeasance and specific disclosures which the City had undertaken to provide in connection with bonds issued by the City. The City has filed corrective filings with respect to such items prior to the date of this Official Statement.]

Except as disclosed above, the District and the City have not in the past five years failed to comply with any previous continuing disclosure undertaking in any material respect.

TAX EXEMPTION

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. Bond Counsel notes that, with respect to corporations, interest on the Bonds may be included as an adjustment in the

calculation of alternative minimum taxable income, which may affect the alternative minimum tax liability of such corporations.

In the opinion of Bond Counsel, the difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity of such Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Beneficial Owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Beneficial Owner will increase the Beneficial Owner's basis in the applicable Bond. The amount of original issue discount that accrues to the Beneficial Owner of the Bonds is excluded from the gross income of such Beneficial Owner for federal income tax purposes, is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and is exempt from State of California personal income tax.

The amount by which a Bond Owner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which must be amortized under Section 171 of the Code; such amortizable bond premium reduces the Bond Owner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bond Owner realizing a taxable gain when a Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Owner. Purchasers of the Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable bond premium.

Bond Counsel's opinion as to the exclusion from gross income for federal income tax purposes of interest on the Bonds (including any original issue discount) is based upon certain representations of fact and certifications made by the District, the Underwriter and others and is subject to the condition that the District complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to assure that interest on the Bonds (including any original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest on the Bonds (including any original issue discount) to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District will covenant to comply with all such requirements.

The amount by which a Beneficial Owner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which must be amortized under Section 171 of the Code; such amortizable bond premium reduces the Beneficial Owner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of bond premium may result in a Beneficial Owner realizing a taxable gain when a Bond is sold by the Beneficial Owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Beneficial Owner. Purchasers of the Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable bond premium.

The Internal Revenue Service (the "IRS") has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of similar bonds). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the issuance of the Bonds to the extent that it adversely affects the exclusion from gross income of interest (and original issue discount) on the Bonds or their market value.

Bond Counsel's opinion may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. Bond Counsel has not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Indenture and the Tax Certificate relating to the Bonds permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. Bond Counsel expresses no opinion as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) with respect to any Bond if any such action is taken or omitted based upon the advice of counsel other than Stradling Yocca Carlson & Rauth, a Professional Corporation.

SUBSEQUENT TO THE ISSUANCE OF THE BONDS, THERE MIGHT BE FEDERAL, STATE OR LOCAL STATUTORY CHANGES (OR JUDICIAL OR REGULATORY INTERPRETATIONS OF FEDERAL, STATE OR LOCAL LAW) THAT AFFECT THE FEDERAL, STATE OR LOCAL TAX TREATMENT OF THE BONDS OR THE MARKET VALUE OF THE BONDS. LEGISLATIVE CHANGES HAVE BEEN PROPOSED IN CONGRESS, WHICH, IF ENACTED, WOULD RESULT IN ADDITIONAL FEDERAL INCOME TAX BEING IMPOSED ON CERTAIN OWNERS OF TAX-EXEMPT STATE OR LOCAL OBLIGATIONS, SUCH AS THE BONDS. THE INTRODUCTION OR ENACTMENT OF ANY OF SUCH CHANGES COULD ADVERSELY AFFECT THE MARKET VALUE OR LIQUIDITY OF THE BONDS. NO ASSURANCE CAN BE GIVEN THAT, SUBSEQUENT TO THE ISSUANCE OF THE BONDS, SUCH CHANGES (OR OTHER CHANGES) WILL NOT BE INTRODUCED OR ENACTED OR INTERPRETATIONS WILL NOT OCCUR. BEFORE PURCHASING ANY OF THE BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING POSSIBLE STATUTORY CHANGES OR JUDICIAL OR REGULATORY CHANGES OR INTERPRETATIONS, AND THEIR COLLATERAL TAX CONSEQUENCES RELATING TO THE BONDS.

Although Bond Counsel has rendered an opinion that interest on the Bonds (including any original issue discount) is excluded from gross income for federal income tax purposes provided that the District continues to comply with certain requirements of the Code, the accrual or receipt of interest on the Bonds (including any original issue discount) may otherwise affect the tax liability of the recipient. Bond Counsel expresses no opinion regarding any such tax consequences. Accordingly, all potential purchasers should consult their tax advisors before purchasing any of the Bonds.

Should interest on the Bonds (including any original issue discount) become includable in gross income for federal income tax purposes, the Bonds are not subject to early redemption and will remain outstanding until maturity or until redeemed in accordance with the Indenture.

The proposed form of Bond Counsel's opinion with respect to the Bonds is attached as Appendix B.

LEGAL OPINION

The legal opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, approving the validity of the Bonds in substantially the form set forth as Appendix B will be made available to purchasers at the time of original delivery. Certain legal matters will be passed upon for the City and the District by Richard L. Adams II, City Attorney, and by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as Disclosure Counsel. [Certain legal matters will be passed on for the Underwriter by _____, _____], and for the Trustee by its counsel.

FINANCIAL ADVISOR

The District has retained Urban Futures, Inc., Orange, California, as Financial Advisor in connection with the sale of the Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

The Financial Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

ABSENCE OF LITIGATION

No litigation is pending or threatened concerning the validity of the Bonds and a certificate of the District to that effect will be furnished to the Underwriter at the time of the original delivery of the Bonds. Neither the City nor the District is aware of any litigation pending or threatened which questions the existence of the District or the City or contests the authority of the District to levy and collect the Special Taxes or to issue and retire the Bonds.

UNDERWRITING

The Bonds are being purchased by the Underwriter at a price of $_____ (being the aggregate principal amount thereof, plus/less net original issue premium/discount of $_____, and less Underwriter's discount of $_____). The purchase contract relating to the Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased. The obligation to make such purchase is subject to certain terms and conditions set forth in such purchase contract, the approval of certain legal matters by counsel and certain other conditions.

The initial public offering prices stated on the inside front cover of this Official Statement may be changed from time to time by the Underwriter. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts), dealer banks, banks acting as agents and others at prices lower than said public offering prices.

FINANCIAL INTERESTS

The fees being paid to the Underwriter, Bond Counsel, Disclosure Counsel, [_____, as counsel to the Underwriter,] the Trustee and the Escrow Agent are contingent upon the issuance and delivery of the Bonds. From time to time, Bond Counsel represents the Underwriter on matters unrelated to the Bonds.

NEW LEGISLATION

The District is not aware of any significant pending legislation which would have material adverse consequences on the Bonds or the ability of the District to pay the principal of and interest on the Bonds when due.

ADDITIONAL INFORMATION

The purpose of this Official Statement is to supply information to prospective buyers of the Bonds. Quotations and summaries and explanations of the Bonds and documents contained in this Official Statement do not purport to be complete, and reference is made to such documents for full and complete statements and their provisions. Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representatives of fact.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

The execution and delivery of this Official Statement by the City Manager of the City has been duly authorized by the City Council of the City, acting in its capacity as the legislative body of the District.

COMMUNITY FACILITIES DISTRICT NO. 2003-2 OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)

By:_____

City Manager of the City of Upland, which is acting in its capacity as the legislative body of Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio)

APPENDIX A

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

APPENDIX B

FORM OF OPINION OF BOND COUNSEL

Upon issuance of the Bonds, Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel, proposes to render its final approving opinion in substantially the following form:

July __, 2015

Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio)
c/o City of Upland
460 N. Euclid Avenue
Upland, California 91786

Re: $_____ Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) Improvement Area No. 2 Special Tax Refunding Bonds, Issue of 2015

Ladies and Gentlemen:

We have examined the Constitution and the laws of the State of California, a certified record of the proceedings of the City of Upland (the "City") taken in connection with the formation of Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) (the "District") and Improvement Area No. 2 therein, and the authorization and issuance of the District's Improvement Area No. 2 Special Tax Refunding Bonds, Issue of 2015 in the aggregate principal amount of $_____ (the "Bonds") and such other information and documents as we consider necessary to render this opinion. In rendering this opinion, we have relied upon certain representations of fact and certifications made by the District, the initial purchasers of the Bonds and others. We have not undertaken to verify through independent investigation the accuracy of the representations and certifications relied upon by us.

The Bonds have been issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (comprising Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California), Resolution No. _____ (the "Resolution of Issuance"), adopted by the City Council (the "City Council") of the City on June 8, 2015, and a Bond Indenture dated as of June 1, 2015 (the "Indenture"), by and between the District and U.S. Bank National Association, as Trustee. All capitalized terms not defined herein shall have the meanings set forth in the Indenture.

The Bonds are dated the date of delivery and mature on the dates and in the amounts set forth in the Indenture. The Bonds bear interest payable semiannually on March 1 and September 1 of each year, commencing March 1, 2016, at the rates per annum set forth in the Indenture. The Bonds are registered Bonds in the form set forth in the Indenture redeemable in the amounts, at the times and in the manner provided for in the Indenture.

Based upon our examination of the foregoing, and in reliance thereon and on all matters of fact as we deem relevant under the circumstances, and upon consideration of applicable laws, we are of the opinion that:

1. The Bonds have been duly and validly authorized by the District and are legal, valid and binding limited obligations of the District, enforceable in accordance with their terms and the terms of the Indenture, except to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer or other laws affecting creditors' rights generally, by the exercise of judicial discretion in accordance with general principles of equity or otherwise in appropriate cases and by limitations on remedies against public agencies in the State of California. The Bonds are limited

obligations of the District but are not a debt of the City, the State of California or any other political subdivision thereof within the meaning of any constitutional or statutory limitation, and, except for the Special Taxes, neither the faith and credit nor the taxing power of the City, the State of California, or any of its political subdivisions is pledged for the payment thereof.

2. The Indenture has been duly executed and delivered by the City Council on behalf of the District. The Indenture creates a valid pledge of and the Bonds are secured by the Net Taxes and the amounts on deposit in certain funds and accounts established under the Indenture, as and to the extent provided in the Indenture. The Indenture is enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer or other similar laws affecting creditors' rights generally, by the exercise of judicial discretion in accordance with general principles of equity or otherwise in appropriate cases and by limitations on remedies against public agencies in the State of California; provided, however, that we express no opinion as to the enforceability of the covenant of the District contained in the Indenture to levy Special Taxes for the payment of Administrative Expenses or as to any indemnification, penalty, contribution, choice of law, choice of forum or waiver provisions contained therein.

3. Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that, with respect to corporations, such interest (and original issue discount) will be included as an adjustment in the calculation of alternative minimum taxable income, which may affect the alternative minimum tax liability of corporations.

4. Interest (and original issue discount) on the Bonds is exempt from State of California personal income tax.

5. The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity are to be sold to the public) and the stated redemption price at maturity with respect to such Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bond owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bond owner will increase the Bond owner's basis in the applicable Bond. Original issue discount that accrues for the Bond owner is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals or corporations (as described in paragraph 3. above) and is exempt from State of California personal income tax.

6. The amount by which a Bond owner's original basis for determining loss on sale or exchange in the applicable Bond (generally the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium, which must be amortized under Section 171 of the Code; such amortizable Bond premium reduces the Bond owner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bond owner realizing a taxable gain when a Bond is sold by the owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the owner.

The opinion expressed in paragraphs 3. and 5. above as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the Bonds is subject to the condition that the District complies with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds to assure that such interest (and original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District has

covenanted to comply with all such requirements. Except as set forth in paragraphs 3. through 6. above, we express no opinion as to any tax consequences related to the Bonds.

Certain agreements, requirements and procedures contained or referred to in the Indenture, the Tax Certificate executed by the District and other documents related to the Bonds may be changed and certain actions may be taken or omitted, under the circumstances and subject to the terms and conditions set forth in such documents. We express no opinion as to the effect on the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on any Bond if any such change occurs or action is taken or omitted upon advice or approval of bond counsel other than Stradling Yocca Carlson & Rauth, a Professional Corporation.

Our opinion is limited to matters governed by the laws of the State of California and federal law. We assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction and express no opinion as to the enforceability of the choice of law provisions contained in the Indenture.

The opinions expressed herein are based upon an analysis of existing statutes, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities.

We call attention to the fact that the foregoing opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether such actions or events are taken (or not taken) or do occur (or do not occur). Our engagement with respect to the Bonds terminates upon their issuance, and we disclaim any obligation to update the matters set forth herein.

We express no opinion herein as to the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds and expressly disclaim any duty to advise the owners of the Bonds with respect to matters contained in the Official Statement or other offering material.

Respectfully submitted,

APPENDIX C

SUPPLEMENTAL INFORMATION CONCERNING THE CITY OF UPLAND

The following information concerning the City of Upland (the "City") is presented as general background data. The Bonds are not an obligation of the City, the County of San Bernardino (the "County"), the State of California (the "State") or any of its political subdivisions, and neither said City, said County, said State nor any of its political subdivisions is liable therefor. The Bonds are limited obligations of the District payable from the revenues derived from annual special taxes to be levied on property located within the District and from certain other funds pledged under the Indenture.

[STRADLING TO UPDATE]

General

The City of Upland (the "City") encompasses 15.2 square miles and is located 35 miles east of Los Angeles in San Bernardino County. The City was incorporated on May 15, 1906 and operates as a general law city. It has a council-manager form of municipal government. The City council is composed of five members elected to four year overlapping terms. The Mayor and Council Members are elected at large.

Population

The City's estimated population on January 1, 2012 was 74,568. The following table shows the estimated past population data for the City.

City of Upland

2003	71,200	2008	72,654
2004	71,831	2009	72,715
2005	72,216	2010	73,732
2006	72,197	2011	73,957
2007	72,981	2012	74,568

Source: California Department of Finance, Demographic Research Unit, estimate as of January 1 of each year.

Assessed Valuation and Tax Collection

Taxes are levied for each Fiscal Year on taxable real and personal property which is situated in each City as of the preceding January 1. For assessment and collection purposes, property is classified either as secured or unsecured and is listed accordingly on separate parts of the assessment roll. The Secured rolls is that part of the assessment roll containing State-assessed public utilities property and property the taxes on which are a lien on real property sufficient, in the opinion of the County Assessor, to secure payment of the taxes. Other property is assessed on the unsecured roll.

Property Taxes on the secured roll are due in two installments, on November 1 and February 1 of the Fiscal Year. If unpaid, such taxes become delinquent on December 10 and April 10 respectively, and a 10% penalty attaches to any delinquent payment. Property becomes tax-defaulted if property taxes are not fully paid by July 1 of the Fiscal Year and such property becomes subject to sale by the County Tax Collector if it remains tax-defaulted for five years. Tax-defaulted property may be redeemed by payment of delinquent taxes, the 10% delinquency penalty, and a redemption penalty of 1.5% per month.

Property taxes on the unsecured roll are due as August of the Fiscal Year and become delinquent, if unpaid, on August 31, of the Fiscal Year. A 10% penalty attaches to the delinquent taxes on property on the

unsecured roll, and an additional penalty of 1.5% per month begins to accrue beginning November 30 of the Fiscal Year. The taxing authority has four ways of collecting unsecured personal property taxes: (a) a civil action against the taxpayer; (b) 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; (c) filing a certificate of delinquency for record in the County Recorder's office, in order to obtain a lien on certain property of the taxpayer; and (d) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee.

A twelve-year history of the City's assessed valuation is as follows:

	Local Secured	**Utility**	**Unsecured**	**Total Before Redevelopment Increment**	**Total After Redevelopment Increment**
2000-01	$3,419,715,873	$1,797,696	$184,000,646	$3,605,514,215	$3,223,621,941
2001-02	3,663,394,878	1,839,119	142,966,098	3,808,200,095	3,381,984,796
2002-03	3,920,252,771	1,753,504	153,913,265	4,075,919,540	3,559,629,606
2003-04	4,292,255,006	2,269,561	153,131,547	4,447,656,114	3,848,954,377
2004-05	4,691,399,151	2,271,979	159,603,300	4,853,274,430	4,303,862,758
2005-06	5,246,321,245	1,469,262	156,303,673	5,404,094,180	4,810,044,127
2006-07	5,974,143,357	1,380,604	189,201,127	6,164,725,088	5,440,479,661
2007-08	6,641,456,220	152,754	217,278,137	6,858,887,111	5,988,304,397
2008-09	6,900,805,559	68,565	249,656,335	7,150,530,459	6,199,302,282
2009-10	6,654,476,719	68,555	267,983,114	6,922,528,388	5,932,265,834
2010-11	6,581,469,546	68,590	259,810,978	6,841,349,114	5,868,764,079
2011-12	6,695,491,690	68,668	248,770,792	6,944,331,150	5,959,171,829

Source: California Municipal Statistics, Inc.

Largest Local Secured Taxpayers

Set forth below are the ten largest local secured taxpayers in the City based on the 2010-11 secured property tax roll. These taxpayers represent approximately 5.1% of the total secured valuation in the City of $6,581,469,546.

Property Owner	2010-11 Assessed Valuation	% of Total
1. Granite Sr Woodlane LLC	$ 42,647,722	0.6%
2. Colonies Pacific LLC	39,754,525	0.6
3. Rancho Monte Vista Apartment Homes	39,011,879	0.6
4. Koll Per College Business Park LLC	38,493,000	0.6
5. CT Retail Properties Finance II LLC	37,180,885	0.5
6. Mountain Springs	34,014,157	0.5
7. Bill and Mary Matreyek Trust	32,825,179	0.5
8. Nu A68 Apartments LLC	30,363,633	0.4
9. College Park Apartment Homes LP	27,105,530	0.4
10. Pres-Mountain Grove LP	26,133,835	0.4
	$347,530,345	5.1%

Source: City of Upland, Comprehensive Annual Financial Report for Year Ended June 30, 2011.

Taxable Transactions

The number of establishments selling merchandise subject to sales tax and the valuation of taxable transactions is presented in the following table.

Number of Permits and Valuation of Taxable Transactions
(Taxable transactions in thousands of dollars)

	Retail Stores		Total All Outlets	
Year	No. of Permits	Taxable Transactions	No. of Permits	Taxable Transactions
2002	851	544,794	1,916	692,382
2003	921	577,386	2,013	714,673
2004	1,003	623,130	2,066	765,338
2005	1,101	737,711	2,123	886,697
2006	1,197	820,184	2,247	1,003,850
2007	1,190	800,072	2,263	995,450
2008	1,209	726,479	2,254	928,596
2009	1,342	665,536	2,054	831,736
2010	1,325	692,099	2,049	839,076
2011[1]	1,253	176,071	1,964	209,344

[1] Through First Quarter, 2011.
Source: California State Board of Equalization.

Building Activity

The following provides a summary of residential building permit valuation and the number of new dwelling units authorized in the City from 2009 through April, 2012.

Residential	**2009**	**2010**	**2011**	**2012 (1)**
New Single-Dwelling	820,167	2,943,264	11,434,949	2,350,100
New Multi-Dwelling	0	0	0	0
Total Residential	820,167	2,943,264	11,434,949	2,350,100
No. of New Dwelling Units				
Single-Dwelling	4	13	49	11
Multi-Dwelling	0	0	0	0
Total Units	4	13	49	11

(1) Through April, 2012.
Source: "California Building Permits Activity" Economic Sciences Corporation.

Employment and Industry

The City is located in the western portion of the Riverside-San Bernardino Labor Market Area. The labor force employment and unemployment figures over the last four years for the Riverside and San Bernardino Counties is as follows.

	2009	**2010**	**2011**	**2012 (1)**
Agriculture	14,900	15,000	14,900	15,100
Natural Resources and Mining/Logging	1,100	1,000	1,000	1,100
Construction	67,900	59,700	58,700	55,600
Manufacturing	88,800	85,100	85,800	87,000
Trade, Transportation and Utilities	271,900	270,800	275,100	276,600
Information	15,100	15,800	15,000	14,800
Financial Activities	42,500	41,000	39,200	38,300
Professional and Business Services	124,300	123,400	126,100	134,600
Educational and Health Services	133,600	133,800	137,900	142,200
Leisure and Hospitality	123,800	122,800	124,300	128,900
Other Services	37,300	38,200	39,300	39,100
Government	228,400	234,300	227,300	228,900
Total, All Industries (2)	1,149,700	1,140,900	1,144,600	1,162,200
Total Civilian Labor Force (3)	1,774,800	1,798,200	1,799,000	1,794,300
Total Unemployment	233,500	257,700	241,200	212,100
Unemployment Rate	13.2%	14.3%	13.4%	11.8%

(1) Through May, 2012.
(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers and workers on strike.
(3) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers and workers on strike.
Source: State Employment Development Department, Labor Market Information Division.

Largest Employers

The following table lists the largest employers in the City:

Employer	Number of Employees
San Antonio Community Hospital	2,001
Upland Unified School District	1,435
Kohl's Department Store	501
Insurance Agency Network	500
Wal Mart	400
Home Depot	351
Shield Security	335
City ofUpland	325
Lewis Group	300
Target	250

Source: City of Upland, Comprehensive Annual Financial Report, Year Ended June 30, 2011.

Community Services and Facilities

The Upland Police Department has 57 sworn officers assigned as initial responders for all calls for service within the City of Upland. The Upland Fire Department has five fire stations, plus instant aid agreements with the Los Angeles County Fire Department, the San Bernardino County Fire Department, and the Fire Departments of Montclair and Ontario for exchange coverage.

Educational services are provided by the Upland Unified School District (kindergarten through twelfth grade). Fourteen schools make up the school system, including ten elementary, two intermediate schools and two high schools. Upland Adult School, which is part of the Upland Unified School District, assists adults who are looking to finish their high school diploma and offers opportunities for adults to improve personal and professional skills. Chaffey Community College is located in Rancho Cucamonga and California State Polytechnic University, Pomona is located approximately 10 miles to the west. The Claremont Colleges, a group of six private colleges, are also located adjacent to Upland.

The City's park system encompasses 15 developed parks, including a dog park and a skate park, ranging in area from less than one acre to more than 40 acres. Park amenities include picnic facilities, lighted soccer fields, lighted baseball fields and lighted softball fields. The Magnolia Recreation Center and the Gibson Senior Center offer a wide range of recreation and cultural programs and programs for age groups of three years old to seniors. The Upland Public Library provides services to help community residents obtain information meeting their personal, educational, and recreational needs and serves as a learning and cultural resources center for all residents of the community. The Library Department also manages the renovated Carnegie Library building, rechristened as the Carnegie Cultural Center. This historic building provides an excellent venue for both public and private gatherings. The City is also the home of the Chaffey Communities Cultural Center, a museum housed in a former church which displays collections representative of the San Bernardino West Valley's early heritage.

Health facilities for the City include San Antonio Community Hospital, an acute care facility with a 283-bed capacity and 24-hour emergency service, and is designated as a Trauma Center. The over 500-member medical staff includes many of the region's leading physicians and specialists who make San Antonio an exceptional hospital. Upland also has two convalescent hospital/rest homes.

Transportation

The San Bernardino Freeway (Interstate 10) runs east-west to the south of the City, separating Upland from Ontario, its neighboring city to the south. The City's main north-south highway, Euclid Avenue, provides the main access to the City from the San Bernardino Freeway and continues southward through the cities of Ontario and Chino.

Air cargo and passenger flight services are provided at the Ontario International Airport, three miles southeast of Upland, which provides nation-wide and international service to major cities. All major freight forwarding organizations are represented in the area. Los Angeles

International Airport is located approximately 50 miles to the west of the City. General aviation is provided by Cable Airport located within the City limits.

Freight and passenger bus service is provided by Greyhound lines. The Los Angeles Metropolitan Transportation Authority (MTA), OmniTrans and Metrolink operate regional and local bus and passenger rail service.

Environment, Geography and Geology

Upland has a dry, subtropical climate with average yearly precipitation of 18 inches, temperatures averaging 65 degrees and humidity of about 45%. Air quality is similar to that in the rest of the Los Angeles/San Bernardino Basin with seasonally fluctuating levels of secondary air pollutants.

Geologically, the area is characterized by deep unconsolidated alluvium overlying bedrock. Seismic considerations affecting the City are comparable to those affecting most of the surrounding areas. The elevation is 1,060 feet above sea level.

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a summary of certain definitions and provisions of the Indenture which are not described elsewhere in the Official Statement. This summary does not purport to be comprehensive and reference should be made to the Indenture for a full and complete statement of its provisions.

[TO COME]

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT OF THE DISTRICT

Upon issuance of the Bonds, the District proposes to enter into a Continuing Disclosure Agreement in substantially the following form:

This Continuing Disclosure Agreement (the "Disclosure Agreement"), dated as of June 1, 2015, is executed and delivered by Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) (the "District") and Willdan Financial Services, as dissemination agent, in connection with the issuance and delivery by the District of its Improvement Area No. 2 Special Tax Refunding Bonds, Issue of 2015 (the "Bonds"). The Bonds are being issued pursuant to Resolution No. _____ of the City adopted on June 8, 2015 and that certain Bond Indenture (the "Indenture"), dated as of June 1, 2015, by and between the District and U.S. Bank National Association., as Trustee (the "Trustee"). The District covenants as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the District for the benefit of the Owners and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (as defined below).

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"*Annual Report*" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"*Beneficial Owner*" shall mean any person which: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Bonds for federal income purposes.

"*City*" shall mean the City of Upland, California.

"*Disclosure Representative*" shall mean the City Manager or the Director of Administrative Services of the City, or his or her designee, or such other officer or employee as the City shall designate in writing to the Dissemination Agent from time to time.

"*Dissemination Agent*" shall mean, initially, Willdan Financial Services, or any successor Dissemination Agent designated in writing by the District which has filed with the then current Dissemination Agent a written acceptance of such designation.

"*EMMA*" shall mean the Electronic Municipal Market Access system of the MSRB.

"*Listed Events*" shall mean any of the events listed in Section 5 of this Disclosure Agreement.

"*MSRB*" shall mean the Municipal Securities Rulemaking Board and any successor entity designated under the Rule as the repository for filings made pursuant to the Rule.

"*Official Statement*" shall mean the Official Statement, dated June __, 2015, relating to the Bonds.

"*Participating Underwriter*" shall mean Southwest Securities, Inc.

"*Repository*" shall mean the MSRB or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Unless otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the EMMA website, currently located at http://emma.msrb.org.

"*Rule*" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"*State*" shall mean the State of California.

"*Tax-exempt*" shall mean that interest on the Bonds is excluded from gross income for federal income tax purposes, whether or not such interest is includable as an item of tax preferences or otherwise includable directly or indirectly for purposes of calculating any other tax liability, including any alternative minimum tax or environmental tax.

SECTION 3. Provision of Annual Reports.

(a) Not later than April 1 after the end of the District's fiscal year, commencing April 1, 2016, the District shall provide, or shall cause the Dissemination Agent to provide, to the Repository and to the Bond Insurer an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the District may be submitted separately from and later than the balance of the Annual Report if they are not available by the date required above for the filing of the Annual Report.

An Annual Report shall be provided at least annually notwithstanding any fiscal year longer than 12 calendar months. The District's fiscal year is currently effective from July 1 to the immediately succeeding June 30 of the following year. The District will promptly notify the Repository of a change in its fiscal year.

(b) In the event that the Dissemination Agent is an entity other than the District, then the provisions of this Section 3(b) shall apply. Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the Repository, the District shall provide the Annual Report to the Dissemination Agent. If by fifteen (15) Business Days prior to such date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District will be filing the Annual Report in compliance with subsection (a). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent may conclusively rely upon such certification of the District and shall have no duty or obligation to review such Annual Report.

(c) If the District is the Dissemination Agent and the District is unable to provide to the Repository and to the Bond Insurer an Annual Report by the date required in subsection (a), the District shall send a notice to the Repository in the manner prescribed by the MSRB. If the Dissemination Agent is other than the District and if the Dissemination Agent is unable to verify that an Annual Report has been provided to the Repository by the date required in subsection (a), the Dissemination Agent shall send a notice to the Repository in the manner prescribed by the MSRB.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of the Repository if other than the MSRB; and

(ii) promptly after receipt of the Annual Report, file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided.

(e) Notwithstanding any other provision of this Disclosure Agreement, all filings shall be made in accordance with the MSRB's EMMA system or in another manner approved under the Rule.

SECTION 4. Content of Annual Reports. The District's Annual Report shall contain or include by reference:

(a) Financial Statements. The audited financial statements of the City for the most recent fiscal year of the District then ended. If the audited financial statements are not available by the time that the Annual Report is required to be filed, the Annual Report shall contain any unaudited financial statements of the District in a format similar to the audited financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available. Audited financial statements of the District shall be audited by such auditor as shall then be required or permitted by State law or the Indenture. Audited financial statements shall be prepared in accordance with generally accepted accounting principles as prescribed for governmental units by the Governmental Accounting Standards Board; provided, however, that the District may from time to time, if required by federal or state legal requirements, modify the basis upon which its financial statements are prepared. In the event that the District shall modify the basis upon which its financial statements are prepared, the District shall provide a notice of such modification to the Repository, including a reference to the specific federal or State law or regulation specifically describing the legal requirements for the change in accounting basis.

(b) Financial and Operating Data. The Annual Report shall contain or incorporate by reference the following information:

(i) the principal amount of the Bonds outstanding as of the September 2 preceding the filing of the Annual Report;

(ii) the balance in each fund and account established under the Indenture as of the September 2 preceding the filing of the Annual Report;

(iii) any changes to the Rate and Method of Apportionment of the Special Taxes approved or submitted to the qualified electors for approval prior to the filing of the Annual Report;

(iv) a description of any parcels for which the Special Taxes have been prepaid, including the amount prepaid, since the date of the last Annual Report;

(v) a table setting forth the estimated assessed value-to-lien ratios for Developed Property within Improvement Area No. 2 substantially in the form set forth in Table 5 in the Official Statement;

(vi) a table including a list of all taxpayers within Improvement Area No. 2 which own property in Improvement Area No. 2 upon which 5% or more of the total Special Taxes for the current Fiscal Year have been levied, including: (1) the percentage of Special Taxes payable by each taxpayer; and (2) a statement as to whether any of such taxpayers is delinquent in the payment of Special Taxes; and

(vii) a table setting forth for the five most recent Fiscal Years in which Special Taxes were levied, the amount of Special Taxes levied in each Fiscal Year and the percentage delinquent as of

June 30 of such Fiscal Year and as of the date of the Annual Report, and a description of the status of any foreclosure actions being pursued by the Issuer with respect to delinquent Special Taxes.

In addition to any of the information expressly required to be provided under paragraphs (a) or (b) of this Section, the District shall provide such further information, if any, as may be necessary to make the specifically required statements set forth in clause (b), in the light of the circumstances under which they were made, not misleading.

(c) Any or all of the items listed in (a) or (b) above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been submitted to the Repository. If the document included by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the District shall give, or cause the Dissemination Agent to give, to the Repository and to the Bond Insurer notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) business days after the event:

1. principal and interest payment delinquencies;

2. unscheduled draws on debt service reserves reflecting financial difficulties;

3. unscheduled draws on credit enhancements reflecting financial difficulties;

4. substitution of credit or liquidity providers, or their failure to perform;

5. adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB);

6. tender offers;

7. defeasances;

8. ratings changes; and

9. bankruptcy, insolvency, receivership or similar proceedings.

Note: for the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the 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 obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section 5(b), the District shall give, or cause to be given, to the Repository and to the Bond Insurer notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in paragraph 5(a)(5) above, notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds;

2. modifications to the rights of Bond holders;

3. optional, unscheduled or contingent Bond redemptions;

4. release, substitution or sale of property securing repayment of the Bonds;

5. non-payment related defaults;

6. the consummation of a merger, consolidation, or acquisition involving the City or the District or the sale of all or substantially all of the assets of the City or the District, 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; and

7. appointment of a successor or additional trustee or the change of the name of a trustee.

(c) Whenever the District obtains knowledge of the occurrence of a Listed Event under Section 5(b) above, the District shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the District determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the District shall file a notice of such occurrence with the Repository and the Bond Insurer in a timely manner not more than 10 business days after the event.

(e) The District hereby agrees that the undertaking set forth in this Disclosure Agreement is the responsibility of the District and that the Dissemination Agent shall not be responsible for determining whether the District's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

SECTION 6. Termination of Reporting Obligation. The obligations of the District and the Dissemination Agent 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 District shall give notice of such termination in the same manner as for a Listed Event under Section 5(a).

SECTION 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Willdan Financial Services. The Dissemination Agent may resign: (i) by providing thirty days written notice to the District; and (ii) upon appointment of a new Dissemination Agent hereunder.

SECTION 8. Amendment.

(a) This Disclosure Agreement may be amended, by written agreement of the parties, without the consent of the Owners, if all of the following conditions are satisfied: (1) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law, or a change in the identity, nature or status of the District or the type of business conducted thereby; (2) this Disclosure Agreement as so amended would have complied with the requirements of the Rule as of the date of this Disclosure Agreement, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; (3) the District shall have delivered to the Dissemination Agent an opinion of a nationally recognized bond counsel or counsel expert in federal securities laws, addressed to the District and the Participating Underwriter, to the same effect as set forth in clause (2) above; (4) the District shall have delivered to the Dissemination Agent an opinion of nationally recognized bond counsel or counsel expert in federal securities laws, addressed to the District, to the effect that the amendment does not materially impair the interests of the Owners or Beneficial Owners, or such amendment shall have been approved by the Owners in the same manner as an amendment to the Indenture; and (5) the District shall have delivered copies of such opinion and amendment to the Repository.

(b) This Disclosure Agreement also may be amended by written agreement of the parties upon obtaining consent of Owners in the same manner as provided in the Indenture for amendments to the Indenture with the consent of the Owners of the Bonds; provided that the conditions set forth in Section 8(a)(1), (2) and (3) have been satisfied.

(c) To the extent that any amendment to this Disclosure Agreement results in a change in the type of financial information or operating data provided pursuant to this Disclosure Agreement, the first Annual Report provided thereafter shall include a narrative explanation of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

(d) If an amendment is made to the basis on which financial statements are prepared, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a quantitative and, to the extent reasonably feasible, qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the District 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 District 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 District 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.

The District acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, as amended, may apply to the District, and that under some circumstances compliance with this Disclosure Agreement, without additional disclosures or other action, may not fully discharge all duties and obligations of the District under such laws.

SECTION 10. Default. In the event of a failure of the District or the Dissemination Agent to comply with any provision of this Disclosure Agreement, any Owner or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District and/or the Dissemination Agent to comply with their respective 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 District or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the District agrees to indemnify and save the Dissemination Agent and its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. Any Dissemination Agent other than the District shall be paid: (i) compensation by the District for its services provided hereunder in accordance with a schedule of fees to be mutually agreed to; and (ii) all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the District pursuant to this Disclosure Agreement. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. No person shall have any right to commence any action against the Dissemination Agent seeking any remedy other than to compel specific performance of this Disclosure Agreement. The Dissemination Agent shall not be liable under any circumstances for monetary damages to any person for any breach under this Disclosure Agreement.

SECTION 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter, the Bond Insurer and Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 13. 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.

SECTION 14. Governing Law. This Disclosure Agreement shall be construed and governed in accordance with the laws of the State of California.

SECTION 15. Notices. Any notice or communications to be among any of the parties to this Disclosure Agreement may be given as follows:

To the District:	Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio) c/o City of Upland 460 N. Euclid Avenue Upland, California 91786 Attention: Finance Director
To the Trustee:	U.S. Bank National Association 400 South Hope Street, Suite 400 Los Angeles, California 90071 Attention: Corporate Trust Services
To the Dissemination Agent:	Willdan Financial Services 27368 Via Industria, Suite 110 Temecula, California 92590
To the Participating Underwriter:	Southwest Securities, Inc. 2533 South Coast Hwy 101, Suite 210

Cardiff, California 92007
Attention: Robin Thomas

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 16. Future Determination of Obligated Persons. In the event that the Securities Exchange Commission amends, clarifies or supplements the Rule in such a manner that requires any landowner within the District to be an obligated person as defined in the Rule, nothing contained herein shall be construed to require the District to meet the continuing disclosure requirements of the Rule with respect to such obligated person and nothing in this Disclosure Agreement shall be deemed to obligate the District to disclose information concerning any owner of land within the District except as required as part of the information required to be disclosed by the District pursuant to Sections 4 and 5 hereof. The validity, interpretation and performance of this Disclosure Agreement shall be governed by the laws of the State of California.

SECTION 17. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

SECTION 18. Merger. Any person succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor Dissemination Agent without the filing of any paper or any further act.

COMMUNITY FACILITIES DISTRICT NO. 2003-2 OF THE CITY OF UPLAND (THE COLONIES AT SAN ANTONIO)

By: _____
Its: Finance Director of the City of Upland, acting in its capacity as the legislative body of Community Facilities District No. 2003-2 of the City of Upland (The Colonies at San Antonio)

WILLDAN FINANCIAL SERVICES, as Dissemination Agent

By: _____
Its: Authorized Officer

APPENDIX F

BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, premium, if any, accreted value and interest on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC to the District which the District believes to be reliable, but the District and the Underwriter do not and cannot make any independent representations concerning these matters and do not take responsibility for the accuracy or completeness thereof. Neither the DTC, Direct Participants, Indirect Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each annual maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited through the facilities of DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such

other DTC nominee do not 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 District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Bond Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered to DTC.

THE TRUSTEE, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES TO OWNERS ONLY TO DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OF SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

STAFF REPORT

ITEM NO. 13.B

DATE:	JUNE 8, 2015
TO:	MAYOR AND CITY COUNCIL
FROM:	ROD BUTLER, CITY MANAGER
PREPARED BY:	BRIAN JOHNSON, CHIEF OF POLICE
SUBJECT:	ALLOCATION OF COPS FY12/13 FUNDS

RECOMMENDED ACTION

It is recommended that the City Council appropriate $36,484.11 in COPS FY12/13 funds for the purchase of front-line law enforcement equipment.

GOAL STATEMENT

The proposed action supports the City's goal of providing safe and effective law enforcement for the citizens of Upland.

BACKGROUND

The Upland Police Department received a total of $119,934 from the COPS FY12/13 funding. On December 8, 2014, the City Council approved the use of $73,050 from this fund for the purchase of fixed license plate reader cameras. On January 12, 2015, the City Council approved the use of $10,400 from this fund for the installation of electrical outlets in the police department lockers.

ISSUES/ANALYSIS

Staff is currently evaluating the needs of the department to determine the best use of the remaining $36,484.11 and will seek Council approval once those needs have been identified. The purpose of this staff report is to meet COPS mandates that the funds be encumbered by June 30, 2015, so we do not lose the funding.

FISCAL IMPACTS

This COPS Grant has no fiscal impact on the General Fund.

ALTERNATIVES

None.

STAFF REPORT

ITEM NO. 13.C

DATE:	JUNE 8, 2015
TO:	MAYOR AND CITY COUNCIL
FROM:	ROD BUTLER, CITY MANAGER
PREPARED BY:	ROSEMARY HOERNING, PUBLIC WORKS DIRECTOR HARRISON NGUYEN, ENVIRONMENTAL QUALITY ADMINISTRATOR
SUBJECT:	AWARD OF BID FOR PROJECT NO. 9327, CITYWIDE SEWER REHABILITATION (BID NO. 2015-03)

RECOMMENDED ACTION

It is recommended that the City Council approve the specifications for Project No. 9327; award the construction contract to Vasilj, Inc., in the amount of $303,450; and, approve a construction contingency in the amount of $60,690, for a total construction amount of $364,140.

GOAL STATEMENT

The proposed action supports the City's objective of continuing to maintain and improve the City's sewer system, for a reliable sewerage disposal service.

BACKGROUND

To comply with the State General Waste Discharge Requirements for Sanitary Sewer Systems and, more importantly, to maintain the sewer system integrity and prevent overflows and failures, the City has to proactively maintain and improve the sewer system. Previous sewer projects were to clean sewer mains, extend the service life of sewer mains by lining them, and perform video camera inspections of sewer mains to identify structural deficiencies for rehabilitation.

Recent inspections of numerous sewer manholes constructed by brick and mortar, primarily situated in the older parts of town, show signs of approaching their useful life. They are prone to being severely damaged by earthquake, and staff needs to be proactive in repairing or upgrading them.

ISSUES/ANALYSIS

On May 13, 2015, the City received and opened eight (8) bids for Project No. 9327, under Bid No. 2015-03, as follows:

BIDDER	BID AMOUNT
Vasilj, Inc.	$303,450.00
Weka, Inc.	$368,745.00
C.P. Construction Co., Inc.	$409,680.00
GRFCO, Inc.	$415,600.00
Norstar Plumbing and Engineering, Inc.	$451,050.00

Gentry Brothers, Inc.	$714,000.00
Mike Bubalo Construction Co., Inc.	$743,000.00
Blois Construction, Inc.	$999,150.00

The City reviewed the bid information, and confirmed that Vasilj, Inc. of Irwindale, California, is the lowest responsible and responsive bidder. If awarded by the City Council, construction is anticipated to begin in June 2015, and be substantially complete by September 2015, weather permitting.

FISCAL IMPACTS

The City's adopted Fiscal Year 2014-15 Capital Improvement Program (FY14-15 CIP) budget contains sufficient funds in the Environmental Enterprise Fund for Project No. 9327. The estimated project costs and funding are summarized below.

Estimated Project Cost

Basic Bid Amount	$ 303,450
Construction Contingency	$ 60,690
Total Contract Work:	**$ 364,140**
Contract Administration, Inspection and Material Testing	$ 40,860
Total Project Cost:	**$ 405,000**

Funding

FY 14-15 CIP Account No.645-9327 (Environmental Enterprise Fund) $ 405,000.

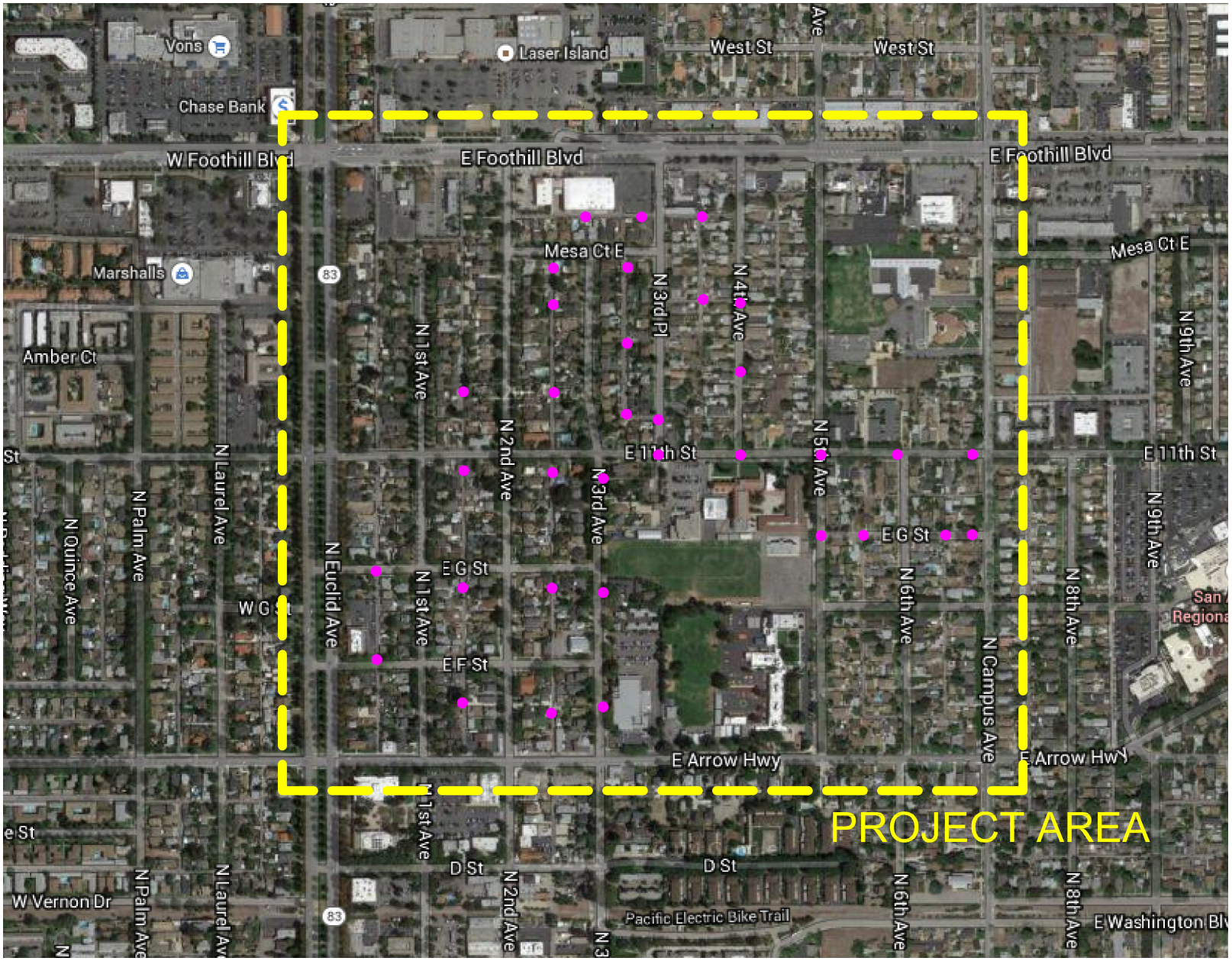
ALTERNATIVES

1. Reject all bids and authorize the City Clerk to re-advertise Project No. 9327. This alternative will delay the construction schedule by approximately 6 weeks, and incur approximately $5,000 in re-advertisement and reproduction expenses.

2. Provide alternative direction to staff.

ATTACHMENTS:

Project Vicinity Map



PROPOSED MANHOLES TO BE REPLACED

N

CITY OF UPLAND DEPARTMENT OF PUBLIC WORKS 1370 N. BENSON AVENUE UPLAND, CA 91786	CITY OF UPLAND PROJECT SITE MAP CITYWIDE SEWER REHABILITATION 2014-2015	SHEET 1 OF 1 SHEETS

STAFF REPORT

ITEM NO. 13.D

DATE:	JUNE 8, 2015
TO:	MAYOR AND CITY COUNCIL
FROM:	ROD BUTLER, CITY MANAGER
PREPARED BY:	JEFF ZWACK, DEVELOPMENT SERVICES DIRECTOR LIZ CHAVEZ, DEVELOPMENT SERVICES MANAGER
SUBJECT:	CALIFORNIA HOME FINANCE AUTHORITY PACE PROGRAMS AND ASSOCIATE MEMBERSHIP IN THE CALIFORNIA HOME FINANCE AUTHORITY

RECOMMENDED ACTION

It is recommended that the City Council adopt a Resolution consenting to inclusion of properties within the City's jurisdiction in the California Home Finance Authority Program to finance renewable energy generation, energy and water efficiency improvements and electric vehicle charging infrastructure and approving associate membership in the Joint Exercise of Powers Authority related thereto; adopt a Resolution consenting to inclusion of properties within the City's jurisdiction in the California Home Finance Authority Community Facilities District No. 2014-1 (clean energy) to finance renewable energy improvements, energy efficiency and water conservation improvements and electric vehicle charging infrastructure and approving associate membership in the Joint Exercise of Powers Authority related thereto; and authorize the City Manager to execute any necessary documents to that effect.

GOAL STATEMENT

The proposed action supports the City's Climate Action Plan and the Green Valley Initiative.

BACKGROUND

The California Home Finance Authority (CHF) has contracted with Ygrene Energy Fund to provide property owners a choice in financing water conservation improvements, energy efficiency and renewable generation improvements to their homes and businesses throughout California.

In April 2013, the City Council authorized participation in the Home Energy Renovation Opportunity (HERO) Program, via the San Bernardino Associated Governments. This was the first of the PACE programs activated, however, HERO is mostly limited to residential property improvements. By adding the Ygrene Program, the City will provide additional financing options, rates and choices for property owners of residential, as well as commercial and industrial projects.

ISSUES/ANALYSIS

To participate in the PACE programs, the City must become an Associate Member of CHF (via execution of a JPA Agreement). Associate membership requires no financial obligations to the City and permits participation in all CHF programs including the PACE programs.

Under the legislative authority of two separate California PACE laws namely SB 555 and AB 811, CHF has established two PACE programs. PACE financing limits are restricted to the following amounts: maximum financing cannot exceed 15% of the property value available and the minimum finance amount cannot be *less* than $2,500.00.

SB 555 PACE Community Facilities District: Senate Bill 555 amended the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code. This amendment allows for the creation of Community Facilities Districts ("CFDs") for the purpose of financing or refinancing the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property.

Individual properties can be annexed into the district which has already been formed in San Bernardino County. These properties will be subject to a special tax, for the individual property only, that is imposed to repay project financing only if, (i) the Council adopts a resolution consenting to the inclusion of parcels in the incorporated areas of the City within the CFD and (ii) each participating owner that chooses to participate, provides written approval for annexation of its property into the PACE CFD. It is this voluntary nature of the PACE assessment that diffentiates it from traditional Mello-Roos Districts.

AB 811 PACE Contractual Assessment Program: By the passage of Assembly Bill 811, the California State Legislature added Chapter 29 to the California Streets and Highways Code. This legislation authorized cities and counties to establish voluntary contractual assessment programs for the purpose of financing private property improvements that promote renewable energy generation, energy and water efficiency and electric vehicle charging infrastructure.

As with the SB 555 CFD, properties can be annexed into the AB 811 PACE program and be subject to the property tax assessment that is imposed to repay project financing only if (i) the Council adopts a resolution consenting to the inclusion of parcels in the incorporated areas of the City within the program and (ii) each participating owner consents in writing to the annexation of its property into the PACE program.

Each resolution also authorizes CHF (1) to accept applications from property owners within the City's incorporated area to finance authorized improvements; and (2) to conduct proceedings and levy special taxes or contractual assessments, as applicable, on the property of participating owners only. It is important to note that the participation in the program is voluntary.

Eligible Improvements: A wide range of energy efficiency, water conservation, and renewable energy improvements are eligible for financing using the Ygrene Works PACE program on residential, commercial and industrial properties. Some of the more common improvements include (1) Solar Panel Systems; (2) Heating and Air Conditioning; (3) Energy efficient windows, doors, and skylights; (4) Insulation and ductwork; (5) New roofs; (6) Water heaters-including solar and tankless systems; (7) Energy efficient lighting (8) Water saving measures and devices such as low flow toilets and faucets, up to the installation of residential grey water systems and commercial recycled water hook ups; and (9) Landscape improvements such as turf removal, installation of hardscape and/or artificial turf, new irrigations systems including climate controlled watering sensors, drip line irrigation systems and new more efficient irrigation systems.

FISCAL IMPACTS

There are no fiscal impacts for the City to participate in the PACE programs, or to become a member of the JPA. The City will have no administrative responsibilities, marketing obligations, or financial obligations associated with the PACE program. The CHF will establish and manage the expenditures of the CFD financing, as well as all program advertising and oversight.

ALTERNATIVES

Provide alternative direction to staff.

ATTACHMENTS:

Resolution

Resolution

Agreement

Fact Sheet

Fact Sheet

Backup Material

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UPLAND, CALIFORNIA, CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE CALIFORNIA HOME FINANCE AUTHORITY, PROGRAM TO FINANCE RENEWABLE ENERGY GENERATION, ENERGY AND WATER EFFICIENCY IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING ASSOCIATE MEMBERSHIP IN THE JOINT EXERCISE OF POWERS AUTHORITY RELATED THERETO

Intent of the Parties and Findings

(i) The California Home Finance Authority ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on July 1, 1993, as amended from time to time (the "Authority JPA"); and

(ii) The Authority is in the process of amending the Authority JPA to formally change its name to the Golden State Finance Authority; and

(iii) Authority has established a property-assessed clean energy ("PACE") Program (the "Authority PACE Program") to provide for the financing of renewable energy generation, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

(iv) City of Upland (the "City") is committed to development of renewable energy generation and energy and water efficiency improvements, reduction of greenhouse gases, and protection of the environment; and

(v) In Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

(vi) Installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the Authority PACE Program would promote the purposes cited above; and

(vii) The City wishes to provide innovative solutions to its property owners to achieve energy and water efficiency, and in doing so cooperate with Authority in order to efficiently and economically assist property owners within the City in financing such Improvements; and

(viii) Authority has established the Authority PACE Program, which is such a voluntary contractual assessment program, as permitted by the Act, the Authority JPA, originally made and entered into July 1, 1993, as amended to date, and the City, desires to become an Associate Member of the JPA by execution of the JPA Agreement, a copy of which is attached as Exhibit "A" hereto, to participate in the programs of the JPA and to assist property owners within the jurisdiction of the City in financing the cost of installing Improvements; and

(ix) The City will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the Authority PACE Program.

NOW, THEREFORE, the Upland City Council hereby finds, determines and resolves as follow:

Section 1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the Authority PACE Program to finance the installation of the Improvements.

Section 2. This City Council consents to inclusion in the Authority PACE Program of all of the properties in the jurisdictional boundaries of the City and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

Section 3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Authority PACE Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.

Section 4. This City Council hereby approves joining the JPA as an Associate Member and authorizes the execution by appropriate City officials of any necessary documents to effectuate such membership.

Section 5. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the Authority PACE Program within the City, and report back periodically to this City Council on the success of such program.

Section 6. This Resolution shall take effect immediately upon its adoption. The City Clerk of the City of Upland shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED and ADOPTED this ____ day of _____, 2015.

_____
Ray M. Musser, Mayor

I, Stephanie A. Mendenhall, City Clerk of the City of Upland, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council held on the 11th day of May, 2015, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

ATTEST: _____
Stephanie A. Mendenhall, City Clerk

Exhibit A

JPA Agreement

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UPLAND, CALIFORNIA CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE CALIFORNIA HOME FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2014-1 (CLEAN ENERGY) TO FINANCE RENEWABLE ENERGY IMPROVEMENTS, ENERGY EFFICIENCY AND WATER CONSERVATION IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING ASSOCIATE MEMBERSHIP IN THE JOINT EXERCISE OF POWERS AUTHORITY RELATED THERETO

Intent of the Parties and Findings

(i) The California Home Finance Authority, a California joint powers authority, (the "Authority") has established the Community Facilities District No. 2014-1(Clean Energy) in accordance with the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code (the "Act") and particularly in accordance with sections 53313.5(l) and 53328.1(a) (the "District"); and

(ii) The purpose of the District is to finance or refinance (including the payment of interest) the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property (the "Authorized Improvements"); and

(iii) The Authority is in the process of amending the Authority Joint Powers Agreement (the "Authority JPA") to formally change its name to the Golden State Finance Authority; and

(iv) The City of Upland is committed to development of renewable energy generation and energy efficiency improvements, reduction of greenhouse gases, and protection of the environment; and

(v) In the Act, the Legislature has authorized a parcel within the territory of the District to annex to the District and be subject to the special tax levy of the District only (i) if the city or county within which the parcel is located has consented, by the adoption of a resolution by the applicable city council or county board of supervisors, to the inclusion of parcels within its boundaries in the District and (ii) with the unanimous written approval of the owner or owners of the parcel when it is annexed (the "Unanimous Approval Agreement"), which, as provided in section 53329.6 of the Act, shall constitute the election required by the California Constitution; and

(vi) The City wishes to provide innovative solutions to its property owners to achieve energy efficiency and water conservation and in doing so cooperate with Authority in order to efficiently and economically assist property owners the City in financing such Authorized Improvements; and

(vii) The Authority has established the District, as permitted by the Act, the Authority JPA, originally made and entered into July 1, 1993, as amended to date, and the City, desires to become an Associate Member of the JPA by execution of the JPA Agreement, a copy of which is attached as Exhibit "A" hereto, to participate in the programs of the JPA and, to assist property owners within the incorporated area of the City in financing the cost of installing Authorized Improvements; and

(viii) The City will not be responsible for the conduct of any special tax proceedings; the levy and collection of special taxes or any required remedial action in the case of delinquencies in the payment of any special taxes in connection with the District.

NOW, THEREFORE, the Upland City Council hereby finds, determines and resolves as follow:

Section 1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the Authority CFD No. 2014-1 (Clean Energy) to finance the installation of the Authorized Improvements.

Section 2. This City Council consents to inclusion in the Authority CFD No. 2014-1 (Clean Energy) of all of the properties in the incorporated area within the City and to the Authorized Improvements, upon the request of and execution of the Unanimous Approval Agreement by the owners of such properties when such properties are annexed, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

Section 3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Authority CFD No. 2014-1 (Clean Energy) and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Authorized Improvements.

Section 4. This City Council hereby approves joining the JPA as an Associate Member and authorizes the execution by appropriate City officials of any necessary documents to effectuate such membership.

Section 5. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the Authority CFD No. 2014-1 (Clean Energy) within the City, and report back periodically to this City Council on the success of such program.

Section 6. This Resolution shall take effect immediately upon its adoption. The City Clerk of the City of Upland shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED and ADOPTED this 11th day of May, 2015.

_____
Ray M. Musser, Mayor

I, Stephanie A. Mendenhall, City Clerk of the City of Upland, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council held on the 11th day of May, 2015, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

ATTEST: _____
Stephanie A. Mendenhall, City Clerk

Exhibit A

JPA Agreement

CALIFORNIA HOME FINANCE AUTHORITY

AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT

(Original date July 1, 1993 and as last amended and restated December 10, 2014)

THIS AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT ("Agreement") is entered into by and among the counties listed on Attachment 1 hereof and incorporated herein by reference. All such counties are referred to herein as "Members" with the respective powers, privileges and restrictions provided herein.

RECITALS

A. WHEREAS, the California Rural Home Mortgage Finance Authority ("CRHMFA") was created by a Joint Exercise of Powers Agreement dated July 1, 1993 pursuant to the Joint Exercise of Powers Act (commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"). By Resolution 2003-02, adopted on January 15, 2003, the name of the authority was changed to CRHMFA Homebuyers Fund. The most recent amendment to the Joint Exercise of Powers Agreement was on January 28, 2004.

B. WHEREAS, the Members of CRHMFA Homebuyers Fund desire to update, reaffirm, clarify and revise certain provisions of the joint powers agreement, including the renaming of the joint powers authority, as set forth herein.

C. WHEREAS, the Members are each empowered by law to finance the construction, acquisition, improvement and rehabilitation of real property.

D. WHEREAS, by this Agreement, the Members desire to create and establish a joint powers authority to exercise their respective powers for the purpose of financing the construction, acquisition, improvement and rehabilitation of real property within the jurisdiction of the Authority as authorized by the Act.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Members individually and collectively agree as follows:

1. Definitions

Unless the context otherwise requires, the following terms shall for purposes of this Agreement have the meanings specified below:

"Act" means the Joint Exercise of Powers Act, commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, including the Marks-Roos Local Bond Pooling Act of 1985, as amended.

"Agreement" means this Joint Exercise of Powers Agreement, as the same now exists or as it may from time to time be amended as provided herein.

"Associate Member" means a county, city or other public agency which is not a voting member of the Rural County Representatives of California, a California nonprofit corporation ("RCRC"), with legal power and authority similar to that of the Members, admitted pursuant to paragraph 4.d. below to associate membership herein by vote of the Board.

"Audit Committee" means a committee made up of the nine-member Executive Committee.

"Authority" means California Home Finance Authority ("CHF"), formerly known as CRHMFA Homebuyers Fund or California Rural Home Mortgage Finance Authority.

"Board" means the governing board of the Authority as described in Section 7 below.

"Bonds" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other obligation within the meaning of the term "Bonds" under the Act.

"Delegate" means the Supervisor designated by the governing board of each Member to serve on the Board of the Authority.

"Executive Committee" means the nine-member Executive Committee of the Board established pursuant to Section 10 hereof.

"Member" means any county which is a member of RCRC, has executed this Agreement and has become a member of the Authority.

"Obligations" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other financial or legal obligation of the Authority under the Act.

"Program" or "Project" means any work, improvement, program, project or service undertaken by the Authority.

"Rural County Representatives of California" or **"RCRC"** means the nonprofit entity incorporated under that name in the State of California.

"Supervisor" means an elected County Supervisor from an RCRC member county.

2. Purpose

The purpose of the Authority is to provide financing for the acquisition, construction, , improvement and rehabilitation of real property in accordance with applicable provisions of law for the benefit of residents and communities. In pursuit of this purpose, this Agreement provides for the joint exercise of powers common to any of its Members and Associate Members as provided herein, or otherwise authorized by the Act and other applicable laws, including assisting

in financing as authorized herein, jointly exercised in the manner set forth herein.

3. Principal Place of Business

The principal office of the Authority shall be 1215 K Street, Suite 1650, Sacramento, California 95814.

4. Creation of Authority; Addition of Members or Associate Members

a. The Authority is hereby created pursuant to the Act. As provided in the Act, the Authority shall be a public entity separate and distinct from the Members or Associate Members.

b. The Authority will cause a notice of this Agreement or any amendment hereto to be prepared and filed with the office of the Secretary of State of California in a timely fashion in the manner set forth in Section 6503.3 of the Act.

c. A county that is a member of RCRC may petition to become a member of the Authority by submitting to the Board a resolution or evidence of other formal action taken by its governing body adopting this Agreement. The Board shall review the petition for membership and shall vote to approve or disapprove the petition. If the petition is approved by a majority of the Board, such county shall immediately become a Member of the Authority.

d. An Associate Member may be added to the Authority upon the affirmative approval of its respective governing board and pursuant to action by the Authority Board upon such terms and conditions, and with such rights, privileges and responsibilities, as may be established from time to time by the Board. Such terms and conditions, and rights, privileges and responsibilities may vary among the Associate Members. Associate Members shall be entitled to participate in one or more programs of the Authority as determined by the Board, but shall not be voting members of the Board. The Executive Director of the Authority shall enforce the terms and conditions for prospective Associate Members to the Authority as provided by resolution of the Board and as amended from time to time by the Board. Changes in the terms and conditions for Associate Membership by the Board will not constitute an amendment of this Agreement.

5. Term and Termination of Powers

This Agreement shall become effective from the date hereof until the earlier of the time when all Bonds and any interest thereon shall have been paid in full, or provision for such payment shall have been made, or when the Authority shall no longer own or hold any interest in a public capital improvement or program. The Authority shall continue to exercise the powers herein conferred upon it until termination of this Agreement, except that if any Bonds are issued and delivered, in no event shall the exercise of the powers herein granted be terminated until all Bonds so issued and delivered and the interest thereon shall have been paid or provision for such payment shall have been made and any other debt incurred with respect to any other financing program established or administered by the Authority has been repaid in full and is no longer outstanding.

6. Powers; Restriction upon Exercise

a. To effectuate its purpose, the Authority shall have the power to exercise any and all powers of the Members or of a joint powers authority under the Act and other applicable provisions of law, subject, however, to the conditions and restrictions herein contained. Each Member or Associate Member may also separately exercise any and all such powers. The powers of the Authority are limited to those of a general law county.

b. The Authority may adopt, from time to time, such resolutions, guidelines, rules and regulations for the conduct of its meetings and the activities of the Authority as it deems necessary or desirable to accomplish its purpose.

c. The Authority shall have the power to finance the construction, acquisition, improvement and rehabilitation of real property, including the power to purchase, with the amounts received or to be received by it pursuant to a bond purchase agreement, bonds issued by any of its Members or Associate Members and other local agencies at public or negotiated sale, for the purpose set forth herein and in accordance with the Act. All or any part of such bonds so purchased may be held by the Authority or resold to public or private purchasers at public or negotiated sale. The Authority shall set any other terms and conditions of any purchase or sale contemplated herein as it deems necessary or convenient and in furtherance of the Act. The Authority may issue or cause to be issued Bonds or other indebtedness, and pledge any of its property or revenues as security to the extent permitted by resolution of the Board under any applicable provision of law. The Authority may issue Bonds in accordance with the Act in order to raise funds necessary to effectuate its purpose hereunder and may enter into agreements to secure such Bonds. The Authority may issue other forms of indebtedness authorized by the Act, and to secure such debt, to further such purpose. The Authority may utilize other forms of capital, including, but not limited to, the Authority's internal resources, capital markets and other forms of private capital investment authorized by the Act..

d. The Authority is hereby authorized to do all acts necessary for the exercise of its powers, including, but not limited to:

(1) executing contracts,
(2) employing agents, consultants and employees,
(3) acquiring, constructing or providing for maintenance and operation of any building, work or improvement,
(4) acquiring, holding or disposing of real or personal property wherever located, including property subject to mortgage,
(5) incurring debts, liabilities or obligations,
(6) receiving gifts, contributions and donations of property, funds, services and any other forms of assistance from persons, firms, corporations or governmental entities,
(7) suing and being sued in its own name, and litigating or settling any suits or claims,
(8) doing any and all things necessary or convenient to the exercise of its specific powers and to accomplishing its purpose
(9) establishing and/or administering districts to finance and refinance the acquisition, installation and improvement of energy efficiency, water

conservation and renewable energy improvements to or on real property and in buildings. The Authority may enter into one or more agreements, including without limitation, participation agreements and implementation agreements to implement such programs.

e. Subject to the applicable provisions of any indenture or resolution providing for the investment of monies held thereunder, the Authority shall have the power to invest any of its funds as the Board deems advisable, in the same manner and upon the same conditions as local agencies pursuant to Section 53601 of the Government Code of the State of California.

f. All property, equipment, supplies, funds and records of the Authority shall be owned by the Authority, except as may be provided otherwise herein or by resolution of the Board.

g. Pursuant to the provisions of Section 6508.1 of the Act, the debts, liabilities and obligations of the Authority shall not be debts, liabilities and obligations of the Members or Associate Members. Any Bonds, together with any interest and premium thereon, shall not constitute debts, liabilities or obligations of any Member. The Members or Associate Members hereby agree that any such Bonds issued by the Authority shall not constitute general obligations of the Authority but shall be payable solely from the moneys pledged to the repayment of principal or interest on such Bonds under the terms of the resolution, indenture, trust, agreement or other instrument pursuant to which such Bonds are issued. Neither the Members or Associate Members nor the Authority shall be obligated to pay the principal of or premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the Members or Associate Members or the Authority shall be pledged to the payment of the principal of or premium, if any, or interest on the Bonds, nor shall the Members or Associate Members of the Authority be obligated in any manner to make any appropriation for such payment. No covenant or agreement contained in any Bond shall be deemed to be a covenant or agreement of any Delegate, or any officer, agent or employee of the Authority in an individual capacity, and neither the Board nor any officer thereof executing the Bonds or any document related thereto shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

7. Governing Board

a. The Board shall consist of the number of Delegates equal to one representative from each Member.

b. The governing body of each Member shall appoint one of its Supervisors to serve as a Delegate on the Board. A Member's appointment of its Delegate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until he or she is replaced by such governing body or no longer a Supervisor; any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph b..

c. The governing body of each Member of the Board shall appoint a Supervisor as an alternate to serve on the Board in the absence of the Delegate; the alternate may exercise all the

rights and privileges of the Delegate, including the right to be counted in constituting a quorum, to participate in the proceedings of the Board, and to vote upon any and all matters. No alternate may have more than one vote at any meeting of the Board, and any Member's designation of an alternate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until such alternate is replaced by his or her governing body or is no longer a Supervisor, unless otherwise specified in such appointment. Any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph c..

d. Any person who is not a member of the governing body of a Member and who attends a meeting on behalf of such Member may not vote or be counted toward a quorum but may, at the discretion of the Chair, participate in open meetings he or she attends.

e. Each Associate Member may designate a non-voting representative to the Board who may not be counted toward a quorum but who may attend open meetings, propose agenda items and otherwise participate in Board Meetings.

f. Delegates shall not receive compensation for serving as Delegates, but may claim and receive reimbursement for expenses actually incurred in connection with such service pursuant to rules approved by the Board and subject to the availability of funds.

g. The Board shall have the power, by resolution, to the extent permitted by the Act or any other applicable law, to exercise any powers of the Authority and to delegate any of its functions to the Executive Committee or one or more Delegates, officers or agents of the Authority, and to cause any authorized Delegate, officer or agent to take any actions and execute any documents for and in the name and on behalf of the Board or the Authority.

h. The Board may establish such committees as it deems necessary for any lawful purpose; such committees are advisory only and may not act or purport to act on behalf of the Board or the Authority.

i. The Board shall develop, or cause to be developed, and review, modify as necessary, and adopt each Program.

8. Meetings of the Board

a. The Board shall meet at least once annually, but may meet more frequently upon call of any officer or as provided by resolution of the Board.

b. Meetings of the Board shall be called, noticed, held and conducted pursuant to the provisions of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part I of Division 2 of Title 5 of the Government Code of the State of California.

c. The Secretary of the Authority shall cause minutes of all meetings of the Board to be taken and distributed to each Member as soon as possible after each meeting.

d. The lesser of twelve (12) Delegates or a majority of the number of current Delegates shall constitute a quorum for transacting business at any meeting of the Board, except

that less than a quorum may act to adjourn a meeting. Each Delegate shall have one vote.

e. Meetings may be held at any location designated in notice properly given for a meeting and may be conducted by telephonic or similar means in any manner otherwise allowed by law.

9. Officers; Duties; Official Bonds

a. The Board shall elect a chair and vice chair from among the Delegates at the Board's annual meeting who shall serve a term of one (1) year or until their respective successor is elected. The chair shall conduct the meetings of the Board and perform such other duties as may be specified by resolution of the Board. The vice chair shall perform such duties in the absence or in the event of the unavailability of the chair.

b. The Board shall contract annually with RCRC to administer the Agreement and to provide administrative services to the Authority, and the President and Chief Executive Officer of RCRC shall serve *ex officio* as Executive Director, Secretary, Treasurer, and Auditor of the Authority. As chief executive of the Authority, the Executive Director is authorized to execute contracts and other obligations of the Authority, unless prior Board approval is required by a third party, by law or by Board specification, and to perform other duties specified by the Board. The Executive Director may appoint such other officers as may be required for the orderly conduct of the Authority's business and affairs who shall serve at the pleasure of the Executive Director. Subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent, the Executive Director, as Treasurer, is designated as the custodian of the Authority's funds, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act. The Executive Director, as Auditor, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act.

c. The Legislative Advocate for the Authority shall be the Rural County Representatives of California.

d. The Treasurer and Auditor are public officers who have charge of, handle, or have access to all property of the Authority, and a bond for such officer in the amount of at least one hundred thousand dollars ($100,000.00) shall be obtained at the expense of the Authority and filed with the Executive Director. Such bond may secure the faithful performance of such officer's duties with respect to another public office if such bond in at least the same amount specifically mentions the office of the Authority as required herein. The Treasurer and Auditor shall cause periodic independent audits to be made of the Authority's books by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act.

e. The business of the Authority shall be conducted under the supervision of the Executive Director by RCRC personnel.

10. Executive Committee of the Authority

a. <u>Composition</u>

The Authority shall appoint nine (9) members of its Board to serve on an Executive Committee.

b. Powers and Limitations

The Executive Committee shall act in an advisory capacity and make recommendations to the Authority Board. Duties will include, but not be limited to, review of the quarterly and annual budgets, service as the Audit Committee for the Authority, periodically review this Agreement; and complete any other tasks as may be assigned by the Board. The Executive Committee shall be subject to all limitations imposed by this Agreement, other applicable law, and resolutions of the Board.

c. Quorum

A majority of the Executive Committee shall constitute a quorum for transacting business of the Executive Committee.

11. Disposition of Assets

Upon termination of this Agreement, all remaining assets and liabilities of the Authority shall be distributed to the respective Members in such manner as shall be determined by the Board and in accordance with the law.

12. Agreement Not Exclusive; Operation in Jurisdiction of Member

This Agreement shall not be exclusive, and each Member expressly reserves its rights to carry out other public capital improvements and programs as provided for by law and to issue other obligations for those purposes. This Agreement shall not be deemed to amend or alter the terms of other agreements among the Members or Associate Members.

13. Conflict of Interest Code

The Authority shall by resolution adopt a Conflict of Interest Code as required by law.

14. Contributions and Advances

Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by any Member, Associate Member or any other public agency to further the purpose of this Agreement. Payment of public funds may be made to defray the cost of any contribution. Any advance may be made subject to repayment, and in that case shall be repaid in the manner agreed upon by the advancing Member, Associate Member or other public agency and the Authority at the time of making the advance.

15. Fiscal Year; Accounts; Reports; Annual Budget; Administrative Expenses

a. The fiscal year of the Authority shall be the period from January 1 of each year to and including the following December 31, except for any partial fiscal year resulting from a change

in accounting based on a different fiscal year previously.

b. Prior to the beginning of each fiscal year, the Board shall adopt a budget for the succeeding fiscal year.

c. The Authority shall establish and maintain such funds and accounts as may be required by generally accepted accounting principles. The books and records of the Authority are public records and shall be open to inspection at all reasonable times by each Member and its representatives.

d. The Auditor shall either make, or contract with a certified public accountant or public accountant to make, an annual audit of the accounts and records of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California, and shall conform to generally accepted auditing standards. When an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member (and also with the auditor of Sacramento County as the county in which the Authority's office is located) within 12 months after the end of the fiscal year.

e. In any year in which the annual budget of the Authority does not exceed five thousand dollars ($5,000.00), the Board may, upon unanimous approval of the Board, replace the annual audit with an ensuing one-year period, but in no event for a period longer than two fiscal years.

16. Duties of Members or Associate Members; Breach

If any Member or Associate Member shall default in performing any covenant contained herein, such default shall not excuse that Member or Associate Member from fulfilling its other obligations hereunder, and such defaulting Member or Associate Member shall remain liable for the performance of all covenants hereof. Each Member or Associate Member hereby declares that this Agreement is entered into for the benefit of the Authority created hereby, and each Member or Associate Member hereby grants to the Authority the right to enforce, by whatever lawful means the Authority deems appropriate, all of the obligations of each of the parties hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative, and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

17. Indemnification

To the full extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a Board Delegate, alternate, officer, consultant, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Delegate, alternate, officer, consultant, employee or other agent of the Authority. Such indemnification may be made against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal

proceeding, had no reasonable cause to believe his or her conduct was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

18. Immunities

All of the privileges and immunities from liabilities, exemptions from law, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activity of officers, agents or employees of any of the Members or Associate Members when performing their respective functions, shall apply to them to the same degree and extent while engaged as Delegates or otherwise as an officer, agent or other representative of the Authority or while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

19. Amendment

This Agreement may be amended by the adoption of the amendment by the governing bodies of a majority of the Members. The amendment shall become effective on the first day of the month following the last required member agency approval. An amendment may be initiated by the Board, upon approval by a majority of the Board. Any proposed amendment, including the text of the proposed change, shall be given by the Board to each Member's Delegate for presentation and action by each Member's board within 60 days, which time may be extended by the Board.

The list of Members, Attachment 1, may be updated to reflect new and/or withdrawn Members without requiring formal amendment of the Agreement by the Authority Board of Directors.

20. Withdrawal of Member or Associate Member

If a Member withdraws as member of RCRC, its membership in the Authority shall automatically terminate. A Member or Associate Member may withdraw from this Agreement upon written notice to the Board; provided however, that no such withdrawal shall result in the dissolution of the Authority as long as any Bonds or other obligations of the Authority remain outstanding. Any such withdrawal shall become effective thirty (30) days after a resolution adopted by the Member's governing body which authorizes withdrawal is received by the Authority. Notwithstanding the foregoing, any termination of membership or withdrawal from the Authority shall not operate to relieve any terminated or withdrawing Member or Associate Member from Obligations incurred by such terminated or withdrawing Member or Associate Member prior to the time of its termination or withdrawal.

20. Miscellaneous

a. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

b. **Construction.** The section headings herein are for convenience only and are not to

be construed as modifying or governing the language in the section referred to.

c. **Approvals**. Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

d. **Jurisdiction; Venue**. This Agreement is made in the State of California, under the Constitution and laws of such State and is to be so construed; any action to enforce or interpret its terms shall be brought in Sacramento County, California.

e. **Integration.** This Agreement is the complete and exclusive statement of the agreement among the parties hereto, and it supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the parties relating to the subject matter of this Agreement.

f. **Successors; Assignment**. This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the Board.

g. **Severability.** Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

The parties hereto have caused this Agreement to be executed and attested by their properly authorized officers.

AS ADOPTED BY THE MEMBERS:

Originally dated July 1, 1993
Amended and restated December 10, 1998
Amended and restated February 18, 1999
Amended and restated September 18, 2002
Amended and restated January 28, 2004
Amended and restated December 10, 2014

[*SIGNATURES ON FOLLOWING PAGES*]

SIGNATURE PAGE FOR NEW ASSOCIATE MEMBERS

NAME OF COUNTY OR CITY:

CITY OF UPLAND

Dated:_____

By:_____

Name: Rod B. Butler

Title: City Manager

Attest:

By _____
[Clerk of the Board Supervisors or City Clerk]

AFTER EXECUTION, PLEASE SEND TO:

Golden State Finance Authority
(formerly California Home Finance Authority)
1215 K Street, Suite 1650
Sacramento, CA 95814

82671.00000\9603861.1

ATTACHMENT 1
CALIFORNIA HOME FINANCE AUTHORITY MEMBERS

As of December 10, 2014

Alpine County
Amador County
Butte County
Calaveras County
Colusa County
Del Norte County
El Dorado County
Glenn County
Humboldt County
Imperial County
Inyo County
Lake County
Lassen County
Madera County
Mariposa County
Mendocino County
Merced County
Modoc County
Mono County
Napa County
Nevada County
Placer County
Plumas County
San Benito County
Shasta County
Sierra County
Siskiyou County
Sutter County
Tehama County
Trinity County
Tuolumne County
Yolo County
Yuba County

Golden State Finance Authority
1215 K Street, Suite 1650 · Sacramento, California 95814
Phone: (855) 740-8422 · Fax: (916) 444-3219 · www.chfloan.org

FACT SHEET

Identity

Golden State Finance Authority (GSFA), is a joint powers authority and a duly constituted public entity and agency, existing under and by virtue of Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California.

Golden State Finance Authority (GSFA) was formerly known as California Rural Home Mortgage Finance Authority or CRHMFA Homebuyers Fund, (CHF). A formal name change is pending.

Founded

1993

Headquarters

Sacramento, California

Joint Powers Authority (JPA) Membership

Member Counties *(33)*

Alpine County	Lake County	Plumas County
Amador County	Lassen County	San Benito County
Butte County	Madera County	Shasta County
Calaveras County	Mariposa County	Sierra County
Colusa County	Mendocino County	Siskiyou County
Del Norte County	Merced County	Sutter County
El Dorado County	Modoc County	Tehama County
Glenn County	Mono County	Trinity County
Humboldt County	Napa County	Tuolumne County
Imperial County	Nevada County	Yolo County
Inyo County	Placer County	Yuba County

Associate Member Counties *(21)*

Alameda County	Sacramento County	Solano County
Contra Costa County	San Bernardino County	Sonoma County
Fresno County	San Diego County	Stanislaus County
Kern County	San Francisco County	Tulare County
Kings County	San Joaquin County	Ventura County
Monterey County	San Luis Obispo County	Independent Cities Finance Authority (ICFA)
Orange County	San Mateo County	
Riverside County	Santa Cruz County	

Associate Member Cities *(2)*

Palmdale (Los Angeles County)	San Jose (Santa Clara County)

Golden State Finance Authority (GSFA) was formerly known as California Rural Home Mortgage Finance Authority or CRHMFA Homebuyers Fund (CHF). A formal name change is pending.

Mission	To provide a source of financing for individuals and families without resources to purchase a home or make energy efficiency improvements.
What We Do	Offer a variety of affordable housing programs, including but not limited to mortgage loan programs with low down payment requirements and competitive interest rates, down payment assistance in the form of grants or second mortgages, mortgage credit certificate tax credit programs for homebuyers, and competitive financing options for energy efficiency improvement projects. Programs are available within GSFA Member and Associate Member regions, as well as statewide, depending on the individual program.
Californian's Served	Over the past 20 years GSFA has helped more than 47,300 individuals and families purchase homes and 1,275 homeowners make energy efficiency home upgrades.
Market Leadership	From January 1993 to the present, GSFA has: • Assisted 47,300 individuals and families to purchase homes in California; • Provided $57.6 million in down payment assistance grants; • Participated in over $6.7 billion in loan financing of first and second mortgages; • Issued over $2.7 billion in tax exempt and taxable mortgage revenue bonds; and • Helped 1,275 homeowners energy upgrade their residential property(ies).

Golden State Finance Authority (GSFA) was formerly known as CRHMFA Homebuyers Fund (CHF) A formal name change is pending.

California's Leading PACE Program

Ygrene Energy Fund and the Golden State Finance Authority* have joined together to make the Ygrene Works PACE program available to every city and county in California with a simple, one-step, opt-in process. Your community can now have access to the best PACE financing program available. Help your constituents improve their properties and begin saving money right away while creating local jobs, generating economic growth and achieving your environmental targets.

PROGRAM ACTIVATION IN 3 EASY STEPS

Put Ygrene Works on Your Next Agenda

Pass a Resolution Activating the Program

Launch Ygrene Works

Watch as Your Community Saves Energy and $$$

Even if your community already has a PACE program, adding Ygrene Works will ensure that property owners have access to the lowest financing rates and fees in the industry.

*Golden State Financing Authority (GSFA), a joint powers authority (JPA) formerly known as California Home Finance Authority of CRHMFA Homebuyers Fund (CHF), has partnered with Ygrene Energy Fund to make low cost PACE financing immediately available to all California property owners for energy efficiency, water efficiency and conservation, and renewable energy improvements to their homes and businesses.

Ygrene WORKS™ for YOUR COMMUNITY

Q: What is Ygrene Works and how does it benefit my community?

A: Ygrene Works allows your city or county to bring best-in-class PACE financing to its constituents by providing 100 percent, no money down, tax-deductible project funding with the lowest rates and fees to residential, commercial, and agricultural property owners.

Q: What is PACE financing?

A: PACE (Property Assessed Clean Energy) lets owners of all types of properties finance a wide range of energy or water conserving improvements and renewable energy generation systems. Because payments are made through property taxes, PACE participants enjoy long financing terms, reasonable rates and quick approvals.

Q: Why should my city or county join the Ygrene Works program?

A: By offering Ygrene Works to your constituency, you make available the most flexible and affordable PACE program in California. Your community will benefit from the jobs created, the increased economic activity, reduced energy and water use and from achieving your community's sustainability goals. Joining Ygrene Works is simple, with no costs, very little staff time and no legal or financial risks.

Q: What is the process for my community to join the Ygrene Works program?

A: Joining Ygrene Works is fast and simple. The resolution(s) necessary to opt-in to the program can be approved at a single meeting of your City Council or Board of Supervisors. GSFA and Ygrene will provide samples of all required documents including the staff report and resolutions. Call 707-236-6608 to speak with a Ygrene Works advisor who will walk you through the process.

YOUR CONSTITUENTS CAN CHOOSE FROM THOUSANDS OF ELIGIBLE IMPROVEMENTS

AS SEEN IN:

The New York Times · The Miami Herald · WALL STREET JOURNAL · Forbes

Ygrene WORKS™

RENEWABLE ENERGY

Photovoltaic systems (electricity)
Solar Inverters
Solar Panels
Solar thermal hot-water systems
Solar thermal systems for pool heating

Solar PV systems can reduce your electricity bills by up to 80%, saving you money and enabling you to produce your own energy from a clean, sustainable source.

WATER CONSERVATION

Artificial turf
Cooling-condensate reuse
Cooling-tower conductivity controllers
Core-plumbing system
Deionization
Demand initiated hot-water system
Demand water softener
Drill/Drip Irrigation
Faucet aerators
Filter upgrades
Foundation drain water
Grey-water system
High efficiency toilets
Hot-water pipe insulation
Industrial-process water-use reduction
Instantaneous hot-water heater
Irrigation-control system
Irrigation system
Low-flow showerhead
Low-flow plumbing
Pre-rinse spray valves
Rainwater cistern
Recirculation hot-water system
Recycled water source
Urinals
Waterless urinals
Whole-house water-manifold system

Replacing your aging or leaky roof with a cool roof that reflects the sun's heat is a long-term improvement that can last 20 or more years. Cool roofs save you money by reducing your air conditioning demands in warmer weather.

Upgrading your home's toilets, plumbing fixtures and irrigation systems can reduce your water consumption by 50,000 gallons annually.

By heating only the hot water you need when you need it, demand initiated, or tankless, hot water heaters are 25-35% more efficient than conventional systems.

ENERGY EFFICIENCY

Additional building openings for natural light
Air filtration
Air sealing and ventilation
Attic, floor, walls, roof replacement, ducts
Awning/Shading
Bathroom, ceiling, attic, and whole-house fans
Building envelope
Classroom lighting
Defect correction
Evaporative coolers
Geothermal exchange heat pumps
HVAC systems
Insulation
Kitchen exhaust variable air-volume controls
Lighting (fixture retrofits only) / LED
Natural gas storage water heater
Occupancy-sensor lighting fixtures
Pool equipment
Reflective insulation or radiant barriers
Refrigerator case LED lighting
Sealing & duct leakage
Skylights
SMART parking-garage bi-level fixtures
SMART parking-lot bi-level fixture
SMART pathway lighting
SMART wall-pack fixtures
Solar tubes
Solar water heater system
Sunrooms
Tankless water heater
Task ambient office lighting
Weather stripping
Window filming
Windows and glass doors
Wireless daylight-lighting controls
Wireless HVAC controls & fault detection

ELIGIBILITY REQUIREMENTS

- 10% Equity in the Property
- Current on Mortgage Payments for Past 12 Months
- Current on Property Taxes for Past 12 Months
- Not Currently in Bankruptcy
- Minimum Finance Amount of $2,500

CUSTOM MEASURES

Building energy-management controls
Co-generation (heat and energy)
Emerging technologies
Fuel cells
HVAC duct zoning-control systems
Hydrogen fuel
Industrial equipment, motors and controls
Irrigation pumps and controls
Lighting controls
Natural gas
Other fuel sources
Wind-turbine power system

STAFF REPORT

ITEM NO. 13.E

DATE:	JUNE 8, 2015
TO:	MAYOR AND CITY COUNCIL
FROM:	ROD BUTLER, CITY MANAGER
PREPARED BY:	ROSEMARY HOERNING, PUBLIC WORKS DIRECTOR
SUBJECT:	DECLARE HIGH SHORTAGE STAGE WATER CONSERVATION

RECOMMENDED ACTION

It is recommended that the City Council adopt a Resolution declaring water conservation at the High Shortage Stage, resulting in a change from the Moderate Shortage Stage, and direct staff to notify the public accordingly.

GOAL STATEMENT

The proposed action supports the City's goal of conserving its precious water supplies, applying these resources consistent with the California Water Code in a manner which provides maximum beneficial use and provides a reliable water supply to the community.

BACKGROUND

On March 9, 2015, the City Council adopted Resolution No. 6266, requesting the community to conserve its water resources.

On April 1, 2015, the Governor issued Executive Order B-29-15 Declaring a Drought Emergency and requiring the State Water Resources Control Board (Water Board) to develop and implement regulations to achieve a 25% water use reduction in California. As a result of the governor's executive order, the Water Board has established water use reduction percentages for each water purveyor in the State based on the water used per person (capita) day. Based upon reporting data, the City of Upland uses 235 gallons of water per capita day. Given this usage, a 36% water reduction has been established by the Water Board for the City of Upland. This reduction requires Upland to achieve a reduction to 150 gallons per capita day.

The water resources available to each water purveyor vary. Metropolitan Water District of Southern California (MWD) has established a Water Supply Allocation Plan at a Level 3. This reduces the available "Tier 1" water supply and imposes a surcharge for those agencies that use over the "Tier 1" allocation. This allocation of water supply impacts all of the MWD member agencies. This reduced allocation affects all of the water purveyors who use this water source. The degree of impact is a function of each agencies access to this source and other available sources. For example, a water service provider that exclusively relies on only MWD is dependent on this supply to meet their community's needs.

Since the City's early days, the founders and City representatives have understood the importance of water supply for the health, wellbeing and economic strength of the community, and have developed a water supply portfolio to meet its future water needs. As a result of this foresight, the City of Upland is fortunate to have access (Water Rights) to more than one source of water. These water rights and facilities provide operational flexibility and resiliency during times of drought, but not immunity from the effects of water supply reduction associated with extended drought conditions.

The following represent the City of Upland sources of water:

- Imported State Project Water – Water Facility Authority (WFA)
- Local Ground Water from three adjudicated basins
    - Chino Basin
    - Six Basins
    - Cucamonga Basin
- Local Surface Water San Antonio Canyon
- Recycled Water

The City's water rights are held directly by Upland and through shareholder ownership rights in private mutual water companies, namely San Antonio Water Company and West End Consolidated Water Company. These rights include local surface and groundwater supply. These sources are either pre-1913 rights or have been established by court decree (adjudicated basins). The adjudicated rights are managed through a watermaster in accordance with the court orders. In addition to local water supplies, the City along with four other local agencies, formed a Joint Powers Authority to create the Water Facilities Authority, Agua de Lejos Water Treatment Plant (WFA). Upland owns 22% interest in the WFA water treatment facility. The cost of water is based on the average agencies use of the water supply. The MWD – WSP Baseline is based on the average water use. In 2013, the City incorporated recycled water to its direct water supply. Recycled water is used instead of drinking water for irrigation of large landscape areas in the southeastern area of the City. Recycled water is also recharged into the ground in accordance with the Department of Public Health requirements as supplemental water for future use.

In 2011, in accordance with the Department of Water Resources, the City prepared an Urban Water Management Plan (UWMP). This UWMP included an analysis of the City's water supply sources, projected urban development, and the City's anticipated water supply plan for a normal year, a single dry year, and multiple dry years (three consecutive dry years) based on past history. This plan also included the City expected water conservation program to achieve compliance with the SBx7-7 water use reduction of 20% by 2020 requirements. The community has responded positively by implementing conservation measures.

The following is a comparison table of population and water use:

YEAR	POPULATION	DRINKING WATER USE (AF)	RECYCLED WATER (AF)
2000	68,393	22,193	0
2002	70,357	21,577	0
2010	73,732	23,490	0
2011	73,954	25,853	0
2014	75,787	21,587	744

The table shows reduced water use over the years. 2002 was considered a dry water year. In 2014, the City's maximum daily water demand was 30.3 million gallons per day in the summertime, and 8.8 million gallons per day in the wintertime. The winter use is generally considered indoor water use (85 gallons per capita day). The summer demand generally increases due to external irrigation, which is approximately 70% of the water use.

The Water Board has established the City baseline water use at 235 gallons per capita day based on summertime use for 2013. The Water Board's required reduction for Upland is 36% from the baseline amount. The measure will be total water use by the City.

Based on a review of water use data, additional water savings can be achieved by reducing exterior irrigation. Establishing a High Shortage Stage will reduce irrigation from every other day to a two day per week restriction. Increasing to a High Shortage Stage is expected to assist in achieving compliance with the Governor’s water reduction mandate.

ISSUES/ANALYSIS

Since 2011, the local area has had lower than average rainfall. Similarly, the Sierra Nevada’s have also had a lower than normal snowpack. This extended dry period has impacted both local and imported water supplies.

All of the water supply sources are used to complement and meet the community’s needs. During water supply shortages, operating adjustments need to be made to meet the community’s water demands.

MWD has implemented a water supply allocation plan. Water above the allocated amount will be available; however, a surcharge cost will be applied to water used above the Level 3 allocation amount.

The five WFA member agencies have worked together to create an imported water supply operating plan. This plan generally shifts the allocated imported water to the summer months to better meet the summer peak demands of the agencies. Summer demand is the critical water supply season for all water purveyors. Generally, the summer season requires the highest utilization of groundwater and imported water supplies. Conservation practices, particularly in the hot summer period, can alleviate the stresses placed on the water production facilities, which could be impacted by power interruptions or other unforeseen occurrences.

In addition to the MWD water supply curtailment, the dry weather conditions have caused San Antonio Water Company (SAW Co.) to reduce their shareholder entitlement by 28% and to implement a two day irrigation restriction within their service area of San Antonio Heights.

Considering the MWD and SAW Co. reductions, reductions in City well production capacities, and the Water Boards 36% reduction regulations, it is essential to increase the Water Supply Shortage contingency plan stage to a High Shortage Stage, which imposes a two day per week irrigation schedule.

Conserving water resources is important particularly if the drought continues to persist into subsequent years.

FISCAL IMPACTS

Water services to the community are based on two components: a fixed monthly stand-by charge and water commodity usage. Staff is evaluating and consulting with Carollo Engineers regarding potential adjustments to the rate structure to generate sufficient revenue to cover the cost of service. This evaluation will consider the impacts of the Governor's Executive Order to reduce water use and the fines/penalties for non-compliance with the Order. It will also consider the potential cost of water associated with MWD Surcharge rates.

The Upland Municipal Code (UMC) includes penalties for non-compliance with the City's Water Conservation ordinance. The amount of revenue that may be generated through violations will not be adequate to recover additional water supply purchase expenses in excess of the MWD allocation.

ALTERNATIVES

Provide alternative direction to staff.

ATTACHMENTS:

Resolution

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF UPLAND DECLARING A WATER CONSERVATION AT THE HIGH SHORTAGE STAGE

Intent of the Parties and Findings

(i) The Water Conservation Ordinance imposes water conservation measures under a tiered system depending upon various factors including, but not limited to, water supply and anticipated rainfall; and

(ii) January 17, 2014, Governor Jerry Brown declared a drought emergency in California requesting all residents and other entities reduce their water use by 20%; and

(iii) April 1, 2015, Governor Jerry Brown issued Executive Order B-29-15 declaring a drought emergency in California and mandating a 25% water usage in the State of California and requiring the State Water Resources Control Board (Water Board) to develop compliance regulations; and

(iv) The City's various sources of drinking water including San Antonio Water Company shareholder allocation, local groundwater supplies and the State Water Project ("SWP") which have been curtailed due to dry weather which limits supplies; and

(v) Upland Municipal Code Section 13.16.010 authorizes the City Council to implement the additional conservation provisions when, in its opinion, the demand for water consumption exceeds, or threatens to exceed, the City's available supply; and

(vi) Section 13.16.010 requires the City Council's declaration of increased conservation measures to be made by public announcement and published in a newspaper of general circulation; and

(vii) The City's conservation status is at "Moderate," however, under the Governor's Executive Order B-29-15 Upland is required to reduce its water use by 36% and a large quantity of water consumption is related to external landscape irrigation and the extended dry conditions create a condition for water consumption exceeds, or threatens to exceed, the City's available supply in spite of the measures implemented under the "Moderate" stage and therefore to produce a sufficient supply of water and achieve the mandated reductions the City's conservation status should be increased to the "High Shortage" stage;

NOW, THEREFORE, the Upland City Council hereby finds, determines and resolves as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. Pursuant to Upland Municipal Code Section 13.16.010, the City Council hereby publicly announces the City's water conservation status to be changed from "Moderate Shortage" to "High Shortage."

Section 3. The City Council directs the City Clerk to publish notice of City's change in water conservation status from "Moderate Shortage" to "High Shortage" to be published in a newspaper of general circulation and declares that the "High Shortage" stage shall become effective on the date of publication.

Section 4. If any provision of this Resolution, or the application of such provision to any persons or circumstances, shall be held invalid, the remainder of this Resolution, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Section 5. The City Clerk of the City of Upland shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

Section 6. This Resolution shall take effect upon publication as set forth in Section 3.

PASSED, APPROVED and ADOPTED this 8th day of June, 2015.

_____
Ray M. Musser, Mayor

I, Stephanie A. Mendenhall, City Clerk of the City of Upland, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council held on the 8th day of June, 2015, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

ATTEST: _____
Stephanie A. Mendenhall, City Clerk

Water Conservation

Barbara Taylor

Where Does our Water Come From?

- In 2014 the Upland City Council adopted Resolution No. 6210 to address water consumption
- The City has 3 water sources:
  1. Groundwater (75%)
  2. surface water; (unavailable due lack of rain)
  3. imported water (25%)

City Governance

Water Conservation

- Current water stage is '**Moderate**'
- Irrigation of landscape with sprinklers is permitted only on days of the month for addresses with an even last digit, and only on odd days of the month for address odds of the month. (Including swimming pools/spas)
- Irrigation 6PM to 10PM
- No watering of hard surfaces
- Utilize only energy efficient watering devices

Note: Potential escalation to 2-days per week

Drought Mandate Update

- Water Consumption Target 36% as April 18th
- Notice of Proposed Emergency Rulemaking – April 28th

Water Conservation Approach

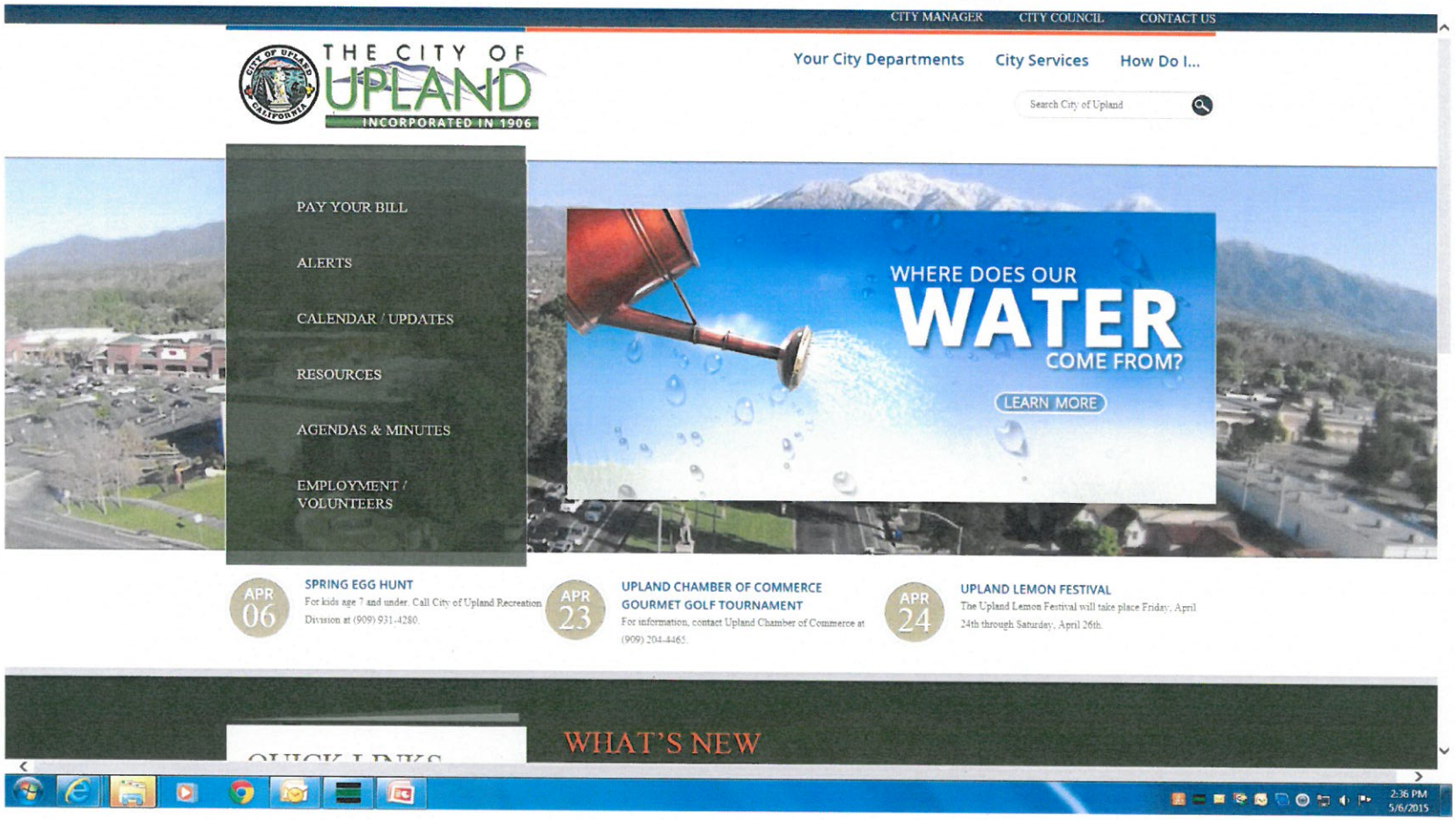
- **Educational Outreach**
  - Partnership with various water agencies
  - Utilize educational arm of Metropolitan Water District
  - Partnership with Upland Unified School District
  - Water Conservation Challenge with Upland Girl Scout Troops
  - Messaging on Electronic Marquees, through-out the city (6-month message cycle)
  - Drought message to Upland Residents H2O Ordinance w/Penalties
  - Drought messaging in 909Magazine
  - Lemon Festival – Community Outreach
  - Plant Sales – Home Depot
- **Program**
  - Turf Rebate Program
  - Turf Removal Program for highest users
  - High Efficiency Toilet Program
  - Participate in the 'National Mayor's Water Conservation Challenge' Go To: www\mywaterpledge.com
- **Services**
  - Redesign Water Bill
  - Update City Website
- **Water Conservation Staff**
  - Public Works Day
  - Increase Public Awareness

THE CITY OF UPLAND
Every drop counts!
Conserve City Resources

Programs

THE CITY OF UPLAND
Every drop counts!
Conserve City Resources

Web Redesign



THE CITY OF UPLAND
Every drop counts!
Conserve City Resources

Bill Redesign

CITY OF UPLAND
460 N EUCLID AVENUE
UPLAND, CA 91786-4732

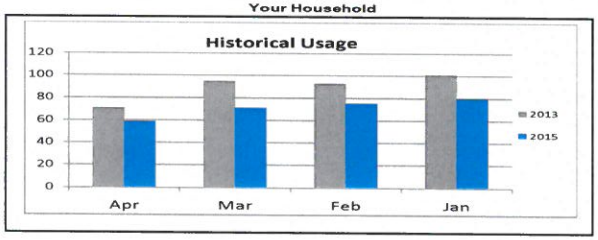
Billing Inquiries: (909) 931-4150
Office Hours: 8:00 AM - 6:00 PM MON-THURS
Website: www.ci.upland.ca.us

Account Number	Service Address	Billing Period
000-0006.00	123 No Where Ln	04/21/15-04/21/15

BILLING DATE: 04/21/15
DUE DATE: 05/18/15

How your Water Usage Reduction Compares to State Mandated Conservation Goals:

Your Household



ACCOUNT SUMMARY	
PREVIOUS BALANCE	$83.42
PAYMENTS	$0.00
OUTSTANDING BALANCE - **DUE NOW**	$83.42
LATE FEES	$10.00
ADJUSTMENTS	$0.00
ADVANCE PAYMENT	$0.00
CURRENT CHARGES	$ 94.43
TOTAL AMOUNT DUE	$187.85

A portion of the total amount is past due. Due date applies to current charges only.

CURRENT ACTIVITY DETAIL				
WATER	Meter #00000000			$94.43
Tier 1	20 Units	@ $1.36	$25.84	
Tier 2	29 Units	@ $1.61	$46.49	
Tier 3	10 Units	@ $2.21	$22.10	
SEWER				$0.00
REFUSE				$0.00
EXTRA BARRELS				$0.00
CURRENT CHARGES				$94.43

	FROM	TO	GALLONS USED*	SERVICE DAYS	DAILY USAGE IN GALLONS
CURRENT YEAR	02/05/15	04/14/15			
READS	29343	29402	44,132	68	649
LAST YEAR	02/05/14	04/09/14	53,108	63	843
DIFFERENCE			-8,976	5	
% CHANGE			-1.20%		-1.29%

UNIT CONVERSION TO GALLONS: 1 unit = 1 CCF or 748 gallons

A MESSAGE FROM THE CITY OF UPLAND

UPLAND PUBLIC LIBRARY IS OPEN 7 DAYS – VISIT US AT 450 N EUCLID
MON 10-7 * TUES 10-8 * WEDS 10-8 * THURS 10-7 * FRI 1-5 * SAT 10-4 * SUN 1-5
BOOKENDERS BOOK CLUB, MOVIES FOR GROWNUPS, STORYTIMES, TEEN & TWEEN ACTIVITIES!
SHOP AT THE BOOK CELLAR & JOIN THE FRIENDS OF THE LIBRARY
CALL 909-931-4200 OR EMAIL CIRCULATION@UPLANDLIBRARY.ORG
FOR NEWS ON UPCOMING EVENTS

SEE REVERSE SIDE FOR ADDITIONAL INFORMATION
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

MAKE CHECKS PAYABLE TO:

CITY OF UPLAND
460 N EUCLID AVENUE
UPLAND, CA 91786-4732
(909) 931-4150

DUE DATE: 05/18/15	AMOUNT DUE $ 187.85
AMOUNT ENCLOSED $	

ACCOUNT NUMBER: 000-0006.00
SERVICE ADDRESS: 123 NO WHERE LN

CUSTOMER NAME:

JANE DOE
123 NO WHERE LN
UPLAND CA 91786-3913

PLEASE REMIT TO:

/911890005151/
CITY OF UPLAND
PO BOX 101115
PASADENA, CA 91189-0005

[1 / 1]

62600062100000480939

THE CITY OF UPLAND
Every drop counts!
Conserve City Resources

What Can You Do Now?

- Review your current water usage in your home.
- Install water saving devices.
- Recognize that conservation is a way of life.

Who to Contact

- Contact me for question

  Barbara Taylor, Water Conservation Specialist

  909-291-2935

  Clover Rodgers, Water Conservation Specialist (Intern)

  909-291-2983