

# CALIFORNIA MUNICIPAL LEASE-PURCHASE AGREEMENT

THIS CALIFORNIA MUNICIPAL LEASE-PURCHASE AGREEMENT **No.10575** (hereafter referred to as "Agreement") dated as of **January 26, 2024** by and between **Government Capital Corporation**, a Texas corporation (herein referred to as "Lessor"), and **City of Coalinga**, a political subdivision or agency of the State of California (hereinafter referred to as "Lessee").

WITNESSETH: In consideration of the mutual covenants and conditions hereinafter set forth, the parties hereto agree as follows:

**1. Term and Payments.** Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the property described in Exhibit A hereto (hereinafter, with all replacement parts, substitutions, proceeds, increases, additions, accessions, repairs and accessories incorporated therein or affixed thereto, referred to as the "Property") for the amounts to be paid in the sums (the "Lease Payments") and on the dates (the "Lease Payment Dates") set forth in Exhibit B hereto. Except as specifically provided in Section 2 hereof, the obligation of the Lessee to make the Lease Payments called for in Exhibit B hereto shall be absolute and unconditional in all events and shall not be subject to any set-off, defense, counterclaim, or recoupment for any reason. The term of the lease hereunder shall commence upon the dated date of the Exhibit B and shall continue until the end of the Lessee's current fiscal period and thereafter for such additional fiscal periods as are necessary to complete the anticipated total lease term as set forth in Exhibit B, unless earlier terminated as provided herein.

**2. Renewal and Non-Appropriation.** Lessee agrees that it will take all necessary steps and make timely requests for the appropriation of funds to make all Lease Payments called for under Exhibit B and use its best efforts and take all steps to cause such appropriations to be made. In the event that **(i)** funds for the succeeding fiscal period cannot be obtained, **(ii)** Lessee has exhausted all legally available means for making payment called for under this Agreement, **(iii)** Lessee has invoked and diligently pursued all legal procedures by which payment called for under this agreement may be made, **(iv)** such failure to obtain funds has not resulted from any act or failure to act of Lessee, **(v)** Lessee has not acquired, and has no intent to acquire during the subsequent fiscal period, items of property having functions similar to those the Property or which provide similar benefits to Lessee, and **(vi)** no funds have been appropriated for the acquisition of such property, Lessee may terminate this Agreement at the end of any fiscal period during the payment schedule set forth in Exhibit B by giving notice to Lessor or its successors at least sixty (60) days prior to the first day of such fiscal period for which appropriations cannot be made. Such failure to obtain proper appropriation and approval of the full amount of funds necessary to make required payments hereunder during any fiscal period subsequent to the current fiscal period shall terminate all Lessee's right, title and interest in and obligations under this Agreement and to all the Property, effective on the last day of the last fiscal period for which appropriation or approval was properly obtained.

**3. Taxes.** In addition to the Lease Payments to be made pursuant to Section 1 hereof, Lessee agrees to indemnify and hold Lessor harmless from and against and to pay Lessor, as additional rent, on demand, an amount equal to all licenses, assessments, sales, use, real or personal property, gross receipts or other taxes, levies, imposts, duties or charges, if any, together with any penalties, fines, or interest thereon imposed against or on Lessor, Lessee or the Property by any governmental authority upon or with respect to the Property or the purchase, ownership, rental, possession, operation, return or sale of, or receipt of payments for, the Property, except any Federal or state income taxes, if any, payable by Lessor. Lessee may contest any such taxes prior to payment provided such contest does not involve any risk of sale, forfeiture or loss of the Property or any interest therein.

**4. Lessee's Covenants and Representations.** Lessee covenants and represents as follows:

**(a)** Lessee represents, and will provide an opinion of its counsel to the effect that, it has full power and authority to enter into this Agreement which has been duly authorized, executed, and delivered by Lessee and is a valid and binding obligation of Lessee enforceable in accordance with its terms, and all requirements for execution, delivery and performance of this Agreement have been, or will be, complied with in a timely manner;

**(b)** All Payments hereunder have been, and will be, duly authorized and paid when due out of funds then on hand and legally available for such purposes; Lessee will, to the extent permitted by State law and other terms and conditions of this Agreement, include in its budget for each successive fiscal period during the term of this Agreement a sufficient amount to permit Lessee to discharge all of its obligations hereunder, and Lessee has budgeted and available for the current fiscal period sufficient funds to comply with its obligations hereunder;

**(c)** There are no pending or threatened lawsuits or administrative or other proceedings contesting the authority for, authorization of performance of, or expenditure of funds pursuant to, this Agreement;

**(d)** Information supplied and statements made by Lessee in any financial statement or current budget prior to or contemporaneously with the Agreement are true and correct;

**(e)** Lessee has an immediate need for, and expects to make immediate use of, substantially all the Property, which need is not temporary or expected to diminish in the foreseeable future; specifically, Lessee will not give priority or parity in the appropriation of funds for the acquisition or use of any additional property for purposes or functions similar to those of the Property.

**(f)** There are no circumstances presently affecting the Lessee that could reasonably be expected to alter its foreseeable need for the Property or adversely affect its ability or willingness to budget funds for the payment of sums due hereunder; and

**(g)** Lessee's right to terminate this Agreement as specified in Section 2 hereof was not an independently bargained for consideration but was included solely for the purpose of complying with the requirements of the laws of the State in which Lessee is located.

**(h)** No lease, rental agreement, lease-purchase agreement, payment agreement or contract for purchase to which Lessee has been a party at any time during the past ten (10) years has been terminated by Lessee as a result of insufficient funds being appropriated in any Fiscal Year. No event has occurred which would constitute an event of default under any debt, revenue bond or obligation which Lessee has issued during the past ten (10) years.

**(i)** Lessee will pay the Lease Payment Due by check, wire transfer, or ACH only.



**5. Use and Licenses.** Lessee shall pay and discharge all operating expenses and shall cause the Property to be operated by competent persons only. Lessee shall use the Property only for its proper purposes and will not install, use, operate or maintain the Property improperly, carelessly, or in violation of any applicable law, ordinance, rule, or regulation of any governmental authority, or in a manner contrary to the nature of the Property or the use contemplated by its manufacturer. Lessee shall keep the property at the location stated on the Certificate of Acceptance executed by Lessee upon delivery of the Property until Lessor, in writing, permits its removal, and the Property shall be used solely in the conduct of the Lessee's operations. Lessee shall obtain, at its expense, all registrations, permits and licenses, if any, required by law for the installation and operation of the Property. Any license plates used on the Property shall be issued in the name of the Lessee. If a certificate of title is issuable with respect to the Property, it shall be delivered to the Lessor showing the interest of the Lessor.

**6. Maintenance.** Lessor shall not be obligated to make any repairs or replacements. At its own expense, Lessee shall service, repair and maintain the Property in as good condition, repair, appearance and working order as when delivered to Lessee hereunder, ordinary wear and tear from proper use alone excepted, and shall replace any and all parts thereof which may from time to time become worn out, lost, stolen, destroyed, or damaged beyond repair or rendered unfit for intended use, for any reason whatsoever, all of which replacements shall be free and clear of all liens, encumbrances and claims of others and shall become part of the Property and subject to this Agreement. Lessor may, at its option, discharge such costs, expenses, and insurance premiums necessary for the repair, maintenance and preservation of the Property, and all sums so expended shall be due from Lessee in addition to rental payments hereunder.

**7. Alterations.**

**(a)** Lessee may, at its own expense, install or place in or on, or attach or affix to, the Property such equipment or accessories as may be necessary or convenient to use the Property for its intended purposes provided that such equipment or accessories do not impair the value or utility of the Property. All such equipment and accessories shall be removed by Lessee upon termination of this Agreement, provided that any resulting damage shall be repaired at Lessee's expense. Any such equipment or accessories not removed shall become the property of Lessor.

**(b)** Without the written consent of Lessor, Lessee shall not make any other alterations, modifications, or improvements to the Property except as required or permitted hereunder. Any other alterations, modifications or improvements to the Property shall immediately become part of the Property, subject to the provisions hereof. Without the prior written consent of Lessor, Lessee shall not affix or attach any of the Property to any real property. The Property shall remain personal property regardless of whether it becomes affixed or attached to real property or permanently rests upon any real property or any improvement thereon.

**8. Liens.** Lessee shall not directly or indirectly create, incur, assume, or suffer to exist any mortgage, security interest, pledge, lien, charge, encumbrance or claim on or with respect to the Property, title thereto or any interest therein, except the respective rights of Lessor and Lessee hereunder.

**9. Damage to or Destruction of Property.** Lessee shall bear the entire risk of loss, damage, theft, or destruction of the Property from any and every cause whatsoever, and no loss, damage, destruction, or other event shall release Lessee from the obligation to pay the full amount of the rental payments or from any other obligation under this Agreement. In the event of damage to any item of the Property, Lessee will immediately place the same in good repair, with the proceeds of any insurance recovery applied to the cost of such repair. If Lessor determines that any item of Property is lost, stolen, destroyed or damaged beyond repair, Lessee, at the option of Lessee, will either **(a)** replace the same with like property in good repair or **(b)** on the next Lease Payment Date, pay Lessor **(i)** all amounts then owed by Lessee to Lessor under this Agreement, including the Lease Payment due on such date, and **(ii)** an amount equal to the applicable Option to Purchase Value set forth in Exhibit B.

**10. Insurance.** Lessee shall either be self-insured with regard to the Property or shall purchase and maintain insurance with regard to the Property. Lessee shall indicate on each Certificate of Acceptance executed in relation to this Agreement its election to be self-insured or company insured with regard to the Property listed on that Certificate of Acceptance. Whether Lessee is self-insured, or company insured, Lessee shall, for the term of this Agreement, at its own expense, provide comprehensive liability insurance with respect to the Property, insuring against such risks, and such amounts as are customary for lessees of property of a character similar to the Property. In addition, Lessee shall, for the term of this Agreement, at its own expense, provide casualty insurance with respect to the Property, insuring against customary risks, coverage at all times not less than the amount of the unpaid principal portion of the Lease Payments required to be made pursuant to Section 1 as of the last preceding Payment Date specified in Exhibit B on which a Lease Payment was made. If insurance policies are provided with respect to the Property, all insurance policies shall be with insurers authorized to do business in the State where the Property is located and shall name both Lessor and Lessee as insureds as their respective interest may appear. Insurance proceeds from casualty losses shall be payable solely to the Lessor, subject to the provisions of Section 9. Lessee shall, upon request, deliver to Lessor evidence of the required coverages together with premium receipts, and each insurer shall agree to give Lessor written notice of non-payment of any premium due and ten (10) days' notice prior to cancellation or alteration of any such policy. Lessee shall also carry and require any other person or entity working on, in or about the Property to carry workmen's compensation insurance covering employees on, in or about the Property. In the event Lessee fails, for any reason, to comply with the requirements of this Section, Lessee shall indemnify, save harmless and, at Lessee's sole expense, defend Lessor and its agents, employees, officers and directors and the Property against all risk of loss not covered by insurance.

**11. Lessee Gross Negligence.** Lessee assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Property and for injury to or death of any person or damage to any property, whether such injury or death be with respect to agents or employees of Lessee or of third parties, and whether such property damage be to Lessee's property or the property of others, which is proximately caused by the negligent conduct of Lessee, its officers, employees and agents. Lessee hereby assumes responsibility for and agrees to reimburse Lessor for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorney's fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Lessor that in any way relate to or arise out of a claim, suit or proceeding based in whole or in part upon the negligent conduct of Lessee, its officers, employees and agents, to the maximum extent permitted by law.

**12. No Warranty.** ALL WARRANTIES, PROMISES AND SERVICE AGREEMENTS, IF ANY, RELATING TO THE PROPERTY THAT THE MANUFACTURERS OR THE PARTY WHO SUPPLIED THE PROPERTY TO LESSOR (THE "VENDOR") HAVE MADE TO LESSOR IN CONNECTION WITH OR AS PART OF THE CONTRACT BY WHICH LESSOR ACQUIRED THE PROPERTY ARE HEREBY ASSIGNED TO LESSEE. Lessee may communicate with the Vendor and receive an accurate and complete statement of all such warranties, promises and service agreements, if any. All claims or actions on any warranty so assigned shall be made or prosecuted by Lessee, at its sole expense, upon prior written notice to Lessor. Lessor may but shall have no obligation whatsoever to participate in such claim or action on such warranty, at Lessor's expense. Any recovery under such a warranty shall be made payable jointly to Lessee and Lessor. Lessee acknowledges that Lessee has selected the Vendor, and that Lessee has directed Lessor to acquire the Property from Vendor in connection with this Agreement. Lessee further acknowledges that this Agreement is a "Finance Lease" within the meaning of the Uniform Commercial Code and that Lessee is entitled to the Vendor's warranties and promises described above, if any. LESSOR HAS MADE AND MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AND ASSUMES NO OBLIGATION WITH RESPECT TO THE TITLE, MERCHANTABILITY, CONDITION, QUALITY OR FITNESS OF THE PROPERTY DESCRIBED IN EXHIBIT A FOR ANY PARTICULAR PURPOSE OR THE CONFORMITY OF THE PROPERTY TO ANY SPECIFICATION OR PURCHASE ORDER, OR AS TO THE PROPERTY'S DESIGN, DELIVERY, INSTALLATION OR OPERATION. All such risks shall be borne by Lessee without in any way excusing Lessee from its obligations under this Agreement, and Lessor shall not be liable to Lessee for any damages on account of such risks.

**13. Option to Purchase.** Provided Lessee has complied with the terms and conditions of this Agreement, Lessee shall have the option to purchase not less than all of the Property which is then subject to this Agreement, "as is" at the payment date, for the Option to Purchase Values set forth in Exhibit B by giving written notice to Lessor not less than sixty (60) days prior to the date specified in Exhibit B for the exercise of such option; provided that upon Lessee's timely payment of all Lease Payments specified in Exhibit B, Lessee shall be deemed to have properly exercised its option to purchase the Property and shall be deemed to have acquired all of Lessor's right, title and interest in and to the Property, free of any lien, encumbrance or security interest except such liens, encumbrances or security interest as may be created, or permitted and not discharged, by Lessee but without other warranties. Payment of the applicable Option to Purchase Value shall occur on the applicable Lease Payment Date specified in Exhibit B hereto, at which time Lessor shall, unless not required hereunder, deliver to Lessee a quitclaim bill of sale transferring Lessor's interest in the Property to Lessee free from any lien, encumbrance or security interest except such as may be created, or permitted and not discharged, by Lessee but without other warranties. Upon Lessee's actual or constructive payment of the Option to Purchase Value and Lessor's actual or constructive delivery of a quitclaim bill of sale covering the Property, this Agreement shall terminate except as to obligations or liabilities accruing hereunder prior to such termination.

**14. Default and Lessor's Remedies.**

**(a)** The occurrence of one or more of the following events shall constitute an Event of Default, whether occurring voluntarily or involuntarily, by operation of law or pursuant to any order of any court or governmental agency:

(1) Lessee fails to make any payment hereunder when due or within ten (10) days thereafter;  
(2) Lessee fails to comply with any other covenant, condition or agreement of Lessee hereunder for a period of the ten (10) days after notice thereof;  
(3) Any representation or warranty made by Lessee hereunder shall be untrue in any material respect as of the date made;

(4) Lessee makes, permits, or suffers any unauthorized assignment, transfer or other disposition of this Agreement or any interest herein, or any part of the Property or any interest therein; or

(5) Lessee becomes insolvent; or admits in writing its inability to pay its debts as they mature; or applies for, consents to or acquiesces in the appointment of a trustee, receiver or custodian for the Lessee or a substantial part of its property; or, in the absence of such application, consent or acquiescence, a trustee, receiver or custodian is appointed for Lessee or a substantial part of its property and is not discharged within sixty (60) days; or any bankruptcy, reorganization, debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding is instituted by or against Lessee and, if instituted against Lessee, is consented to or acquiesced in by Lessee or is not dismissed within sixty (60) days.

**(b)** Upon the occurrence of any Event of Default specified herein, Lessor may, at its sole discretion, subject to Section 2 hereof, exercise any or all of the following remedies:

(1) Enforce this Agreement by appropriate action to collect those amounts due hereunder as lease payments for the fiscal year in which the default occurs or, in the event of a default continuing from one fiscal year into a subsequent fiscal year(s), to immediately collect as due the lease payments for each year(s) of the continuing default. Under no circumstance shall Lessor, upon default by Lessee, accelerate or collect as due any future annual lease payments for future years remaining, if any, under this Agreement. Require Lessee to perform its other obligations hereunder in which event Lessee shall be liable for those costs and expenses reasonably incurred by Lessor in securing Lessee's performance of this Agreement.

(2) Take possession of the Property, without demand or notice and without court order or any process of law, and remove and relet the same for Lessee's account, in which event Lessee waives any and all damages resulting therefrom and shall be liable for all costs and expenses incurred by Lessor in connection therewith and the difference, if any, between the amounts to be paid pursuant to Section 1 hereof and the amounts received and to be received by Lessor in connection with any such reletting;

(3) Terminate this Agreement and repossess the Property, in which event Lessee shall be liable for any amounts payable hereunder through the date of such termination and all costs and expenses incurred by Lessor in connection therewith;

(4) Sell the Property or any portion thereof for Lessor's account at public or private sale, for cash or credit, without demand or notice to Lessee of Lessor's intention to do so or relet the Property for a term and a rental which may be equal to, greater than or less than the rental and term provided herein. If the proceeds from any such sale or rental payments received under a new agreement made for the periods prior to the expiration of this Agreement are less than the sum of **(i)** the costs of such repossession, sale, relocation, storage, reconditioning, reletting and reinstallation (including but not limited to reasonable attorneys' fees), **(ii)** the unpaid principal balance derived from Exhibit B as of the last preceding Lease Payment Date specified in Exhibit B, and **(iii)** any past due amounts hereunder (plus interest on such unpaid principal balance at the rate specified in Section 19 hereof, prorated to the date of such sale), all of which shall be paid to Lessor, Lessor shall retain all such proceeds and Lessee shall remain liable for any deficiency; or

(5) Pursue and exercise any other remedy available at law or in equity, in which event Lessee shall be liable for any and all costs and expenses incurred by Lessor in connection therewith. "Costs and expenses," as that term is used in this Section 14, shall mean, to the extent allowed by law: **(i)** reasonable attorneys' fees if this Agreement is referred for collection to an attorney not a salaried employee of Lessor or the holder of this Agreement; **(ii)** court costs and disbursements including such costs in the event of any action necessary to secure possession of the Property; and **(iii)** actual and reasonable out-of-pocket expenses incurred in connection with any repossession or foreclosure, including costs of storing, reconditioning and reselling the Property, subject to the standards of good faith and commercial reasonableness set by the applicable Uniform Commercial Code. Lessee waives all rights under all exemption laws.

(6) Under no circumstances shall Lessee be liable under this subsection 14 (b) for any amount in excess of the sum appropriated pursuant to Section 1 hereof for the previous and current fiscal years, less all amounts previously due and paid during such previous and current fiscal years from amounts so appropriated.

**15. Termination.** Unless Lessee has properly exercised its option to purchase pursuant to Section 13 hereof, lessee shall, upon the expiration of the term of this Agreement or any earlier termination hereof pursuant to the terms of this Agreement, deliver the Property to Lessor unencumbered and in at least as good condition and repair as when delivered to Lessee, ordinary wear and tear resulting from proper use alone excepted, by loading the Property, at Lessee's sole expense, on such carrier, or delivering the Property to such location, as Lessor shall provide or designate at or within a reasonable distance from the general location of the Property. If Lessee fails to deliver the Property to Lessor, as provided in this Section 15, on or before the date of termination of this Agreement, Lessee shall pay to Lessor upon demand, for the hold-over period, a portion of the total payment for the applicable period as set forth in Exhibit B prorated from the date of termination of this Agreement to the date Lessee either redelivers the Property to Lessor or Lessor repossesses the Property. Lessee hereby waives any right which it now has, or which might be acquired or conferred upon it by any law or order of any court or other governmental authority to terminate this Agreement or its obligations hereunder, except in accordance with the express provisions hereof.

**16. Assignment.** Without Lessor's prior written consent, Lessee will not either **(i)** assign, transfer, pledge, hypothecate, grant any security interest in or otherwise dispose of this Agreement or the Property or any interest in this Agreement or the Property; or **(ii)** sublet or lend the Property or permit it to be used by anyone other than Lessee or Lessee's employees. Lessor may assign its rights, title, and interest in and to this Agreement, the Property and any other documents executed with respect to this Agreement and/or grant or assign a security interest in this Agreement and the Property, in whole or in part. Any such assignees shall have all of the rights of Lessor under this Agreement. Subject to the foregoing, this Agreement inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. No assignment or reassignment of any of Lessor's rights, title or interest in this Agreement or the Property shall be effective with regard to Lessee unless and until Lessee shall have received a copy of the document by which the assignment or reassignment is made, disclosing the name and address of such assignee. No further action will be required by Lessor or by Lessee to evidence the assignment. During the term of this Agreement, Lessee shall keep a complete and accurate record of all such assignments in form necessary to comply with the United States Internal Revenue Code of 1986, Section 149 (a), and the regulations, proposed or existing, from time to time promulgated thereunder.

**17. Personal Property.** The Property is and shall at all times be and remain personal property.

**18. Title.** Upon acceptance of the Property by Lessee hereunder, Lessee shall have title to the Property during the term of this Agreement; however, in the event of **(i)** an Event of Default hereunder and for so long as such Event of Default is continuing, or **(ii)** termination of this Agreement pursuant to the provisions of Section 2 hereof, title shall be reverted immediately in and shall revert to Lessor free of any right, title or interest of Lessee unless Lessor elects otherwise.

**19. Lessor's Right to Perform for Lessee.** If Lessee fails to make any payment or perform or comply with any of its covenants or obligations hereunder, Lessor may, but shall not be required to, make such payment or perform or comply with such covenants and obligations on behalf of Lessee, and the amount of any such payment and the expenses (including but not limited to reasonable attorneys' fees) incurred by Lessor in performing or complying with such covenants and obligations, as the case may be, together with interest thereon at the highest lawful rate, shall be payable by Lessee upon demand.

**20. Interest on Default.** If Lessee fails to pay any Lease Payment specified in Section 1 hereof within ten (10) days after the due date thereof, Lessee shall pay to Lessor interest on such delinquent payment from the due date until paid at the highest lawful rate.

**21. Notices.** Any notices to be given or to be served upon any party hereto in connection with this Agreement must be in writing and may be given by certified or registered mail, and shall be deemed to have been given and received forty-eight (48) hours after a registered or certified letter containing such notice, postage prepaid, is deposited in the United States mail, and if given otherwise shall be deemed to have been given when delivered to and received by the party to whom it is addressed. Such notice shall be given to the parties at their respective addresses designated on the signature page of this Agreement or at such other address as either party may hereafter designate.

**22. Security Interest.** As security for Lessee's covenants and obligations hereunder, Lessee hereby grants to Lessor, and its successors, a security interest in the Property, all accessions thereto and proceeds there from, and, in addition to Lessor's rights hereunder, all of the rights and benefits of a secured party under the Uniform Commercial Code as in effect from time to time hereafter in the State in which the Property is located or any other State which may have jurisdiction over the Property. Lessee agrees to execute, acknowledge, and deliver to Lessor in recordable form upon request financing statements or any other instruments with respect to the Property or this Agreement considered necessary or desirable by Lessor to perfect and continue the security interest granted herein in accordance with the laws of the applicable jurisdiction. Lessee hereby authorizes Lessor or its agent or assigns to sign and execute on its behalf any and all necessary UCC-1 forms to perfect the Purchase Money Security Interest herein above granted to Lessor.

**23. Tax Exemption.** Lessee certifies that it does reasonably anticipate that not more than \$10,000,000 of "qualified tax-exempt obligations", as that term is defined in Section 265 (b) 3 (D) of the Internal Revenue Code of 1986 ("the Code"), will be issued by it and any subordinate entities during 2024. Further, Lessee designates this issue as comprising a portion of the \$10 million in aggregate issues to be designated as "qualified tax-exempt obligations" eligible for the exception contained in Section 265 (b) 3 (D) of the Code allowing for an exception to the general rule of the Code which provides for a total disallowance of a deduction for interest expense allocable to the carrying of tax-exempt obligations.

**24. Continuing Disclosure.** Specifically, and without limitation, Lessee agrees to provide audited financial statements, prepared by a certified public accountant not later than six (6) months after and as of the end of each fiscal year. Periodic financial statements shall include a combined balance sheet as of the end of each such period, and a combined statement of revenues, expenditures, and changes in fund balances, from the beginning of the then fiscal year to the end of such period. These reports must be certified as correct by one of Lessee's authorized agents. If Lessee has subsidiaries, the financial statements required will be provided on a consolidated and consolidation basis.

**25. Miscellaneous.**

**(a)** Lessee shall, whenever requested, advise Lessor of the exact location and condition of the Property, and shall give the Lessor immediate notice of any attachment or other judicial process affecting the Property, and indemnify and save Lessor harmless from any loss or damage caused thereby. Lessor may, for the purpose of inspection, at all reasonable times enter upon any job, building or place where the Property and the books and records of the Lessee with respect thereto are located.

**(b)** Lessee agrees to equitably adjust the payments payable under this Agreement if there is a determination for any reason that the interest payable pursuant to this Agreement (as incorporated within the schedule of payments) is not excludable from income in accordance with the Internal Revenue Code of 1986, as amended, such as to make Lessor and its assigns whole.

**(c)** Time is of the essence. No covenant or obligations hereunder to be performed by Lessee may be waived except by the written consent of Lessor, and a waiver of any such covenant or obligation or a forbearance to invoke any remedy on any occasion shall not constitute or be treated as a waiver of such covenant or obligation as to any other occasion and shall not preclude Lessor from invoking such remedy at any later time prior to Lessee's cure of the condition giving rise to such remedy. Lessor's rights hereunder are cumulative and not alternative.

**(d)** This Agreement shall be construed in accordance with, and governed by, the laws of the State in which the Property is located.

**(e)** This Agreement constitutes the entire agreement between the parties and shall not be modified, waived, discharged, terminated, amended, altered, or changed in any respect except by a written document signed by both Lessor and Lessee.

**(f)** Any term or provision of this Agreement found to be prohibited by law or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without, to the extent reasonably possible, invalidating the remainder of this Agreement.

**(g)** The Lessor hereunder shall have the right at any time or times, by notice to Lessee, to designate or appoint any person or entity to act as agent or trustee for Lessor for any purposes hereunder.

**(h)** All transportation charges shall be borne by Lessee. Lessee will immediately notify Lessor of any change occurring in or to the Property, of a change in Lessee's address, or in any fact or circumstance warranted or represented by Lessee to Lessor, or if any Event of Default occurs.

**(i)** Use of the neuter gender herein is for purposes of convenience only and shall be deemed to mean and include the masculine or feminine gender whenever and wherever appropriate.

**(j)** The captions set forth herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

**(k)** Except as otherwise provided herein, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns, where permitted by this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the \_\_\_\_ day of \_\_\_\_\_ in the year 2024.

**Lessor:** Government Capital Corporation

\_\_\_\_\_  
Authorized Signature  
345 Miron Dr.  
Southlake, TX 76092

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

Print Name: \_\_\_\_\_

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

**Lessee:** City of Coalinga

\_\_\_\_\_  
Marissa Trejo, City Manager  
155 West Durian  
Coalinga, CA 93210

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

Print Name: \_\_\_\_\_

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



**EXHIBIT B**

**>> SCHEDULE OF PAYMENTS & OPTION TO PURCHASE PRICE <<**  
CALIFORNIA MUNICIPAL LEASE-PURCHASE AGREEMENT No. 10575  
(THE "AGREEMENT")  
BY AND BETWEEN

**Lessor:** Government Capital Corporation and **Lessee:** City of Coalinga

Schedule dated as of January 26, 2024

PMT NO.	PMT DATE MO. DAY YR	TOTAL PAYMENT	INTEREST PAID	PRINCIPAL PAID	OPTION TO PURCHASE after pmt on this line
1	1/26/2025	\$51,639.08	\$8,877.67	\$42,761.41	\$95,746.82
2	1/26/2026	\$51,639.08	\$6,102.46	\$45,536.62	\$49,086.57
3	1/26/2027	\$51,639.08	\$3,147.11	\$48,491.97	\$1.00
<b>Grand Totals</b>		\$154,917.24	\$18,127.24	\$136,790.00	

Interest Rate: 6.49%

\*\*\*\*This Schedule is subject to current Market Indexing if closing occurs after the above Date\*\*\*\*

Accepted By Lessee: \_\_\_\_\_  
Marissa Trejo, City Manager



# INCUMBENCY, INSURANCE, AND ESSENTIAL USE CERTIFICATES

CALIFORNIA MUNICIPAL LEASE AGREEMENT No.10575 (THE "AGREEMENT")

BY AND BETWEEN

**Lessor**, Government Capital Corporation and **Lessee**, City of Coalinga

Dated as of January 26, 2024

I, Shannon Jensen, do hereby certify that I am the duly elected or appointed and acting City Clerk (Keeper of the Records), of City of Coalinga, a political subdivision or agency duly organized and existing under the laws of the State of California that I have custody of the records of such entity, and that, as of the date hereof, the individual(s) named below are the duly elected or appointed officer(s) of such entity holding the office(s) set forth opposite their respective name(s). I further certify that (i) the signature(s) set opposite their respective name(s) and title(s) are their true and authentic signature(s), and (ii) such officers have the authority on behalf of such entity to enter into that certain California Municipal Lease-Purchase Agreement dated as of, January 26, 2024 between such entity and Government Capital Corporation.

<u>Name</u>	<u>Title</u>	<u>Signature</u>
Marissa Trejo	City Manager	_____

IN WITNESS WHEREOF, I have duly executed this certificate hereto this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

By: \_\_\_\_\_  
Shannon Jensen, City Clerk

Lessee certifies that property and liability insurance, if applicable, have been secured in accordance with the Agreement and such coverage will be maintained in full force for the term of the Agreement. "Lessor or its Assigns" should be designated as loss payee until Lessee is notified, in writing, to substitute a new loss payee. **The following information is provided about insurance:**

INSURANCE COMPANY/AGENT'S:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

**INSURANCE AGENT'S EMAIL ADDRESS:** \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_ POLICY NUMBER: \_\_\_\_\_

I, Marissa Trejo, City Manager, of City of Coalinga ("Lessee"), hereby certify that the Equipment, to be leased to the undersigned under the certain Lease Agreement, dated as of January 26, 2024, between such entity and Government Capital Corporation ("Lessor"), will be used by the undersigned Lessee for the following purpose: **(PLEASE FILL OUT PRIMARY USE BELOW)**

**PRIMARY USE** \_\_\_\_\_

The undersigned hereby represents that the use of the Equipment is essential to its proper, efficient, and economic operation.

IN WITNESS WHEREOF, I have set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

**By Lessee:**

\_\_\_\_\_  
Marissa Trejo, City Manager

**For Lessee:** City of Coalinga

***[to be retyped on letterhead of lessee's counsel]***

Government Capital Corporation  
Attention Documentation Department  
345 Miron Drive  
Southlake, TX 76092

RE: California Municipal Lease-Purchase Agreement No.10575.

Dear Lessor,

I have acted as Counsel to City of Coalinga, with respect to that certain Lease Purchase Agreement No.10575, by and between Government Capital Corporation as Lessor and City of Coalinga as Lessee. I have reviewed the Agreement and such other documents, records and certificates of Lessee and appropriate officials as I have deemed relevant and am of the opinion that:

1. The Lessee is a political subdivision or agency of the State of California with the requisite power and authority to incur obligations, the interest on which is exempt from taxation by virtue of Section 103(a) of the Internal Revenue Code of 1986;
2. The execution, delivery and performance by the Lessee of the Agreement have been duly authorized by all necessary action on the part of the Lessee;
3. The Agreement constitutes a legal, valid and binding obligation of the Lessee enforceable in accordance with its terms.
4. The above opinions may be relied upon by the Lessee, Lessor, or its Assigns.

Sincerely,

Attorney at Law

# RESOLUTION

## A RESOLUTION REGARDING A CALIFORNIA MUNICIPAL LEASE-PURCHASE AGREEMENT FOR THE PURPOSE OF FINANCING "**POLICE UNITS AND UPFITTING**".

WHEREAS, the City of Coalinga desires to enter into that certain California Municipal Lease-Purchase Agreement dated as of January 26, 2024, by and between City of Coalinga and Government Capital Corporation, for the purpose of financing "**Police Units and Upfitting**". The City desires to designate this Agreement as a "qualified tax-exempt obligation" of the City for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended. The City desires to designate the City Manager or the City Manager's designee as an authorized signer of the Agreement.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF THE CITY OF COALINGA:

Section 1. That the City enters into a Lease-Purchase Agreement with Government Capital Corporation for the purpose of financing "**Police Units and Upfitting**".

Section 2. That the Lease Purchase Agreement dated as of January 26, 2024, by and between the City of Coalinga and Government Capital Corporation is designated by the City as a "qualified tax-exempt obligation" for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended.

Section 3. That the City will designate the City Manager or the City Manager's designee, as an authorized signer of the Lease Purchase Agreement Number 10575 dated as of January 26, 2024, by and between the City of Coalinga and GCC as well as any other ancillary exhibit, certificate, or documentation needed for the Agreement.

Section 4. That the City will use finance agreement proceeds for reimbursement of expenditures related to the Property, within the meaning of Treasury Regulation § 1.150-2, as promulgated under the Internal Revenue Code of 1986, as amended.

This Resolution has been PASSED upon Motion made by Board Member \_\_\_\_\_, seconded by Board Member \_\_\_\_\_ by a vote of \_\_\_\_\_ Ayes to \_\_\_\_\_ Nays and is effective this \_\_\_\_\_, 2024.

**Lessee:** City of Coalinga

Witness Signature

\_\_\_\_\_  
Mayor or Mayor Pro-Tem

\_\_\_\_\_  
City Clerk

# ESCROW AGREEMENT

CALIFORNIA MUNICIPAL LEASE-PURCHASE AGREEMENT **No.10575** (THE "AGREEMENT")

BY AND BETWEEN

**Lessor**, Government Capital Corporation and **Lessee**, City of Coalinga  
TAX ID #94-6000312 Dated as of January 26, 2024

THIS ESCROW AGREEMENT (the "Agreement") is made and entered into as of January 26, 2024 ("Agreement Date"), by and among Government Capital Corporation ("Lessor"), City of Coalinga ("Lessee") and \_\_\_\_\_ ("Agent").

W I T N E S S E T H:

WHEREAS, Lessor and Lessee have entered into a certain California Municipal Lease-Purchase Agreement dated as of January 26, 2024 (the "Lease"), pursuant to which the property more particularly described therein (the "Property") will be leased to the Lessee under the terms stated in the Lease;

WHEREAS, Lessor and Lessee desire to make funding arrangements for the acquisition of the Property, and Agent agrees to serve as escrow agent for such funding and acquisition;

NOW THEREFORE, in consideration of the mutual agreements and covenant herein contained and for other valuable consideration, the parties hereby agree as follows:

1. Agent shall undertake the duties and obligations of escrow agent as set forth in this Agreement. Agent shall not be deemed to be a party to the Lease.

2. Lessor has delivered to Agent the sum of \$136,290.00 ("Escrow Amount") for deposit by Agent in the City of Coalinga Escrow Account (the "Fund"). The Fund will be administered by Agent pursuant to the terms of this Agreement.

3. Deposits in the Fund shall be used to pay for the acquisition of the Property. The Property may be acquired as individual items or as groups of items. Agent shall make disbursements from the Fund in payment for the acquisition of each item or group of items of the Property promptly upon receipt of a properly executed Escrow Disbursement Request Form, in the form attached hereto as "Schedule 1", for that portion of the acquisition of the Property for which payment is requested. Upon full acquisition of an item or group of items of the Property, any remaining cost of such item or group of items shall be disbursed promptly by the Agent upon receipt of a properly executed Acceptance Certificate and a corresponding Escrow Disbursement Request Form in the form attached hereto as "Schedule 1", for that portion of the Property for which payment is requested. Payment by Agent shall be to the payee shown on the Escrow Disbursement Request Form.

4. Agent will invest the Fund, as specified by Lessor, in general obligations of the United States or in obligations fully insured by the United States or in certificates of deposit of a bank which is either fully insured by an agency of the federal government or fully collateralized by such federal or federally guaranteed obligations, or in no-load money market mutual funds registered with and regulated by the Securities and Exchange Commission that includes in their investment objectives the maintenance of a stable net asset value of \$1 for each share, or Money Market Mutual Funds registered under the Investment Act of 1940. Agent will retain in the Fund all earnings from investment of the Fund until termination of the Fund pursuant to Section 5 hereof. Agent will be entitled to sell or redeem any such investments as necessary to make any distributions required under this Agreement and shall not be liable for any loss resulting from such sale or redemption. In the absence of written investment direction from the Lessor, the Agent shall invest and reinvest the amounts in the Fund in Money Market Mutual Funds registered under the Investment Act of 1940.

5. Upon execution of one or more Acceptance Certificates by Lessee and payment of acquisition costs by Agent for all the Property (as confirmed in writing by the Lessor to the Escrow Agent), this Agreement and the Funds shall terminate, and Agent shall transfer to Lessor all remaining sums in the Fund. If not terminated earlier, this Agreement and the Fund shall terminate on January 26, 2025 ("Termination Date"). In this latter event, interest accrued pursuant to investment of the Fund under the terms of Section 4 hereof and all remaining principal in the Fund shall be transferred by Agent to Lessor; Exhibit "A" attached to the Lease shall thereupon be revised to delete any non-acquired portions of the Property and to substitute an amended amortization payment schedule to reflect the reduced acquisition costs.

6. Lessor and Lessee may by written agreement between themselves remove the Agent, at any time and for any reason, and appoint a successor escrow agent. Such removal shall not be effective until thirty (30) days after written notice thereof to Agent.

7. Agent may at any time and for any reason resign as escrow agent by giving written notice to Lessor and Lessee of its intention to resign and of the proposed date of resignation, which date shall be not less than thirty (30) days after giving Lessee and Lessor written notice of intent to resign, nor less than thirty (30) days after being appointed by Lessor and Lessee. Upon the effective date of any resignation, the Escrow Agent shall deliver all cash and other property in the Fund to a successor escrow agent designated by Lessor, and if no successor has been appointed, shall deliver all such cash and other property to the Lessor and all obligations of the Escrow Agent shall cease.

8. Agent shall have no obligation under the terms of this Agreement to make any disbursement except from the Fund. Agent makes no warranties or representations as to the Property or as to performance of the obligations of Lessor or Lessee under this Agreement or the Lease.

9. Agent shall be entitled to rely in good faith upon any documents signed by a party hereto and shall have no duty to investigate the veracity of such documents. Agent (i) may assume that any person giving notice pursuant to the terms hereof is authorized to do so and (ii) shall not be liable for good faith reliance thereon. Agent may consult with legal counsel in the event of any dispute or question as to the construction of any of the provisions hereof or its duties hereunder, and, to the extent it acts in good faith without gross negligence or willful misconduct, it shall be fully protected in acting in accordance with the opinion or instructions of such counsel. The Agent shall not be liable for any act done or step taken or omitted by it or any mistake of fact or law, except for its gross negligence or willful misconduct. The Lessor and Lessee jointly and severally agree to indemnify and save Agent harmless from all losses, costs, liabilities, actual damages, fees, and expenses (including, but not limited to, reasonable attorney's fees and expenses) suffered or incurred by Agent arising from the performance of its obligations under this Agreement ("Acts"), except such Acts as arise from or attributable to the gross negligence or willful misconduct of Agent.

10. To the limited extent required to perfect the security interest granted by Lessee to Lessor in the cash and negotiable instrument from time to time comprising the Fund, Lessor hereby appoints the Agent as its security agent, and the Agent hereby accepts the appointment as security agent and agrees to hold physical possession of such cash negotiable instruments on behalf of Lessor.

11. This Agreement may be amended by written agreement executed by all the parties. Lessor may assign its rights and/or obligations at any time with written notice thereof to the other parties hereto.

12. This Agreement may be executed in several counterparts, each of which shall be an original. The parties hereto agree the transactions described herein may be conducted and related documents may be stored by electronic means.

13. Agent shall be entitled to fees and expenses for its regular services as Agent as set forth in its fee letter delivered to the Lessor and Lessee. Additionally, Agent is entitled to fees for extraordinary services and reimbursement of any out of pocket and extraordinary costs and expenses, including, but not limited to, attorneys' fees. Agent shall have a first lien upon all amounts in the Fund for the purposes of paying its fees and expenses. All of the Escrow Agent's compensation, costs and expenses shall be paid by the Lessee unless agreed to by Lessor.

14. In the event of any disagreement between the undersigned or any other person, resulting in adverse claims and demands being made on the Fund, the Agent shall be entitled to refuse to comply with any demand or claim, as long as such disagreement shall continue, and in so refusing to make any delivery or other disposition of any money, papers or property involved or affected hereby, the Agent shall not be or become liable to the undersigned for its refusal to comply with such conflicting or adverse demands, and the Escrow Agent shall be entitled to refuse and refrain to act until: (a) the rights of the adverse claimants shall have been fully and finally adjudicated in a Court assuming and having jurisdiction of the parties and money, papers and property involved herein or affected hereby, or (b) all differences shall have been adjusted by agreement and the Agent shall have been notified thereof in writing, signed by all the interested parties.

15. The parties hereto agree that, for tax reporting purposes, all interest or other income, if any, attributable to the Escrowed Funds or any other amount held in escrow by the Escrow Agent pursuant to this Agreement shall be allocable to the Lessor for credit to Lessee subject to the terms of this Agreement. The Lessor and Lessee agree to provide the Escrow Agent completed Forms W-9 (or Forms W-8, in the case of non-U.S. persons) and other forms and documents that the Escrow Agent may reasonably request (collectively, "Tax Reporting Documentation") at the time of execution of this Agreement and any information reasonably requested by the Escrow Agent to comply with the USA Patriot Act of 2001, as amended from time to time. The parties hereto understand that if such Tax Reporting Documentation is not so certified to the Escrow Agent, the Escrow Agent may be required by the Internal Revenue Code, as it may be amended from time to time, to withhold a portion of any interest or other income earned on the investment of monies or other property held by the Escrow Agent pursuant to this Escrow Agreement.

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

LESSOR: Government Capital Corporation

BY: \_\_\_\_\_  
Authorized Signer

LESSEE: City of Coalinga

BY: \_\_\_\_\_  
Marissa Trejo, City Manager

AGENT: \_\_\_\_\_

BY: \_\_\_\_\_  
Agent Rep, Agent Rep Title

**Escrow Disbursement Request Form – Instruction Sheet**

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**\*\*\* THE FOLLOWING FORM IS TO PAY YOUR VENDOR FROM THE ESCROW ACCOUNT\*\*\***

To process the payment to your Vendor, please make sure to:

- 1) Print or make copies of the blank **Escrow Disbursement Request Form** if there are multiple disbursements.
- 2) Complete an **Escrow Disbursement Request Form** for each Vendor.
- 3) Attach a copy of your Vendor's Invoice(s).
- 4) Have the Authorized Signer sign the Disbursement Form in BOTH places as well as date the form at the bottom.
- 5) You can e-mail the Disbursement Form to [Docdept@govcap.com](mailto:Docdept@govcap.com)

***WHEN YOU ARE READY TO PAY YOUR VENDOR, PLEASE FOLLOW THE ABOVE PROCEDURES, AND EMAIL FORMS TO:***

Government Capital Corporation  
Attn.: Doc. Dept.  
345 Miron Drive  
Southlake, TX 76092  
Phone: 817-421-5400  
[docdept@govcap.com](mailto:docdept@govcap.com)

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**ESCROW AGREEMENT – SCHEDULE 1**

CALIFORNIA MUNICIPAL LEASE-PURCHASE AGREEMENT No.10575 (THE "AGREEMENT")

BY AND BETWEEN

**Lessor**, Government Capital Corporation and **Lessee**, City of Coalinga

Dated as of January 26, 2024

**ESCROW DISBURSEMENT REQUEST FORM**

\_\_\_\_\_, acting as escrow agent (the "Agent") under the Escrow Agreement dated as of January 26, 2024 ("Escrow Date") by and among the Agent, Government Capital Corporation as Lessor and City of Coalinga as Lessee, is hereby requested to pay to the person or corporation designated below as Payee the sum set forth below in payment of the acquisition and installation costs of the equipment described below. The amount shown below is due and payable under the invoice of Payee with respect to the described equipment and has not formed the basis for any prior request for payment.

PAYEE: (Include W-9) \_\_\_\_\_

AMOUNT: \_\_\_\_\_

DESCRIPTION OF PROPERTY: \_\_\_\_\_

INVOICE # \_\_\_\_\_ DATED: \_\_\_\_\_

Indicate Method for Payment Disbursement:

\_\_\_\_\_ Overnight Check \*\*\*      \_\_\_\_\_ Regular Mail Check      \_\_\_\_\_ Wire Funds

Mailing Address: \_\_\_\_\_

Wire Instructions: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**\*\*\*Please note that there might be a fee charged for overnight delivery. This fee will be deducted from the Escrow Balance before disbursement is made.**

With respect to such requisition, the parties (i) certify they have reviewed any wire instructions set forth in such written disbursement direction to confirm such wire instructions are accurate, (ii) agree to indemnify and hold harmless the Agent from and against any and all claim, demand, loss, liability, or expense sustained, including but not limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement requested, and (iii) agree they will not seek recourse from the Agent as a result of losses incurred by it for making the disbursement in accordance with the disbursement direction.

**Lessee:** City of Coalinga

By: \_\_\_\_\_  
Marissa Trejo, City Manager

**Lessor:** Government Capital Corporation or its Assigns

By: \_\_\_\_\_  
Authorized Signer

**ACCEPTANCE CERTIFICATE**

City of Coalinga as Lessee under that certain California Municipal Lease-Purchase Agreement dated as of January 26, 2024 ("Agreement Date") (the "Lease"), hereby acknowledges receipt in good condition of all the equipment described on the attached Vendor Invoice(s) hereby accepts such equipment and hereby certifies that Lessor has fully and satisfactorily performed all covenants and conditions to be performed by it under the Lease with regard to such equipment, that such equipment is fully insured in accordance with Section 10 of the Lease and that such equipment constitutes all or a portion of the Equipment as that term as defined in the Lease.

Date of Property/Services Acceptance: \_\_\_\_\_, 2024.

By Lessee:

\_\_\_\_\_  
Marissa Trejo, City Manager

For Lessee: City of Coalinga

# Request for Taxpayer Identification Number and Certification

**Give Form to the  
 requester. Do not  
 send to the IRS.**

▶ Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

<b>Print or type.</b>	<b>See Specific Instructions on page 3.</b>	<p><b>1</b> Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.</p> <hr/> <p><b>2</b> Business name/disregarded entity name, if different from above</p> <hr/> <p><b>3</b> Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes.</p> <p><input type="checkbox"/> Individual/sole proprietor or single-member LLC      <input type="checkbox"/> C Corporation      <input type="checkbox"/> S Corporation      <input type="checkbox"/> Partnership      <input type="checkbox"/> Trust/estate</p> <p><input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____</p> <p><b>Note:</b> Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</p> <p><input type="checkbox"/> Other (see instructions) ▶ _____</p>	<p><b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):</p> <p>Exempt payee code (if any) _____</p> <p>Exemption from FATCA reporting code (if any) _____</p> <p style="font-size: small;">(Applies to accounts maintained outside the U.S.)</p>
		<p><b>5</b> Address (number, street, and apt. or suite no.) See instructions.</p> <hr/> <p><b>6</b> City, state, and ZIP code</p> <hr/> <p><b>7</b> List account number(s) here (optional)</p> <hr/>	<p>Requester's name and address (optional)</p> <hr/>

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

<b>Social security number</b>											
				-			-				
<b>or</b>											
<b>Employer identification number</b>											
				-							

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*



▶ Under Internal Revenue Code section 149(e)

▶ See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

▶ Go to [www.irs.gov/F8038G](http://www.irs.gov/F8038G) for instructions and the latest information.

Department of the Treasury  
Internal Revenue Service

<b>Part I Reporting Authority</b>		Check box if Amended Return <input type="checkbox"/>	
1 Issuer's name <u>City of Coalinga</u>		2 Issuer's employer identification number (EIN) <u>94-6000312</u>	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) <u>Shannon Jensen, City Clerk</u>		3b Telephone number of other person shown on 3a <u>559-935-1525</u>	
4 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	5 Report number (For IRS Use Only)	
<u>155 West Durian</u>		<u>3</u>	
6 City, town, or post office, state, and ZIP code <u>Coalinga, CA 93210</u>		7 Date of issue <u>January 26, 2024</u>	
8 Name of issue <u>CALIFORNIA MUNICIPAL LEASE-PURCHASE AGREEMENT No. 10575</u>		9 CUSIP number <u>None</u>	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information <u>Marissa Trejo, City Manager</u>		10b Telephone number of officer or other employee shown on 10a <u>559-935-1525</u>	

**Part II Type of Issue (Enter the issue price.)** See the instructions and attach schedule.

11	Education	11	
12	Health and hospital	12	
13	Transportation	13	
14	Public safety	14	\$136,790.00
15	Environment (including sewage bonds)	15	
16	Housing	16	
17	Utilities	17	
18	Other. Describe ▶	18	
19a	If bonds are TANs or RANs, check only box 19a <input type="checkbox"/>		
b	If bonds are BANs, check only box 19b <input type="checkbox"/>		
20	If bonds are in the form of a lease or installment sale, check box <input checked="" type="checkbox"/>		

**Part III Description of Bonds.** Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	<u>1/26/2027</u>	\$ <u>136,790.00</u>	\$ <u>N/A</u>	<u>2.0419</u> years	<u>6.49 %</u>

**Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)**

22	Proceeds used for accrued interest	22	<u>N/A</u>
23	Issue price of entire issue (enter amount from line 21, column (b))	23	<u>\$136,790.00</u>
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	<u>\$500.00</u>
25	Proceeds used for credit enhancement	25	<u>N/A</u>
26	Proceeds allocated to reasonably required reserve or replacement fund	26	<u>N/A</u>
27	Proceeds used to refund prior tax-exempt bonds. Complete Part V	27	<u>N/A</u>
28	Proceeds used to refund prior taxable bonds. Complete Part V	28	<u>N/A</u>
29	Total (add lines 24 through 28)	29	<u>\$500.00</u>
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	<u>\$136,290.00</u>

**Part V Description of Refunded Bonds.** Complete this part only for refunding bonds.

31	Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	<u>N/A</u> years
32	Enter the remaining weighted average maturity of the taxable bonds to be refunded	<u>N/A</u> years
33	Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	<u>N/A</u>
34	Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	

**Part VI Miscellaneous**

- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . . 

<b>35</b>	
-----------	--
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions . . . . . 

<b>36a</b>	
------------	--
- b** Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) \_\_\_\_\_
- c** Enter the name of the GIC provider ▶ \_\_\_\_\_
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . . 

<b>37</b>	
-----------	--
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶  and enter the following information:
  - b** Enter the date of the master pool bond ▶ (MM/DD/YYYY) \_\_\_\_\_
  - c** Enter the EIN of the issuer of the master pool bond ▶ \_\_\_\_\_
  - d** Enter the name of the issuer of the master pool bond ▶ \_\_\_\_\_
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . . ▶
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . . ▶
- 41a** If the issuer has identified a hedge, check here ▶  and enter the following information:
  - b** Name of hedge provider ▶ \_\_\_\_\_
  - c** Type of hedge ▶ \_\_\_\_\_
  - d** Term of hedge ▶ \_\_\_\_\_
- 42** If the issuer has superintegrated the hedge, check box . . . . . ▶
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . . ▶
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . . ▶
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ▶  and enter the amount of reimbursement . . . . . ▶ \_\_\_\_\_
- b** Enter the date the official intent was adopted ▶ (MM/DD/YYYY) \_\_\_\_\_

**Signature and Consent**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

▶ \_\_\_\_\_ Date \_\_\_\_\_ ▶ Marissa Trejo, City Manager  
 Signature of issuer's authorized representative Type or print name and title

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	