



**COPPER VALLEY COMMUNITY SERVICES DISTRICT**

1000 Saddle Creek Drive  
Copperopolis, CA 95228  
(209) 785-0100 – coppervalleycsd.org

**DIRECTORS**

Roger Golden, President  
Larry Hoffman, Vice President  
Ken Albertson  
Darlene DeBaldo  
Don Kurtz

**BOARD OF DIRECTORS REGULAR MEETING AGENDA**

March 17, 2020 2:00 PM

**Copper Valley Lodge**

1001 Saddle Creek Drive, Copperopolis, CA

**VERY IMPORTANT MEETING PROCEDURAL NOTE RELATED TO PROTECTION FROM NOVEL CORONAVIRUS (COVID-19) EXPOSURE:**

In an abundance of caution in protecting public health during the concerns for the spread of the Novel Coronavirus (COVID-19), and in conformance with Governor Newsome’s Executive Order N-25-20, we are providing the Board of Directors and public a teleconference option for participation in the above noticed Board meeting. The login information is detailed below. We are officially holding the meeting at the normal physical location identified above, and the public may attend in this location and participate in the meeting as normal.

**Meeting login information from your computer, tablet or smartphone.**

<https://www.gotomeet.me/NMcCutchen/copper-valley-csd-regular-board-meeting>

**You can also dial in using your phone.**

United States: [+1 \(872\) 240-3212](tel:+18722403212)

**Access Code:** 953-953-941

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PLEDGE OF ALLEGIANCE**
- 4. CHANGES TO ORDER OF AGENDA**

- 5. PUBLIC COMMENT (Each speaker is limited to two (2) minutes)** Members of the public are appreciated for taking the time to attend this meeting and provide comments on matters of District business. Any member of the public may address the Board relating to any matter within the Board’s jurisdiction. This need not be related to any item on the agenda; however, the Board cannot act on an item unless it was noticed on the agenda

**6. CONSENT CALENDAR**

Consent Calendar items are considered routine and will be acted upon by one motion. There will be no separate discussion on these items unless a member of the Board, Staff or a member of the Public requests specific items be set aside for separate discussion.

- a) Review of monthly financial report, approval of bills and claims for the month of February 2020.
- b) Approval of the minutes from the Regular Board Meeting held February 18,2020.

**7. DISCUSSION AND ACTION ITEMS**

The Board of Directors intends to consider each of the following items and may act at this meeting. Public comment is allowed on each individual agenda item listed below, and such comment will be considered in advance of each Board action.

- a) Adoption of a Resolution approving a Debt Management Policy
- b) Adoption of a Resolution authorizing the execution and delivery of an installment sale agreement and authorizing and directing certain actions in connection with the financing and refinancing of road improvements
- c) Adoption of a resolution awarding the 2020 Copper Valley Road Improvement Project – Phase 2 to Tom Mayo Construction, approving contingency for change orders and approving task order with Willdan for Construction management services

**8. STAFF AND DIRECTOR REPORTS**

Brief reports may be provided by District staff and/or Board members as information on matters of general interest. No action will be taken by the Board during Reports, however items discussed may be recommended for discussion and action on a future agenda.

- a) General Managers Report
- b) Site Managers Report

**9. ADJOURNMENT**

Agenda Materials: May be viewed on the bulletin boards outside the Copper Valley Pro Shop, on the Sports Club Bulletin Board, in the viewing box outside the CSD main office and at the CSD Website typically three days preceding each meeting date. Materials will also be available at the meeting.

Americans with Disabilities Act Compliance: If you require special assistance to participate in Board Meetings, please contact the CVCSO Board Clerk at (209) 272-0957. Advance notification will enable the District to make reasonable arrangements to insure accessibility.



*Copper Valley Community Services District*

# ***Treasurer's Report***

*February 29, 2020*

**Copper Valley Community Services District  
Treasurer's Report  
February 2020**

**Statement of Cash Flows**

For the 8 Months Ending February 29, 2020

|  | Umpqua Bank<br>Checking | Calaveras Co<br>Fund 2188 | LAIF           | YTD Total      |
|--|-------------------------|---------------------------|----------------|----------------|
| <b>Net Income</b>  | <b>167,379</b>          | -                         | <b>1,880</b>   | <b>169,259</b> |
| <b>OPERATING ACTIVITIES</b>  |                         |                           |                |                |
| Adjustments to reconcile Net Income<br>to Net Cash used in Operations: |                         |                           |                |                |
| 1200 Accounts Receivable   | 662                     |                           |                | 662            |
| 2000 Accounts Payable  | 37,392                  |                           |                | 37,392         |
| 2050 Umpqua CSDA Visa  | (201)                   |                           |                | (201)          |
| 2100 Payroll Taxes Payable   | 908                     |                           |                | 908            |
| 2110 Garnishments Payable  | -                       |                           |                | -              |
| 2150 Accrued Payroll   | (538)                   |                           |                | (538)          |
| 2200 Sales Tax Payable   | -                       |                           |                | -              |
| <b>Net cash used in operating activities</b>                           | <b>205,602</b>          | -                         | <b>1,880</b>   | <b>207,482</b> |
| <b>FINANCING ACTIVITIES</b>  |                         |                           |                |                |
| 2500 Lease Payable - John Deere  | -                       |                           |                | -              |
| <b>Net cash decrease for period</b>                                    | <b>205,602</b>          | -                         | <b>1,880</b>   | <b>207,482</b> |
| <b>Cash at beginning of period (7/1/2019)</b>                          | <b>635,836</b>          | <b>26</b>                 | <b>102,149</b> | <b>738,011</b> |
| <b>Cash at end of period</b>   | <b>841,438</b>          | <b>26</b>                 | <b>104,029</b> | <b>945,493</b> |

**Copper Valley Community Services District  
Treasurer's Report  
February 2020**

**Cash Flow Projection**

| FY 2019-20 |          |          |          |          |          |          |          |          |
|------------|----------|----------|----------|----------|----------|----------|----------|----------|
| Feb-2020   | Mar-2020 | Apr-2020 | May-2020 | Jun-2020 | Jul-2020 | Aug-2020 | Sep-2020 | Oct-2020 |

**REGULAR CHECKING**

|  |                   |                   |                   |                     |                     |                   |                   |                   |                   |
|--|-------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| Beginning Checking Account Balance                   | \$ 231,399        | \$ 841,438        | \$ 737,242        | \$ 673,891          | \$ 1,108,316        | \$ 1,044,965      | \$ 981,614        | \$ 980,484        | \$ 917,133        |
| Deposits   |                   |                   |                   |                     |                     |                   |                   |                   |                   |
| Assessments  | \$ 678,265        |                   |                   | 497,777             |                     |                   | 62,222            |                   |                   |
| Other Income   | \$ 160            |                   |                   |                     |                     |                   |                   |                   |                   |
| <b>Disbursements</b>                                 |                   |                   |                   |                     |                     |                   |                   |                   |                   |
| Paychecks  | \$ 22,305         | \$ 21,000         | \$ 21,000         | \$ 21,000           | \$ 21,000           | \$ 21,000         | \$ 21,000         | \$ 21,000         | \$ 21,000         |
| Payroll Taxes  | \$ 7,970          | \$ 8,200          | \$ 8,200          | \$ 8,200            | \$ 8,200            | \$ 8,200          | \$ 8,200          | \$ 8,200          | \$ 8,200          |
| Checks Written                                       |                   |                   |                   |                     |                     |                   |                   |                   |                   |
| Other Operating & Admin Costs                        | \$ 13,463         | \$ 14,000         | \$ 14,000         | \$ 14,000           | \$ 14,000           | \$ 14,000         | \$ 14,000         | \$ 14,000         | \$ 14,000         |
| Bonuses - IRA payments                               |                   |                   |                   |                     |                     |                   |                   |                   |                   |
| Property Liability Insurance                         | \$ -              |                   |                   |                     |                     |                   |                   |                   |                   |
| Worker's Comp Insurance                              | \$ -              |                   |                   |                     |                     |                   |                   |                   |                   |
| Lease payments                                       | \$ 1,051          | \$ 1,051          | \$ 1,051          | \$ 1,051            | \$ 1,051            | \$ 1,051          | \$ 1,051          | \$ 1,051          | \$ 1,051          |
| Capital Outlay                                       | \$ -              |                   |                   |                     |                     |                   |                   |                   |                   |
| Projects Costs                                       |                   |                   |                   |                     |                     |                   |                   |                   |                   |
| Univar   | \$ -              | 2831              |                   |                     |                     |                   |                   |                   |                   |
| Willdan  | \$ -              | \$ 37,514         |                   |                     |                     |                   |                   |                   |                   |
| NBS  | \$ -              |                   |                   |                     |                     |                   |                   |                   |                   |
| SDFA (Road Construction Loan)                        | \$ -              |                   |                   |                     |                     |                   |                   |                   |                   |
| Human Resource Practioners                           | \$ 1,650          | \$ 500            |                   |                     |                     |                   |                   |                   |                   |
| Credit Card Payments                                 | \$ 19,837         | \$ 17,000         | \$ 17,000         | \$ 17,000           | \$ 17,000           | \$ 17,000         | \$ 17,000         | \$ 17,000         | \$ 17,000         |
| ACS Debits - (Utilities, Lease Pymts,P/R processing) | \$ 2,108          | \$ 2,100          | \$ 2,100          | \$ 2,100            | \$ 2,100            | \$ 2,100          | \$ 2,100          | \$ 2,100          | \$ 2,100          |
| <b>Total Disbursements</b>                           | <b>\$ 68,385</b>  | <b>\$ 104,196</b> | <b>\$ 63,351</b>  | <b>\$ 63,351</b>    | <b>\$ 63,351</b>    | <b>\$ 63,351</b>  | <b>\$ 63,351</b>  | <b>\$ 63,351</b>  | <b>\$ 63,351</b>  |
| <b>Ending Checking Account Balance</b>               | <b>\$ 841,438</b> | <b>\$ 737,242</b> | <b>\$ 673,891</b> | <b>\$ 1,108,316</b> | <b>\$ 1,044,965</b> | <b>\$ 981,614</b> | <b>\$ 980,484</b> | <b>\$ 917,133</b> | <b>\$ 853,782</b> |
| check  | \$ 0              |                   |                   |                     |                     |                   |                   |                   |                   |
| Check  | \$ -              |                   |                   |                     |                     |                   |                   |                   |                   |

NOTE: This cash flow projection uses estimates of outlays using information available at the time of preparation

# Copper Valley Community Services District

## BALANCE SHEET

As of February 29, 2020

|  | TOTAL               |
|--|---------------------|
| <b>ASSETS</b>                              |                     |
| Current Assets                             |                     |
| Bank Accounts                              |                     |
| 1000 Umpqua Bank Checking                  | 841,438             |
| 1020 Cash - Fund 2188                      | 26                  |
| 1040 Local Agency Investment Fund (LAIF)   | 104,029             |
| <b>Total Bank Accounts</b>                 | <b>\$945,494</b>    |
| Accounts Receivable                        |                     |
| 1200 Accounts Receivable                   | 2,525               |
| <b>Total Accounts Receivable</b>           | <b>\$2,525</b>      |
| <b>Total Current Assets</b>                | <b>\$948,019</b>    |
| Fixed Assets                               |                     |
| 1500 Capital Assets                        |                     |
| 1501 Equipment                             | 397,708             |
| 1503 Roads                                 | 2,360,462           |
| 1504 Easements                             | 10,344,000          |
| 1505 Buildings                             | 79,000              |
| <b>Total 1500 Capital Assets</b>           | <b>13,181,170</b>   |
| 1550 Construction in Progress              | 39,718              |
| 1600 Accumulated Depreciation              |                     |
| 1601 Equipment                             | -265,516            |
| 1603 Roads                                 | -782,098            |
| 1605 Buildings                             | -22,120             |
| <b>Total 1600 Accumulated Depreciation</b> | <b>-1,069,734</b>   |
| <b>Total Fixed Assets</b>                  | <b>\$12,151,155</b> |
| <b>TOTAL ASSETS</b>                        | <b>\$13,099,174</b> |

# Copper Valley Community Services District

## BALANCE SHEET

As of February 29, 2020

|  | TOTAL               |
|--|---------------------|
| <b>LIABILITIES AND EQUITY</b>          |                     |
| Liabilities                            |                     |
| Current Liabilities                    |                     |
| Accounts Payable                       |                     |
| 2000 Accounts Payable                  | 52,322              |
| <b>Total Accounts Payable</b>          | <b>\$52,322</b>     |
| Credit Cards                           |                     |
| 2050 Umpqua CSDA Visa                  | 7,528               |
| <b>Total Credit Cards</b>              | <b>\$7,528</b>      |
| Other Current Liabilities              |                     |
| 2100 Payroll Taxes Payable             | 2,045               |
| 2150 Accrued Payroll                   | 12,488              |
| 2200 Sales Tax Payable                 | 0                   |
| <b>Total Other Current Liabilities</b> | <b>\$14,534</b>     |
| <b>Total Current Liabilities</b>       | <b>\$74,383</b>     |
| Long-Term Liabilities                  |                     |
| 2500 Lease Payable - John Deere        | 97,387              |
| 2600 Series 2018 Installment Sale      | 700,000             |
| <b>Total Long-Term Liabilities</b>     | <b>\$797,387</b>    |
| <b>Total Liabilities</b>               | <b>\$871,770</b>    |
| Equity                                 |                     |
| 3800 Developer Capital Contributions   | 12,198,796          |
| 3900 Fund Balance                      | -140,651            |
| Net Income                             | 169,259             |
| <b>Total Equity</b>                    | <b>\$12,227,404</b> |
| <b>TOTAL LIABILITIES AND EQUITY</b>    | <b>\$13,099,174</b> |

COPPER VALLEY COMMUNITY SERVICES DISTRICT  
 FY 2019-20 MONTHLY BUDGET REPORT ANALYSIS

Feb 2020

|                              |  | ACTUALS               |                       |                          | BUDGET                |                        |                       |
|------------------------------|--|-----------------------|-----------------------|--------------------------|-----------------------|------------------------|-----------------------|
|                              |  | Last Year<br>July-Feb | This Year<br>July-Feb | Variance<br>Incl/ (Decr) | This year's<br>BUDGET | \$ Budget<br>Remaining | % Budget<br>Remaining |
| <b>EXPENDITURES</b>          |  |                       |                       |                          |                       |                        |                       |
| <b>SERVICES AND SUPPLIES</b> |  |                       |                       |                          |                       |                        |                       |
| <u>ADMINISTRATION</u>        |  |                       |                       |                          |                       |                        |                       |
| OE01                         | Audit Expense                              | \$ -                  | \$ -                  | \$ -                     | \$ 8,000              | \$ 8,000               | 100%                  |
| OE02                         | Finance Expenses                           | \$ 329                | \$ 320                | \$ (9)                   | \$ 500                | \$ 180                 | 36%                   |
| OE02-1                       | Parcel Tax Implementation                  | \$ 3,265              | \$ -                  | \$ (3,265)               | \$ 5,500              | \$ 5,500               | 100%                  |
| OE03                         | Advertising                                | \$ 378                | \$ 383                | \$ 5                     | \$ 500                | \$ 117                 | 23%                   |
| OE04                         | Legal Expenses                             | \$ 1,500              | \$ 3,675              | \$ 2,175                 | \$ 1,900              | \$ (1,775)             | -93%                  |
| OE05                         | Management Fees                            | \$ 51,672             | \$ 47,697             | \$ (3,975)               | \$ 77,000             | \$ 29,303              | 38%                   |
| OE06                         | Insurance (Property Loss/Liability)        | \$ -                  | \$ -                  | \$ -                     | \$ 10,700             | \$ 10,700              | 100%                  |
| OE07                         | Miscellaneous/Contingency                  | \$ 3,137              | \$ 1,829              | \$ (1,308)               | \$ 4,000              | \$ 2,171               | 54%                   |
| OE08                         | Professional Development (Travel/Training) | \$ 9,224              | \$ 6,163              | \$ (3,061)               | \$ 12,300             | \$ 6,137               | 50%                   |
| OE09                         | Dues, Certifications & Subscriptions       | \$ 4,163              | \$ 4,640              | \$ 477                   | \$ 5,400              | \$ 760                 | 14%                   |
| OE10                         | Uniform Expenses                           | \$ 3,055              | \$ 3,853              | \$ 798                   | \$ 3,800              | \$ (53)                | -1%                   |
| OE11                         | Electric Power/Water/Sewer                 | \$ 8,101              | \$ 2,622              | \$ (5,480)               | \$ 13,100             | \$ 10,478              | 80%                   |
| OE12                         | Telephone/Internet Service                 | \$ 4,682              | \$ 3,291              | \$ (1,391)               | \$ 7,100              | \$ 3,809               | 54%                   |
| OE14                         | Office Supplies/Postage                    | \$ 3,988              | \$ 4,503              | \$ 515                   | \$ 5,800              | \$ 1,297               | 22%                   |
| OE15                         | Office Equipment Repair/Replacement        | \$ 3,497              | \$ 1,680              | \$ (1,817)               | \$ 7,900              | \$ 6,220               | 79%                   |
| OE21                         | Office Equipment Lease                     | \$ 1,819              | \$ 1,499              | \$ (320)                 | \$ 2,700              | \$ 1,201               | 44%                   |
| OE26                         | County Fees/LAFCO                          | \$ 5,602              | \$ -                  | \$ (5,602)               | \$ 7,100              | \$ 7,100               | 100%                  |
| OE29                         | Accounting Services                        | \$ -                  | \$ 14,778             | \$ -                     | \$ 21,600             | \$ 6,822               | 32%                   |
| OE30                         | Reimbursable Maint/Repair Expense          | \$ 690                | \$ -                  | \$ (690)                 | \$ 900                | \$ 900                 | 100%                  |
| OE41                         | HR Consultant                              | \$ 5,400              | \$ 5,625              | \$ 225                   | \$ 6,000              | \$ 375                 | 6%                    |
| PE03-1                       | Payroll Taxes - Administration             | \$ 8,516              | \$ 4,524              | \$ (3,992)               | \$ -                  | \$ -                   | -                     |
| PE06-1                       | Employee Wages - Administration            | \$ 105,117            | \$ 49,352             | \$ (55,765)              | \$ -                  | \$ -                   | -                     |
|                              | <b>Total Administration</b>                | \$ 224,135            | \$ 156,434            | \$ (67,701)              | \$ 201,800            | \$ 99,242              | 49%                   |
| <u>COMMON AREAS</u>          |  |                       |                       |                          |                       |                        |                       |
| OE16                         | Gate Maintenance & Opener Purchase         | \$ 14,228             | \$ 9,405              | \$ (4,822)               | \$ 23,000             | \$ 13,595              | 59%                   |
| OE17                         | Streets/Sidewalks/Lighting Maint & Repair  | \$ 16,507             | \$ 12,019             | \$ (4,488)               | \$ 24,800             | \$ 12,781              | 52%                   |
| OE17-2                       | Storm Drains                               | \$ 2,182              | \$ -                  | \$ (2,182)               | \$ -                  | \$ -                   | -                     |
| PE03-5                       | Payroll Taxes - Streets                    | \$ 740                | \$ 11                 | \$ (729)                 | \$ -                  | \$ -                   | -                     |
| PE06 -5                      | Employee Wages - Streets                   | \$ 9,426              | \$ 147                | \$ (9,278)               | \$ -                  | \$ -                   | -                     |
| OE18-1                       | Landscape Supplies & Repairs               | \$ 29,305             | \$ 26,956             | \$ (2,349)               | \$ 37,400             | \$ 10,444              | 28%                   |
| OE18-3                       | Landscape Equipment Gas & Oil              | \$ 5,616              | \$ 8,687              | \$ 3,071                 | \$ 12,500             | \$ 3,813               | 31%                   |
| OE18-4                       | Landscape Equipment Repair/Replacement     | \$ 12,532             | \$ 16,177             | \$ 3,644                 | \$ 28,400             | \$ 12,223              | 43%                   |
| PE03-2                       | Payroll Taxes - Common Areas               | \$ 9,544              | \$ 12,076             | \$ 2,532                 | \$ -                  | \$ -                   | -                     |
| PE06 -2                      | Employee Wages - Common Areas              | \$ 113,639            | \$ 149,609            | \$ 35,971                | \$ -                  | \$ -                   | -                     |
|                              | <b>Total Common Areas</b>                  | \$ 213,719            | \$ 235,088            | \$ 21,369                | \$ 126,100            | \$ 52,856              | 42%                   |



COPPER VALLEY COMMUNITY SERVICES DISTRICT  
 FY 2019-20 MONTHLY BUDGET REPORT ANALYSIS  
 Feb 2020

|   |   | ACTUALS               |                       |                          | BUDGET                |                        |                       |
|---|---|-----------------------|-----------------------|--------------------------|-----------------------|------------------------|-----------------------|
|   |   | Last Year<br>July-Feb | This Year<br>July-Feb | Variance<br>Incl/ (Decr) | This year's<br>BUDGET | \$ Budget<br>Remaining | % Budget<br>Remaining |
| <b>EXPENDITURES</b>                       |   |                       |                       |                          |                       |                        |                       |
| <b>MOSQUITO ABATEMENT</b>                 |   |                       |                       | \$ -                     |                       |                        |                       |
| OE22-1                                    | Mosquito Control Products                         | \$ 8,017              | \$ 17,727             | \$ 9,710                 | \$ 19,000             | \$ 1,273               | 7%                    |
| OE22-2                                    | Mosquito Abatement Monitoring & Testing           | \$ 1,255              | \$ 1,913              | \$ 657                   | \$ 4,000              | \$ 2,087               | 52%                   |
| OE22-3                                    | Mosquito Abatement Vehicles Gas & Oil             | \$ 6,644              | \$ 5,411              | \$ (1,232)               | \$ 18,600             | \$ 13,189              | 71%                   |
| OE22-4                                    | Mosquito Abatement Equipment Maintenance          | \$ 4,928              | \$ 7,082              | \$ 2,153                 | \$ 8,000              | \$ 918                 | 11%                   |
| PE03-4                                    | Payroll Taxes - Mosquito Abatement                | \$ 583                | \$ 804                | \$ 221                   |                       |                        |                       |
| PE06-4                                    | Employee Wages - Mosquito Abatement               | \$ 7,466              | \$ 10,643             | \$ 3,177                 |                       |                        |                       |
| PE03-6                                    | Payroll Taxes - Wetlands                          | \$ -                  | \$ 356                | \$ 356                   |                       |                        |                       |
| PE06-6                                    | Employee Wages - Wetlands                         | \$ -                  | \$ 4,322              | \$ 4,322                 |                       |                        |                       |
|   | <b>Total Mosquito Abatement</b>                   | \$ 28,893             | \$ 48,257             | \$ 19,364                | \$ 49,600             | \$ 17,467              | 35%                   |
|   | <i>Less: Distributed Payroll to Service Areas</i> | \$ (255,030)          | \$ (231,845)          | \$ 23,185                |                       |                        |                       |
|   | <b>TOTAL SERVICES &amp; SUPPLIES</b>              | \$ 211,717            | \$ 207,934            | \$ (3,783)               | \$ 377,500            | \$ 169,566             | 45%                   |
| <b>PERSONNEL COSTS</b>                    |   |                       |                       | \$ -                     |                       | \$ -                   |                       |
| PE01                                      | Worker Compensation Insurance                     | \$ 561                | \$ 248                | \$ (313)                 | \$ 17,600             | \$ 17,352              | 99%                   |
| PE02                                      | Health Insurance                                  | \$ 32,522             | \$ 42,592             | \$ 10,070                | \$ 75,900             | \$ 33,308              | 44%                   |
| PE03                                      | Payroll Taxes                                     | \$ 22,233             | \$ 17,771             | \$ (4,462)               | \$ 27,600             | \$ 9,829               | 36%                   |
| PE04                                      | Processing Fees                                   | \$ 1,156              | \$ 1,154              | \$ (2)                   | \$ 1,800              | \$ 646                 | 36%                   |
| PE05                                      | Directors Stipend                                 | \$ 6,500              | \$ 5,400              | \$ (1,100)               | \$ 6,000              | \$ 600                 | 10%                   |
| PE06                                      | Employee Wages                                    | \$ 234,222            | \$ 214,074            | \$ (20,148)              | \$ 344,800            | \$ 130,727             | 38%                   |
|   | <b>TOTAL PERSONNEL COSTS</b>                      | \$ 297,194            | \$ 281,239            | \$ (15,955)              | \$ 473,700            | \$ 192,461             | 41%                   |
| <b>EQUIPMENT OUTLAY</b>                   |   |                       |                       | \$ -                     |                       | \$ -                   |                       |
|   | (1) Cart & (1) Fogger                             | \$ -                  | \$ -                  | \$ -                     |                       |                        |                       |
| CO04                                      | Trailer/Spray Rig/Tractor                         | \$ 65,667             | \$ -                  | \$ -                     | \$ -                  | \$ -                   | #DIV/0!               |
| CO09                                      | Carport   | \$ 9,080              | \$ -                  | \$ -                     |                       | \$ -                   | #DIV/0!               |
| CO10                                      | Depreciation                                      | \$ -                  | \$ -                  | \$ -                     |                       | \$ -                   | #DIV/0!               |
| CO04                                      | Radar Unit  | \$ -                  | \$ -                  | \$ -                     |                       | \$ -                   | #DIV/0!               |
|   | <b>TOTAL EQUIPMENT OUTLAY</b>                     | \$ 74,748             | \$ -                  | \$ (74,748)              | \$ -                  | \$ -                   | #DIV/0!               |
| <b>CAPITAL OUTLAY/STUDIES/ASSESEMENTS</b> |   |                       |                       | \$ -                     |                       | \$ -                   |                       |
| OE53-2                                    | Landscape Design                                  | \$ -                  | \$ 2,560              | \$ 2,560                 | \$ -                  | \$ (2,560)             | #DIV/0!               |
| OE53-1                                    | Landscape Improvements                            | \$ -                  | \$ -                  | \$ -                     | \$ -                  | \$ -                   |                       |
| OE51-4                                    | Road Improvement (1)                              | \$ 718,875            | \$ -                  | \$ (718,875)             | \$ 198,531            | \$ 198,531             | 100%                  |
| OE51-1                                    | Road Project Design/Mgmt (Willdan)                | \$ 56,357             | \$ 54,446             | \$ (1,912)               | \$ 35,035             | \$ (19,411)            | -55%                  |
| TBD                                       | Office Building Paint                             |                       |                       |                          | \$ 10,437             |                        |                       |
| TBD                                       | Office Building Siding and Trim                   |                       |                       |                          | \$ 12,000             |                        |                       |
|   | <b>TOTAL STUDIES &amp; ASSESSMENTS</b>            | \$ 775,232            | \$ 57,006             | \$ (718,227)             | \$ 256,003            | \$ 176,560             | 69%                   |

COPPER VALLEY COMMUNITY SERVICES DISTRICT  
 FY 2019-20 MONTHLY BUDGET REPORT ANALYSIS

Feb 2020

|  | ACTUALS               |                       |                         | BUDGET                |                        |                       |
|--|-----------------------|-----------------------|-------------------------|-----------------------|------------------------|-----------------------|
|  | Last Year<br>July-Feb | This Year<br>July-Feb | Variance<br>Inc/ (Decr) | This year's<br>BUDGET | \$ Budget<br>Remaining | % Budget<br>Remaining |
| <b>EXPENDITURES</b>                                      |                       |                       |                         |                       |                        |                       |
| <b>DEBT SERVICE</b>                                      |                       |                       | \$ -                    |                       |                        |                       |
| OE20 John Deere Financing                                | \$ 11,737             | \$ 19,096             | \$ 7,359                | \$ 16,029             | \$ (3,068)             | -19%                  |
| OE21 John Deere Financing                                |                       |                       |                         | \$ 12,616             |                        |                       |
| OE20-01 Interest Expense<br>Series 2018 Installment Sale | \$ -                  | \$ -                  |                         | \$ 83,745             |                        |                       |
| <b>TOTAL DEBT SERVICE</b>                                | <b>\$ 11,737</b>      | <b>\$ 19,096</b>      | <b>\$ 7,359</b>         | <b>\$ 112,389</b>     | <b>\$ (3,068)</b>      | <b>-3%</b>            |
| <b>TOTAL EXPENSES</b>                                    | <b>\$ 1,370,628</b>   | <b>\$ 565,275</b>     | <b>\$ (805,353)</b>     | <b>\$ 1,219,592</b>   | <b>\$ 535,520</b>      | <b>44%</b>            |

**PAYMENTS AND ASSESSMENTS RECEIVED**

|   |                     |                   |                    |                     |                     |  |
|---|---------------------|-------------------|--------------------|---------------------|---------------------|--|
| <u>Assessment Income</u>                  |                     |                   |                    |                     |                     |  |
| Pymt No. 3: (5%) Aug 2019 (FY19)          | \$ 46,249           | \$ 51,560         | \$ 5,311           | \$ 62,222           | \$ 10,662           |  |
| Pymt No. 1: (55%) Feb 2020 (FY20)         | \$ 567,157          | \$ 678,265        | \$ 111,108         | \$ 684,443          | \$ 6,178            |  |
| Pymt No. 2: (40%) May 2020 (FY20)         | \$ -                | \$ -              | \$ -               | \$ 497,777          | \$ 497,777          |  |
| Total Assessment Income                   | <b>\$ 613,406</b>   | <b>\$ 729,824</b> | <b>\$ 116,418</b>  | <b>\$ 1,244,442</b> | <b>\$ 514,618</b>   |  |
| <u>Reimbursement Income</u>               |                     |                   |                    |                     |                     |  |
| Total Reimbursement Income                |                     |                   | \$ -               | \$ 1,000            | \$ 1,000            |  |
| <u>Other Income</u>                       |                     |                   |                    |                     |                     |  |
| IN03 Weed Abatement                       | \$ 12,525           | \$ 200            |                    |                     |                     |  |
| IN05 Investment Interest                  | \$ 1,668            | \$ 1,880          |                    | \$ 2,900            |                     |  |
| IN30 Exp Reimbursement Income             | \$ 156              | \$ 120            |                    |                     |                     |  |
| IN41 Gate Opener Income                   | \$ 520              | \$ 1,090          |                    | \$ 700              |                     |  |
| IN59 Rebates                              | \$ 1,057            | \$ 1,420          |                    | \$ 1,300            |                     |  |
| Total Other Income                        | <b>\$ 15,926</b>    | <b>\$ 4,710</b>   | <b>\$ (11,216)</b> | <b>\$ 15,800</b>    | <b>\$ 11,090</b>    |  |
| <b>TOTAL PAYMENTS &amp; ASSESSMENTS</b>   | <b>\$ 629,332</b>   | <b>\$ 734,534</b> | <b>\$ 105,202</b>  | <b>\$ 1,266,142</b> | <b>\$ 526,708</b>   |  |
| <b>Net Income</b>                         | <b>\$ (741,296)</b> | <b>\$ 169,259</b> | <b>\$ 910,555</b>  | <b>\$ 46,550</b>    | <b>\$ (122,710)</b> |  |
| <u>Other Financing Sources &amp; Uses</u> |                     |                   |                    |                     |                     |  |
| Budget Balance                            |                     | \$ -              |                    | \$ -                |                     |  |
|   |                     | <b>\$ 169,259</b> |                    | <b>\$ -</b>         |                     |  |

# Copper Valley Comm Srvs District

## TRANSACTION REPORT

February 2020

| DATE                                  | NUM  | NAME                             | MEMO/DESCRIPTION                              | AMOUNT               |
|---------------------------------------|------|----------------------------------|---|----------------------|
| Umpqua Bank Checking                  |      |                                  |   |                      |
| Beginning Balance                     |      |                                  |   |                      |
| 02/01/2020                            | 2595 | Kampa Community Solutions, LLC   | Managerial Services                           | -5,962.18            |
| 02/03/2020                            |      | John Deere Financial             | Tractor Payment                               | -1,335.71            |
| 02/03/2020                            |      | John Deere Financial             | Tractor Payment                               | -1,051.30            |
| 02/04/2020                            |      | Intuit Full Service Payroll      | Payroll Processing Fee                        | -147.00              |
| 02/05/2020                            | DD   | KYLE W CEARLEY                   | Pay Period: 01/16/2020-01/31/2020             | -1,375.06            |
| 02/05/2020                            | DD   | DAMON H WAITE                    | Pay Period: 01/16/2020-01/31/2020             | -1,340.28            |
| 02/05/2020                            | DD   | GABRIEL R THOMAS                 | Pay Period: 01/16/2020-01/31/2020             | -1,059.28            |
| 02/05/2020                            | DD   | Ralph M. McGeorge                | Pay Period: 01/16/2020-01/31/2020             | -2,016.59            |
| 02/05/2020                            | DD   | NICOLE D MC CUTCHEN              | Pay Period: 01/16/2020-01/31/2020             | -815.88              |
| 02/05/2020                            | DD   | BRADLEY S KURTZER                | Pay Period: 01/16/2020-01/31/2020             | -670.51              |
| 02/05/2020                            | DD   | CHRIS JACOBS                     | Pay Period: 01/16/2020-01/31/2020             | -1,388.76            |
| 02/05/2020                            | DD   | Gregory Hebard                   | Pay Period: 01/16/2020-01/31/2020             | -2,462.98            |
| 02/05/2020                            | DD   | Gregory Hebard                   | Direct Deposit 2                              | -100.00              |
| 02/06/2020                            |      | SDU Child Support                | Garnishment                                   | -103.00              |
| 02/12/2020                            |      | CA EDD                           | Tax Payment for Period: 02/05/2020-02/07/2020 | -605.08              |
| 02/12/2020                            |      | IRS                              | Tax Payment for Period: 02/05/2020-02/07/2020 | -3,386.73            |
| 02/18/2020                            | 2602 | CNA Surety                       | Bond #70068251                                | -326.03              |
| 02/18/2020                            | 2603 | Co Occupational Medical Partners | Invoice #00048939-00                          | -165.00              |
| 02/18/2020                            | 2606 | SDRMA-Health Ins.                | Invoice #31762                                | -3,112.02            |
| 02/18/2020                            | 2604 | Mo-Cal Office Solutions, Inc     | Invoice #AR325967                             | -110.61              |
| 02/18/2020                            | 2601 | Human Resources Practitioners    | Invoice #123 ID#325368174                     | -1,650.00            |
| 02/18/2020                            | 2605 | VALLEY ENTRY SYSTEMS, INC.       | Invoice #'s 33847 & 33875                     | -999.57              |
| 02/18/2020                            | 2607 | Warmerdam CPA Group              | Invoice #16746                                | -1,800.00            |
| 02/20/2020                            | DD   | Gregory Hebard                   | Direct Deposit 2                              | -100.00              |
| 02/20/2020                            | DD   | GABRIEL R THOMAS                 | Pay Period: 02/01/2020-02/15/2020             | -1,059.30            |
| 02/20/2020                            | DD   | Ralph M. McGeorge                | Pay Period: 02/01/2020-02/15/2020             | -2,016.60            |
| 02/20/2020                            | DD   | NICOLE D MC CUTCHEN              | Pay Period: 02/01/2020-02/15/2020             | -1,366.97            |
| 02/20/2020                            | DD   | BRADLEY S KURTZER                | Pay Period: 02/01/2020-02/15/2020             | -536.39              |
| 02/20/2020                            | DD   | CHRIS JACOBS                     | Pay Period: 02/01/2020-02/15/2020             | -1,160.98            |
| 02/20/2020                            | DD   | Gregory Hebard                   | Pay Period: 02/01/2020-02/15/2020             | -2,462.99            |
| 02/20/2020                            | DD   | KYLE W CEARLEY                   | Pay Period: 02/01/2020-02/15/2020             | -1,186.09            |
| 02/20/2020                            | DD   | DAMON H WAITE                    | Pay Period: 02/01/2020-02/15/2020             | -1,186.09            |
| 02/21/2020                            |      | SDU Child Support                | Garnishment                                   | -103.00              |
| 02/25/2020                            |      | PG&E - 7193                      | Utilities                                     | -419.77              |
| 02/26/2020                            |      | IRS                              | Tax Payment for Period: 02/19/2020-02/21/2020 | -3,378.32            |
| 02/26/2020                            |      | CA EDD                           | Tax Payment for Period: 02/19/2020-02/21/2020 | -600.19              |
| 02/26/2020                            |      | Umpqua Bank Commerical CC        | Umpqua CSDA Visa                              | -19,873.22           |
| 02/27/2020                            | 2554 | GABRIEL R THOMAS                 | Pay Period: 02/16/2020-02/29/2020             | -951.56              |
| <b>Total for Umpqua Bank Checking</b> |      |                                  |   | <b>\$ -68,385.04</b> |
| <b>TOTAL</b>                          |      |                                  |   | <b>\$ -68,385.04</b> |

Copper Valley Community Services District  
1000 Umpqua Bank Checking, Period Ending 02/29/2020

**RECONCILIATION REPORT**

Reconciled on: 03/12/2020

Reconciled by: Ever Ventura

Any changes made to transactions after this date aren't included in this report.

**Summary**

USD

|  |                   |
|--|-------------------|
| Statement beginning balance.....             | 231,952.34        |
| Checks and payments cleared (36).....        | -68,307.96        |
| Deposits and other credits cleared (1).....  | 678,424.72        |
| Statement ending balance.....                | <u>842,069.10</u> |
| Uncleared transactions as of 02/29/2020..... | -6,593.04         |
| Register balance as of 02/29/2020.....       | 841,438.24        |
| Cleared transactions after 02/29/2020.....   | -5,962.18         |
| Uncleared transactions after 02/29/2020..... | -13,609.80        |
| Register balance as of 03/12/2020.....       | 821,866.26        |

**Details**

Checks and payments cleared (36)

| DATE         | TYPE         | REF NO. | PAYEE                              | AMOUNT (USD)      |
|--------------|--------------|---------|------------------------------------|-------------------|
| 01/16/2020   | Bill Payment | 2597    | Human Resources Practitioners      | -1,475.00         |
| 01/21/2020   | Bill Payment | 2586    | Co Occupational Medical Part...    | -105.00           |
| 01/31/2020   | Bill Payment | 2599    | California Special Districts As... | -2,931.00         |
| 01/31/2020   | Bill Payment | 2600    | NBS                                | -1,088.66         |
| 02/03/2020   | Expense      |         | John Deere Financial               | -1,335.71         |
| 02/03/2020   | Expense      |         | John Deere Financial               | -1,051.30         |
| 02/04/2020   | Expense      |         | Intuit Full Service Payroll        | -147.00           |
| 02/05/2020   | Check        | DD      | Gregory Hebard                     | -2,462.98         |
| 02/05/2020   | Check        | DD      | DAMON H WAITE                      | -1,340.28         |
| 02/05/2020   | Check        | DD      | GABRIEL R THOMAS                   | -1,059.28         |
| 02/05/2020   | Check        | DD      | Ralph M. McGeorge                  | -2,016.59         |
| 02/05/2020   | Check        | DD      | NICOLE D MC CUTCHEN                | -815.88           |
| 02/05/2020   | Check        | DD      | KYLE W CEARLEY                     | -1,375.06         |
| 02/05/2020   | Check        | DD      | Gregory Hebard                     | -100.00           |
| 02/05/2020   | Check        | DD      | CHRIS JACOBS                       | -1,388.76         |
| 02/05/2020   | Check        | DD      | BRADLEY S KURTZER                  | -670.51           |
| 02/06/2020   | Expense      |         | SDU Child Support                  | -103.00           |
| 02/12/2020   | Check        |         | CA EDD                             | -605.08           |
| 02/12/2020   | Check        |         | IRS                                | -3,386.73         |
| 02/18/2020   | Bill Payment | 2606    | SDRMA-Health Ins.                  | -3,112.02         |
| 02/18/2020   | Bill Payment | 2602    | CNA Surety                         | -326.03           |
| 02/20/2020   | Check        | DD      | DAMON H WAITE                      | -1,186.09         |
| 02/20/2020   | Check        | DD      | GABRIEL R THOMAS                   | -1,059.30         |
| 02/20/2020   | Check        | DD      | Ralph M. McGeorge                  | -2,016.60         |
| 02/20/2020   | Check        | DD      | NICOLE D MC CUTCHEN                | -1,366.97         |
| 02/20/2020   | Check        | DD      | BRADLEY S KURTZER                  | -536.39           |
| 02/20/2020   | Check        | DD      | CHRIS JACOBS                       | -1,160.98         |
| 02/20/2020   | Check        | DD      | Gregory Hebard                     | -2,462.99         |
| 02/20/2020   | Check        | DD      | Gregory Hebard                     | -100.00           |
| 02/20/2020   | Check        | DD      | KYLE W CEARLEY                     | -1,186.09         |
| 02/21/2020   | Expense      |         | SDU Child Support                  | -103.00           |
| 02/25/2020   | Expense      |         | PG&E - 7193                        | -419.77           |
| 02/26/2020   | Check        |         | IRS                                | -3,378.32         |
| 02/26/2020   | Check        |         | CA EDD                             | -600.19           |
| 02/26/2020   | Expense      |         | Umpqua Bank Commerical CC          | -19,873.22        |
| 03/01/2020   | Bill Payment | 2608    | Kampa Community Solutions, ...     | -5,962.18         |
| <b>Total</b> |              |         |                                    | <b>-68,307.96</b> |

## Deposits and other credits cleared (1)

| DATE         | TYPE    | REF NO. | PAYEE | AMOUNT (USD)      |
|--------------|---------|---------|-------|-------------------|
| 02/12/2020   | Deposit |         |       | 678,424.72        |
| <b>Total</b> |         |         |       | <b>678,424.72</b> |

**Additional Information**

## Uncleared checks and payments as of 02/29/2020

| DATE         | TYPE         | REF NO. | PAYEE                           | AMOUNT (USD)     |
|--------------|--------------|---------|---------------------------------|------------------|
| 11/01/2018   | Check        | 2374    | BRADLEY D NICKELL               | -257.97          |
| 01/17/2020   | Check        |         | MICHAEL S STROMBERG             | -658.33          |
| 02/18/2020   | Bill Payment | 2605    | VALLEY ENTRY SYSTEMS, I...      | -999.57          |
| 02/18/2020   | Bill Payment | 2604    | Mo-Cal Office Solutions, Inc    | -110.61          |
| 02/18/2020   | Bill Payment | 2603    | Co Occupational Medical Part... | -165.00          |
| 02/18/2020   | Bill Payment | 2601    | Human Resources Practitioners   | -1,650.00        |
| 02/18/2020   | Bill Payment | 2607    | Warmerdam CPA Group             | -1,800.00        |
| 02/27/2020   | Check        | 2554    | GABRIEL R THOMAS                | -951.56          |
| <b>Total</b> |              |         |                                 | <b>-6,593.04</b> |

## Uncleared checks and payments after 02/29/2020

| DATE         | TYPE  | REF NO. | PAYEE               | AMOUNT (USD)      |
|--------------|-------|---------|---------------------|-------------------|
| 03/04/2020   | Check |         | CA EDD              | -29.73            |
| 03/04/2020   | Check |         | IRS                 | -239.32           |
| 03/05/2020   | Check | DD      | Gregory Hebard      | -100.00           |
| 03/05/2020   | Check | DD      | Gregory Hebard      | -2,462.99         |
| 03/05/2020   | Check | DD      | KYLE W CEARLEY      | -1,239.44         |
| 03/05/2020   | Check | DD      | CHRIS JACOBS        | -1,160.96         |
| 03/05/2020   | Check | DD      | DAMON H WAITE       | -1,186.09         |
| 03/05/2020   | Check | DD      | BRADLEY S KURTZER   | -536.42           |
| 03/05/2020   | Check | DD      | NICOLE D MC CUTCHEN | -100.00           |
| 03/05/2020   | Check | DD      | NICOLE D MC CUTCHEN | -971.78           |
| 03/05/2020   | Check | DD      | Ralph M. McGeorge   | -2,016.59         |
| 03/11/2020   | Check |         | IRS                 | -3,021.78         |
| 03/11/2020   | Check |         | CA EDD              | -544.70           |
| <b>Total</b> |       |         |                     | <b>-13,609.80</b> |

# Copper Valley Comm Srvs District

## CREDIT CARD - TRANSACTION DETAIL BY ACCOUNT

February 2020

| DATE                                   | TRANSACTION TYPE   | NUM | NAME                                  | MEMO/DESCRIPTION              | AMOUNT            |
|--|--------------------|-----|---------------------------------------|-------------------------------|-------------------|
| <b>1300 A/R CLEARING</b>               |                    |     |                                       |                               |                   |
| 02/13/2020                             | Credit Card Credit |     | Autocheck.com                         | fraud refund                  | -49.99            |
| <b>Total for 1300 A/R CLEARING</b>     |                    |     |                                       |                               | <b>\$ -49.99</b>  |
| <b>2050 Umpqua CSDA Visa</b>           |                    |     |                                       |                               |                   |
| 02/02/2020                             | Expense            |     | United Rentals                        |                               | 736.17            |
| 02/02/2020                             | Expense            |     | Hunt & Sons, Inc.                     |                               | 578.34            |
| 02/03/2020                             | Expense            |     | Verizon Wireless                      | Verizon telephone             | 111.98            |
| 02/04/2020                             | Expense            |     | WordPress.com                         |                               | 18.00             |
| 02/05/2020                             | Expense            |     | California Waste Recovery Systems     |                               | 75.58             |
| 02/05/2020                             | Expense            |     | Hammerking Productions Inc            |                               | 240.00            |
| 02/10/2020                             | Expense            |     | Microsoft Office                      | Microsoft 360 Subscription    | 12.50             |
| 02/10/2020                             | Expense            |     | Intuit - QBO Online                   |                               | 49.00             |
| 02/11/2020                             | Expense            |     | O'Reilly Auto Parts                   |                               | 194.60            |
| 02/11/2020                             | Expense            |     | UPS Store                             |                               | 41.56             |
| 02/12/2020                             | Expense            |     | MVCAC                                 |                               | 65.00             |
| 02/12/2020                             | Expense            |     | Staples                               |                               | 129.52            |
| 02/13/2020                             | Credit Card Credit |     | Autocheck.com                         |                               | -49.99            |
| 02/13/2020                             | Expense            |     | Calaveras Lumber                      |                               | 859.36            |
| 02/13/2020                             | Expense            |     | Aramark Uniform Service               |                               | 239.76            |
| 02/16/2020                             | Expense            |     | Hunt & Sons, Inc.                     |                               | 619.09            |
| 02/16/2020                             | Expense            |     | Calaveras Telephone Co.               | Calaveras utilities           | 332.82            |
| 02/18/2020                             | Expense            |     | Vistaprint                            |                               | 622.79            |
| 02/20/2020                             | Expense            |     | Calaveras Lumber                      |                               | 106.49            |
| 02/20/2020                             | Expense            |     | Saddle Creek Golf Course              |                               | 32.38             |
| 02/21/2020                             | Expense            |     | Evergreen Research                    |                               | 630.63            |
| 02/21/2020                             | Credit Card Credit |     | AMCA (American Mosquito Control Assn) |                               | -435.00           |
| 02/21/2020                             | Expense            |     | Payless IGA                           |                               | 146.92            |
| 02/23/2020                             | Expense            |     | HD Supply/White Cap Construction      |                               | 665.46            |
| 02/23/2020                             | Expense            |     | Platt Electric                        |                               | 219.14            |
| 02/23/2020                             | Expense            |     | Save Mart                             |                               | 161.89            |
| 02/23/2020                             | Expense            |     | Stockton Honda Yamaha                 |                               | 904.85            |
| 02/23/2020                             | Expense            |     | Stockton Honda Yamaha                 |                               | 7.00              |
| 02/23/2020                             | Expense            |     | California Welding Supply             |                               | 111.73            |
| 02/26/2020                             | Expense            |     | Calaveras Lumber                      |                               | 50.03             |
| <b>Total for 2050 Umpqua CSDA Visa</b> |                    |     |                                       |                               | <b>\$7,477.60</b> |
| <b>TE TOTAL EXPENSES</b>               |                    |     |                                       |                               |                   |
| <b>1SS SERVICES &amp; SUPPLIES</b>     |                    |     |                                       |                               |                   |
| <b>AE Administrative Expenses</b>      |                    |     |                                       |                               |                   |
| <b>OE02 Finance Expenses</b>           |                    |     |                                       |                               |                   |
| 02/10/2020                             | Expense            |     | Intuit - QBO Online                   | Monthly QuickBooks Online Fee | 49.00             |
| <b>Total for OE02 Finance Expenses</b> |                    |     |                                       |                               | <b>\$49.00</b>    |
| <b>OE03 Advertising</b>                |                    |     |                                       |                               |                   |
| 02/04/2020                             | Expense            |     | WordPress.com                         |                               | 18.00             |
| <b>Total for OE03 Advertising</b>      |                    |     |                                       |                               | <b>\$18.00</b>    |
| <b>OE07 Miscellaneous/Contingency</b>  |                    |     |                                       |                               |                   |
| 02/23/2020                             | Expense            |     | Save Mart                             |                               | 161.89            |

| DATE  | TRANSACTION TYPE   | NUM | NAME                                  | MEMO/DESCRIPTION          | AMOUNT            |
|---|--------------------|-----|---------------------------------------|---------------------------|-------------------|
| <b>Total for OE07 Miscellaneous/Contingency</b>                     |                    |     |                                       |                           | <b>\$161.89</b>   |
| OE08 Professional Development                                       |                    |     |                                       |                           |                   |
| 02/20/2020  | Expense            |     | Saddle Creek Golf Course              |                           | 32.38             |
| 02/21/2020  | Expense            |     | Payless IGA                           |                           | 146.92            |
| 02/21/2020  | Credit Card Credit |     | AMCA (American Mosquito Control Assn) | refund of double payments | -435.00           |
| <b>Total for OE08 Professional Development</b>                      |                    |     |                                       |                           | <b>\$ -255.70</b> |
| OE10 Uniform Expense  |                    |     |                                       |                           |                   |
| 02/05/2020  | Expense            |     | Hammerking Productions Inc            |                           | 240.00            |
| <b>Total for OE10 Uniform Expense</b>                               |                    |     |                                       |                           | <b>\$240.00</b>   |
| OE12 Telephone  |                    |     |                                       |                           |                   |
| 02/03/2020  | Expense            |     | Verizon Wireless                      |                           | 111.98            |
| 02/16/2020  | Expense            |     | Calaveras Telephone Co.               |                           | 332.82            |
| <b>Total for OE12 Telephone</b>                                     |                    |     |                                       |                           | <b>\$444.80</b>   |
| OE14 Office Supplies/Postage  |                    |     |                                       |                           |                   |
| 02/10/2020  | Expense            |     | Microsoft Office                      |                           | 12.50             |
| 02/11/2020  | Expense            |     | UPS Store                             |                           | 41.56             |
| 02/12/2020  | Expense            |     | Staples                               | Office Supplies           | 129.52            |
| 02/18/2020  | Expense            |     | Vistaprint                            |                           | 622.79            |
| <b>Total for OE14 Office Supplies/Postage</b>                       |                    |     |                                       |                           | <b>\$806.37</b>   |
| <b>Total for AE Administrative Expenses</b>                         |                    |     |                                       |                           | <b>\$1,464.36</b> |
| OE Operational Expenses   |                    |     |                                       |                           |                   |
| OE18 Common Areas   |                    |     |                                       |                           |                   |
| OE16 Gate Maint/Repair/Staff/Openers                                |                    |     |                                       |                           |                   |
| 02/13/2020  | Expense            |     | Calaveras Lumber                      |                           | 859.36            |
| 02/23/2020  | Expense            |     | HD Supply/White Cap Construction      |                           | 665.46            |
| 02/23/2020  | Expense            |     | California Welding Supply             |                           | 111.73            |
| 02/26/2020  | Expense            |     | Calaveras Lumber                      |                           | 50.03             |
| <b>Total for OE16 Gate Maint/Repair/Staff/Openers</b>               |                    |     |                                       |                           | <b>\$1,686.58</b> |
| OE17 Streets/Sidewalks/Lighting Maint & Repair                      |                    |     |                                       |                           |                   |
| 02/02/2020  | Expense            |     | United Rentals                        |                           | 736.17            |
| <b>Total for OE17 Streets/Sidewalks/Lighting Maint &amp; Repair</b> |                    |     |                                       |                           | <b>\$736.17</b>   |
| OE18-1 Landscape Supplies   |                    |     |                                       |                           |                   |
| 02/05/2020  | Expense            |     | California Waste Recovery Systems     |                           | 75.58             |
| 02/13/2020  | Expense            |     | Aramark Uniform Service               |                           | 239.76            |
| 02/23/2020  | Expense            |     | Platt Electric                        |                           | 219.14            |
| <b>Total for OE18-1 Landscape Supplies</b>                          |                    |     |                                       |                           | <b>\$534.48</b>   |
| OE18-3 Landscape Equipment Gas & Oil                                |                    |     |                                       |                           |                   |
| 02/02/2020  | Expense            |     | Hunt & Sons, Inc.                     |                           | 578.34            |
| 02/16/2020  | Expense            |     | Hunt & Sons, Inc.                     |                           | 619.09            |
| <b>Total for OE18-3 Landscape Equipment Gas &amp; Oil</b>           |                    |     |                                       |                           | <b>\$1,197.43</b> |
| OE18-4 Landscape Equip Repair/Replace                               |                    |     |                                       |                           |                   |
| 02/11/2020  | Expense            |     | O'Reilly Auto Parts                   |                           | 194.60            |
| 02/23/2020  | Expense            |     | Stockton Honda Yamaha                 |                           | 904.85            |
| 02/23/2020  | Expense            |     | Stockton Honda Yamaha                 |                           | 7.00              |
| <b>Total for OE18-4 Landscape Equip Repair/Replace</b>              |                    |     |                                       |                           | <b>\$1,106.45</b> |
| <b>Total for OE18 Common Areas</b>                                  |                    |     |                                       |                           | <b>\$5,261.11</b> |
| OE22 Mosquito Abatement Expense                                     |                    |     |                                       |                           |                   |
| OE22-2 Mosquito Abatement Monitor/Test                              |                    |     |                                       |                           |                   |
| 02/12/2020  | Expense            |     | MVCAC                                 |                           | 65.00             |
| <b>Total for OE22-2 Mosquito Abatement Monitor/Test</b>             |                    |     |                                       |                           | <b>\$65.00</b>    |

| DATE   | TRANSACTION TYPE | NUM | NAME               | MEMO/DESCRIPTION | AMOUNT     |
|--|------------------|-----|--------------------|------------------|------------|
| OE22-3 Mosquito Abate Vehicles Gas/Oil           |                  |     |                    |                  |            |
| 02/20/2020                                       | Expense          |     | Calaveras Lumber   |                  | 106.49     |
| 02/21/2020                                       | Expense          |     | Evergreen Research |                  | 630.63     |
| Total for OE22-3 Mosquito Abate Vehicles Gas/Oil |                  |     |                    |                  | \$737.12   |
| Total for OE22 Mosquito Abatement Expense        |                  |     |                    |                  | \$802.12   |
| Total for OE Operational Expenses                |                  |     |                    |                  | \$6,063.23 |
| Total for 1SS SERVICES & SUPPLIES                |                  |     |                    |                  | \$7,527.59 |
| Total for TE TOTAL EXPENSES                      |                  |     |                    |                  | \$7,527.59 |





## COPPER VALLEY COMMUNITY SERVICES DISTRICT

1000 Saddle Creek Drive  
Copperopolis, CA 95228  
(209) 785-0100 –coppervalleycsd.org

## DIRECTORS

Roger Golden, President  
Larry Hoffman, Vice President  
Ken Albertson  
Darlene DeBaldo  
Don Kurtz

### BOARD OF DIRECTORS REGULAR MEETING MINUTES

February 18, 2020, 2:00 PM

#### Copper Valley Lodge

1001 Saddle Creek Drive, Copperopolis, CA

1. **CALL TO ORDER 2:02pm**
2. **ROLL CALL President Golden, Directors Hoffman, DeBaldo, Kurtz & Albertson. General Manager Kampa, District Board Clerk McCutchen, Site Manager Hebard**
3. **PLEDGE OF ALLEGIANCE**
4. **CHANGES TO ORDER OF AGENDA None**
5. **PUBLIC COMMENT**
6. **CONSENT CALENDAR**
  - a) Review of monthly financial report, approval of bills and claims for the month of January 2020.
  - b) Approval of the minutes from the Regular Board Meeting held January 21, 2020.  
Director Hoffman makes a motion to approve the consent calendar, Director Kurtz seconds. Motion passes unanimously.
7. **DISCUSSION AND ACTION ITEMS**
  - a) Adoption of a Resolution Approving an Employment Agreement with Peter Kampa for the Position of General Manager Director Hoffman makes a motion approving the adoption of a Resolution Approving and Employment Agreement with Peter Kampa for the position of General Manager with the annual salary of \$67,000, Director Kurtz seconds. Motion passes unanimously.
  - b) Consideration of District Authority, Role and Responsibility Regarding Management of Property Deed Restrictions Related to Wildlife Habitat Easements Topic discussed, it was agreed a letter of support for this matter will be sent out to the Resident.
  - c) Adoption of a Resolution Approving an Interim Operating and Cost Sharing Agreement with CV Saddle Creek, LLC, CV Saddle Creek Holdings, LLC and Saddle Creek Golf Club, LLC Regarding the Roles, Responsibilities, Obligations and Commitments Related to Roads, Common Areas, Equipment and Property Sharing Director Hoffman makes a motion to adopt a Resolution approving and Interim Operating and Cost Sharing Agreement with CV Saddle Creek, LLC, CV Saddle Creek Holdings, LLC and Saddle Creek Golf Club, LLC Regarding the Roles, Responsibilities, Obligations and Commitments Related to Roads, Common Areas, Equipment and Property Sharing. Director DeBaldo seconds, motion passes unanimously.
  - d) Discussion on Road Maintenance and Financing (DeBaldo) Discussion took place regarding this item
  - e) Report and Discussion on Median Landscape and Irrigation Renovation at the Front Entrance
  - f) Discussion of Board Expectations Regarding the Extent of Maintenance of Amenities Such as Sidewalks, Split Rail Fence, Front Gate Pergolas, Storm water System and Other Infrastructure the Storm water system and other infrastructure topics will be tabled for a future meeting.
  - g) Discussion of the District's Policy Regarding the Preparation and Content of Board Meeting Minutes This item will be tabled for a future meeting
8. **STAFF AND DIRECTOR REPORTS**
  - a) General Managers Report
  - b) Site Managers Report
9. **ADJOURNMENT 4:14pm**

# **Copper Valley Community Services District**

## **Debt Management Policy**

Approved by a Resolution adopted by the Board of Directors on  
\_\_\_\_\_, 2020

This Debt Management Policy (the “Debt Policy”) of the Copper Valley Community Services District (the “District”) was approved by the Board of Directors to be effective as of the date first set forth above. The Debt Policy may be utilized by staff with the discretion to deviate as determined appropriate by the District Administrator, and may be amended by the Board of Directors of the District as it deems appropriate from time to time in the prudent management of the debt and financing needs of the District.

## **1. Findings**

This Debt Policy is intended to comply with Government Code Section 8855(i), which became effective on January 1, 2017, and shall govern all debt undertaken by the District.

The District hereby recognizes that a fiscally prudent debt policy is required in order to:

- Help maintain the District’s financial health.
- Ensure the District has the flexibility to meet its financial needs.
- Protect the District’s credit-worthiness.
- Ensure that all debt is structured to benefit both current and future constituents of the District.
- Ensure that the District’s debt is consistent with the District’s planning goals and objectives.

## **2. Policies**

### **A. Purposes For Which Debt May Be Issued**

(i) Long-Term Debt. Long-term debt may be issued to finance the construction, acquisition, and/or rehabilitation of capital improvements and facilities, property and other assets, equipment and land to be owned and operated by the District or funded for the benefit of the District.

(a) Long-term debt financings are appropriate when the following conditions exist:

- When the project to be financed is necessary to provide basic services.
- When the project to be financed will provide benefit to constituents over multiple years.
- When total debt does not constitute an unreasonable burden to the District and its constituents.
- When the debt is issued to refinance outstanding debt in order to produce savings or to realize other benefits of a debt restructuring.

(b) Long-term debt financings will not generally be considered appropriate for recurring operating expenses and routine maintenance expenses.

(c) The District may use long-term debt financings subject to the following conditions:

- The project and/or costs to be financed must be approved by the District Board.
- The weighted average maturity of the debt will generally not exceed the average useful life of project being financed.
- The District estimates that sufficient revenues will be available to service the debt through its maturity.
- The District determines that the issuance of the debt will comply with the applicable state and federal law.

(ii) Short-term debt. Short-term debt may be issued to provide financing for the District's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the District may undertake lease-purchase financing for equipment.

(iii) Financings on Behalf of Other Entities. The District may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of District. In such cases, the District shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein.

## **B. Types of Debt**

The following types of debt are allowable under this Debt Policy:

- Installment sale agreements, loans and similar debt-financing contracts
- Loans and contracts with State or Federal agencies, including the United States Department of Agriculture–Rural Development
- Lines of credit
- General obligation bonds (GO Bonds)
- Bond or grant anticipation notes (BANs)
- Lease revenue bonds, certificates of participation (COPs) and lease-purchase transactions
- Other revenue bonds and Certificates of Participation (COPs)
- Tax and revenue anticipation notes (TRANS)
- Land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes
- Refunding bonds, notes, loans, and other obligations

The District Board may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

Debt shall be issued as fixed rate debt unless the District makes a specific determination as to why a variable rate issue would be beneficial to the District in a specific circumstance.

### **C. Relationship of Debt to Capital Improvement Program and Budget**

The District is committed to long-term capital planning. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's capital budget and the capital improvement plan. Items outside the capital budget or capital improvement plan may also be financed.

The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues.

The District shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that funding is available for capital and non-capital projects when needed in furtherance of the District's public purposes.

The District shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures from its general fund.

### **D. Policy Goals Related to Planning Goals and Objectives**

The District is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's annual operations budget.

It is a policy goal of the District to protect its constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

When refinancing debt, it shall be the policy goal of the District to realize, whenever possible, and subject to any overriding non-financial policy considerations, minimum net present value debt service savings equal to at least 3.0% of the refunded principal amount.

### **E. Internal Control Procedures**

When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

Without limiting the foregoing, the District will periodically review the requirements of and will remain in compliance with the following:

- Any continuing disclosure undertakings entered into by the District in accordance with Securities and Exchange Commission (SEC) Rule 15c2-12.
- Any reporting obligations to the California Debt and Investment Advisory Commission (CDIAC)
- Any federal tax compliance requirements, including, without limitation, arbitrage and rebate compliance.
- The District's investment policies as they relate to the use and investment of bond proceeds.

Proceeds of debt will be held either (a) by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the District upon the submission of one or more written requisitions by the District Administrator (or his or her designee), or (b) by the District, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the District.

**END OF DEBT MANAGEMENT POLICY**

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

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COPPER VALLEY  
COMMUNITY SERVICES DISTRICT DEBT MANAGEMENT POLICY**

**WHEREAS**, the Board of Directors (the “Board”) of the Copper Valley Community Services District (the “District”) recognizes that cost-effective access to the capital markets depends on prudent management of the District’s debt program; and

**WHEREAS**, Government Code section 8855(i) requires any issuer of public debt to certify prior to issuing debt that it has adopted local policies addressing the topics set forth in said Code; and

**WHEREAS**, the Board wishes to set parameters for issuing debt, managing the debt portfolio and providing guidance to decision makers; and

**WHEREAS**, the Board finds and determines that adoption of the attached Debt Management Policy (the “Debt Management Policy”) will help ensure that debt is issued and managed prudently in order to maintain sound fiscal policy;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Copper Valley Community Services District hereby orders and determines as follows:

**Section 1. Recitals.** The Board hereby specifically finds and declares that each of the recitals set forth above are true and correct and are hereby incorporated in conjunction with the respective staff report.

**Section 2. Approval of the Debt Management Policy.** This Board hereby declares that the proposed Debt Management Policy attached hereto is hereby approved as the Copper Valley Community Services District Debt Management Policy to be effective on the date of approval.

**Section 3. Authorization to Manage Debt Issuance Functions.** The General Manager, or a designee thereof, is hereby authorized to manage debt issuance functions for the District in accordance with the Debt Management Policy.

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

The foregoing resolution was adopted at a regular meeting of the Board of Directors of the Copper Valley Community Services District held on the on the 17<sup>th</sup> day of March, 2020 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED

---

PRESIDENT

ATTESTED:

---

SECRETARY



## INSTALLMENT SALE AGREEMENT

This INSTALLMENT SALE AGREEMENT dated April 1, 2020 (as amended and supplemented hereafter, this "Agreement") is entered into by and between the COPPER VALLEY COMMUNITY SERVICES DISTRICT, a community services district duly organized under the laws of the State of California (the "District"), and MUNICIPAL FINANCE CORPORATION, a corporation duly organized under the laws of the State of California (the "Corporation");

### WITNESSETH:

WHEREAS, the District is authorized by the laws of the State of California to acquire and improve real property and to finance and refinance the acquisition and construction of real property through the execution of installment contracts; and

WHEREAS, the District proposes to refinance that certain Installment Sale Agreement dated March 21, 2018 between the Saddle Creek Community Services District and the Corporation (the "Prior Agreement") for the purpose of refinancing the acquisition and construction of certain improvements as more particularly described in Exhibit A hereto (the "2018 Project"); and

WHEREAS, the District further proposes to finance certain improvements to the District's infrastructure as more particularly described in Exhibit A hereto (the "2020 Project" and together with the 2018 Project, the "Project"); and

WHEREAS, the Corporation has agreed to assist the District in refinancing the 2018 Project and financing the 2020 Project; and

WHEREAS, the District and the Corporation have duly authorized the execution of this Agreement; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into this Agreement do exist, have happened and have been performed in regular and due time, form and manner required by law, and the parties hereto are now duly authorized to execute and enter into this Agreement;

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

### ARTICLE I

#### DEFINITIONS AND EXHIBITS; AUTHORIZATION OF PARTIES

Section 1.01. Definitions. The following terms will have meanings indicated below unless the context clearly requires otherwise:

#### Applicable Law

The term “Applicable Law” means (a) all applicable common law and principles of equity and (b) all applicable provisions of all (i) constitutions, statutes, rules, regulations and orders of all Governmental Authorities, (ii) Applicable Environmental Laws, (iii) applicable seismic building code requirements at the time of construction, and (iv) orders, decisions, judgments, writs, injunctions and decrees of all courts (whether at law or in equity) and arbitrators.

#### Applicable Environmental Laws

The term “Applicable Environmental Laws” means and shall include, but shall not be limited to, the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”), 42 USC Sections 9601 *et seq.*; the Resource Conservation and Recovery Act (“RCRA”), 42 USC Sections 6901 *et seq.*; the Federal Water Pollution Control Act, 33 USC Sections 1251 *et seq.*; the Clean Air Act, 42 USC Sections 7401 *et seq.*; the California Hazardous Waste Control Law (“HWCL”), California Health & Safety Code Sections 25100 *et seq.*; the Hazardous Substance Account Act (“HSAA”), California Health & Safety Code Sections 25300 *et seq.*; the Porter-Cologne Water Quality Control Act (the “Porter-Cologne Act”), California Water Code Sections 1300 *et seq.*; the Air Resources Act, California Health & Safety Code Sections 3900 *et seq.*; the Safe Drinking Water & Toxic Enforcement Act, California Health & Safety Code Sections 25249.5 *et seq.*; and the regulations under each thereof; and any other local, state, and/or federal laws or regulations, whether currently in existence or hereafter enacted, that govern:

- (i) the existence, cleanup, and/or remedy of contamination on property;
- (ii) the protection of the environment from spilled, deposited, or otherwise emplaced contamination;
- (iii) the control of hazardous wastes; or
- (iv) the use, generation, transport, treatment, removal, or recovery of Hazardous Substances, including building materials.

#### Assignee

The term "Assignee" means First Foundation Bank, and its successors and assigns.

#### Closing Date

The term "Closing Date" means the date on which the Corporation deposits with the District the funds required to be deposited by Section 3.01 of this Agreement.

#### Corporation

The term "Corporation" means Municipal Finance the Corporation, a California corporation.

#### Date of Taxability

The term “Date of Taxability” means the date from and for the interest component of the Installment Payments is subject to federal or State income taxation as a result of a Determination of Taxability.

### Default Rate

The term “Default Rate” means 6% per annum.

### Determination of Taxability

The term “Determination of Taxability” means and shall be deemed to have occurred on the first to occur of the following:

- (i) on that date when the District files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have occurred;
- (ii) on the date when the Assignee notifies the District that it has received a written opinion from Bond Counsel to the effect that an Event of Taxability has occurred, which notice shall be accompanied by a copy of such opinion of Bond Counsel, unless, within 180 days after receipt by the District of such notification and copy of such opinion from the Assignee, the District shall deliver to the Assignee a ruling or determination letter issued to or on behalf of the District by the Commissioner or any District Director of the Internal Revenue Service (or any other governmental official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;
- (iii) on the date when the District shall be advised in writing by the Commissioner or any District Director of the Internal Revenue Service (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon any review or audit or upon any other ground whatsoever, an Event of Taxability has occurred; or
- (iv) on that date when the District shall receive notice from the Assignee that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed the interest component of the Installment Payments as includable in the gross income of the Assignee due to the occurrence of an Event of Taxability;

*provided*, however, that no Determination of Taxability shall occur under subparagraph (iii) or subparagraph (iv) above unless the District has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; *provided further, however*, that upon demand from the Assignee, the District shall reimburse the Assignee for any payments, including any taxes, interest, penalties or other charges, such Assignee shall be obligated to make as a result of the Determination of Taxability.

### District

The term "District" means Copper Valley Community Services District, a community services district duly organized and existing under and by virtue of the laws of the State of California.

Event of Default

The term "Event of Default" means an event described in Section 8.01.

Event of Taxability

The term "Event of Taxability" means, with respect to this Agreement, (1) the application of the proceeds of this Agreement in such a manner that this Agreement becomes an "arbitrage bond" within the meaning of Code Sections 103(b)(2) and 148, and with the result that interest components of the Series 2018 Installment Payments are or become includable in the Assignee's gross income (as defined in Code Section 61); or (2) if as the result of any act, failure to act or use of the proceeds of this Agreement or any misrepresentation or inaccuracy in any of the representations, warranties or covenants contained in this Agreement by the District or the enactment of any federal legislation or the promulgation of any federal rule or regulation after the date of this Agreement, the interest component of Series 2018 Installment Payments is or becomes includable in the Assignee's gross income (as defined in Code Section 61); and (3) the District does not undertake any remedial action afforded to it by the Internal Revenue Service.

Fiscal Year

The term "Fiscal Year" means the period beginning on July 1 of each year and ending on the last day of June of the subsequent year, or any other twelve-month period selected and designated as the official Fiscal Year of the District.

General Fund

The term "General Fund" means the General Fund of the District being maintained in accordance with Section 5.02 hereof.

Hazardous Substance

The term "Hazardous Substance" means any substance that shall, at any time, be listed as "hazardous" or "toxic" in any Applicable Environmental Law or that has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated under Applicable Environmental Laws; and also means, without limitation, raw materials, building components, the products of any manufacturing, or other activities on the Project, wastes, petroleum, and source, special nuclear, or by-product material as defined by the Atomic Energy Act of 1954, as amended (42 USC Sections 3011 et seq.)

Governmental Authority

The term "Governmental Authority" means any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other person with authority to bind a party at law.

### Installment Payment Date

The term "Installment Payment Date" means the date on which Installment Payments are scheduled to be paid by the District under and pursuant to this Agreement.

### Installment Payments

The term "Installment Payments" means collectively, the Series A Installment Payments and the Series B Installment Payments scheduled to be paid by the District under and pursuant hereto.

### Material Adverse Effect

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

### Material Litigation

The term "Material Litigation" means any action, suit, proceeding, inquiry or investigation against the District in any court or before any arbitrator of any kind or before or by any Governmental Authority, of which the District has notice or knowledge and which, (i) if determined adversely to the District, may have a Material Adverse Effect, (ii) seek to restrain or enjoin any of the transactions contemplated hereby or by this Agreement, or (iii) may adversely affect (A) the exclusion of the interest component of the Installment Payments from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes or (B) the ability of the District to perform its obligations under this Agreement.

### Net Proceeds

The term "Net Proceeds" means, when used with respect to any casualty insurance or condemnation award, the proceeds from such insurance or condemnation award remaining after payment of all expenses (including attorneys' fees) incurred in the collection of such proceeds.

### Project

The term "Project" means, collectively, the 2018 Project and the 2020 Project.

### Purchase Price

The term "Purchase Price" means the principal amount plus interest thereon owed by the District to the Corporation under the terms hereof as provided in Section 4.01.

### Revenues

The term "Revenues" means all income, rents, rates, fees, charges and other moneys deposited in the General Fund of the District including, but not limited to, the Special Taxes levied pursuant to Measure A of the District and approved at a special election on May 2, 2017. Revenues shall not include proceeds of taxes or assessments restricted by law to be used by the District to pay bonds or other obligations hereafter issued.

Series A Installment Payments

The term "Series A Installment Payments" means the installment payments of principal and interest scheduled to be paid by the District under this Agreement in the amounts and on the dates designated in Exhibit B to this Agreement.

Series B Installment Payments

The term "Series B Installment Payments" means the installment payments of principal and interest scheduled to be paid by the District under this Agreement in the amounts and on the dates designated in Exhibit B to this Agreement.

Tax Code

The term "Tax Code" means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final regulations promulgated, and applicable official guidance published, under the Tax Code.

Taxable Rate

The term "Taxable Rate" means 6% per annum.

2018 Project

The term "2018 Project" means the additions, betterments, extensions and improvements described in Exhibit A hereto.

2020 Project

The term "2020 Project" means the additions, betterments, extensions and improvements described in Exhibit A hereto.

Section 1.02. Exhibits. The following Exhibits are attached to, and by reference made a part of, this Agreement:

|           |                                  |
|-----------|----------------------------------|
| EXHIBIT A | DESCRIPTION OF THE PROJECT       |
| EXHIBIT B | SCHEDULE OF INSTALLMENT PAYMENTS |

Section 1.03. Authorization. Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Agreement and has taken all actions necessary to authorize the execution of this Agreement by the officers and persons signing it, and that the transactions contemplated in this Agreement are in the ordinary course of business for both parties.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES OF DISTRICT AND CORPORATION

Section 2.01. Representations and Warranties of the District. The District represents and warrants, for the benefit of the Corporation and Assignee, as follows:

(a) The District is a community services district, duly organized and existing under and by virtue of the laws of the State of California, and is empowered, among other things, to maintain and operate the Project and to acquire in the name of the District any interest in real or personal property necessary or convenient for the operation of the Project..

(b) The District is authorized under the Constitution and laws of the State of California to enter into this Agreement, and to enter into the transactions contemplated and to carry out its obligations hereunder.

(c) The District has been duly authorized to execute and deliver this Agreement under the terms and provisions of the resolution of its governing body, or by other appropriate official approval, and further represents and warrants that all requirements have been met, and proceedings have been taken in order to ensure the enforceability of this Agreement, and the District has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by the District of the Project hereunder.

(d) Neither the execution and delivery of this Agreement or the related documents or exhibits attached hereto nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the District is now a party or by which the District is bound, or constitutes a default under any of the foregoing.

(e) The District is in compliance with the terms and covenants contained in this Agreement, and there is no Event of Default occurring under this Agreement.

(f) The Project will have a useful life in the hands of the District that is in excess of the term of this Agreement.

(g) There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, educational or other Governmental Authority pending or, to the knowledge of the District after reasonable investigation, threatened against or affecting the District or the assets, properties or operations of the District which, if determined adversely to the District or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Agreement and the Assignment Agreement or upon the financial condition, assets, properties or operations of the District and the District's ability to make the Installment Payments, and the District is not in default with

respect to any order or decree of any court or any order, regulation or demand of any federal, state, educational or other Governmental Authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Agreement and the Assignment Agreement or the financial conditions, assets, properties or operations of the District.

(h) The statement of financial position of the Project as of June 30, 2019, and the related statement of activities and statement of cash flows and changes in financial position for the year then ended and the auditors' reports with respect thereto, copies of which have heretofore been furnished to the Assignee, are complete and correct and fairly present the financial condition, changes in financial position and results of operations of the Project at such date and for such period, and were prepared in accordance with generally accepted accounting principles. Since the most current date of the information, financial or otherwise, supplied by the District to the Assignee:

- (i) There has been no change in the assets, liabilities, financial position or results of operations of the Project that might reasonably be anticipated to cause a Material Adverse Effect.
- (ii) The Project has not incurred any obligations or liabilities which might reasonably be anticipated to cause a Material Adverse Effect.
- (iii) The Project has not (A) incurred any material indebtedness, other than the Installment Payments or as previously disclosed to Assignee, and trade accounts payable arising in the ordinary course of the District's business and not past due, or (B) guaranteed the indebtedness of any other person.

(i) All information, reports and other papers and data furnished by the District to the Assignee were, at the time the same were so furnished, complete and accurate in all material respects and insofar as necessary to give the Assignee a true and accurate knowledge of the subject matter and were provided in expectation of Assignee's reliance thereon in entering into the transactions contemplated by this Agreement. No fact is known to the District which has had or, so far as the District can now reasonably foresee, may in the future have a Material Adverse Effect, which has not been set forth in the financial statements previously furnished to the Assignee or in other such information, reports, papers and data or otherwise disclosed in writing to the Assignee prior to the Closing Date. Any financial, budget and other projections furnished to the Assignee by the District or its or their agents were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of the conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the date of this representation, represent the District's best estimate of the Project's future financial performance. No document furnished nor any representation, warranty or other written statement made to the Assignee in connection with the negotiation, preparation or execution of this Agreement contains or will contain any untrue statement of a material fact or omits or will omit to state (as of the date made or furnished) any material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were or will be made, not misleading.

(j) The District has structured fees, estimated revenues and/or taken other lawful actions necessary to ensure that the pledge of and lien on Net Revenues are sufficient to pay all Installment Payments when due and payable, and such moneys have been and will continue to be applied in the funds and accounts as required herein and towards payment of all Installment Payments when due and payable.



(k) The District has an immediate need for, and expects to make immediate use of, the Project, which need is not temporary or expected to diminish during the Term of this Agreement. To the extent the District is or may be required to use additional revenues or spend additional money to complete the Project or make the Project useable, the District represents, warrants and covenants to take all required actions to complete the Project and make the Project useable. The District presently intends to continue this Agreement and make all Installment Payments required hereunder for the entire Term of this Agreement.

(l) The District acknowledges that (i) First Foundation Bank, as the Assignee under the Assignment Agreement, is acting solely for its own loan account and not as a fiduciary for the District or in the capacity of broker, dealer, placement agent, municipal securities underwriter or municipal advisor, (ii) the Assignee has not provided, and will not provide, financial, legal (including securities law), tax, accounting or other advice to or on behalf of the District or with respect to the Installment Payments, and (iii) the Assignee has expressed no view regarding the legal sufficiency of its representations for purposes of compliance with any legal requirements applicable to any other party, or the correctness of any legal interpretation made by counsel to any other party with respect to any such matters. Additionally, the District acknowledges that the Corporation is acting solely as Seller hereunder and not as a fiduciary for the District or in the capacity of broker, dealer, placement agent, municipal securities underwriter or municipal advisor to the District.

(m) There are no obligations of the District payable from the Gross Revenues or Net Revenues of the Project on a basis that is senior to, or on parity with, the payment of the Installment Payments, other than the SRF Loan (which is payable from the Net Revenues on a parity basis with the Installment Payments).

(n) The Project complies with all applicable restrictive covenants, zoning ordinances, building laws and other Applicable Laws (including, without limitation, the Americans with Disabilities Act, as amended).

Section 2.02. Representations and Warranties of the Corporation. The Corporation represents and warrants to the District as follows:

(a) The Corporation is a corporation duly organized, existing and in good standing under and by virtue of the laws of the State of California; has power to enter into this Agreement; is possessed of full power to own and hold real and personal property, and to purchase and sell the same; is in a solvent financial condition as of the date hereof; and has duly authorized the execution and delivery of this Agreement.

(b) Neither the execution and delivery of this Agreement nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Corporation is now a party or by which the Corporation is bound, or constitutes a default under any of the foregoing.

(c) The Corporation is entering into this Agreement as a commercial arms-length transaction and is not acting in the capacity of a "Municipal Advisor" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended.

### ARTICLE III

PURCHASE AND SALE OF THE 2018 PROJECT  
ACQUISITION AND CONSTRUCTION OF THE 2020 PROJECT

Section 3.01. Purchase and Sale of the 2018 Project; Acquisition and Construction of the 2020 Project; Deposit of Moneys. In order to provide funds to prepay the Prior Agreement and refinance the 2018 Project, the District hereby sells, conveys and transfers to the Corporation of all of its right, title and interest in and to the 2018 Project, but only to the extent the 2018 Project may be legally transferred by the District, and the Corporation purchases, acquires and accepts from the District all of the District's right, title and interest in and to the 2018 Project, subject to the obligation of the Corporation to concurrently resell the 2018 Project back to the District pursuant to this Agreement. Further, on the Closing Date the Corporation shall deposit the sum of \$\_\_\_\_\_ to a special account established by the District (the "2020 Project Fund"), which the District shall expend for the purpose of financing the acquisition, construction and installation of the 2020 Project. The District shall invest proceeds in the 2020 Project Fund in investments authorized by California law and the District's investment policy. Any unexpended proceeds in the 2020 Project Fund upon the completion of the 2020 Project shall be applied by the District towards the payment of Installment Payments.

The Corporation hereby appoints the District as its agent to carry out all phases of the acquisition, construction and installation of the 2020 Project and the District hereby accepts such appointment. The District shall enter into contracts and provide for, as agent for the Corporation, the complete construction, acquisition and installation of the 2020 Project. The District hereby agrees that it will cause the construction, acquisition and installation of the 2020 Project to be diligently performed. It is hereby expressly understood and agreed that the Corporation shall be under no liability of any kind or character whatsoever for the payment of any cost of the 2020 Project and that all such costs and expenses shall be paid by the District, regardless of whether the funds deposited with the District are sufficient to cover all such costs and expenses.

Section 3.02. Sale of 2020 Project. The Corporation agrees to sell, and hereby sells, to the District, and the District agrees to purchase, and hereby purchases, from the Corporation, the 2020 Project at the purchase price specified in Section 4.01 hereof and otherwise in the manner and in accordance with the provisions of this Agreement.

Section 3.03. Title. All right, title and interest in the 2020 Project shall vest in the District immediately upon the acquisition and construction thereof. Such vesting shall occur without further action by the Corporation or the District and the Corporation shall, if requested by the District or if necessary to assure such automatic vesting, deliver any and all documents required to assure such vesting.

Section 3.04. Changes to the 2020 Project. The District may substitute other improvements for those listed as components of the 2020 Project in Exhibit A hereto, but only if the District first files with the Corporation and the Assignee a statement of the District:

(a) identifying the improvements to be substituted and the improvements to the District facilities they replace in the 2020 Project; and

(b) stating that the estimated costs of construction, acquisition, and installation of the substituted improvements are not less than such costs for the improvements previously planned.

Section 3.05. Disclaimer of Warranties. The CORPORATION MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OF THE 2020 PROJECT OR ANY PART THEREOF, OR AS TO THE FITNESS FOR ANY PARTICULAR USE OF THE 2020 PROJECT OR ANY PART THEREOF OR AS TO THE FITNESS OF THE 2020 PROJECT FOR THE USE CONTEMPLATED BY THE DISTRICT OR ANY PART THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT THERETO. THE DISTRICT ACKNOWLEDGES THAT THE CORPORATION IS NOT A CONTRACTOR OF THE 2020 PROJECT, THAT THE DISTRICT PURCHASES THE 2020 PROJECT "AS-IS", IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE DISTRICT. IN NO EVENT SHALL THE CORPORATION BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE ACQUISITION, CONSTRUCTION, EXISTENCE, FURNISHING, FUNCTIONING OR THE DISTRICT'S USE OF ANY ITEM OR PRODUCTS OR SERVICES PROVIDED FOR IN THIS AGREEMENT. THE DISTRICT ACKNOWLEDGES THAT IT IS SOLELY RESPONSIBLE FOR DETERMINING THE SUITABILITY OF THE 2020 PROJECT FOR ITS INTENDED USE.

#### ARTICLE IV

#### PURCHASE PRICE AND INSTALLMENT PAYMENTS

##### Section 4.01. Purchase Price.

(a) The Purchase Price to be paid by the District hereunder to the Corporation is the sum of the principal amount of the District's obligations hereunder plus the interest to accrue on the unpaid balance of such principal amount from the effective date hereof over the term hereof, subject to prepayment as provided in Article VII.

(b) The principal amount of the payments to be made by the District hereunder is set forth in Exhibit B hereto.

(c) The interest to accrue on the unpaid balance of such principal amount is as specified in Section 4.02 and Exhibit B hereto, and shall be paid by the District as and constitute interest paid on the principal amount of the District's obligations hereunder.

Section 4.02. Installment Payments. The District shall, subject to its rights of prepayment provided in Article VII, pay the Assignee the Purchase Price in installment payments of interest and principal in the amounts and on the Installment Payment Dates as set forth in Exhibit B hereto.

Each Installment Payment shall be paid to the Assignee in lawful money of the United States of America. In the event the District fails to make any of the payments required to be made by it under this section, such payment shall continue as an obligation of the District until such amount shall have been fully paid and the District agrees to pay the same with interest accruing thereon at the rate or rates of interest then applicable to the remaining unpaid principal balance of the Installment Payments if paid in accordance with their terms.

The obligation of the District to make the Installment Payments is absolute and unconditional, and until such time as the Purchase Price shall have been paid in full (or provision for the payment thereof shall

have been made pursuant to Article IX), the District will not discontinue or suspend any Installment Payments required to be made by it under this section when due, whether or not the 2020 Project or any part thereof is operating or operable or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and whether or not the 2020 Project has been completed, and such payments shall not be subject to reduction whether by offset or otherwise and shall not be conditional upon the performance or nonperformance by any party of any agreement for any cause whatsoever.

From and after the Date of Taxability, if applicable, the interest rate with respect to the Installment Payments shall increase to the Taxable Rate. The District shall inform the Assignee promptly upon the occurrence of a Determination of Taxability.

## ARTICLE V

### SECURITY

Section 5.01. Pledge of Revenues. All Revenues and all amounts on deposit in the General Fund are hereby irrevocably pledged to the payment of the Installment Payments as provided herein. In accordance with Section 5451 of Title 1, Chapter 5.5 of the California Government Code, this pledge shall constitute a first and exclusive lien on Revenues and amounts on deposit in the General Fund for the payment of the Installment Payments in accordance with the terms hereof.

Section 5.02. Allocation of Revenues. The District has heretofore established the General Fund for the collection and deposit of the Revenues of the District. Upon the payment or set aside of the amounts necessary to pay the Installment Payments in each Fiscal Year, the lien established in Section 5.01 is released and the District may expend Revenues and amounts on deposit in the General Fund for any lawful purpose.

## ARTICLE VI

### COVENANTS OF THE DISTRICT

Section 6.01. Compliance with this Agreement and Ancillary Agreements. The District will punctually pay the Installment Payments in strict conformity with the terms hereof, and will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by it, and will not terminate this Agreement for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of California or any political subdivision of either or any failure of the Corporation to observe or perform any agreement, condition, covenant or term contained herein required to be observed and performed by it, whether express or implied, or any duty, liability or obligation arising out of or connected herewith or the insolvency, or deemed insolvency, or bankruptcy or liquidation of the Corporation or any force majeure, including acts of God, tempest, storm, earthquake, war, rebellion, riot, civil disorder, acts of public enemies, blockade or embargo, strikes, industrial disputes, lock outs, lack of transportation facilities, fire, explosion, or acts or regulations of governmental authorities.

Section 6.02. Against Encumbrances. The District will not make any pledge of or place any lien on Revenues or the moneys in the General Fund except as provided herein. The District may at any time, or from time to time, issue debt or incur other obligations for any lawful purpose which are payable from and secured by a pledge of and lien on Revenues or any moneys in the General Fund as may from time to time be deposited therein (as provided in Section 5.02), provided that such pledge and lien shall be subordinate in all respects to the pledge of and lien thereon provided herein.

Section 6.03. Prompt Acquisition and Construction. The District will take all necessary and appropriate steps to acquire and construct the 2020 Project, as agent of the Corporation, with all practicable dispatch and in an expeditious manner and in conformity with law so as to complete the same as soon as possible.

Section 6.04. 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 on the Revenues or funds or accounts created hereunder or on any funds in the hands of the District pledged to pay the Installment Payments or which might impair the security of the Installment Payments.

Section 6.05. Tax Covenants.

(a) Generally. The District shall not take any action or permit to be taken any action within its control which would cause or which, with the passage of time if not cured would cause, the interest components of the Installment Payments to become includable in gross income for federal income tax purposes.

(b) Private Activity. The District shall assure that the proceeds of this Agreement are not so used as to cause this Agreement to satisfy the private business tests of Section 141(b) of the Internal Revenue Code of 1986, as amended (the "Code"), or the private loan financing test of Section 141(c) of the Code.

(c) Arbitrage. The District will not take any action or omit to take any action which action or omission, if reasonably expected on the date of this Agreement, would have caused this Agreement to be an "arbitrage bond" within the meaning of Section 148(a) of the Code.

(d) Federal Guarantee. The Installment Payments are not directly guaranteed or indirectly guaranteed in whole or in part by the United States or any agency or instrumentality of the United States so as to cause the Installment Payments to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(e) Reimbursement Regulations. The proceeds of this Agreement used for reimbursement of prior expenditures will be made pursuant to and in compliance with Income Tax Regulations Section 1.150-2.

(f) 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.

(g) Bank Qualified. The District hereby designates this Agreement for purposes of paragraph (3) of Section 265(b) of the Code and represents that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding (i) private activity bonds, as defined in Section 141 of the Code, except qualified 501(c)(3) bonds as defined in Section 145 of the Code and (ii) current refunding obligations to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded

obligation), including this Agreement, has been or will be issued by the District, including all subordinate entities of the District, during calendar year 2020.

(h) Miscellaneous. The District will take no action inconsistent with its expectations stated in the Arbitrage and Tax Certificate and will comply with the covenants and requirements stated therein and incorporated by reference herein.

Section 6.06. Insurance.

(a) The District will, at its own expense, procure and maintain or cause to be procured and maintained insurance on the 2020 Project with responsible insurers in such amounts and against such risks as are usually covered so long as such insurance is available at reasonable rates.

In the event of any damage to or destruction of the Project caused by the perils covered by such insurance, the Net Proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the Project. The District shall begin such reconstruction, repair or replacement promptly after such damage or destruction shall occur, and shall continue and properly complete such reconstruction, repair or replacement as expeditiously as possible, and shall pay out of such Net Proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same shall be completed.

If such Net Proceeds exceed the costs of such reconstruction, repair or replacement, then the excess Net Proceeds shall be applied in part to the prepayment of Installment Payments as provided in Article VII. If such Net Proceeds are sufficient to enable the District to retire the entire obligation evidenced hereby prior to the final due date of the Installment Payments, the District may elect not to reconstruct, repair or replace the damaged or destroyed portion of the Project, and thereupon such Net Proceeds shall be applied to the prepayment of Installment Payments as provided in Article VII.

(b) The District will, at its own expense, procure and maintain such other insurance which it shall deem advisable or necessary to protect its interests and the interests of the Corporation, which insurance shall afford protection in such amounts and against such risks as are usually covered.

(c) Any insurance required to be maintained by paragraph (a) above and, if the District determines to procure and maintain insurance pursuant to paragraph (b) above, such insurance, may be maintained under a self-insurance program so long as such self-insurance is maintained in the amounts and manner usually maintained so as to be, in the opinion of an accredited actuary, actuarially sound.

All policies of insurance required to be maintained herein shall provide that the Corporation and the Assignee shall be given thirty (30) days, written notice of any intended cancellation thereof or reduction of coverage provided thereby.

Section 6.07. Financial Statements. The District will prepare and file with the Corporation and the Assignee annually within two hundred seventy (270) days after the close of each Fiscal Year (commencing with the Fiscal Year ending June 30, 2020) financial statements of the District for the preceding Fiscal Year prepared in accordance with generally accepted accounting principles. [Budgets within thirty days of adoption thereof]

Section 6.08. Protection of Security and Rights of the Corporation. The District will preserve and protect the security granted herein and the rights of the Corporation to the Installment Payments hereunder and will warrant and defend such rights against all claims and demand of all persons.

Section 6.09. Eminent Domain Proceeds. If all or any part of the Project shall be taken by eminent domain proceedings, the Net Proceeds thereof shall be applied, at the District's discretion, towards the prepayment in whole or in part of the Installment Payments or towards other capital improvements of the District.

Section 6.10. Further Assurances. The District will adopt, deliver, execute and make any and all further assurances, agreements, instruments and resolutions as may be reasonably necessary or requested by the Corporation to carry out the intention or to facilitate the performance hereof and for assuring and confirming unto the Corporation of the rights and benefits provided to it herein.

Section 6.10. Notification of Material Adverse Effect. The District shall timely inform the Assignee of any Material Adverse Effect and Material Litigation upon learning of the existence of such an effect.

Section 6.11. No Parity Obligations. The District may not issue any obligations the payment of which are on parity to the Installment Payments other than obligations that are issued in order to prepay the Installment Payments in full pursuant to Section 7.01 or Section 9.01.

## ARTICLE VII

### PREPAYMENT OF INSTALLMENT PAYMENTS

#### Section 7.01. Prepayment.

(a) The District may or shall, as the case may be, prepay from the Net Proceeds as provided herein the Installment Payments in whole or in part on any date in the order of payment date as directed by the District at a prepayment price equal to the sum of the principal amount prepaid plus accrued interest thereon to the date of prepayment.

(b) The District shall have the right to prepay the Installment Payments in whole on any Installment Payment Date prepayable at 103% of par in on the first through the sixth Installment Payment Date, decreasing to 102% of par on the seventh through the twelfth Installment Payment Date, decreasing to 101% of par on the thirteenth through eighteenth Installment Payment Date with no prepayment premium thereafter.

Notwithstanding any such prepayment, the District shall not be relieved of its obligations hereunder, including its obligations under Article IV, until the Purchase Price shall have been fully paid (or provision for payment thereof shall have been provided to the written satisfaction of the Corporation).

Section 7.02. Method of Prepayment. Before making any prepayment pursuant to Section 7.01, the District shall, within five (5) days following the event permitting the exercise of such right to prepay or creating such obligation to prepay, give written notice to the Corporation describing such event and specifying the date on which the prepayment will be paid, which date shall be not less than sixty (60) nor more than seventy-five (75) days from the date such notice is given.

## ARTICLE VIII

### EVENTS OF DEFAULT AND REMEDIES OF THE CORPORATION

Section 8.01. Events of Default and Acceleration of Maturities. If one or more of the following Events of Default shall happen, that is to say--

(1) if default shall be made by the District in the due and punctual payment of any Series 2018 Installment Payment when and as the same shall become due and payable;

(2) if default shall be made by the District in the performance of any of the other agreements or covenants required herein to be performed by it, and such default shall have continued for a period of sixty (60) days after the District shall have been given notice in writing of such default by the Corporation; or

(3) if the District shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the District seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property; or

(4) Any statement, representation or warranty made by the District in or pursuant to this Agreement or its execution, delivery or performance shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made.

then and in each and every such case during the continuance of such Event of Default specified in the clauses above, the Corporation may, by notice in writing to the District, declare the entire principal amount of the unpaid Installment Payments and the accrued interest at the Default Rate to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything contained herein to the contrary notwithstanding. This Section, however, is subject to the condition that if at any time after the entire principal amount of the unpaid Installment Payments and the accrued interest thereon shall have been so declared due and payable and before any judgment or decree for the payment of the moneys due shall have been obtained or entered the District shall deposit with the Corporation a sum sufficient to pay the unpaid principal amount of the Installment Payments above due prior to such declaration and the accrued interest thereon, with interest on such overdue installments, at the rate or rates applicable to the remaining unpaid principal balance of the Installment Payments, and the reasonable expenses of the Corporation, and any and all other defaults known to the Corporation (other than in the payment of the entire principal amount of the unpaid Installment Payments and the accrued interest thereon due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Corporation or provision deemed by the Corporation to be adequate shall have been made therefor, then and in every such case the Corporation, by written notice to the District, may rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 8.02. Application of Funds Upon Acceleration. Upon the date of the declaration of



acceleration as provided in Section 8.01, all Revenues thereafter received by the District shall be applied in the following order --

First, to the payment, without preference or priority, and in the event of any insufficiency of such Revenues ratably without any discrimination or preference, of the fees, costs and expenses of the Corporation if any, in carrying out the provisions of this article, including reasonable compensation to their respective accountants and counsel;

Second, to the payment of the entire principal amount of the unpaid Installment Payments and the accrued interest thereon, with interest on the overdue installments at the rate or rates of interest applicable to the Installment Payments.

Section 8.03. Other Remedies of the Corporation. The Corporation shall have the right --

(a) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights against the District or any director, officer or employee thereof, and to compel the District or any such director, officer or employee to perform and carry out its or his duties under the Act and the agreements and covenants required to be performed by it or him contained herein;

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Corporation; or

(c) by suit in equity upon the happening of an Event of Default to require the District and its directors, officers and employees to account as the trustee of an express trust.

Notwithstanding anything contained herein, the Corporation shall have no security interest in or mortgage on the Project and no default hereunder shall result in the loss of the Project.

Section 8.04. Non-Waiver. Nothing in this article or in any other provision hereof shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the Installment Payments to the Corporation at the respective due dates or upon prepayment from the Net Revenues, the General Fund and the other funds herein pledged for such payment, or shall affect or impair the right of the Corporation, which is also absolute and unconditional, to institute suit to enforce such payment by virtue of the contract embodied herein.

A waiver of any default or breach of duty or contract by the Corporation shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Corporation to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Corporation by the law or by this article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Corporation.

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

Section 8.05. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Corporation or the Assignee is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by law.

Section 8.06. Assignee to Exercise Rights. Such rights and remedies as are given to the Corporation under this Article VIII have been assigned by the Corporation to the Assignee and shall be exercised solely by the Assignee.

## ARTICLE IX

### DISCHARGE OF OBLIGATIONS

Section 9.01. Discharge of Obligations. When

(a) all or any portion of the Installment Payments shall have become due and payable in accordance herewith or a written notice of the District to prepay all or any portion of the Installment Payments shall have been filed with the Corporation; and

(b) there shall have been deposited with an escrow agent at or prior to the Installment Payment Dates or date (or dates) specified for prepayment, in trust for the benefit of the Corporation or its assigns and irrevocably appropriated and set aside to the payment of all or any portion of the Installment Payments, sufficient moneys and non-callable securities issued by Treasury Department of the United States of America, the principal of and interest on which when due will provide money sufficient to pay all principal, prepayment premium, if any, and interest of such Installment Payments to their respective Installment Payment Dates or prepayment date or dates, as the case may be; and

(c) if an opinion of bond counsel acceptable to the Corporation is filed with the Corporation to the effect that the actions authorized by and taken pursuant to this Article IX shall not adversely affect the tax exempt status of the interest portion of the Installment Payments, the right, title and interest of the Corporation herein and the obligations of the District hereunder shall, with respect to all or such portion of the Installment Payments as have been so provided for, thereupon cease, terminate, become void and be completely discharged and satisfied (except for the obligation of the District to have such moneys and such permitted investments described in paragraph (b) above applied to the payment of such Installment Payments). In such event, upon request of the District the Corporation shall execute and deliver to the District all such instruments as may be necessary or desirable to evidence such total or partial discharge and satisfaction, as the case may be.

## ARTICLE X

### MISCELLANEOUS

Section 10.01. Liability Limited. Notwithstanding anything contained herein, the District shall not be required to advance any moneys derived from any source of income other than the Revenues, the General Fund and the other funds provided herein for the payment of amounts due hereunder or for the performance of any agreements or covenants required to be performed by it contained herein. The District may, however,

advance moneys for any such purpose so long as such moneys are derived from a source legally available for such purpose and may be legally used by the District for such purpose.

The obligation of the District to make the Installment Payments is a special obligation of the District payable solely from the Net Revenues, and does not constitute a debt of the District or of the State of California or of any political subdivision thereof in contravention of any constitutional or statutory debt limitation or restriction.

Section 10.02. Benefits of this Agreement Limited to Parties. Subject to Sections 10.03 and 10.07, nothing contained herein, expressed or implied, is intended to give to any person other than the District or the Corporation any right, remedy or claim under or pursuant hereto, and any agreement or covenant required herein to be performed by or on behalf of the District or the Corporation shall be for the sole and exclusive benefit of the other party.

Section 10.03. Successor Deemed Included in all References to Predecessor. Whenever either the District or the Corporation is named or referred to herein, such reference shall be deemed to include the successor and assigns to the powers, duties and functions that are presently vested in the District or the Corporation, and all agreements and covenants required hereby to be performed by or on behalf of the District or the Corporation shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 10.04. Waiver of Personal Liability. No director, officer or employee of the District shall be individually or personally liable for the payment of the Installment Payments, but nothing contained herein shall relieve any director, officer or employee of the District from the performance of any official duty provided by any applicable provisions of law or hereby.

Section 10.05. Article and Section Headings, Gender and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. All references herein to "Articles," "Sections" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words "hereby," "herein," "hereof," "hereto," "herewith" and other words of similar import refer to this Agreement as a whole and not to any particular article, section, subdivision or clause hereof.

Section 10.06. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the District or the Corporation shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof. The District and the Corporation hereby declare that they would have executed this Agreement, and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 10.07. Assignment. This Agreement and any rights hereunder may be assigned by the Corporation, as a whole or in part, at any time upon filing with the District an assignment or notice of assignment. No such assignment shall be effective as against the District unless and until the Corporation shall have filed with the District a copy of such assignment or written notice thereof. The District shall pay

all Installment Payments hereunder pursuant to the direction of the Corporation or the assignee named in the most recent assignment or notice of assignment filed with the District. During the term of this Agreement, the District shall keep a complete and accurate record of all such assignments or notices of assignment.

Section 10.08. Net Contract. This Agreement shall be deemed and construed to be a net contract, and the District shall pay absolutely net during the term hereof the Installment Payments and all other payments required hereunder, free of any deductions and without abatement, diminution or set-off whatsoever.

Section 10.09. California Law. THIS AGREEMENT SHALL BE CONSTRUED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

Section 10.10. Notices. All written notices to be given hereunder shall be given by United States mail, postage prepaid in certified or registered form or personal delivery, to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

If to the District:                   Copper Valley Community Services District  
1000 Copper Valley Drive  
Copperopolis, CA 95228  
Attention: General Manager

If to the Corporation:           Municipal Finance the Corporation  
2945 Townsgate Road, Suite 200  
Westlake Village, CA 91361  
Attention: President

If to the Assignee:               First Foundation Bank  
2233 Douglas Blvd., Suite 300  
Roseville, CA 95661  
[tmael@ff-inc.com](mailto:tmael@ff-inc.com)  
(916) 724-2423

Section 10.11. Effective Date. This Agreement shall become effective upon its execution and delivery, and shall terminate when the Purchase Price shall have been fully paid (or provision for the payment thereof shall have been made to the written satisfaction of the Corporation).

Section 10.12. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 10.13. Indemnification of the Corporation and the Assignee. The District hereby agrees to indemnify and hold harmless the Corporation and the Assignee if and to the extent permitted by law from and against all claims, advances, damages and losses, including legal fees and expenses, arising out of or in connection with the acceptance or the performance of its duties hereunder, the ownership of any item of the 2020 Project, the use, operation, condition, purchase, possession of the 2020 Project, or an accident or damage to property or injury or death to any person resulting therefrom; provided that no indemnification will be made for gross negligence or willful misconduct or the breach of an obligation hereunder.

Section 10.12. Amendments Permitted. This Agreement and the rights and obligations of the Corporation and the District may be modified or amended at any time by an amendment hereto which shall become binding with the written consent of the Corporation, the District and the Assignee.

Section 10.13. Dispute Resolution.

- (a) *Judicial Reference*. Prior to the initiation of any action, proceeding or hearing (hereinafter, a “Claim”) based upon or arising out of, directly or indirectly, this Agreement or any of the related documents, any dealings between the District or the Assignee relating to the subject matter of the transactions contemplated by this Agreement or any related transactions, and/or the relationship that is being established between the District and the Assignee, the District and the Assignee hereby agree to participate in nonbinding mediation of the Claim in Santa Clara County before a retired state or federal judge mutually agreed to by the parties. The mediation proceeding shall be conducted within thirty (30) days or any mutually agreed upon longer time after referral by District or Assignee, and shall continue until such times as (1) the dispute is resolved; or (2) the date either party concludes, in good faith, that mediation is no longer a satisfactory remedy. All costs of mediation shall be shared equally by both parties involved. Each party shall bear its own attorney fees and costs related to the mediation. In the event the parties are unable to resolve the dispute through mediation, then in addition to any other remedies, either party may initiate a legal action.
  
- (b) *Provisional Remedies, Self Help and Foreclosure*. No provision of this Section 10.13 shall limit the right of either the District or the Assignee, as the case may be, to (i) exercise such self-help remedies as might otherwise be available under applicable law, or (ii) obtain or oppose provisional or ancillary remedies, including without limitation injunctive relief, writs of possession, the appointment of a receiver, and/or additional or supplementary remedies from a court of competent jurisdiction before, after, or during the pendency of any mediation. The exercise of, or opposition to, any such remedy does not waive the right of the District or the Assignee to participate in the nonbinding mediation pursuant to Section 10.13(a).

IN WITNESS WHEREOF, the Corporation and the District have caused their authorized officers to execute this Agreement as of the date first written above.

CORPORATION:

MUNICIPAL FINANCE CORPORATION

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

Title: \_\_\_\_\_

DISTRICT:

COPPER VALLEY COMMUNITY SERVICES DISTRICT

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

Title: \_\_\_\_\_

## EXHIBIT A

### DESCRIPTION OF PROJECT

**2018 Project.** Planning, design and construction and construction management of asphalt, storm drain and related improvements to Copper Valley Drive and Oak Creek Drive as further described in the Final Design Report for the Copper Valley Street Rehabilitation Project; included herein by reference.

As contained within the August 4, 2017 Willdan Engineering Technical Proposal, included herein by reference, the project also includes preparation of an asphalt maintenance plan which details future phases of improvement work, develop of Standard Specifications and Details for future development within the District, and establishment of an encroachment permitting process.

**2020 Project.**

Planning, design, construction and construction management of drainage inlet renovations, Micro-surfacing; Fog Sealing; cold-milling of existing asphalt concrete; application of tack coat; placement of hot mix asphalt (HMA) pavement with Paving Fabric; adjustment of manhole frames and covers; application of traffic striping and legends; and all related work for the Copper Valley CSD Street Rehabilitation Project - Phase II, 17/18-01. Plus alternative option of utilizing Rubberized Asphalt Concrete (RAC). The project is further described in the project plans and specifications prepared by Willdan Engineering for the Phase II project.

EXHIBIT B

SERIES A INSTALLMENT PAYMENT SCHEDULE

1. The principal amount of Series A Installment Payments to be made by the District hereunder is \$\_\_\_\_\_.
2. The Series A Installment Payments of principal and interest (which such interest assumes that the Series B Installments Payments remaining bank qualified and tax-exempt and that no Default Rate is in place as set forth in the Installment Purchase Agreement) are payable in the amounts and on the Installment Payment Dates as follows:

SERIES B INSTALLMENT PAYMENT SCHEDULE

1. The principal amount of Series B Installment Payments to be made by the District hereunder is \$\_\_\_\_\_.
2. The Series B Installment Payments of principal and interest (which such interest assumes that the Series B Installments Payments remaining bank qualified and tax-exempt and that no Default Rate is in place as set forth in the Installment Purchase Agreement) are payable in the amounts and on the Installment Payment Dates as follows :





## MUNICIPAL FINANCE CORPORATION

2945 Townsgate Road, Suite 200  
Westlake Village, CA 91361  
Telephone (805) 719-1235  
www.munifinance.com

### TERM SHEET

Municipal Finance Corporation is pleased to present an installment sale refinancing proposal to the Copper Valley Community Services District. The proposed terms and conditions are as follows:

**Date:** March 1, 2020

**Purchaser:** Copper Valley Community Services District (the "District")

**Seller:** Municipal Finance Corporation (the "Corporation")

**Assignee:** First Foundation Bank (the "Assignee")

**Purpose:** The purpose of this transaction is to refinance the acquisition and construction of road improvements (the "2018 Project")

**Financing Amount:** \$592,352.05, comprised of the payoff amount of \$583,852.05 plus a \$8,500 loan arrangement fee due the Corporation

**Financing Term:** 8 years

**Interest Rate:** 2.37%

**Payments:** Equal semi-annual payments of principal and interest (payment schedule attached)

**Optional Prepayment:** The District shall have the right to prepay the installment payments in whole on any installment payment date prepayable at 103% of par in years 1-3, decreasing to 102% in years 4-6, and 101% in years 7-8.

**Security:** The Installment Sale Agreement shall be secured by a pledge of voter-approved special taxes.

**Bank Qualified:** The proposal is subject to the District qualifying the financing pursuant to Section 265(b) of the Internal Revenue Code. This requires the District to issue no more than \$10,000,000 of tax-exempt financings in total during calendar year 2020.

Credit Approval: The transaction is subject to final credit approval by the Assignee and receipt of all documents and opinions in form acceptable to the Assignee.

Proposal Acceptance: This financing proposal is good for an acceptance by the District no later than March 5, 2020. Acceptance of the proposal is "subject to" approval by the governing body. The District shall incur no costs or breakage fees in the event that the governing body does not approve this financing proposal for any reason.

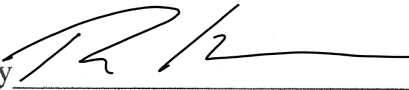
Upon acceptance of this financing proposal, Municipal Finance Corporation shall use its best efforts to secure a credit approval in a timely fashion and otherwise to faithfully meet the requirements of this proposal. If this proposal is acceptable to the District, please sign below and return to my attention at your earliest convenience.

Proposal Submitted By:



William Morton  
President

Proposal Accepted By:  
Copper Valley Community Services District

By  \_\_\_\_\_

Date 3-5-2020

Payments: Semi-annually in arrears

2.37%

| PMT #   | Due Date | Installment Payment | To Principal        | To Interest        |
|---------|----------|---------------------|---------------------|--------------------|
| 1       |          | \$40,860.80         | \$33,841.43         | 7,019.37           |
| 2       |          | 40,860.80           | 34,242.45           | 6,618.35           |
| 3       |          | 40,860.80           | 34,648.22           | 6,212.58           |
| 4       |          | 40,860.80           | 35,058.80           | 5,802.00           |
| 5       |          | 40,860.80           | 35,474.25           | 5,386.55           |
| 6       |          | 40,860.80           | 35,894.62           | 4,966.18           |
| 7       |          | 40,860.80           | 36,319.97           | 4,540.83           |
| 8       |          | 40,860.80           | 36,750.36           | 4,110.44           |
| 9       |          | 40,860.80           | 37,185.85           | 3,674.95           |
| 10      |          | 40,860.80           | 37,626.51           | 3,234.29           |
| 11      |          | 40,860.80           | 38,072.38           | 2,788.42           |
| 12      |          | 40,860.80           | 38,523.54           | 2,337.26           |
| 13      |          | 40,860.80           | 38,980.04           | 1,880.76           |
| 14      |          | 40,860.80           | 39,441.96           | 1,418.84           |
| 15      |          | 40,860.80           | 39,909.34           | 951.46             |
| 16      |          | 40,860.80           | 40,382.33           | 478.47             |
| TOTALS: |          | <u>\$653,772.80</u> | <u>\$592,352.05</u> | <u>\$61,420.75</u> |



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### TERM SHEET

Municipal Finance Corporation is pleased to present an installment sale financing proposal to the Copper Valley Community Services District. The proposed terms and conditions are as follows:

- Date:** March 1, 2020
- Purchaser:** Copper Valley Community Services District (the “District”)
- Seller:** Municipal Finance Corporation (the “Corporation”)
- Assignee:** First Foundation Bank (the “Assignee”)
- Purpose:** The purpose of this transaction is to finance the acquisition and construction of road improvements.
- Financing Amount:** \$1,407,647.95, comprised of a \$1,382,647.95 deposit to a project fund plus \$25,000 in loan arrangement and bank counsel fees
- Financing Term:** 15 years
- Interest Rate:** 2.75%
- Payments:** Equal semi-annual payments of principal and interest (payment schedule attached)
- Optional Prepayment:** The District shall have the right to prepay the installment payments in whole on any installment payment date prepayable at 103% of par in years 1-3, decreasing to 102% in years 4-6, and 101% in years 7-9 with no prepayment premium commencing 10 years after the closing date.
- Security:** The Installment Sale Agreement shall be secured by a pledge of voter-approved special taxes.
- Bank Qualified:** The proposal is subject to the District qualifying the financing pursuant to Section 265(b) of the Internal Revenue Code. This requires the District to issue no more than \$10,000,000 of tax-exempt financings in total during calendar year 2020.

Documentation: The Corporation shall prepare all documentation and will include all agreements, certificates and opinions as are reasonably required to evidence and carry out the transaction.

Credit Approval: The transaction is subject to final credit approval by the Assignee and receipt of all documents and opinions in form acceptable to the Assignee.

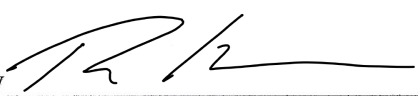
Proposal Acceptance: This financing proposal is good for an acceptance by the District no later than March 5, 2020. Acceptance of the proposal is "subject to" approval by the governing body. The District shall incur no costs or breakage fees in the event that the governing body does not approve this financing proposal for any reason.

Upon acceptance of this financing proposal, Municipal Finance Corporation shall use its best efforts to secure a credit approval in a timely fashion and otherwise to faithfully meet the requirements of this proposal. If this proposal is acceptable to the District, please sign below and return to my attention at your earliest convenience.

Proposal Submitted By:

  
William Morton  
President

Proposal Accepted By:  
Copper Valley Community Services District

By  \_\_\_\_\_

Date 3-5-2020

Payments: Semi-annually in arrears

2.75%

| PMT #   | Due Date | Installment Payment   | To Principal          | To Interest         |
|---------|----------|-----------------------|-----------------------|---------------------|
| 1       |          | \$57,579.99           | \$38,224.83           | 19,355.16           |
| 2       |          | 57,579.99             | 38,750.42             | 18,829.57           |
| 3       |          | 57,579.99             | 39,283.24             | 18,296.75           |
| 4       |          | 57,579.99             | 39,823.38             | 17,756.61           |
| 5       |          | 57,579.99             | 40,370.96             | 17,209.03           |
| 6       |          | 57,579.99             | 40,926.06             | 16,653.93           |
| 7       |          | 57,579.99             | 41,488.79             | 16,091.20           |
| 8       |          | 57,579.99             | 42,059.26             | 15,520.73           |
| 9       |          | 57,579.99             | 42,637.58             | 14,942.41           |
| 10      |          | 57,579.99             | 43,223.84             | 14,356.15           |
| 11      |          | 57,579.99             | 43,818.17             | 13,761.82           |
| 12      |          | 57,579.99             | 44,420.67             | 13,159.32           |
| 13      |          | 57,579.99             | 45,031.45             | 12,548.54           |
| 14      |          | 57,579.99             | 45,650.64             | 11,929.35           |
| 15      |          | 57,579.99             | 46,278.33             | 11,301.66           |
| 16      |          | 57,579.99             | 46,914.66             | 10,665.33           |
| 17      |          | 57,579.99             | 47,559.74             | 10,020.25           |
| 18      |          | 57,579.99             | 48,213.68             | 9,366.31            |
| 19      |          | 57,579.99             | 48,876.62             | 8,703.37            |
| 20      |          | 57,579.99             | 49,548.68             | 8,031.31            |
| 21      |          | 57,579.99             | 50,229.97             | 7,350.02            |
| 22      |          | 57,579.99             | 50,920.63             | 6,659.36            |
| 23      |          | 57,579.99             | 51,620.79             | 5,959.20            |
| 24      |          | 57,579.99             | 52,330.58             | 5,249.41            |
| 25      |          | 57,579.99             | 53,050.12             | 4,529.87            |
| 26      |          | 57,579.99             | 53,779.56             | 3,800.43            |
| 27      |          | 57,579.99             | 54,519.03             | 3,060.96            |
| 28      |          | 57,579.99             | 55,268.67             | 2,311.32            |
| 29      |          | 57,579.99             | 56,028.61             | 1,551.38            |
| 30      |          | 57,579.99             | 56,798.99             | 781.00              |
| TOTALS: |          | <u>\$1,727,399.70</u> | <u>\$1,407,647.95</u> | <u>\$319,751.75</u> |

**FROM: Peter Kampa, General Manager**

**Date: March 17, 2020**

**RE: Recommendation to award the 2020 Copper Valley Road Improvement Project – Phase 2 to Tom Mayo Construction**

---

**RECOMMENDED ACTION:**

1. Approve a Resolution approving contract award to Tom Mayo Construction and related actions including:
  - a. Approve a budget of \$1,300,000 for the 2020 Copper Valley Road Improvement Project – Phase 2, including design, construction, contingencies and construction management.
  - b. Award the project to the lowest responsible bidder, Tom Mayo Construction, in the amount of \$906,956.20.
  - c. Approve a budget amount of \$136,043.43 (15% of bid price) for possible change orders during construction of the project.
  - d. Approve the attached Task Order with Willdan Engineering, in the amount of up to \$90,695.62, to provide Construction Management Services for the project.

**BACKGROUND**

On January 21, 2020 the Copper Valley Community Services District Board approved the following:

1. The plans, specifications for the 2020 Copper Valley Road Improvement Project – Phase 2 and directed staff and Willdan Engineering to advertise the project for bids.
2. Directed staff to work with Willdan Engineering to advertise the project with Modesto Reprographics and Stockton Blueprint.
3. Directed staff to negotiate a Task Order with Willdan Engineering to provide Construction Management Services for the project.

**Addenda during the bidding process**

During the bidding process there were two addenda that were published in response to questions received from contractors.

The first addendum clarified the specific type of fog seal material that is intended for the project and also clarified the amount of crack-sealing that the contractor will need to perform prior to placing the new asphalt.

The second addendum added the construction of a new driveway at the access from the construction entrance onto Saddle Creek Lane. This area is badly cracked and receives a lot of heavily loaded trucks. The second addendum also added the repair of one badly cracked drainage inlet on Mitchell Lake Lane.

With the addition of these two items the revised Engineer's Estimate for the project was \$ 951,250.70.

**Bids**

On March 4, 2020 the District received bids from three contractors interested in constructing the project. A project bid summary is included herein. The bidders and their bids were:

|                       |                |
|-----------------------|----------------|
| Tom Mayo Construction | \$ 906,956.20  |
| T&S Intermodal        | \$ 960,450.60  |
| George Reed Inc.      | \$1,051,744.05 |

Alternate Bid for Rubberized Asphalt Concrete

The bidders were also asked to provide an alternative for the use of Rubberized Asphalt Concrete as an alternate to conventional Asphalt Concrete. Following the notification to Tom Mayo Construction that they were the low bidder for the project this alternative was discussed with Tom Mayo and representatives of both the Stanislaus County Public Works Department and the San Joaquin County Public Works Department. Following these conversations it was agreed by both Willdan staff and Tom Mayo Construction that due to the frequent hot weather in Copperopolis, combined with the frequent turning movements of heavily loaded garbage trucks to and from courts in the subdivision, that Rubberized Asphalt would likely “tear” and “push” if it is utilized on this project. Thus, conventional Asphalt Concrete is the better choice.

**ANTICIPATED PROJECT SCHEDULE:**

The anticipated schedule for the project is:

- Board of Directors approval to advertise January 21, 2020
- Advertisement for Bids January 22, 2020
- Pre-Bid Meeting/Job Walk February 4, 2020 at 2:00 p.m.
- Bids due March 4, 2020 at 2:00 p.m.
- Board of Directors award of contract March 17, 2020
- Notice to Proceed Issued to Contractor April 1, 2020
- Contract Construction Period (90 calendar days) April 1. 2020 – June 30, 2020
- Board of Directors approval of Notice of Completion TBD

Per the requirements in the specifications the contract must be completed in 90 calendar days following the receipt by the successful contractor of a Notice to Proceed.

**ATTACHMENTS:**

- A. Project bid summary
- B. Task Order No. 2020-01 with Willdan Engineering
- C. Resolution approving contracts and budgets

**FINANCIAL IMPACT:**

The construction bids, estimated final construction costs, and financing costs are within amounts estimated and budgeted in the 2019/20 budget. Estimated total loan payments are within the budget and estimated cashflow. The project loan amount will fund prior to the first payment due to the contractor.



## Bid Summary for Copper Valley CSD - Phase

### Schedule A

| Item | Description                                    | Quantity | Unit | Engineers Estimate |                  | Tom Mayo    |              |
|------|--|----------|------|--------------------|------------------|-------------|--------------|
|      |  |          |      | Unit cost          | Total            | Unit cost   | Total        |
| 1    | Mobilization                                   | 1        | LS   | \$25,000.00        | \$25,000.00      | \$40,000.00 | \$40,000.00  |
| 2    | Traffic Control/Construction Area Signs        | 1        | LS   | \$20,000.00        | \$20,000.00      | \$85,000.00 | \$85,000.00  |
| 3    | Water Pollution Control                        | 1        | LS   | \$5,000.00         | \$5,000.00       | \$20,000.00 | \$20,000.00  |
| 4    | Asphalt Concrete Pavement (Type "A" - 2")      | 3020     | TN   | \$105.00           | \$317,100.00     | \$90.00     | \$271,800.00 |
| 5    | Paving Fabric                                  | 242,748  | SF   | \$0.50             | \$121,374.00     | \$0.25      | \$60,687.00  |
| 6    | Taper Cold Mill Existing AC Surface            | 76,503   | SF   | \$0.40             | \$30,601.20      | \$0.50      | \$38,251.50  |
| 7    | Apply Micro-Surfacing (Type II)                | 53,149   | SY   | \$3.50             | \$186,021.50     | \$2.30      | \$122,242.70 |
| 8    | Apply Fog Seal Coat                            | 170,640  | SF   | \$0.30             | \$51,192.00      | \$0.05      | \$8,532.00   |
| 9    | Rmove/Reconstruct 6" AC Full Depth (Dig-Outs)  | 12,954   | SF   | \$6.00             | \$77,724.00      | \$7.00      | \$90,678.00  |
| 10   | Install Two-Way Blue Markers                   | 15       | EA   | \$50.00            | \$750.00         | \$23.00     | \$345.00     |
| 11   | Adjust Water Valve Covers                      | 61       | EA   | \$420.00           | \$25,620.00      | \$700.00    | \$42,700.00  |
| 12   | Adjust Manholes                                | 41       | EA   | \$633.00           | \$25,953.00      | \$700.00    | \$28,700.00  |
| 13   | Install Crosswalk (Thermoplastic)              | 1,330    | LF   | \$7.50             | \$9,975.00       | \$7.00      | \$9,310.00   |
| 14   | Install Stop Legends (Thermoplastic)           | 35       | EA   | \$165.00           | \$5,775.00       | \$170.00    | \$5,950.00   |
| 15   | Instll Centerline Stripes (Detail 21)          | 13,200   | LF   | \$0.30             | \$3,960.00       | \$0.60      | \$7,920.00   |
| 16   | Install Stop Bar (Thermoplastic)               | 480      | LF   | \$1.10             | \$528.00         | \$8.00      | \$3,840.00   |
| 17   | Type I (10') Arrow (Thermoplastic)             | 6        | EA   | \$105.00           | \$630.00         | \$110.00    | \$660.00     |
| 18   | Type IV Arrow (Thermoplastic)                  | 1        | EA   | \$112.00           | \$112.00         | \$110.00    | \$110.00     |
| 19   | Install Yield Legends (Thermoplastic)          | 3        | EA   | \$180.00           | \$540.00         | \$200.00    | \$600.00     |
| 20   | Install Striping (Detail 27c)                  | 70       | LF   | \$0.30             | \$21.00          | \$1.00      | \$70.00      |
| 21   | Install Striping (Detail 27b)                  | 150      | LF   | \$0.30             | \$45.00          | \$1.00      | \$150.00     |
| 22   | Install 4" Yellow (Roundabout - Thermoplastic) | 470      | LF   | \$0.70             | \$329.00         | \$3.00      | \$1,410.00   |
| 23   | Fill Cracks > 1/4 inch                         | 1        | LS   | \$25,000.00        | \$25,000.00      | \$45,000.00 | \$45,000.00  |
| 24   | Prepare As-Builts                              | 1        | LS   | \$5,000.00         | \$5,000.00       | \$3,000.00  | \$3,000.00   |
| 25   | Concrete Driveway                              | 1        | EA   | \$10,000.00        | \$10,000.00      | \$16,000.00 | \$16,000.00  |
| 26   | Repair Existing Drainage Inlet                 | 1        | EA   | \$3,000.00         | \$3,000.00       | \$4,000.00  | \$4,000.00   |
|      |  |          |      |                    | <b>\$951,251</b> |             |              |

**\$906,956.20**  
Low Bidder

(Corrected)

## Schedule B

27 Rubberized Asphalt Concrete (RAC)

3020

TN

\$126.00

\$380,520.00

\$135.00

\$407,700.00

150.00%

**\$1,014,670.70**

**\$1,042,856.20**

Low Bidder

(Corrected)

## 2 Pavement Improvement Project

| Variance     | T & S Intermodal |              |              | George Reed Construction |                |              | Overall Average |              |
|--------------|------------------|--------------|--------------|--------------------------|----------------|--------------|-----------------|--------------|
|              | Unit cost        | Total        | Variance     | Unit cost                | Total          | Variance     | Unit cost       | Variance     |
| \$15,000.00  | \$182,700.00     | \$182,700.00 | \$157,700.00 | \$74,500.00              | \$74,500.00    | \$49,500.00  | \$99,066.67     | \$74,066.67  |
| \$65,000.00  | \$60,000.00      | \$60,000.00  | \$40,000.00  | \$95,000.00              | \$95,000.00    | \$75,000.00  | \$80,000.00     | \$60,000.00  |
| \$15,000.00  | \$8,000.00       | \$8,000.00   | \$3,000.00   | \$6,500.00               | \$6,500.00     | \$1,500.00   | \$11,500.00     | \$6,500.00   |
| -\$45,300.00 | \$92.00          | \$277,840.00 | -\$39,260.00 | \$111.00                 | \$335,220.00   | \$18,120.00  | \$294,953.33    | -\$22,146.67 |
| -\$60,687.00 | \$0.25           | \$60,687.00  | -\$60,687.00 | \$0.30                   | \$72,824.40    | -\$48,549.60 | \$64,732.80     | -\$56,641.20 |
| \$7,650.30   | \$0.50           | \$38,251.50  | \$7,650.30   | \$0.80                   | \$61,202.40    | \$30,601.20  | \$45,901.80     | \$15,300.60  |
| -\$63,778.80 | \$1.90           | \$100,983.10 | -\$85,038.40 | \$2.25                   | \$119,585.25   | -\$66,436.25 | \$114,270.35    | -\$71,751.15 |
| -\$42,660.00 | \$0.05           | \$8,532.00   | -\$42,660.00 | \$0.10                   | \$17,064.00    | -\$34,128.00 | \$11,376.00     | -\$39,816.00 |
| \$12,954.00  | \$8.00           | \$103,632.00 | \$25,908.00  | \$9.00                   | \$116,586.00   | \$38,862.00  | \$103,632.00    | \$25,908.00  |
| -\$405.00    | \$5.00           | \$75.00      | -\$675.00    | \$20.00                  | \$300.00       | -\$450.00    | \$240.00        | -\$510.00    |
| \$17,080.00  | \$100.00         | \$6,100.00   | -\$19,520.00 | \$350.00                 | \$21,350.00    | -\$4,270.00  | \$23,383.33     | -\$2,236.67  |
| \$2,747.00   | \$600.00         | \$24,600.00  | -\$1,353.00  | \$535.00                 | \$21,935.00    | -\$4,018.00  | \$25,078.33     | -\$874.67    |
| -\$665.00    | \$6.00           | \$7,980.00   | -\$1,995.00  | \$6.50                   | \$8,645.00     | -\$1,330.00  | \$8,645.00      | -\$1,330.00  |
| \$175.00     | \$250.00         | \$8,750.00   | \$2,975.00   | \$143.00                 | \$5,005.00     | -\$770.00    | \$6,568.33      | \$793.33     |
| \$3,960.00   | \$1.00           | \$13,200.00  | \$9,240.00   | \$0.55                   | \$7,260.00     | \$3,300.00   | \$9,460.00      | \$5,500.00   |
| \$3,312.00   | \$6.00           | \$2,880.00   | \$2,352.00   | \$6.50                   | \$3,120.00     | \$2,592.00   | \$3,280.00      | \$2,752.00   |
| \$30.00      | \$200.00         | \$1,200.00   | \$570.00     | \$91.00                  | \$546.00       | -\$84.00     | \$802.00        | \$172.00     |
| -\$2.00      | \$200.00         | \$200.00     | \$88.00      | \$98.00                  | \$98.00        | -\$14.00     | \$136.00        | \$24.00      |
| \$60.00      | \$200.00         | \$600.00     | \$60.00      | \$156.00                 | \$468.00       | -\$72.00     | \$556.00        | \$16.00      |
| \$49.00      | \$6.00           | \$420.00     | \$399.00     | \$0.50                   | \$35.00        | \$14.00      | \$175.00        | \$154.00     |
| \$105.00     | \$6.00           | \$900.00     | \$855.00     | \$0.50                   | \$75.00        | \$30.00      | \$375.00        | \$330.00     |
| \$1,081.00   | \$6.00           | \$2,820.00   | \$2,491.00   | \$2.50                   | \$1,175.00     | \$846.00     | \$1,801.67      | \$1,472.67   |
| \$20,000.00  | \$40,000.00      | \$40,000.00  | \$15,000.00  | \$72,200.00              | \$72,200.00    | \$47,200.00  | \$52,400.00     | \$27,400.00  |
| -\$2,000.00  | \$100.00         | \$100.00     | -\$4,900.00  | \$500.00                 | \$500.00       | -\$4,500.00  | \$1,200.00      | -\$3,800.00  |
| \$6,000.00   | \$7,000.00       | \$7,000.00   | -\$3,000.00  | \$7,900.00               | \$7,900.00     | -\$2,100.00  | \$10,300.00     | \$300.00     |
| \$1,000.00   | \$3,000.00       | \$3,000.00   | \$0.00       | \$2,650.00               | \$2,650.00     | -\$350.00    | \$3,216.67      | \$216.67     |
| -\$44,295    |                  | \$960,450.60 | \$9,200      |                          | \$1,051,744.05 | \$100,493    |                 |              |
|              |                  | Check        |              |                          | Check          |              |                 |              |

\$155.00      \$468,100.00  
168.48%

**\$1,150,710.60**  
Check

\$146.50      \$442,430.00  
131.98%

**\$1,158,954.05**  
Check

**TASK ORDER #2020-01**

**Copper Valley Resurfacing Project - Phase II – Construction Management Phase**

This Task Order is an addendum to the agreement (the "Agreement") between the Copper Valley Community Services District (formerly the Saddle Creek Community Services District) ("District") and Willdan Engineering ("Willdan"), which has a commencement date of January 1, 2015, and as amended for 2020.

**1. Incorporation of Agreement.**

All of the terms, conditions and provisions of the Agreement are incorporated herein by this reference and shall be fully applicable hereto.

**2. Scope of Services.** Willdan shall perform the following services for the Copper Valley Resurfacing Project – Phase II – Construction Management Phase.

Construction Management

- Administer Pre-Construction Meeting
- Review and Approval of Contractor Submittals
- Review Contractor Requests for Information (RFIs)
- Construction Inspection and associated documentation
- Review of Certified Payrolls
- Preparation of Change Orders, if necessary
- Review and Approval of Contractor Pay Requests
- Preparation of Final Notice of Acceptance
- Coordinate the receipt of contractor prepared as-built drawings
- All other tasks as required to insure the District receives a well-managed project

**3. Compensation.** District shall compensate Willdan, as follows:

Time and Materials not-to-exceed \$ 90,695.62 without prior approval of the Copper Valley Community Services District.

**4. Schedule of Performance.**

Willdan shall endeavor to complete the services described in Section 2 above on or before September 1, 2020.

**5. Additional Provisions.**

None.

IN WITNESS WHEREOF, the parties hereto have executed and entered into the Task Order as of the last date set next to the signatures appearing below.

COPPER VALLEY COMMUNITY SERVICES DISTRICT

WILLDAN ENGINEERING

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

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

Name: Peter Kampa

Name: Adel Frij

Title: General Manager

Title: Director

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

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

**RESOLUTION \_\_\_\_\_**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE COPPER VALLEY COMMUNITY SERVICES DISTRICT APPROVING**  
**AGREEMENT WITH TOM MAYO CONSTRUCTION FOR COMPLETION OF THE COPPER**  
**VALLEY STREET REHABILITATION PROJECT, PHASE II 2020**

**WHEREAS**, the Saddle Creek Community Services District (herein referred to as District) is a local government agency formed and operating in accordance with Section §61000 et seq. of the California Government Code; and

**WHEREAS**, the District has adopted a goal and Measure A funding to support improvement and long-term maintenance of Saddle Creek Roads; and

**WHEREAS**, the District approved and issued a Notice Inviting Bids on January 21, 2020 for the Copper Valley Street Rehabilitation Project, Phase II; and

**WHEREAS**, the District issued two (2) Addenda to the project specifications which clarified specifications and added a concrete driveway; and

**WHEREAS**, Bids for the above referenced project were publicly opened and read on March 4, 2020 and three bids were received; and

**WHEREAS**, District staff and its Project Engineer, Willdan Engineering, have reviewed the bids received and have determined that Tom Mayo Construction has delivered the lowest responsive bid; a bid summary is attached hereto as Exhibit A; and

**WHEREAS**, the District has the authority to reject any and all bids, or to award the contract to the lowest responsive bidder.

**WHEREAS**, the Tom Mayo Construction bid dated March 4, 2020 is included in the contract documents as detailed in the project specifications.

**NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE COPPER VALLEY COMMUNITY SERVICES DISTRICT DOES HEREBY approve as follows:**

1. Approve a budget of \$1,300,000 for the 2020 Copper Valley Road Improvement Project – Phase 2, including design, construction, contingencies and construction management.
2. Award the project to the lowest responsible bidder, Tom Mayo Construction, in the amount of \$906,956.20.
3. Approve a budget amount of \$136,043.43 (15% of bid price) for possible change orders during construction of the project.
4. Approve the attached Task Order with Willdan Engineering, in the amount of up to \$90,695.62, to provide Construction Management Services for the project.

**WHEREFORE**, this Resolution is passed and adopted by the Board of Directors of the Saddle Creek Community Services District on March 17, 2020, by the following vote:

RESOLUTION \_\_\_\_\_

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

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Peter Kampa, Secretary

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Roger Golden, President - Board of Directors

**CERTIFICATE OF SECRETARY**

I, Peter Kampa, the duly appointed and acting Secretary of the Board of Directors of the Copper Valley Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Copper Valley Community Services District, duly called and held on March 17, 2020.

DATED: \_\_\_\_\_

RESOLUTION \_\_\_\_\_