CITY OF COALINGA
The Sunny Side of the Valley

CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY MEETING AGENDA

August 1, 2024
6:00 PM

The Mission of the City of Coalinga is to provide for the preservation of the community character by delivering quality, responsive City services, in an efficient and cost-effective manner, and to develop, encourage, and promote a diversified economic base in order to ensure the future financial stability of the City for its citizens.

Notice is hereby given that the City Council will hold a Meeting, on August 1, 2024 in the City Council Chambers located at 155 West Durian, Coalinga, CA. Persons with disabilities who may need assistance should contact the City Clerk at least 24 hours prior to this meeting at 935-1533 x113. Anyone interested in translation services should contact the City Clerk at least 24 hours prior to the meeting at 935-1533 x113. The Meeting will begin at 6:00 p.m. and the agenda will be as follows:

1. CALL TO ORDER

1. Pledge of Allegiance
2. Changes to the Agenda
3. Council's Approval of Agenda

2. AWARDS, PRESENTATIONS, APPOINTMENTS AND PROCLAMATIONS

1. Presentation on Natural Gas Market and Future Outlook on Rates

3. CITIZEN COMMENTS

This section of the agenda allows members of the public to address the City Council on any item within the jurisdiction of the Council. Members of the public, when recognized by the Mayor, should come forward to the lectern, identify themselves and use the microphone. Comments are normally limited to three (3) minutes. In accordance with State Open Meeting Laws, no action will be taken by the City Council this evening and all items will be referred to staff for follow up and a report.

Citizen Comments submitted in writing to the City Clerk by 5:00pm on the day of the

City Council meeting shall be distributed to the City Council and included in the record, however they will not be read.

4. PUBLIC HEARINGS (NONE)

5. CONSENT CALENDAR

1. Approve MINUTES - July 18, 2024
2. Check Register: 06/01/2024 - 06/30/2024
3. Information Only: Cannabis Related Revenue Quarter Ending June 30, 2024
4. Information Only: Measure J Quarter Ending March 31, 2024
5. Information Only: Transient Occupancy Tax Quarter Ending March 31, 2024
6. Informational Only: Old Courtroom as Cooling Center
7. Information Only: Data on Time/Cost Public Safety Spends on Homelessness
8. Adopt Amended Resolution No. 4211-A Calling for a Municipal Election to Submit to the Voters a Local Ballot Measure Extending the Sunset Date for the One-Percent Transactions and Use (Sales) Tax to Fund Coalinga City Services Including Police and Fire Protection; and Other General Services and Requesting the Board of Supervisors of Fresno County to Consolidate a Municipal Election on a Local Ballot Measure with Other Elections to be Held on November 5, 2024
9. Adopt Resolution No.4218 and Coalinga Public Financing Authority Resolution No. PFA 24-02 Approving Proceedings to Finance Improvements to the City's Municipal Water System, Approving the Issuance of Revenue Bonds by the Coalinga Public Financing Authority for such Purposes and Approving related Documents and Official Actions
10. Adopt Resolution No.4219 and Coalinga Public Financing Authority Resolution No. PFA 24-03 Approving Proceedings to Finance Improvements to the City's Municipal WasteWater System, Approving the Issuance of Revenue Bonds by the Coalinga Public Financing Authority for such Purposes and Approving related Documents and Official Actions
11. Adopt Resolution No. 4222 Revising the City Manager Pay Scale
12. Adopt Resolution No. 4223 Updating the General Fund and Enterprise Funds Reserve Policy for the City of Coalinga for Fiscal Year 2024-2025
13. Adopt Resolution No. 4224 Amending the City's Conflict of Interest Code Regarding Designated Employees and Disclosure Categories as Required by the Political Reform Act and Approving the 2024 Local Agency Biennial Notice
14. Adopt Resolution No. 4225 Amending the General Pay Scale
15. Adopt Resolution No. 4226 Approving Meter Reader Job Description
16. Approve Interim City Manager Employment Agreement Appointing Sean Brewer as Interim City Manager effective September 2, 2024
17. Notice of Completion for the Park Exercise Equipment Project
18. Authorize the Police Department to Purchase Two New Patrol Vehicles
19. Consideration of Bid Award for Birch, Durian & Lucille Ave Improvements
20. Direct Staff to Seek Grants for Quick Charge Electric Vehicle Charging Stations
21. Direct Staff to Obtain Quotes to Replace Projector Lights and Projector Motor in City

Council Chambers

22. Direct Staff to Clean City-Owned Water Drainage Basins
23. Coalinga Police Department Monthly Report for June 2024

6. ORDINANCE PRESENTATION, DISCUSSION AND POTENTIAL ACTION ITEMS

1. Discussion, Direction and Potential Action regarding Selecting a Voting Delegate and Up to Two (2) Alternate Voting Delegates for the Annual Business Meeting at the League of California Cities 2024 Annual Conference in Long Beach, California

   Marissa Trejo, City Manager

7. ANNOUNCEMENTS

1. City Manager's Announcements
2. Councilmembers' Announcements/Reports
3. Mayor's Announcements

8. FUTURE AGENDA ITEMS

9. CLOSED SESSION

1. CITY MANAGER'S PERFORMANCE EVALUATION – Government Code 54957(b)

10. CLOSED SESSION REPORT

Closed Session: A "Closed" or "Executive" Session of the City Council, Successor Agency, or Public Finance Authority may be held as required for items as follows: personnel matters; labor negotiations; security matters; providing instructions to real property negotiators; legal counsel regarding pending litigation; and protection of records exempt from public disclosure. Closed session will be held in the Administration Building at 155 W. Durian Avenue and any announcements or discussion will be held at the same location following Closed Session.

11. ADJOURNMENT

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Approve MINUTES - July 18, 2024
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Shannon Jensen, City Clerk

I. RECOMMENDATION:

II. BACKGROUND:

III. DISCUSSION:

IV. ALTERNATIVES:

V. FISCAL IMPACT:

ATTACHMENTS:

File Name	Description
MINUTES_For_Approval_071824.pdf	Minutes - July 18, 2024

MINUTES
CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY MEETING AGENDA
July 18, 2024

1. CALL TO ORDER 6:00 PM

Council Members Present: Horn, Ramirez, Vosburg, Schindler

Others Present: City Manager Marissa Trejo, City Attorney Mario Zamora, Assistant City Manager Sean Brewer, Police Commander Sean Young, Financial Services Director Mai Vang, City Treasurer Dawn Kahikina, Fire Chief Greg DuPuis, Administrative Analyst Mercedes Garcia and City Clerk Shannon Jensen

Council Members Absent: Hedgecock

Others Absent: Chief of Police Jose Garza

Changes to the Agenda: City Manager Marissa Trejo announced the following Changes to the Agenda:

1. Consent Calendar Item No. 5.7 is removed from the agenda; and

2. Special Meeting will run concurrently with the regular meeting and Consent Calendar Item 5.1 from the Special agenda will be added to the regular agenda as Consent Calendar Item No. 5.21; and

Motion by Schindler, Second by Ramirez to Approve the Agenda for the meeting of July 18, 2024. Motion ***Approved*** *by 4/0 Roll-Call Majority Vote. (Hedgecock – Absent)*

2. AWARDS, PRESENTATIONS, APPOINTMENTS AND PROCLAMATIONS

1. Honoring K-9 Nitro for his Service to the City of Coalinga

Police Commander Sean Young presented a plaque to the Coalinga Police Officers Association honoring K-9 Nitro for his service to the City of Coalinga.

2. Presentation of NLC Service Line Warranty Program by HomeServe

Assistant City Manager Sean Brewer provided a brief overview of the item.

Bill Coffey, Regional Manager for HomeServe USA, presented the NLC Service Line Warranty Program that will be made available to Coalinga homeowners giving them optional and voluntary coverage for exterior water line, exterior sewer/septic line and in-home plumbing.

3. Presentation of New Wildlife Fire Engine

Fire Chief Greg DuPuis presented the Coalinga Fire Department's new wildlife fire engine.

Mayor Horn called for 15-minute break in order for those present to view the new wildlife fire engine parked outside the Council Chambers.

Mayor Horn resumed the meeting at 6:39pm.

3. CITIZEN COMMENTS

The following individual(s) spoke under Citizen Comments:

Hilda Crawford announced the Coalinga-Huron Library District Summer Reading Program began on June 15, 2024 and will run through August 3, 2024. Each Saturday during the program the library will hold special events. For more information visit www.chld.org or call (559) 935-1676.

Other Library services available include:

Fun Eats – Every 4th Tuesday of the Month from 5:00-6:00pm
Thursday Night Crafts – Every 3rd Thursday of the month from 5:00-6:00pm
Preschool Story Hour – Every Wednesday from 10:00-11:00am
Code Club (8-17 years of age) – Thursdays from 3:30-5:00pm
Coloring Book Club – Every Wednesday of the month from 3:30-4:30pm
Crochet Classes – Wednesdays from 5:00-6:00pm

The following individual(s) submitted written comment(s):

None

4. PUBLIC HEARINGS

None

5. CONSENT CALENDAR

1. Approve MINUTES – June 13, 2024 (Special)
2. Approve MINUTES – June 20, 2024
3. Approve MINUTES – July 2, 2024 (Special)
4. Check Register: 05/01/2024 – 05/31/2024
5. Information Only: Budget Report Quarter Ending June 30, 2024

Item No. 5.5 was Pulled by Councilman Vosburg for discussion.

Financial Services director Mai Vang provided a brief overview of the item.

6. Introduce and Waive Second Reading and Adopt Ordinance No. 867 (Adopting of the 2022 California Fire Code)

7. Authorize Emergency Purchase of Radio Equipment for the Fire Department

Item No. 5.7 was Removed from the Agenda during Changes to the Agenda.

8. Approve Contract Renewal with Coalinga State Hospital for Ambulance Services

9. Approve Automatic Aid Renewal Agreement and Dispatch Services with Fresno County Fire Protection District

10. Approve Amendment to Addendum #6 of the Municipal Advisory Services Agreement between the City of Coalinga and Wulff, Hansen& Co.

11. Water Treatment Plant Improvements (SCADA) Notice of Completion

12. Adopt Resolution No. 4217 Confirming Diagram & Assessment Annual Levy – 2024/2025 Landscape & Lighting Maintenance District No. 1993-1A (Coalinga)

13. Adopt Resolution No. 4220 for the Measure C Extension Local Transportation Purposes Pass-Through Projects and Program Funds Apportionment for FY2024-2025 and Authorize the City Manager to Sign and Submit the Local Transportation Pass-Through Revenues Certification and Claim Forms

14. Authorize the Assistant City Manager to Execute a Task Order with the City Engineer for Preliminary Engineering and Construction Engineering Services for the California Street and Baker Street Reconstruction Project Funded through the Reginal Surface Transportation Block grant Program (STBG)

Item No. 5.15 was Pulled by Councilman Vosburg for discussion.

Assistant City Manager Sean Brewer provided a brief overview of the item.

15. Authorize Assistant City Manager to Execute a Task Order with Rincon Consultants, Inc to Assist the City of Coalinga (City in Annexing City-Owned Parcels Containing Utility Facilities to the City and Detachment from the county of Fresno

16. Adopt Resolution No. 4221 Amending the Administrative Secretary Job Description

17. Authorize Police Recruit Sponsorship (Non-City Employee)

Item No. 5.17 was Pulled by Councilman Vosburg for discussion.

Jose Vega spoke on how important it is for this opportunity to be offered to all qualified Coalinga-residents not just City-employees.

City Manager Marissa Trejo provided a brief overview of the Police Recruit Sponsorship Program.

18. Code Enforcement Monthly Report for May 2024

19. Code Enforcement Monthly Report for June 2024

20. Coalinga Police Department Monthly Report for May 2024

21. Authorize City Manager and City Council Members to Sign Letters of Opposition on behalf of the City Council Opposing AB 3233 (Addis) – Local Authority Oil Production Shut Down and AB 2716 (Bryan) – Low-Producing Wells Shut Down

Item No. 5.1 from the Special Agenda was added to the Regular Agenda as Item No. 5.21 during Changes to the Agenda.

*Motion by Vosburg, Second by Schindler to **Approve** Consent Calendar Item Nos. 5.1 through 5.6 and 5.8 through 5.21. **Approved** by a 4/0 Roll-Call Majority Vote. (Hedgecock – Absent)*

6. ORDINANCE PRESENTATION, DISCUSSION AND POTENTIAL ACTION ITEMS

1. Appoint New Planning Commissioner to the Planning Commission
   Sean Brewer, Assistant City Manager

Assistant City Manager Sean Brewer provided an overview of the item, stating that staff received one application and a second interested party is present this evening.

Mr. Chris Chaney introduced himself and explained why he would like to serve on the Planning Commission.

Mr. Chuck Yeadon introduced himself and explained why he would like to serve on the Planning Commission.

*Motion by Schindler, Second by Horn to **Approve** the Appointment of Chuck Yeadon to the Coalinga Planning Commission. **Approved** by a 4/0 Roll-Call Majority Vote. (Hedgecock – Absent)*

2. Discussion, Direction and Potential Action related to the Coalinga Electronic Sign Relocation Budget and Plan
   Sean Brewer, Assistant City Manager

Assistant City Manager Sean Brewer provided a brief overview of item.

Consensus of the Council is for staff to bring the item back and include possible alternate locations for the relocation of the Coalinga Electronic Sign.

3. Discussion, Direction and Potential Action to Amend Municipal Code Section 6-1.30 – Inhumane Treatment and Cruelty to Animals
   Jose Garza, Chief of Police

Nancy Cheffcoach and Lori Anderson related multiple instances of the inhumane treatment and cruelty to animals they have witnessed in the City. They spoke in favor of amending the municipal code to assist in addressing these ongoing issues.

Robin Scott spoke in favor of amending the municipal code to assist in addressing these ongoing issues.

Leo Madson of Huron spoke in favor of amending the municipal code to assist in addressing these ongoing issues.

Consensus of the City Council is for the City Attorney to collect ordinances from other cities and work with the City Manager to draft changes to the City's municipal code for Council's consideration at a later meeting date.

4. Discussion and Direction regarding Storage of Inoperable Vehicles
   Marissa Trejo, City Manager

City Manager Marissa Trejo provided a brief overview of the item stating this was a Future Agenda Item requested by Mayor Pro-Tem Ramirez.

Mayor Pro-Tem Ramirez expressed interest in possibly amending the current municipal code related to the storage of inoperable vehicles.

Consensus of the Council is for staff to research how other cities manage the storage of inoperable vehicles, draft proposed changes and brings back for Council's consideration at a later meeting date.

7. ANNOUNCEMENTS

City Manager's Announcements:

City Manager Marissa Trejo announced that Nation Night Out will be held on Tuesday, August 6, 2024 from 5:00pm to 8:00pm where the City will provide free school supplies to kids (TK and up through 12th grade) residing in the City of Coalinga.

Council Member's Announcements:

Councilman Vosburg spoke highly of City Manager Marissa Trejo and appreciates all of her hard work that she has done during her time at the City.

Mayor's Announcements:

Mayor Horn announced that the City will hold a new event at the municipal airport. The 2024 Airport Days will be held on Sunday, September 29, 2024.

8. FUTURE AGENDA ITEMS

Mayor Horn requested a Future Agenda Item on the costs associated with installing 5-7 quick-charge stations at several locations throughout town.

Mayor Horn requested a Future Agenda Item for staff to clean City-owned water drainage basins.

Mayor Horn requested a Future Agenda Item to increase the City Manager's purchasing authority.

Mayor Pro-Tem Ramirez requested a Future Agenda Item to utilize the old courtroom as a cooling center.

Councilman Vosburg requested a Future Agenda Item for data on time and cost associated with public safety employees interaction with homeless individuals.

9. CLOSED SESSION

1. CITY MANAGER'S PERFORMANCE EVALUATION – Government Code Section 54957(b)

10. CLOSED SESSION REPORT

None

11. ADJOURNMENT 9:05 PM

APPROVED:

_____
James Horn, Mayor

ATTEST:

_____
Shannon Jensen, City Clerk

_____
Date

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Check Register: 06/01/2024 - 06/30/2024
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Yasmin Gonzalez, Financial Services Supervisor

I. RECOMMENDATION:

II. BACKGROUND:

III. DISCUSSION:

IV. ALTERNATIVES:

V. FISCAL IMPACT:

ATTACHMENTS:

File Name	Description
2024-06_Check_Register_Cover_Sheet_for_Council.pdf	Check Register Cover Sheet - June 2024
2024-06_Expense_Approval_Rpt.pdf	Check Register - June 2024

CITY OF COALINGA
The Sunny Side of the Valley

CHECK REGISTER

COUNCIL MEETING OF
Thursday, August 1st, 2024

EXPENSES: 6/1/2024 through 6/30/2024

ACCOUNTS PAYABLE:				
Month Ending:	6/30/2024	Registers: # 75155 - 75408	**$**	**2,552,194.48**
PAYROLL:				
Pay Period Ending:	6/2/2024	Payroll Check # 18851 - 18854	$	7,282.59
Pay Date:	6/7/2024	Direct Deposit	$	218,244.60
		Payroll Total:	**$**	**225,527.19**
Pay Period Ending:	6/16/2024	Payroll Check # 18855 - 18858	$	6,219.45
Pay Date:	6/21/2024	Direct Deposit	$	212,263.70
Cashouts/Separations:	6/21/2024	Payroll Check #18859	$	1,551.59
		Payroll Total:	**$**	**220,034.74**
TOTAL CHECK REGISTERS THROUGH:		**6/30/24**	**$**	**2,997,756.41**

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Payment Amount / Item Amount
75155	6/5/2024	1205	City Employee Contrib. Assoc.		55.00
	0008106	CECA Dues		950-000-33000	55.00
75156	6/5/2024	1223	Coalinga Firefighters		940.00
	0008108	Fire Union Dues		950-000-33300	850.00
	0008109	Fire Union Dues		950-000-33300	30.00
	0008125	Fire Union Dues		950-000-33300	60.00
75157	6/5/2024	1228	Coalinga Peace Officer's Association		905.76
	0008111	Mastagni Law Firm		950-000-33200	297.50
	0008126	CPOA Dues		950-000-33200	297.50
	0008127	PORAC Dues		950-000-33200	310.76
75158	6/5/2024	1384	Franchise Tax Board		225.00
	0008167	FTB Sacramento $$		950-000-34010	150.00
	0008168	FTB Sacramento $$		950-000-34010	75.00
75159	6/5/2024	02709	International City Management Association Retirement Corporation		9,367.80
	0008131	457 ICMA EE$/ER%		950-000-32100	918.47
	0008132	457 ICMA EE$/ER%		950-000-32100	460.35
	0008133	457 ICMA EE$/ER%		950-000-32100	521.23
	0008134	457 ICMA $$ General		950-000-32100	30.00
	0008135	457 ICMA $$ General		950-000-32100	225.00
	0008136	457 ICMA $$ General		950-000-32100	30.00
	0008137	457 ICMA $$ General		950-000-32100	15.00
	0008138	457 ICMA $$ General		950-000-32100	15.00
	0008139	457 ICMA $$ General		950-000-32100	45.00
	0008140	457 ICMA % General		950-000-32100	676.88
	0008141	457 ICMA % General		950-000-32100	502.79
	0008142	457 ICMA % General		950-000-32100	264.42
	0008143	457 ICMA % General		950-000-32100	438.42
	0008144	457 ICMA % General		950-000-32100	456.78
	0008145	457 ICMA % General		950-000-32100	295.52
	0008146	457 ICMA % General		950-000-32100	767.41
	0008147	457 ICMA % General		950-000-32100	328.27
	0008148	457 ICMA % General		950-000-32100	228.35
	0008149	457 ICMA % General		950-000-32100	161.78
	0008150	457 ICMA % General		950-000-32100	211.83
	0008151	457 ICMA % General		950-000-32100	365.67
	0008152	457 ICMA % General		950-000-32100	326.75
	0008153	457 ICMA % General		950-000-32100	537.05
	0008154	457 ICMA % General		950-000-32100	685.68
	0008155	457 ICMA % General		950-000-32100	298.69
	0008156	457 ICMA % General		950-000-32100	561.46
75161	6/5/2024	1586	Legal Shield		199.76
	0008110	Pre-Paid Legal Shield		950-000-34060	199.76
75162	6/5/2024	02539	Metropolitan Life Insurance Company		1,288.99
	0008112	MetLife AD&D/Life Employer Portion		950-000-32400	336.42
	0008113	MetLife/LTD Dept Head		950-000-32400	84.59
	0008114	MetLife Basic Dependent Life Ins - Fam		950-000-32400	3.17
	0008115	MetLife Basic Dependent Life Ins - City Manager		950-000-32400	0.18
	0008116	MetLife Basic Dependent Life Ins - Fire		950-000-32400	1.37
	0008117	MetLife Basic Dependent Life Ins - Non-Safety		950-000-32400	0.18

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Payment Amount / Item Amount
	0008118	MetLife Basic Dependent Life Ins - Police		950-000-32400	1.26
	0008119	MetLife LTD		950-000-32300	494.62
	0008120	MetLife Standard Insurance		950-000-32400	26.83
	0008121	MetLife Voluntary Insurance - Employee		950-000-32400	242.35
	0008122	MetLife Voluntary Life Insurance - Spouse		950-000-32400	96.10
	0008123	MetLife Voluntary Life Insurance - Child		950-000-32400	1.92
75163	6/5/2024	1820	SEIU Local 521 - Dues W/H		844.67
	0008128	SEIU COPE		950-000-33000	30.00
	0008129	SEIU Dues		950-000-33000	814.67
75164	6/5/2024	02475	Alberto Ramirez		2,323.33
	0008197	5/24 BLDG Additonal Janitorial Duties - May 2024		101-432-84030	123.33
	0008198	5/24 BLDG Janitorial Services - May 2024		101-432-84030	2,200.00
75165	6/5/2024	02320	AM Consulting Engineers, Inc.		8,180.00
	2024-134	5/24 PW Eng Svcs for Sewer Collection System Condi		503-521-98904	2,770.00
	2024-135	5/24 PW Grant Alley Sewer Line Improvements		503-521-98908	5,410.00
75166	6/5/2024	02082	AutoZone, Inc.		524.31
	5919143965	5/24 PD Brakes Pads & Rotor for #C1		101-413-84060	272.40
	5919147052	5/24 SVC Tool Rental		101-431-70060	39.10
	5919147073	5/24 SVC Tool Rental Return CR		101-431-70060	-39.10
	5919147074	5/24 PW Trailer Repair		501-508-84060	21.14
	5919147074	5/24 PW Trailer Repair		502-510-84060	21.13
	5919147074	5/24 PW Trailer Repair		503-521-84060	21.13
	5919148949	5/24 SVC Shop Tools		101-431-70150	15.31
	5919152283	5/24 PD Air Filter & Oil for #C1		101-413-84060	88.65
	5919152284	5/24 SVC Shop Tools		101-431-70060	84.55
75167	6/5/2024	1112	Billingsley Tire Service		10,004.57
	292460	5/24 PD Engine Replacement		101-413-84060	10,004.57
75168	6/5/2024	1115	Blais & Associates, Inc.		7,684.00
	BA_7363_2024	5/24 WP Grant Svcs for DWR Drought Relief		501-503-98471	929.50
	BA_7363_2024	5/24 PW Grant Svcs for DWR Drought Relief		501-508-98472	929.50
	BA_7364_2024	5/24 PW ATP Cycle 7 Frant Support Svcs		107-422-88130	2,950.00
	BA_7441_2024	5/24 PW Grant Research & Support - April 2024		501-508-88130	958.34
	BA_7441_2024	5/24 PW Grant Research & Support - April 2024		502-510-88130	958.33
	BA_7441_2024	5/24 PW Grant Research & Support - April 2024		503-521-88130	958.33
75169	6/5/2024	02504	Brian Corley		1,104.28
	24-053101	5/24 PW Starter Replaced #2		503-521-88100	1,104.28
75170	6/5/2024	1142	California Business Machines		606.88
	351352	5/24 Copier Maint. Agreement COUNCIL		101-401-84010	4.87
	351352	5/24 Copier Maint. Agreement PW		101-404-84010	3.97
	351352	5/24 Copier Maint. Agreement BLDG		101-404-84010	8.64
	351352	5/24 Copier Maint. Agreement CD		101-404-84010	7.66
	351352	5/24 Copier Maint. Agreement CITY MGR		101-405-84010	45.54
	351352	5/24 Copier Maint. Agreement FINANCE		101-406-84010	4.55
	351352	5/24 Copier Maint. Agreement FINANCE		101-406-84010	0.11
	351352	5/24 Copier Maint. Agreement HR		101-408-84010	16.74
	351352	5/24 Copier Maint. Agreement HR		101-408-84010	3.90
	351352	5/24 Copier Maint. Agreement PD		101-413-84010	0.07
	351352	5/24 Copier Maint. Agreement PD		101-413-84010	137.85
	351352	5/24 Copier Maint. Agreement FD		101-416-84010	29.21
	351352	5/24 Copier Maint. Agreement PW		107-422-84010	9.92
	351352	5/24 Copier Maint. Agreement HR		107-422-84010	0.66
	351352	5/24 Copier Maint. Agreement HR		117-416-84010	3.94
	351352	5/24 Copier Maint. Agreement FINANCE		501-406-84010	60.65
	351352	5/24 Copier Maint. Agreement FINANCE		501-406-84010	1.44

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Payment Amount / Item Amount
	351352	5/24 Copier Maint. Agreement HR		501-406-84010	1.29
	351352	5/24 Copier Maint. Agreement WP		501-503-84010	1.93
	351352	5/24 Copier Maint. Agreement HR		501-503-84010	1.97
	351352	5/24 Copier Maint. Agreement WP		501-503-84010	112.88
	351352	5/24 Copier Maint. Agreement HR		501-508-84010	2.30
	351352	5/24 Copier Maint. Agreement PW		501-508-84010	1.98
	351352	5/24 Copier Maint. Agreement FINANCE		502-406-84010	53.07
	351352	5/24 Copier Maint. Agreement HR		502-406-84010	1.31
	351352	5/24 Copier Maint. Agreement FINANCE		502-406-84010	1.26
	351352	5/24 Copier Maint. Agreement HR		502-510-84010	2.30
	351352	5/24 Copier Maint. Agreement PW		502-510-84010	7.94
	351352	5/24 Copier Maint. Agreement FINANCE		503-406-84010	30.33
	351352	5/24 Copier Maint. Agreement FINANCE		503-406-84010	0.72
	351352	5/24 Copier Maint. Agreement HR		503-406-84010	0.49
	351352	5/24 Copier Maint. Agreement WWP		503-520-84010	25.75
	351352	5/24 Copier Maint. Agreement HR		503-520-84010	0.98
	351352	5/24 Copier Maint. Agreement WWP		503-520-84010	0.87
	351352	5/24 Copier Maint. Agreement PW		503-520-84010	9.92
	351352	5/24 Copier Maint. Agreement HR		503-521-84010	0.33
	351352	5/24 Copier Maint. Agreement PW		503-521-84010	5.95
	351352	5/24 Copier Maint. Agreement FINANCE		504-406-84010	3.03
	351352	5/24 Copier Maint. Agreement HR		504-406-84010	0.16
	351352	5/24 Copier Maint. Agreement FINANCE		504-406-84010	0.07
	351352	5/24 Copier Maint. Agreement HR		820-610-84010	0.33
75173	6/5/2024	02594	Cintas Corporation #3		462.60
	4192911081	5/24 PW Employee Uniforms & Mats W5/16		101-404-70100	7.43
	4192911081	5/24 SVC Employee Uniforms & Mats W5/16		101-431-70100	22.42
	4192911081	5/24 BLDG Employee Uniforms & Mats W5/16		101-432-84030	75.00
	4192911081	5/24 SS Employee Uniforms & Mats W5/16		101-440-70100	79.40
	4192911081	5/24 PW Employee Uniforms & Mats W5/16		107-422-70100	48.63
	4192911081	5/24 WP Employee Uniforms & Mats W5/16		501-503-70100	55.76
	4192911081	5/24 PW Employee Uniforms & Mats W5/16		501-508-70100	48.63
	4192911081	5/24 PW Employee Uniforms & Mats W5/16		502-510-70100	48.63
	4192911081	5/24 WWP Employee Uniforms & Mats W5/16		503-520-70100	28.07
	4192911081	5/24 PW Employee Uniforms & Mats W5/16		503-521-70100	48.63
75174	6/5/2024	1207	City of Coalinga		16,585.88
	0008189	90-11379-001 Animal House-Fresno/Coalinga Rd		101-413-72010	59.63
	0008189	01-11035-004 270 S 6th St		101-415-72010	106.12
	0008189	70-08484-001 302 W Elm-Firehouse		101-416-72010	1,201.53
	0008189	70-08558-001 160 W Elm-Old City Hall		101-432-72010	18.03
	0008189	70-08563-002 155 W Durian-Bldg		101-432-72010	1,353.91
	0008189	70-08562-001 155 W Durian-Landscaping		101-432-72010	285.30
	0008189	70-08559-001 160 W Elm-Annex		101-432-72010	57.18
	0008189	90-10892-002 Coalinga AP Res		101-435-72010	126.03
	0008189	90-10891-001 27500 W Phelps-AP Spencer House		101-435-72010	92.14
	0008189	90-10883-001 27500 W Phelps-AP Access Road		101-435-72010	368.19
	0008189	90-11993-001 Airport-Median 3		101-435-72010	175.75
	0008189	90-11994-001 Airport-Median 4		101-435-72010	49.45
	0008189	90-11991-001 Airport-Median 1		101-435-72010	47.45
	0008189	90-11992-001 Airport-Median 2		101-435-72010	47.45
	0008189	84-12000-001 Sandalwood Park 3		101-440-72011	1,506.30
	0008189	01-11879-001 Plaza Park		101-440-72011	74.33
	0008189	71-11970-001 Forest/Pacific		101-440-72011	47.59
	0008189	51-04491-001 E Elm Trees		101-440-72011	33.19
	0008189	51-04490-001 E Aport/Elm Lots		101-440-72011	33.19
	0008189	42-11981-001 W Gale & Hwy 198		101-440-72011	33.19
	0008189	44-11880-001 Centennial Park		101-440-72011	1,341.54
	0008189	71-08739-001 200 E Pacific		101-440-72011	1,220.17

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Payment Amount / Item Amount
	0008189	82-10406-001 E Polk/Warthan Crk Lot		101-440-72011	103.13
	0008189	45-11979-001 Centennial Park Landscaping		101-440-72011	1,639.80
	0008189	70-08679-001 Sunset/6th-Ventera		101-440-72011	140.15
	0008189	84-11980-001 Jayne Ave Landscaping		101-440-72011	33.19
	0008189	70-08545-001 6th/Elm-Parking		101-440-72011	70.89
	0008189	45-04297-002 Posa Chanet Blvd		107-422-72011	70.22
	0008189	45-04295-002 Phelps/La Cuesta		107-422-72011	667.48
	0008189	41-03184-001 W Joaquin/Wash Lot		107-422-72011	598.96
	0008189	41-03130-001 Monterey/Monroe		107-422-72011	572.22
	0008189	70-08463-001 290 W Elm-Museum		107-422-72011	196.54
	0008189	42-03438-001 Van Ness/Ash St. Lot		107-422-72011	191.58
	0008189	42-03294-001 Sunset/Fifth Lot		107-422-72011	59.93
	0008189	84-10693-001 Juniper Rdg/Jayne		107-422-72011	137.17
	0008189	84-10691-003 Juniper/Jayne		107-422-72011	137.17
	0008189	44-04178-001 San Simeon/Posa Chanet		107-422-72011	136.77
	0008189	82-10397-001 1075 W Elm/Pacific/Lucille		107-422-72011	132.66
	0008189	84-11908-001 Copper/Canyon-Landscaping		107-422-72011	131.93
	0008189	61-06870-001 Lynch Park-Triangle		107-422-72011	123.70
	0008189	84-10736-001 Sandalwood/Longhollow		107-422-72011	122.04
	0008189	32-01424-001 Hillview/Monterey		107-422-72011	113.41
	0008189	70-12025-000 7th st Irrigation		107-422-72011	109.30
	0008189	84-10692-001 Juniper Rdg/Jayne		107-422-72011	37.70
	0008189	22-08117-001 Hayes Lot		107-422-72011	78.44
	0008189	52-06069-001 Van Ness/Second St Lot		107-422-72011	37.30
	0008189	70-11990-001 Elm/6th Landscaping 2		107-422-72011	33.19
	0008189	01-00006-001 200 E Elm-Trees		107-422-72011	33.19
	0008189	01-11986-001 Elm/4th Landscaping		107-422-72011	33.19
	0008189	01-11987-001 Elm/4th Landscaping 2		107-422-72011	33.19
	0008189	22-08436-001 Forest/First Lot		107-422-72011	33.19
	0008189	22-11239-001 Creek Side Lot		107-422-72011	33.19
	0008189	51-04426-001 Baker/Rotary Lot		107-422-72011	33.19
	0008189	82-11910-001 Hwy 198/Lucille-Landscaping		107-422-72011	33.19
	0008189	51-12025-001 E Elm/Van Ness Trees		107-422-72011	33.19
	0008189	52-11632-001 Cherry Ln-Median 2		107-422-72011	33.19
	0008189	52-11633-001 Cherry Ln-Median 3		107-422-72011	33.19
	0008189	52-11634-001 Cherry Ln-Median 4		107-422-72011	33.19
	0008189	62-08395-001 Forest/Second St		107-422-72011	33.19
	0008189	70-11963-001 Cedar/Fifth Clock		107-422-72011	33.19
	0008189	70-11988-001 Elm/6th Landscaping		107-422-72011	33.19
	0008189	52-11631-001 Cherry Ln-Median 1		107-422-72011	33.19
	0008189	41-03193-001 Princeton/Wash Lot		107-422-72011	53.76
	0008189	82-11346-001 Waste Water Plant		503-520-72010	2,042.38
	0008189	82-10306-001 Meter Shop		503-521-72010	39.36
75179	6/5/2024	1207	City of Coalinga		127.95
	0008199	6/24 Natural Gas Assistance - (43-03942-002)		502-510-80100	127.95
75180	6/5/2024	1224	Coalinga Hardware		166.09
	825906	5/24 PW Trailer Repair		501-508-84060	0.96
	825906	5/24 PW Trailer Repair		502-510-84060	0.96
	825906	5/24 PW Trailer Repair		503-521-84060	0.96
	826110	5/24 PW Sign for Parking		107-422-70130	47.15
	826118	5/24 PW Sign for Parking		107-422-70130	17.78
	826140	5/24 PW Trap for Truck Woodchips		107-422-70130	25.87
	826155	5/24 PW Sewer Lid Repair		503-521-70130	72.41
75181	6/5/2024	02843	DANIEL SAUCEDA		68.00
	21094	6/24 PD Meal Advance - D. Sauceda		101-413-86010	68.00

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Payment Amount / Item Amount
75182	6/5/2024	02289	Elecsys International, LLC		130.00
	SIP-E196470	5/24 PW Rectifier Cell Data for May 2024		502-510-72030	130.00
75183	6/5/2024	02683	Francis Urias		68.00
	21093	6/24 PD Meal Advance - F. Urias		101-413-86010	68.00
75184	6/5/2024	1404	Fresno County Fire Protection District		4,151.85
	2584	4/24 FD Brush 371 Graphics		101-416-98044	4,151.85
75185	6/5/2024	1407	Fresno County Sheriff		344.74
	SO21721	6/24 PD RMS/JMS/CAD Services - May 2024		101-413-88100	344.74
75186	6/5/2024	1411	Fresno Police Dept Regional Training Center		1,779.00
	20005807	6/24 PD Perishable Skills Program - J. Campos		101-413-86010	593.00
	20005875	6/24 PD Perishable Skills Program - D. Sauceda		101-413-86010	593.00
	2005874	6/24 PD Perishable Skills Program - F. Urias		101-413-86010	593.00
75187	6/5/2024	02192	Gimme Love Animal Shelter		2,950.00
	453	6/24 AC Animal Shelter Service - June 2024		101-415-88100	2,950.00
75188	6/5/2024	1446	Granite Construction Company		345.83
	2671232	3/24 PW Sand for Yard		501-508-70130	56.48
	2671232	3/24 PW Sand for Yard		502-510-70130	56.47
	2671232	3/24 PW Sand for Yard		503-521-70130	56.48
	2675447	3/24 PW Materials for Yard		501-508-70130	58.80
	2675447	3/24 PW Materials for Yard		502-510-70130	58.80
	2675447	3/24 PW Materials for Yard		503-521-70130	58.80
75189	6/5/2024	1450	Griswold, LaSalle, Cobb, Dowd, and Gin, LLP		350.64
	3344	2/24 PD CIty Attorney Fees		101-401-88010	350.64
75190	6/5/2024	1474	Home Depot Credit Services		297.43
	4901518	4/24 SVC Shaft Handle w/Key for Hanger		101-435-84030	11.30
	8614688	4/24 WP Cleaning Supplies		501-503-70140	286.13
75191	6/5/2024	1494	Interstate Gas Services, Inc.		11,502.50
	7021794	5/24 WP Utility Consulting for April 2024		501-503-88100	6,457.50
	7021794	5/24 PW Utility Consulting for April 2024		502-510-88100	5,045.00
75192	6/5/2024	02735	Jesus Campos		68.00
	21092	6/24 PD Meal Advance - J. Campos		101-413-86010	68.00
75193	6/5/2024	02626	L.N. Curtis and Sons		182.37
	INV823707	5/24 FD (3) PFD for Brush		101-416-98044	182.37
75194	6/5/2024	02570	Linde Gas & Equipment Inc.		841.80
	43280536	5/24 FD Oxygen		117-416-75000	841.80
75195	6/5/2024	02329	Michael K. Nunley & Associates, Inc.		2,811.63
	1093333808	5/24 WP Hydroxide Storage & Injection System		501-503-88100	2,811.63
75196	6/5/2024	1661	Mountain Valley Pest Control, Inc.		134.00
	113889	5/24 AP Pest Control Services		101-435-84030	50.00
	113892	5/24 PD Pest Control Services		101-413-88100	28.00
	113892	5/24 BLDG Pest Control Services		101-432-84030	28.00
	113894	5/24 BLDG Pest Control Services		101-432-84030	28.00
75197	6/5/2024	1692	O'Reilly Automotive, Inc.		916.21
	4316-477785	2/24 FD DEF		101-416-70160	47.91
	4316-482899	4/24 FD DEF		101-416-70160	47.91
	4316-486043	5/24 PD Resister & Vent Stick for #C32		101-413-84060	29.07
	4316-486044	5/24 SVC Shop Tools		101-431-70060	45.53
	4316-486045	5/24 PW Pump Truck 7 Pin Repair		501-508-84060	14.53
	4316-486045	5/24 PW Pump Truck 7 Pin Repair		502-510-84060	14.53

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Payment Amount / Item Amount
	4316-486045	5/24 PW Pump Truck 7 Pin Repair		503-521-84060	14.52
	4316-486050	5/24 PD Thermostat & Water Pump for #C27		101-413-84060	185.63
	4316-486166	5/24 PD Lift Support for #C27		101-413-84060	39.60
	4316-486167	5/24 PW Trailer Repair		501-508-84060	41.61
	4316-486167	5/24 PW Trailer Repair		502-510-84060	41.61
	4316-486167	5/24 PW Trailer Repair		503-521-84060	41.60
	4316-486187	5/24 FD Oil & Filters for #M255		101-416-84060	105.47
	4316-486189	5/24 SVC Shop Stock & Wiper Fluid		101-431-70150	25.24
	4316-486788	5/24 FD Oil & Filters for #M251		101-416-84060	197.50
	4316-486944	5/24 FD DEF		101-416-70160	23.95
75199	6/5/2024	02554	Pace Supply Corp.		184.89
	199534290	5/24 PW Sewer Line Couplings		503-521-70140	184.89
75200	6/5/2024	02731	Paragon Partners Consultants, Inc.		846.10
	0024377-IN	4/24 PW ATP4 Trails Project R.O.W. Svcs		305-422-98982	846.10
75201	6/5/2024	1721	PG&E		179.05
	0008202	5/24 PW Frame Park Electricity (5120357172-7)		101-440-72011	179.05
75202	6/5/2024	02664	Phillips Electric, LLC		3,556.60
	INV-0461-1	4/24 WP Access Control Gates		501-503-84030	3,556.60
75203	6/5/2024	02637	PTS Communications Inc		130.00
	2122836	5/24 AIR Payphone Service - June 2024		101-435-72030	30.00
	2122968	5/24 PD 911 System Operational - April 2024		101-413-88100	100.00
75204	6/5/2024	1745	Quad Knopf, Inc.		3,095.00
	123229	5/24 PW On Call GIS Support (3/31/24-4/27/2024)		501-508-88121	1,031.67
	123229	5/24 PW On Call GIS Support (3/31/24-4/27/2024)		502-510-88121	1,031.67
	123229	5/24 PW On Call GIS Support (3/31/24-4/27/2024)		503-521-88121	1,031.66
75205	6/5/2024	1755	Raul Herrera		250.00
	COALPD-MAY-2024	5/24 HR Polygraph - Hernandez-Cruz		101-408-89050	250.00
75206	6/5/2024	02859	Rise Above LLC		58.90
	0008194	5/24 Electrical Permit Issuance Refund		101-400-42050	36.80
	0008194	5/24 Electrical Permit Service Panel Refund		101-400-42050	22.10
75207	6/5/2024	02844	SACRAMENTO SHERIFF		250.00
	21090	6/24 PD Registration Fee - B. Kaiser		101-413-86010	125.00
	21091	6/24 PD Registration Fee - G. Arroyo		101-413-86010	125.00
75208	6/5/2024	02860	San Mar Properties		75.30
	0008195	12/23 Plumbing Permit Issuance Refund		101-400-42050	75.30
75209	6/5/2024	1810	Save Mart Supermarkets		82.05
	0008207	5/24 PD Inmate Meals		101-413-70380	82.05
75210	6/5/2024	1821	Self Help Enterprises		4,000.00
	0008191	5/24 Home Long Term Monitoring (Valle Del Sol)		815-609-88100	4,000.00
75211	6/5/2024	02694	Stericycle, Inc.		179.35
	8007244797	5/24 FD Hazardous Waste Recycling		117-416-75000	179.35
75212	6/5/2024	02858	Titan Solar Power		88.80
	0008193	1/24 Residential Solar Issuance Refund		101-400-42130	88.80
75213	6/5/2024	02846	T-MOBILE USA INC		381.77
	0008205	698-4142 SVC Center - Pedro 100%		101-431-72030	43.37
	0008205	381-1988 PW Meter Reader 40%		501-406-72030	17.35
	0008205	341-4461 PW Director 20%		501-503-72030	7.84
	0008205	307-0126 GIS Tablet 34%		501-508-72030	7.18
	0008205	307-0127 PW UB Tablet 1 34%		501-508-72030	7.18

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	0008205	307-0130 PW UB Tablet 3 34%		501-508-72030	7.18
	0008205	307-0129 PW UB Tablet 2 34%		501-508-72030	7.18
	0008205	307-0132 PW UB Tablet 5 34%		501-508-72030	7.18
	0008205	307-0128 PW UB Tablet 6 34%		501-508-72030	7.18
	0008205	307-0131 PW UB Tablet 4 34%		501-508-72030	7.18
	0008205	341-4461 PW Director 20%		501-508-72030	7.83
	0008205	307-0133 PW UB Tablet 8 34%		501-508-72030	7.18
	0008205	974-1257 PW Supervisor Phone 34%		501-508-72030	14.75
	0008205	383-4014 PW Standby 34%		501-508-72030	14.75
	0008205	381-1988 PW Meter Reader 35%		502-406-72030	15.18
	0008205	383-4014 PW Standby 33%		502-510-72030	14.31
	0008205	974-1257 PW Supervisor Phone 33%		502-510-72030	14.31
	0008205	307-0126 GIS Tablet 33%		502-510-72030	6.98
	0008205	307-0127 PW UB Tablet 1 33%		502-510-72030	6.98
	0008205	307-0133 PW UB Tablet 8 33%		502-510-72030	6.98
	0008205	307-0129 PW UB Tablet 2 33%		502-510-72030	6.98
	0008205	307-0130 PW UB Tablet 3 33%		502-510-72030	6.98
	0008205	307-0131 PW UB Tablet 4 33%		502-510-72030	6.98
	0008205	307-0128 PW UB Tablet 6 33%		502-510-72030	6.98
	0008205	341-4461 PW Director 20%		502-510-72030	7.83
	0008205	307-0132 PW UB Tablet 5 33%		502-510-72030	6.98
	0008205	381-1988 PW Meter Reader 23%		503-406-72030	9.98
	0008205	341-4461 PW Director 20%		503-520-72030	7.84
	0008205	974-1257 PW Supervisor Phone 33%		503-521-72030	14.31
	0008205	307-0129 PW UB Tablet 2 33%		503-521-72030	6.98
	0008205	307-0133 PW UB Tablet 8 33%		503-521-72030	6.98
	0008205	307-0128 PW UB Tablet 6 33%		503-521-72030	6.98
	0008205	307-0132 PW UB Tablet 5 33%		503-521-72030	6.98
	0008205	307-0131 PW UB Tablet 4 33%		503-521-72030	6.98
	0008205	307-0130 PW UB Tablet 3 33%		503-521-72030	6.98
	0008205	307-0127 PW UB Tablet 1 33%		503-521-72030	6.98
	0008205	383-4014 PW Standby 33%		503-521-72030	14.31
	0008205	341-4461 PW Director 20%		503-521-72030	7.83
	0008205	307-0126 GIS Tablet 33%		503-521-72030	6.98
	0008205	381-1988 PW Meter Reader 2%		504-406-72030	0.86
75216	6/5/2024	1943	Tyler Technologies, Inc.		62,910.77
	025-464955	6/24 Annual SaaS Fees (7/1/2024/6/30/2025)		101-000-08900	590.39
	025-464955	6/24 Annual SaaS Fees (7/1/2024/6/30/2025)		501-000-08900	590.39
	025-464955	6/24 Annual SaaS Fees (7/1/2024/6/30/2025)		502-000-08900	590.39
	025-464955	6/24 Annual SaaS Fees (7/1/2024/6/30/2025)		503-000-08900	590.38
	025-467296	6/24 Annual SaaS Fees (7/1/2024-6/30/2025)		101-000-08900	6,054.92
	025-467296	6/24 Annual SaaS Fees (7/1/2024-6/30/2025)		107-000-08900	4,843.94
	025-467296	6/24 Annual SaaS Fees (7/1/2024-6/30/2025)		501-000-08900	15,137.31
	025-467296	6/24 Annual SaaS Fees (7/1/2024-6/30/2025)		502-000-08900	15,137.31
	025-467296	6/24 Annual SaaS Fees (7/1/2024-6/30/2025)		503-000-08900	15,137.31
	025-467296	6/24 Annual SaaS Fees (7/1/2024-6/30/2025)		504-000-08900	3,027.46
	025-467296	6/24 Annual SaaS Fees (7/1/2024-6/30/2025)		820-000-08900	1,210.97
75217	6/5/2024	1946	Uline		247.64
	178569406	5/24 PD Evidence Gloves		101-413-90070	247.64
75218	6/5/2024	1961	Urban Futures, Inc.		1,350.00
	CD-2023-021	5/24 FY 2023 Continuing Disclosure & Compliance		820-610-96512	1,350.00
75219	6/5/2024	1973	Verizon Wireless Services, LLC		1,029.05
	9964561907	5/24 M. Buolos 383-4710		101-413-72030	38.01
	9964561907	4/21 UC Investigations 209-620-2635		101-413-72030	40.77
	9964561907	5/24 PD D. Blevins 341-0159		101-413-72030	38.03
	9964561907	5/24 PD Sean Young 939-2575		101-413-72030	38.01
	9964561907	5/24 PD Laptop 774-8669		101-413-72030	38.01

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	9964561907	5/24 PD Laptop 774-8668		101-413-72030	38.01
	9964561907	5/24 PD Laptop 774-8666		101-413-72030	38.01
	9964561907	5/24 PD Laptop 774-8664		101-413-72030	38.01
	9964561907	5/24 Sim card for Traffic Camera 385-6390		101-413-72030	38.01
	9964561907	5/24 PD Laptop 774-8662		101-413-72030	38.01
	9964561907	5/24 PD Laptop 774-8616		101-413-72030	38.01
	9964561907	5/24 PD M. Buolos 401-9945		101-413-72030	38.01
	9964561907	5/24 PD User 401-9521		101-413-72030	38.01
	9964561907	5/24 PD Sean Young 401-5159		101-413-72030	38.01
	9964561907	5/24 Copdmdt 07 612-3444		101-413-72030	38.01
	9964561907	5/24 PD User 401-9510		101-413-72030	38.01
	9964561907	5/24 Copdmdt 09 612-3468		101-413-72030	38.01
	9964561907	5/24 Copdmdt 10 612-3536		101-413-72030	38.01
	9964561907	5/24 Copdmdt 11 612-3540		101-413-72030	38.01
	9964561907	5/24 Copdmdt 16 612-3607		101-413-72030	38.01
	9964561907	5/24 Coalpd Lt08 538-4038		101-413-72030	38.01
	9964561907	5/24 Coalpd Lt11 538-4304		101-413-72030	38.01
	9964561907	5/24 Coalpd Lt12 538-4345		101-413-72030	38.01
	9964561907	5/24 Coalpd Lt13 538-4473		101-413-72030	38.01
	9964561907	5/24 M. Boulos 401-9891		101-413-72030	38.01
	9964561907	5/24 PD User 401-9512		101-413-72030	38.01
	9964561907	5/24 Coalpd Lt15 365-9537		101-413-72030	38.01
75221	6/5/2024	1991	West Hills Machine Shop, Inc.		801.36
	050785	5/24 PD Range Supplies		101-413-70060	801.36
75222	6/5/2024	1992	West Hills Medical Group, Inc.		490.00
	2023-169	12/23 PD Medical - O. Garcia		101-408-89040	210.00
	2023-169	12/23 FD Medical - M. Lopez		101-408-89040	140.00
	2023-169	12/23 WP Medical - A. Uribe		501-503-88060	98.00
	2023-169	12/23 WWP Medical - A. Uribe		503-520-88060	42.00
75223	6/5/2024	1992	West Hills Medical Group, Inc.		2,085.00
	2023-168	11/23 FD Medical - A. Ornelas		101-408-88060	39.00
	2023-168	11/23 FD Medical - J. Ramsey (DMV)		101-408-88060	104.00
	2023-168	11/23 FD Medical - J. Ramsey (PFT)		101-408-88060	104.00
	2023-168	11/23 FD Medical - I. Rodriguez		101-408-88060	104.00
	2023-168	11/23 FD Medical - A.Dangaran		101-408-88060	78.00
	2023-168	11/23 FD Medical - J. Milligan		101-408-88060	78.00
	2023-168	11/23 FD Medical - D. Burke		101-408-88060	78.00
	2023-168	11/23 FD Medical - A. Ornelas		101-408-88060	78.00
	2023-168	11/23 FD Medical - R. Banks		101-408-88060	78.00
	2023-168	11/23 FD Medical - R. Long		101-408-88060	78.00
	2023-168	11/23 FD Medical - T. Sigler		101-408-88060	91.00
	2023-168	11/23 FD Medical - C. Stockdale		101-408-88060	78.00
	2023-168	11/23 PD Medical - J. Magaleno		101-408-89040	130.00
	2023-168	11/23 PD Medical - J. Jacobo		101-408-89040	200.00
	2023-168	11/23 PW Medical - C. Milligan		107-422-89040	13.00
	2023-168	11/23 FD Medical - C. Stockdale		117-416-88060	52.00
	2023-168	11/23 FD Medical - J. Milligan		117-416-88060	52.00
	2023-168	11/23 FD Medical - R. Banks		117-416-88060	52.00
	2023-168	11/23 FD Medical - D. Burke		117-416-88060	52.00
	2023-168	11/23 FD Medical - R. Long		117-416-88060	52.00
	2023-168	11/23 FD Medical - T. Sigler		117-416-88060	39.00
	2023-168	11/23 FD Medical - A Ornelas		117-416-88060	52.00
	2023-168	11/23 FD Medical - A. Ornelas		117-416-88060	26.00
	2023-168	11/23 FD Medical - I. Rodriguez		117-416-88060	26.00
	2023-168	11/23 FD Medical - A Dangaran		117-416-88060	52.00
	2023-168	11/23 FD Medical - J. Ramsey (PFT)		117-416-88060	26.00
	2023-168	11/23 FD Medical - J. Ramsey (DMV)		117-416-88060	26.00

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	2023-168	11/23 PW Medical - C. Milligan		501-508-89040	52.00
	2023-168	11/23 PW Medical - C. Milligan		502-510-89040	52.00
	2023-168	11/23 WP Medical - R. Delacruz		503-520-89040	130.00
	2023-168	11/23 PW Medical - C. Milligan		503-521-89040	13.00
75226	6/5/2024	1992	West Hills Medical Group, Inc.		560.00
	2024-170	1/24 HR Medical - J. Milligan		101-408-88060	112.00
	2024-170	1/24 PW Medical - Laso		107-422-88060	21.00
	2024-170	1/24 PW Medical - Tinnes		107-422-89040	21.00
	2024-170	1/24 FD Medical - J. Milligan		117-416-88060	28.00
	2024-170	1/24 PW Medical - Laso		501-508-88060	84.00
	2024-170	1/24 PW Medical - Tinnes		501-508-89040	84.00
	2024-170	1/24 PW Medical - Laso		502-510-88060	84.00
	2024-170	1/24 PW Medical - Tinnes		502-510-89040	84.00
	2024-170	1/24 PW Medical - Laso		503-521-88060	21.00
	2024-170	1/24 PW Medical - Tinnes		503-521-89040	21.00
75227	6/13/2024	02475	Alberto Ramirez		425.00
	0008310	5/24 PW Janitoral Service		501-508-84030	141.67
	0008310	5/24 PW Janitoral Service		502-510-84030	141.67
	0008310	5/24 PW Janitoral Service		503-521-84030	141.66
75228	6/13/2024	02388	Amazon Capital Services, Inc.		119.16
	11NY-LX7Y-71FH	5/24 FD 100PK AA Batteries		101-416-70010	29.58
	11NY-LX7Y-71FH	5/24 FD 24PK 9V Batteries		101-416-70010	30.76
	11NY-LX7Y-71FH	5/24 FD 20 Rolls Thermal Receipt Paper		101-416-70010	37.04
	11NY-LX7Y-71FH	5/24 FD 100PK Silicone Ear Plugs		101-416-70102	21.78
75229	6/13/2024	02386	American Office Solutions, LLC		5,217.24
	22095	1/24 PD Mileage		101-413-88100	120.00
	22576	3/24 PD IT Monthly Contract for March 2024		101-413-90070	1,683.21
	22578	5/24 WP New Laptop		501-503-88040	1,734.03
	22589	5/24 PW Access Control Installation Loabor Q1683		501-508-84030	266.67
	22589	5/24 PW Access Control Installation Loabor Q1683		502-510-84030	266.67
	22589	5/24 PW Access Control Installation Loabor Q1683		503-521-84030	266.66
	22596	5/24 PW Access Control Onsite Project Travel Charg		501-508-84030	66.67
	22596	5/24 PW Access Control Onsite Project Travel Charg		502-510-84030	66.67
	22596	5/24 PW Access Control Onsite Project Travel Charg		503-521-84030	66.66
	22597	5/29 PD Mileage		101-413-88100	200.00
	22604	4/24 PD Mileage		101-413-88100	120.00
	22609	4/24 PD Mileage		101-413-88100	360.00
75230	6/13/2024	02524	Arnold Dangaran		77.88
	0008306	6/24 FD AMB Meal Reimb - A. Dangaran		117-416-75010	77.88
75231	6/13/2024	02082	AutoZone, Inc.		329.70
	5919153472	5/24 PW Climate Control for #16		107-422-84060	41.68
	5919153472	5/24 PW Climate Control for #16		501-508-84060	41.68
	5919153472	5/24 PW Climate Control for #16		502-510-84060	41.68
	5919153472	5/24 PW Climate Control for #16		503-521-84060	41.68
	5919153551	5/24 PW HVAC Air Door for #16		107-422-84060	7.08
	5919153551	5/24 PW HVAC Air Door for #16		501-508-84060	7.08
	5919153551	5/24 PW HVAC Air Door for #16		502-510-84060	7.08
	5919153551	5/24 PW HVAC Air Door for #16		503-521-84060	7.08
	5919153852	5/24 PW Fuel Inj Hose for #16		107-422-84060	3.67
	5919153852	5/24 PW Fuel Inj Hose for #16		501-508-84060	3.67
	5919153852	5/24 PW Fuel Inj Hose for #16		502-510-84060	3.67
	5919153852	5/24 PW Fuel Inj Hose for #16		503-521-84060	3.67
	5919157297	6/24 SVC Shop Tools		101-431-70060	45.45
	5919157529	6/24 SVC AC System Filter		101-431-70150	74.53

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75232	6/13/2024	02132	Badger Meter, Inc.		110,474.50
	1660425	5/24 PW End Points (Cellular)		501-508-98472	110,474.50
75233	6/13/2024	02698	Bear Trap Enterprises Inc.		655.29
	21884	5/24 WP Weld 2' Collar on Transmission Line		501-503-84020	655.29
75234	6/13/2024	1112	Billingsley Tire Service		2,622.85
	292328	5/24 PW Trailer Tire Repairs		501-508-84060	259.22
	292328	5/24 PW Trailer Tire Repairs		502-510-84060	259.22
	292328	5/24 PW Trailer Tire Repairs		503-521-84060	259.22
	292352	5/24 PW Lawn Mower Tire Repair		101-440-84060	328.87
	292386	5/24 PW Trailer Tire Repair		501-508-84060	495.44
	292386	5/24 PW Trailer Tire Repair		502-510-84060	495.44
	292386	5/24 PW Trailer Tire Repair		503-521-84060	495.44
	292552	6/24 PD Tire Repair #C20		101-413-84060	30.00
75235	6/13/2024	02363	BRADY KAISER		598.98
	0008196	6/24 PD Lodging for Training Reimb - B. Kaiser		101-413-86010	540.78
	21090	6/24 PD Meal Reimb. B. Kaiser		101-413-86010	58.20
75236	6/13/2024	02504	Brian Corley		3,331.51
	24-051901	5/24 WWP Aerator Motor Failure		503-520-84020	1,482.41
	24-052401	5/24 WP Solar Tank Repair		501-503-84020	985.91
	24-052903	5/24 WP Reinstall SMS System		501-503-84020	202.50
	24-060601	6/24 PW Lift Station Panel Repair		503-521-88100	660.69
75237	6/13/2024	02296	BSK Associates		947.00
	AH13168	5/24 WP Outside Lab Work		501-503-88081	687.00
	AH13168	5/24 WWP Outside Lab Work		503-520-88080	260.00
75238	6/13/2024	1133	Bureau of Reclamation		110,509.61
	0008308	6/24 WP May 2024 to Balance		501-503-80010	-549.50
	0008308	6/24 WP May 2024 Restoration 293		501-503-80010	7,615.07
	0008308	6/24 WP May 2024 Restoration 455		501-503-80010	11,825.45
	0008308	6/24 WP May 2024 Adjustment 293		501-503-80010	22,232.84
	0008308	6/24 WP May 2024 Adjustment 455		501-503-80010	35,239.75
	0008308	6/24 WP May 2024 Adjustment -350		501-503-80010	-26,558.00
	0008308	6/24 WP August 2024 Estimate 800		501-503-80010	60,704.00
75239	6/13/2024	1192	Chemtrade Chemicals US, LLC		4,827.04
	90108675	5/24 WP Chemical		501-503-70240	4,827.04
75240	6/13/2024	02598	Cintas Corporation No. 2		869.15
	4193617880	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		101-404-70100	7.43
	4193617880	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		101-431-70100	22.42
	4193617880	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		101-432-84030	75.00
	4193617880	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		101-440-70100	59.79
	4193617880	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		107-422-70100	44.10
	4193617880	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		501-503-70100	55.76
	4193617880	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		501-508-70100	44.11
	4193617880	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		502-510-70100	44.11
	4193617880	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		503-520-70100	28.07
	4193617880	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		503-521-70100	44.10
	4194444724	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		101-404-70100	7.43
	4194444724	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		101-431-70100	22.42
	4194444724	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		101-432-84030	75.00
	4194444724	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		101-440-70100	59.79
	4194444724	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		107-422-70100	44.04
	4194444724	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		501-503-70100	55.76
	4194444724	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		501-508-70100	44.05
	4194444724	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		502-510-70100	44.05
	4194444724	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		503-520-70100	28.07

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	4194444724	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		503-521-70100	44.04
	4194444724	5/24 PW Employee Uniforms/Sanitary Supplies/Mat		504-535-70100	19.61
75242	6/13/2024	1212	City of Sanger		3,574.20
	IGT68-Coalinga	6/24 FD Health Mgmt Consulting (Jan - May 2024)		117-416-88100	3,574.20
75243	6/13/2024	02061	CivicPlus, Inc.		900.00
	304806	5/24 CC Annual Online Code Hosting Subscription		101-401-86030	450.00
	304806	5/24 ADMIN Annual Online Code Hosting Subscriptio		101-405-86030	450.00
75244	6/13/2024	1224	Coalinga Hardware		124.86
	826360	6/24 WWP Bug Spray		503-520-70140	45.50
	826449	6/24 PD Small Tools		101-413-70060	79.36
75245	6/13/2024	1243	Cook's Communications		16,051.94
	157421	5/24 PD Vehicle 1 Equipment		106-413-98040	16,051.94
75246	6/13/2024	02315	Criscom Public Relation, Inc.		4,000.00
	271317	6/24 Lobbying & Econ Development Svcs FY 23/24		101-401-88100	400.00
	271317	6/24 Lobbying & Econ Development Svcs FY 23/24		107-422-88100	600.00
	271317	6/24 Lobbying & Econ Development Svcs FY 23/24		501-503-88100	600.00
	271317	6/24 Lobbying & Econ Development Svcs FY 23/24		501-508-88100	600.00
	271317	6/24 Lobbying & Econ Development Svcs FY 23/24		502-510-88100	600.00
	271317	6/24 Lobbying & Econ Development Svcs FY 23/24		503-520-88100	600.00
	271317	6/24 Lobbying & Econ Development Svcs FY 23/24		503-521-88100	600.00
75247	6/13/2024	02354	David Wellhouse & Associates, Inc.		1,700.00
	1887	6/24 PD FY 22/23 SB90 Claims		101-416-88100	1,700.00
75248	6/13/2024	02574	Dorothy June Baker		251.13
	11057	6/24 PW Hand Held Blower		101-440-70060	251.13
75249	6/13/2024	1322	Electric Motor Shop, Inc.		315.00
	RS-RI33768	4/24 WP Tnspection Motor		501-503-70140	315.00
75250	6/13/2024	1343	ESO Solutions, Inc.		348.00
	ESO-142187	6/24 FD IFC 2022 CA State Amendments Code Set		101-416-75060	348.00
75251	6/13/2024	02379	Geotab USA, Inc.		98.75
	IN384786	5/24 PW GPS Sweeper & ATV's		101-440-88100	59.25
	IN384786	5/24 SS GPS Sweeper & ATV's		504-535-88100	39.50
75252	6/13/2024	1445	Grainger		12.95
	9129278330	5/24 PW Switch for Mower #39		101-440-84060	12.95
75253	6/13/2024	02662	Guadalupe Arroyo		69.41
	21091	6/24 PD Meal Reimb - G. Arroyo		101-413-86010	69.41
75254	6/13/2024	02856	Haaker Equipment Company		21,763.82
	W5A0H7	5/24 PW Emergency Repair for Vac-Con		501-508-84060	4,352.76
	W5A0H7	5/24 PW Emergency Repair for Vac-Con		503-521-84060	17,411.06
75255	6/13/2024	02179	Isaac Rodriguez		241.50
	20737	6/24 FD Meal Advance - I. Rodriguez		101-416-75030	241.50
75256	6/13/2024	1553	Keller Ford		6,461.88
	50242128	5/24 PD Buckle for #C18		101-413-84060	95.36
	685870	5/24 FD M253 Repairs		101-416-84060	6,366.52
75257	6/13/2024	02626	L.N. Curtis and Sons		1,500.94
	INV809723	4/24 FD Siamese Valve		101-416-98044	1,500.94
75258	6/13/2024	1592	Liebert Cassidy Whitmore		6,473.00
	264170	3/24 FD ERMA - Investigation Advice		101-416-88020	4,737.00

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	267351	4/24 FD ERMA - Investigation Advice		101-416-88020	1,736.00
75259	6/13/2024	1593	Life Assist, Inc.		333.17
	1440963	5/24 FD Medical Supplies		117-416-75000	333.17
75260	6/13/2024	1610	Madera Disposal Systems, Inc.		30.00
	9615	4/24 AC Animal Disposal		101-415-88100	30.00
75261	6/13/2024	1630	McMaster-Carr Supply Co.		2,683.87
	27026529	5/24 WP Air Valve		501-503-70140	629.78
	27351502	5/24 WP Parts for Water Main		501-503-70140	2,054.09
75262	6/13/2024	02114	Michee Baggett		745.73
	0008305	6/24 FD AMB Meal Reimb - M. Baggett		117-416-75010	66.77
	0008307	3/24 FD Training S-215 Reimb - M. Baggett		101-416-75030	678.96
75263	6/13/2024	1661	Mountain Valley Pest Control, Inc.		140.00
	113526	2/24 PW Pest Control Service		503-521-84030	35.00
	113527	2/24 WWP Pest Control Service		503-520-84030	30.00
	113528	2/24 WP Pest Control Service		501-503-84030	45.00
	113754	4/24 WWP Pest Control Service		503-520-84030	30.00
75264	6/13/2024	02625	NDN International LLC		158.92
	JJ2W1109	6/24 PD Uniforms		101-413-70101	158.92
75265	6/13/2024	1692	O'Reilly Automotive, Inc.		912.30
	4316-486445	5/24 PW Bed Coating for Truck #24		501-508-84060	19.61
	4316-486445	5/24 PW Bed Coating for Truck #24		502-510-84060	19.60
	4316-486445	5/24 PW Bed Coating for Truck #24		503-521-84060	19.60
	4316-486802	5/24 SVC Shop Tools		101-431-70060	17.43
	4316-486960	5/24 PW Patch Truck Oil Change		107-422-84060	16.63
	4316-486960	5/24 PW Patch Truck Oil Change		501-508-84060	16.63
	4316-486960	5/24 PW Patch Truck Oil Change		502-510-84060	16.63
	4316-486960	5/24 PW Patch Truck Oil Change		503-521-84060	16.63
	4316-487417	6/24 WWP Maintenance for #28		503-520-84060	266.27
	4316-487422	6/24 WWP Battery for #28		503-520-84060	102.84
	4316-487452	6/24 WWP Brakes for #28		503-520-84060	400.43
75266	6/13/2024	02554	Pace Supply Corp.		338.30
	199534290-1	6/24 PW Cast Iron Mounment Lid		107-422-70130	338.30
75267	6/13/2024	02318	Quadient Finance USA, Inc.		2,577.19
	0008302	5/24 FIN Postage		501-406-70030	1,030.88
	0008302	5/24 FIN Postage		502-406-70030	902.02
	0008302	5/24 FIN Postage		503-406-70030	592.75
	0008302	5/24 FIN Postage		504-406-70030	51.54
75268	6/13/2024	02745	Rev02 Solutions, LLC		6,302.00
	5709	5/24 WWP New Aerator Parts		503-520-84020	6,302.00
75269	6/13/2024	1804	San Luis & Delta-Mendota		76,480.59
	0008309	6/24 WP May 2024 Adjustment 987		501-503-80010	56,821.59
	0008309	6/24 WP July 2024 Estimate 800		501-503-80010	46,056.00
	0008309	6/24 WP May Adjustment -350		501-503-80010	-26,397.00
75270	6/13/2024	1804	San Luis & Delta-Mendota		28.91
	0008303	6/24 WP November 2023 Adjustment		501-503-80010	28.91
75271	6/13/2024	1810	Save Mart Supermarkets		26.64
	0008304	6/24 ADMIN Cottage Kitchen Workshop Plates & Cre		101-405-76010	26.64
75272	6/13/2024	1821	Self Help Enterprises		205,172.18
	0008312	8/22 ADMIN 2022 CDBG Application Preparation		303-405-88118	3,000.00
	COL19HM 12/1/202	2/24 CC Dec 23/24 COL19HM 2019 Home Fees		304-404-88105	254.53

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	COL19Hm Jan-Apr 2	5/24 CD Jan-Apr 23/24 COL19HM 2019 Home Fees		304-404-88105	1,775.77
	COL22HB 1/31/202	1/24 ADMIN Jul-Dec 23/24 COL22HB 2022 CDBG Fee		303-405-88118	195,117.03
	COL22HB 3/19/202	5/24 ADMIN Jan-Feb 23/24 COL22HB - 2022 CDBG F		303-405-88118	2,432.63
	COL22RE 3/19/2024	3/24 ADMIN Jan-Feb 23/24 COL22RE - 2022 CDBG Fe		303-405-88118	433.52
	COL22RE 3/19/2024	3/24 ADMIN Jul-Dec 23/24 COL22RE - 2022 CDBG Fe		303-405-88118	2,158.70
75273	6/13/2024	02099	SWCA Environmental Consultants		3,328.77
	195476	6/24 PW ATP 6 CEQA		305-422-98905	3,328.77
75274	6/13/2024	1892	Target Solutions Learning LLC		6,605.50
	INV96475	7/24 PD Scheduling & Training		105-413-98041	6,605.50
75275	6/13/2024	1902	Thatcher Company, Inc.		6,786.91
	2024250102780	5/24 WP Chemical Chlorine		501-503-70230	8,786.91
	CM0000724	5/24 WP Container Refund CR		501-503-70230	-2,000.00
75276	6/13/2024	1920	Thomson Reuters/Barclays		675.98
	850273402	5/24 PD Online/Software Subscription Charges		101-413-86030	675.98
75277	6/13/2024	02351	Tractor Supply Company		154.77
	200007276	4/24 WWP Binder Chain		503-520-70140	110.04
	200008806	5/24 WWP XL HWH SDS NEO 1 - 14x4		503-520-70140	15.78
	3000000421	5/24 PW Propane for Forklift		501-508-84060	9.65
	3000000421	5/24 PW Propane for Forklift		502-510-84060	9.65
	3000000421	5/24 PW Propane for Forklift		503-521-84060	9.65
75278	6/13/2024	1931	Trans Union, LLC		60.00
	05422852	5/24 PD Backgrounds		101-413-88100	60.00
75279	6/13/2024	1973	Verizon Wireless Services, LLC		266.07
	9964918687	5/24 FD IPad Data (542044026-00004)		101-416-72030	266.07
75280	6/13/2024	1973	Verizon Wireless Services, LLC		536.02
	9964918686	5/24 FD Vehicle Data (542044026-00003)		101-416-72030	536.02
75281	6/13/2024	1973	Verizon Wireless Services, LLC		1,072.34
	9965528625	401-5885 Council Member		101-401-72030	38.01
	9965528625	401-5863 Council Member		101-401-72030	38.01
	9965528625	401-5846 Council Member		101-401-72030	38.01
	9965528625	401-5850 Council Member		101-401-72030	38.01
	9965528625	401-5853 Council Member		101-401-72030	38.01
	9965528625	698-4142 SVC Center-Pedro		101-431-72030	26.49
	9965528625	341-9613 Water Plant On-Call		501-503-72030	37.33
	9965528625	383-4121 WP Ipad-2		501-503-72030	45.02
	9965528625	362-6567 Field Supervisor Uribe		501-503-72030	13.13
	9965528625	383-4579 SCADA		501-503-72030	97.90
	9965528625	383-4514 Water Plant Primary		501-503-72030	61.19
	9965528625	383-4004 Wagter Plant Router-1		501-503-72030	57.77
	9965528625	978-2846 Water Plant IPad-1		501-503-72030	45.02
	9965528625	240-3695 Public Works Table		501-508-72030	12.93
	9965528625	401-9315 Public Works UB Tablet-4		501-508-72030	19.63
	9965528625	383-4014 PW Standby		501-508-72030	19.64
	9965528625	401-9321 Public Works UB Tablet-5		501-508-72030	19.63
	9965528625	401-9323 Public Works UB Tablet-6		501-508-72030	19.63
	9965528625	401-9312 Public Works UB Tablet-3		501-508-72030	19.63
	9965528625	401-9110 Public Works Tablet-1		501-508-72030	19.63
	9965528625	401-9271 Public Works UB Tablet-2		501-508-72030	19.63
	9965528625	401-9323 Public Works UB Tablet-6		502-510-72030	19.07
	9965528625	383-4014 PW Standby		502-510-72030	19.06
	9965528625	243-3695 Public Works Tablet		502-510-72030	12.54
	9965528625	401-9110 Public Works Tablet-1		502-510-72030	19.07
	9965528625	401-9321 Public Works UB Tablet-5		502-510-72030	19.07

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	9965528625	401-9315 Public Works UB Tablet-4		502-510-72030	19.07
	9965528625	401-9312 Public Works UB Tablet-3		502-510-72030	19.07
	9965528625	401-9271 Public Works UB Tablet-2		502-510-72030	19.07
	9965528625	362-6567 Field Supervisor Uribe		503-520-72030	13.13
	9965528625	383-4044 WWP Wifi		503-520-72030	42.92
	9965528625	240-3695 Public Works Tablet		503-521-72030	12.54
	9965528625	401-9321 Public Works UB Tablet-5		503-521-72030	19.07
	9965528625	401-9323 Public Works UB Tablet-6		503-521-72030	19.07
	9965528625	401-9110 Public Works Tablet-1		503-521-72030	19.07
	9965528625	401-9312 Public Works UB Tablet-3		503-521-72030	19.07
	9965528625	401-9271 Public Works UB Tablet-2		503-521-72030	19.07
	9965528625	401-9315 Public Works UB Tablet-4		503-521-72030	19.07
	9965528625	383-4014 PW Standby		503-521-72030	19.06
75284	6/13/2024	1975	Vincent Communications		18,305.42
	88249	5/24 FD EMS Radios		117-416-70102	7,830.22
	88262	5/24 FD EMS Radios		117-416-70102	5,548.84
	88347	5/24 FD Radios for #C170		101-416-98043	4,926.36
75285	6/13/2024	1993	West Hills Oil, Inc.		14,002.72
	80334	5/24 PD Fuel for May 2024		101-413-70160	12,743.93
	80336	5/24 WP Fuel for May 2024		501-503-70160	966.93
	80336	5/24 WWP Fuel for May 2024		503-520-70160	291.86
75286	6/13/2024	1997	Westside Supply		1,054.18
	17549	5/24 PW Irrigation Supplies		101-440-84050	609.58
	17549	5/24 PW Upsied Down Paint		501-508-70130	77.81
	17549	5/24 PW Teflon Tape		502-510-70140	14.71
	17549	5/24 PW Rubber Coupling		503-521-70140	7.80
	17596	5/24 WWP Pipe Fitting Supplies		503-520-70140	290.28
	W240531	5/24 WP Equipment/Cylinder Rental		501-503-82030	36.00
	WW240531	5/24 WWP Equipment/Cylinder Rental		503-520-82030	18.00
75287	6/24/2024	1205	City Employee Contrib. Assoc.		55.00
	0008223	CECA Dues		950-000-33000	55.00
75288	6/24/2024	1223	Coalinga Firefighters		940.00
	0008225	Fire Union Dues		950-000-33300	850.00
	0008226	Fire Union Dues		950-000-33300	30.00
	0008232	Fire Union Dues		950-000-33300	60.00
75289	6/24/2024	1228	Coalinga Peace Officer's Association		905.76
	0008229	Mastagni Law Firm		950-000-33200	297.50
	0008233	CPOA Dues		950-000-33200	297.50
	0008234	PORAC Dues		950-000-33200	310.76
75290	6/24/2024	1384	Franchise Tax Board		225.00
	0008286	FTB Sacramento $$		950-000-34010	150.00
	0008287	FTB Sacramento $$		950-000-34010	75.00
75291	6/24/2024	1395	Fresno County Sheriff's Office		21.00
	0008227	Fresno Co. Sheriff Garn Fee		950-000-34050	21.00
75292	6/24/2024	02709	International City Management Association Retirement Corporation		10,092.95
	0008249	457 ICMA EE$/ER%		950-000-32100	912.17
	0008250	457 ICMA EE$/ER%		950-000-32100	514.33
	0008251	457 ICMA EE$/ER%		950-000-32100	521.23
	0008252	457 ICMA $$ General		950-000-32100	4,188.74
	0008253	457 ICMA $$ General		950-000-32100	30.00
	0008254	457 ICMA $$ General		950-000-32100	225.00
	0008255	457 ICMA $$ General		950-000-32100	30.00
	0008256	457 ICMA $$ General		950-000-32100	15.00

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	0008257	457 ICMA $$ General		950-000-32100	15.00
	0008258	457 ICMA $$ General		950-000-32100	45.00
	0008259	457 ICMA % General		950-000-32100	676.88
	0008260	457 ICMA % General		950-000-32100	502.79
	0008261	457 ICMA % General		950-000-32100	264.42
	0008262	457 ICMA % General		950-000-32100	599.26
	0008263	457 ICMA % General		950-000-32100	306.57
	0008264	457 ICMA % General		950-000-32100	310.49
	0008265	457 ICMA % General		950-000-32100	825.61
	0008266	457 ICMA % General		950-000-32100	328.27
	0008267	457 ICMA % General		950-000-32100	205.65
	0008268	457 ICMA % General		950-000-32100	244.75
	0008269	457 ICMA % General		950-000-32100	222.85
	0008270	457 ICMA % General		950-000-32100	558.70
	0008271	457 ICMA % General		950-000-32100	435.25
	0008272	457 ICMA % General		950-000-32100	408.91
	0008273	457 ICMA % General		950-000-32100	1,332.74
	0008274	457 ICMA % General		950-000-32100	288.09
	0008275	457 ICMA % General		950-000-32100	273.99
	CM0000721	457 ICMA $$ General		950-000-32100	-4,188.74
75294	6/24/2024	1586	Legal Shield		199.76
	0008228	Pre-Paid Legal Shield		950-000-34060	199.76
75295	6/24/2024	02539	Metropolitan Life Insurance Company		153.45
	0008230	Met Life Basic Dependent Life Ins - Fam		950-000-32400	0.34
	0008237	Met Life Standard Basic Dependent Life Ins		950-000-32400	146.81
	0008238	Met Life Standard Basic Dependent Life Ins - NS PD		950-000-32400	0.51
	0008239	MetLife Basic Dependent Life Ins - City Manager		950-000-32400	0.18
	0008240	Met Life Standard Basic Dependent Life Ins - FD		950-000-32400	2.70
	0008241	Met Life Standard Basic Dependent Life Ins - NS FD		950-000-32400	0.36
	0008242	Met Life Standard Basic Dependent Life Ins - PD		950-000-32400	2.55
75296	6/24/2024	1820	SEIU Local 521 - Dues W/H		823.99
	0008235	SEIU COPE		950-000-33000	30.00
	0008236	SEIU Dues		950-000-33000	793.99
75297	6/26/2024	02386	American Office Solutions, LLC		11,940.62
	22440	04/24 PD IT Computer Services		101-413-88040	1,200.00
	22440	04/24 FD IT Computer Services		101-416-88040	400.00
	22588	05/24 PD Access Control		308-413-98040	400.00
	22603	05/24 ADMIN IT Monthly Contract-Mileage-April 202		101-401-88040	8.57
	22603	05/24 CD IT Monthly Contract-Mileage-April 2024		101-404-88040	17.14
	22603	05/24 ADMIN IT Monthly Contract-Mileage-April 202		101-405-88040	8.57
	22603	05/24 FIN IT Monthly Contract-Mileage-April 2024		101-406-88040	0.51
	22603	05/24 HR IT Monthly Contract-Mileage-April 2024		101-408-88040	8.74
	22603	05/24 PD IT Monthly Contract-Mileage-April 2024		101-413-88040	17.14
	22603	05/24 FD IT Monthly Contract-Mileage-April 2024		101-416-88040	17.14
	22603	05/24 HR IT Monthly Contract-Mileage-April 2024		107-422-88040	0.34
	22603	05/24 PW IT Monthly Contract-Mileage-April 2024		107-422-88040	1.71
	22603	05/24 HR IT Monthly Contract-Mileage-April 2024		117-416-88040	2.06
	22603	05/24 HR IT Monthly Contract-Mileage-April 2024		501-406-88040	0.69
	22603	05/24 FIN IT Monthly Contract-Mileage-April 2024		501-406-88040	6.86
	22603	05/24 HR IT Monthly Contract-Mileage-April 2024		501-503-88040	1.03
	22603	05/24 PW IT Monthly Contract-Mileage-April 2024		501-503-88040	2.57
	22603	05/24 HR IT Monthly Contract-Mileage-April 2024		501-508-88040	1.20
	22603	05/24 PW IT Monthly Contract-Mileage-April 2024		501-508-88040	1.71
	22603	05/24 FIN IT Monthly Contract-Mileage-April 2024		502-406-88040	6.00
	22603	05/24 HR IT Monthly Contract-Mileage-April 2024		502-406-88040	0.69
	22603	05/24 HR IT Monthly Contract-Mileage-April 2024		502-510-88040	1.20
	22603	05/24 PW IT Monthly Contract-Mileage-April 2024		502-510-88040	4.29

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	22603	05/24 HR IT Monthly Contract-Mileage-April 2024		503-406-88040	0.26
	22603	05/24 FIN IT Monthly Contract-Mileage-April 2024		503-406-88040	3.43
	22603	05/24 PW IT Monthly Contract-Mileage-April 2024		503-520-88040	3.43
	22603	05/24 HR IT Monthly Contract-Mileage-April 2024		503-520-88040	0.51
	22603	05/24 PW IT Monthly Contract-Mileage-April 2024		503-521-88040	3.43
	22603	05/24 HR IT Monthly Contract-Mileage-April 2024		503-521-88040	0.17
	22603	05/24 HR IT Monthly Contract-Mileage-April 2024		504-406-88040	0.10
	22603	05/24 FIN IT Monthly Contract-Mileage-April 2024		504-406-88040	0.34
	22603	05/24 HR IT Monthly Contract-Mileage-April 2024		820-610-88040	0.17
	22623	06/24 ADMIN IT Monthly Contract		101-401-88040	55.77
	22623	06/24 CD IT Monthly Contract		101-404-88040	71.37
	22623	06/24 ADMIN IT Monthly Contract		101-405-88040	55.77
	22623	06/24 FIN IT Monthly Contract		101-406-88040	12.47
	22623	06/24 HR IT Monthly Contract		101-408-88040	36.39
	22623	06/24PD IT Monthly Contract		101-413-88040	1,722.20
	22623	06/24 FD IT Monthly Contract		101-416-88040	466.77
	22623	06/24 HR IT Monthly Contract		107-422-88040	1.43
	22623	06/24 PW IT Monthly Contract		107-422-88040	74.12
	22623	06/24 HR IT Monthly Contract		117-416-88040	8.56
	22623	06/24 HR IT Monthly Contract		501-406-88040	2.85
	22623	06/24 FIN IT Monthly Contract		501-406-88040	166.24
	22623	06/24 PW IT Monthly Contract		501-503-88040	111.18
	22623	06/24 HR IT Monthly Contract		501-503-88040	4.28
	22623	06/24 HR IT Monthly Contract		501-508-88040	4.99
	22623	06/24 PW IT Monthly Contract		501-508-88040	74.12
	22623	06/24 FIN IT Monthly Contract		502-406-88040	145.46
	22623	06/24 HR IT Monthly Contract		502-406-88040	2.85
	22623	06/24 PW IT Monthly Contract		502-510-88040	185.30
	22623	06/24 HR IT Monthly Contract		502-510-88040	4.99
	22623	06/24 FIN IT Monthly Contract		503-406-88040	83.12
	22623	06/24 HR IT Monthly Contract		503-406-88040	1.07
	22623	06/24 PW IT Monthly Contract		503-520-88040	148.24
	22623	06/24 HR IT Monthly Contract		503-520-88040	2.14
	22623	06/24 HR IT Monthly Contract		503-521-88040	0.71
	22623	06/24 PW IT Monthly Contract		503-521-88040	148.24
	22623	06/24 HR IT Monthly Contract		504-406-88040	0.35
	22623	06/24 FIN IT Monthly Contract		504-406-88040	8.31
	22623	06/24 HR IT Monthly Contract		820-610-88040	0.71
	22681	07/24 ADMIN IT Monthly Contract-Backup		101-401-88040	28.81
	22681	07/24 CD IT Monthly Contract-Backup		101-404-88040	38.41
	22681	07/24 ADMIN IT Monthly Contract-Backup		101-405-88040	28.81
	22681	07/24 FIN IT Monthly Contract-Backup		101-406-88040	5.18
	22681	07/24 HR IT Monthly Contract-Backup		101-408-88040	19.59
	22681	07/24 PW IT Monthly Contract-Backup		107-422-88040	34.57
	22681	07/24 HR IT Monthly Contract-Backup		107-422-88040	0.77
	22681	07/24 HR IT Monthly Contract-Backup		117-416-88040	4.61
	22681	07/24 HR IT Monthly Contract-Backup		501-406-88040	1.54
	22681	07/24 FIN IT Monthly Contract-Backup		501-406-88040	69.13
	22681	07/24 PW IT Monthly Contract-Backup		501-503-88040	51.85
	22681	07/24 HR IT Monthly Contract-Backup		501-503-88040	2.30
	22681	07/24 PW IT Monthly Contract-Backup		501-508-88040	34.57
	22681	07/24 HR IT Monthly Contract-Backup		501-508-88040	2.69
	22681	07/24 HR IT Monthly Contract-Backup		502-406-88040	1.54
	22681	07/24 FIN IT Monthly Contract-Backup		502-406-88040	60.49
	22681	07/24 HR IT Monthly Contract-Backup		502-510-88040	2.69
	22681	07/24 PW IT Monthly Contract-Backup		502-510-88040	86.42
	22681	07/24 FIN IT Monthly Contract-Backup		503-406-88040	34.57
	22681	07/24 HR IT Monthly Contract-Backup		503-406-88040	0.58
	22681	07/24 HR IT Monthly Contract-Backup		503-520-88040	1.15

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	22681	07/24 PW IT Monthly Contract-Backup		503-520-88040	69.13
	22681	07/24 HR IT Monthly Contract-Backup		503-521-88040	0.38
	22681	07/24 PW IT Monthly Contract-Backup		503-521-88040	69.13
	22681	07/24 HR IT Monthly Contract-Backup		504-406-88040	0.17
	22681	07/24 FIN IT Monthly Contract-Backup		504-406-88040	3.46
	22681	07/24 HR IT Monthly Contract-Backup		820-610-88040	0.38
	22683	06/24 PD IT Backup Services-July 2024		101-413-88040	1,781.25
	22708	07/24 ADMIN IT Monthly Contract		101-401-88040	55.77
	22708	07/24 CD IT Monthly Contract		101-404-88040	71.37
	22708	07/24 ADMIN IT Monthly Contract		101-405-88040	55.77
	22708	07/24 FIN IT Monthly Contract		101-406-88040	12.47
	22708	07/24 HR IT Monthly Contract		101-408-88040	36.39
	22708	07/24 PD IT Monthly Contract		101-413-88040	1,722.20
	22708	07/24 FD IT Monthly Contract		101-416-88040	466.77
	22708	07/24 HR IT Monthly Contract		107-422-88040	1.43
	22708	07/24 PW IT Monthly Contract		107-422-88040	74.12
	22708	07/24 HR IT Monthly Contract		117-416-88040	8.56
	22708	07/24 FIN IT Monthly Contract		501-406-88040	166.24
	22708	07/24 HR IT Monthly Contract		501-406-88040	2.85
	22708	07/24 HR IT Monthly Contract		501-503-88040	4.28
	22708	07/24 PW IT Monthly Contract		501-503-88040	111.18
	22708	07/24 HR IT Monthly Contract		501-508-88040	4.99
	22708	07/24 PW IT Monthly Contract		501-508-88040	74.12
	22708	07/24 HR IT Monthly Contract		502-406-88040	2.85
	22708	07/24 FIN IT Monthly Contract		502-406-88040	145.46
	22708	07/24 HR IT Monthly Contract		502-510-88040	4.99
	22708	07/24 PW IT Monthly Contract		502-510-88040	185.30
	22708	07/24 FIN IT Monthly Contract		503-406-88040	83.12
	22708	07/24 HR IT Monthly Contract		503-406-88040	1.07
	22708	07/24 PW IT Monthly Contract		503-520-88040	2.14
	22708	07/24 PW IT Monthly Contract		503-520-88040	148.24
	22708	07/24 HR IT Monthly Contract		503-521-88040	0.71
	22708	07/24 PW IT Monthly Contract		503-521-88040	148.24
	22708	07/24 FIN IT Monthly Contract		504-406-88040	8.31
	22708	07/24 PW IT Monthly Contract		504-406-88040	0.35
	22708	07/24 PW IT Monthly Contract		820-610-88040	0.71
	22748	06/24 PD GETAC Upgrade-March 2024		101-413-88040	186.45
75305	6/26/2024	02080	AT&T 4050		1,097.16
	000021859883	06/24 PD Internet Service (9391064050)		101-413-72030	1,097.16
75306	6/26/2024	02056	AT&T 4711		286.21
	000021860021	06/24 PD DOJ Line (9391064711)		101-413-72030	286.21
75307	6/26/2024	02132	Badger Meter, Inc.		11,643.98
	1661138	05/24 PW (5) 3' Badger Water Meters		501-508-98472	11,643.98
75308	6/26/2024	1115	Blais & Associates, Inc.		5,775.00
	BA_7365_2024	05/24 Urban/Community Foresty Grant Application		107-422-88130	5,775.00
75309	6/26/2024	1224	Coalinga Hardware		313.33
	826305	06/24 PD Tie Downs		101-413-70060	283.55
	826306	06/24 PD Wheel Chock		101-413-70060	29.78
75310	6/26/2024	02667	Enterprise FM Trust		1,325.78
	633289-060524	06/24 PD CHF/CMDR Vehicle Lease June 2024		101-413-98040	1,325.78
75311	6/26/2024	02862	GREAT WESTERN RECREATION LLC		72,376.49
	1	06/24 Splash Pad Project Progress Payment #1		101-440-98981	76,185.78
	CM1	06/24 Splash Pad Project Retention #1		101-000-10003	-3,809.29

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75312	6/26/2024	02603	HBC Enterprises		63,269.99
	2	05/24 Centennial Park Grant Progrees Payment #2		306-422-98575	33,299.99
	2	05/24 Sandalwood Park Grant Progrees Payment #2		306-422-98576	33,299.99
	CM2	05/24 CA Parks Grant Program Retentiont #2		306-000-10003	-3,329.99
75313	6/26/2024	1494	Interstate Gas Services, Inc.		15,372.50
	7021798	06/24 WP Utility Consulting Services-May 2024		501-503-88100	11,502.50
	7021798	06/24 PW Utility Consulting Services-May 2024		502-510-88100	3,870.00
75314	6/26/2024	1553	Keller Ford		95.36
	50241984	05/24 PD Buckle Assembly Unit #C16		101-413-84060	95.36
75315	6/26/2024	1583	Leaf		693.07
	16635449	06/24 CC Copier Lease		101-401-84010	15.84
	16635449	06/24 CD Copier Lease		101-404-84010	15.84
	16635449	06/24 CM Copier Lease		101-405-84010	15.85
	16635449	06/24 FIN Copier Lease		101-406-84010	5.20
	16635449	06/24 HR Copier Lease		101-408-84010	15.85
	16635449	06/24 HR Copier Lease		101-408-84010	56.55
	16635449	06/24 PD Copier Lease		101-413-84010	187.12
	16635449	06/24 FD Copier Lease		101-416-84010	110.89
	16635449	06/24 HR Copier Lease		107-422-84010	2.22
	16635449	06/24 HR Copier Lease		117-416-84010	13.31
	16635449	06/24 HR Copier Lease		501-406-84010	4.44
	16635449	06/24 FIN Copier Lease		501-406-84010	69.31
	16635449	06/24 WP Copier Lease		501-503-84010	15.84
	16635449	06/24 HR Copier Lease		501-503-84010	6.65
	16635449	06/24 HR Copier Lease		501-508-84010	7.76
	16635449	06/24 HR Copier Lease		502-406-84010	4.44
	16635449	06/24 FIN Copier Lease		502-406-84010	60.64
	16635449	06/24 HR Copier Lease		502-510-84010	7.76
	16635449	06/24 PW Copier Lease		502-510-84010	15.84
	16635449	06/24 FIN Copier Lease		503-406-84010	34.65
	16635449	06/24 HR Copier Lease		503-406-84010	1.66
	16635449	06/24 HR Copier Lease		503-520-84010	3.33
	16635449	06/24 WWP Copier Lease		503-520-84010	15.84
	16635449	06/24 HR Copier Lease		503-521-84010	1.11
	16635449	06/24 FIN Copier Lease		504-406-84010	3.47
	16635449	06/24 HR Copier Lease		504-406-84010	0.55
	16635449	06/24 HR Copier Lease		820-610-84010	1.11
75317	6/26/2024	1661	Mountain Valley Pest Control, Inc.		134.00
	114001	06/24 AIR Pest Control Services		101-435-84030	50.00
	114006	06/24 BLDG Pest Control Services		101-432-84030	28.00
	114008	06/24 PD Pest Control Services		101-413-88100	56.00
75318	6/26/2024	1721	PG&E		123.67
	0008334	05/24 PW Elm/Cambridge Signal (9389051722-5)		110-424-72021	123.67
75319	6/26/2024	1778	Robert Smith		577.74
	365076	06/24 PW Cross Conneection Hotel Reimbursement		501-508-86010	577.74
75320	6/26/2024	1810	Save Mart Supermarkets		167.49
	047858	06/24 PD Inmate Meals		101-413-70380	167.49
75321	6/26/2024	02694	Stericycle, Inc.		592.70
	8007426325	06/24 PD Document Shredding Service		101-413-88100	592.70
75322	6/26/2024	02846	T-MOBILE USA INC		165.11
	0008333	4/21/24-5/20/24 307-0122 WP Supervisor-Uribe		501-503-72030	16.13
	0008333	4/21/24-5/20/24 307-0123 WP Mobile Internet		501-503-72030	30.80
	0008333	4/21/24-5/20/24 307-0121 WP Office		501-503-72030	32.25

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Payment Amount / Item Amount
	0008333	4/21/24-5/20/24 307-0125 WP On Call		501-503-72030	39.17
	0008333	4/21/24-5/20/24 362-6567 WP Supervisor-Uribe		501-503-72030	5.56
	0008333	4/21/24-5/20/24 307-0124 WP Mobile Internet		501-503-72030	8.40
	0008333	4/21/24-5/20/24 341-9613 WP On Call		501-503-72030	11.12
	0008333	4/21/24-5/20/24 362-6567 WP Supervisor-Uribe		503-520-72030	5.56
	0008333	4/21/24-5/20/24 307-0122 WP Supervisor-Uribe		503-520-72030	16.12
75323	6/26/2024	1935	Tri City Engineering		56,803.24
	2826-32	06/24 ATP4 Trail Improvemnts-PE (Seq:3,4,9)		305-422-98982	4,707.74
	2889-07-ROW	06/24 R.O.W.NW Multi-Use Trail (Seq:1,2,13,14)		305-422-98974	847.50
	2889-29	06/24 CMAQ NW Multi Use Trail-PE (Seq:1,2,13,14)		305-422-98974	337.50
	2915-16	06/24 CA Park Grant Program-Centennial		306-422-98575	1,349.00
	2915-16	06/24 CA Park Grant Program-Sandalwood		306-422-98576	1,349.00
	2940-20	06/24 TTHM Project-CM		501-503-98441	393.75
	2964-04	06/24 ATP5 Polk Bike/Ped Connectivity Initiative		305-422-98975	8,113.75
	2966-06	06/24 Clga Pacific Apts Transportation STI		310-422-98581	10,992.50
	2968-15	06/24 Phelps Ave Improvemnets-Phase II		305-422-98902	1,617.50
	2991-05	06/24 Prelim Review Subdivision (Posa East)		101-404-86500	170.00
	3012-04	06/24 TPM 22-02 Anderson-Elm & El Rancho		101-404-86500	623.75
	3015-12	06/24 Caltrans SR33/198 Road Diet Lanes		107-422-88100	555.00
	3029-03	06/24 Sacramento/Warthan Improvements		107-422-88100	280.00
	3039-08	06/24 Clga Alley Paving Phase II-CM		305-422-98998	2,730.00
	3046-04-ENV	06/24 ATP6 Trails-Los Gatos Bridge-ENV		305-422-98905	1,850.00
	3047-07	06/24 Pleasant Ave Sewer Main Reconstruction		127-422-98907	1,162.17
	3047-07	06/24 Pleasant Ave Sewer Main Reconstruction		501-508-98907	160.30
	3047-07	06/24 Pleasant Ave Sewer Main Reconstruction		503-521-98907	2,685.03
	3049-02	06/24 CHUSD Baker St Improvemnets Plan Review		125-422-88100	170.00
	3051-03	06/24 Grant Alley Sewer Replacement		503-521-98908	340.00
	3053-05	06/24 ATP7 Grant Application Support		107-422-88130	3,180.00
	3054-02	06/24 Traffic Signal Polk/Willow JR/Enterpriise		127-422-88100	340.00
	3070-03	06/24 Water Intake Improvements-Moss Screens		501-503-98441	446.25
	3071-02	05/24 Durian/Birch Reconstruction Ebg Support		110-424-98912	1,330.00
	3071-03	06/24 Durian/Birch Reconstruction Eng Support		110-424-98912	1,400.00
	3072-03	06/24 CA Park Grant Program-Centennial-CM		306-422-98575	2,228.75
	3072-03	06/24 CA Park Grant Program-Sandalwood-CM		306-422-98576	2,228.75
	3075-01	06/24 Urban/Community Forestry Grant Support		107-422-88130	5,215.00
75325	6/26/2024	1944 CC	US Bank Corporate Payment Center		8,570.18
	USBFIN-May 2024	05/24 FIN Amazon-Membership Fee		101-401-88040	13.60
	USBFIN-May 2024	05/24 FIN Amazon-Membership Fee		101-404-88040	13.60
	USBFIN-May 2024	05/24 FIN Amazon-Membership Fee		101-405-88040	13.60
	USBFIN-May 2024	05/24 FIN Westin-Tyler Conference Hotel-HBonilla		101-406-86010	129.52
	USBFIN-May 2024	05/24 FIN Uber-Tyler Conference-Transportation		101-406-86010	5.14
	USBFIN-May 2024	05/24 FIN Wei Ramen-Tyler Conference Meal-MVan		101-406-86010	5.23
	USBFIN-May 2024	05/24 FIN CowBow Ciao-Tyler Conference Meal-MVa		101-406-86010	7.98
	USBFIN-May 2024	05/24 FIN Chick-Fil-A Tyler Conference Meal-MVang		101-406-86010	1.69
	USBFIN-May 2024	05/24 FIN Pei Wei-Tyler Conference Meal-MVang		101-406-86010	3.06
	USBFIN-May 2024	05/24 FIN Uber-Tyler Conference Transportation		101-406-86010	3.35
	USBFIN-May 2024	05/24 FIN Westin-Tyler Conference Hotel-MVang		101-406-86010	129.52
	USBFIN-May 2024	05/24 FIN Hunble Pie-Tyler Conference Meal-MVang		101-406-86010	3.74
	USBFIN-May 2024	05/24 FIN Amazon-Membership Fee		101-406-88040	13.60
	USBFIN-May 2024	05/24 FIN Amazon-Membership Fee		101-408-88040	13.60
	USBFIN-May 2024	05/24 FIN Amazon-Membership Fee		101-413-88040	13.60
	USBFIN-May 2024	05/24 FIN Amazon-Membership Fee		101-416-88040	13.60
	USBFIN-May 2024	05/24 FIN Amazon-Membership Fee		101-431-88040	13.59
	USBFIN-May 2024	05/24 FIN Amazon-Membership Fee		101-435-88040	13.58
	USBFIN-May 2024	05/24 FIN Amazon-Membership Fee		101-440-88040	13.58
	USBFIN-May 2024	05/24 FIN Westin-Tyler Conference Hotel-HBonilla		107-422-86010	43.17
	USBFIN-May 2024	05/24 FIN Wei Ramen-Tyler Conference Meal-MVan		107-422-86010	1.74
	USBFIN-May 2024	05/24 FIN Uber-Tyler Conference-Transportation		107-422-86010	1.71

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Payment Amount / Item Amount
	USBFIN-May 2024	05/24 FIN	Chick-Fil-A Tyler Conference Meal-MVang	107-422-86010	0.56
	USBFIN-May 2024	05/24 FIN	Pei Wei-Tyler Conference Meal-MVang	107-422-86010	1.02
	USBFIN-May 2024	05/24 FIN	Uber-Tyler Conference Transportation	107-422-86010	1.12
	USBFIN-May 2024	05/24 FIN	Westin-Tyler Conference Hotel-MVang	107-422-86010	43.17
	USBFIN-May 2024	05/24 FIN	CowBow Ciao-Tyler Conference Meal-MVa	107-422-86010	2.66
	USBFIN-May 2024	05/24 FIN	Hunble Pie-Tyler Conference Meal-MVang	107-422-86010	1.25
	USBFIN-May 2024	05/24 FIN	Amazon-Membership Fee	107-422-88040	10.88
	USBFIN-May 2024	05/24 FIN	Amazon-Membership Fee	130-451-88040	10.88
	USBFIN-May 2024	05/24 FIN	USPS-Postage Stamps	501-406-70030	81.60
	USBFIN-May 2024	05/24 FIN	Pei Wei-Tyler Conference Meal-MVang	501-406-86010	6.12
	USBFIN-May 2024	05/24 FIN	Uber-Tyler Conference-Transportation	501-406-86010	10.27
	USBFIN-May 2024	05/24 FIN	Wei Ramen-Tyler Conference Meal-MVan	501-406-86010	10.46
	USBFIN-May 2024	05/24 FIN	CowBow Ciao-Tyler Conference Meal-MVa	501-406-86010	15.96
	USBFIN-May 2024	05/24 FIN	Uber-Tyler Conference Transportation	501-406-86010	6.69
	USBFIN-May 2024	05/24 FIN	Hunble Pie-Tyler Conference Meal-MVang	501-406-86010	7.49
	USBFIN-May 2024	05/24 FIN	Chick-Fil-A Tyler Conference Meal-MVang	501-406-86010	3.38
	USBFIN-May 2024	05/24 FIN	Westin-Tyler Conference Hotel-MVang	501-406-86010	259.04
	USBFIN-May 2024	05/24 FIN	Westin-Tyler Conference Hotel-HBonilla	501-406-86010	259.04
	USBFIN-May 2024	05/24 FIN	Amazon-Membership Fee	501-406-88040	36.27
	USBFIN-May 2024	05/24 FIN	Amazon-Membership Fee	501-503-88040	36.27
	USBFIN-May 2024	05/24 FIN	Amazon-Membership Fee	501-508-88040	36.22
	USBFIN-May 2024	05/24 FIN	USPS-Postage Stamps	502-406-70030	71.40
	USBFIN-May 2024	05/24 FIN	Uber-Tyler Conference Transportation	502-406-86010	5.58
	USBFIN-May 2024	05/24 FIN	Hunble Pie-Tyler Conference Meal-MVang	502-406-86010	6.24
	USBFIN-May 2024	05/24 FIN	CowBow Ciao-Tyler Conference Meal-MVa	502-406-86010	13.30
	USBFIN-May 2024	05/24 FIN	Wei Ramen-Tyler Conference Meal-MVan	502-406-86010	8.71
	USBFIN-May 2024	05/24 FIN	Chick-Fil-A Tyler Conference Meal-MVang	502-406-86010	2.82
	USBFIN-May 2024	05/24 FIN	Uber-Tyler Conference-Transportation	502-406-86010	8.56
	USBFIN-May 2024	05/24 FIN	Westin-Tyler Conference Hotel-MVang	502-406-86010	215.87
	USBFIN-May 2024	05/24 FIN	Westin-Tyler Conference Hotel-HBonilla	502-406-86010	215.87
	USBFIN-May 2024	05/24 FIN	Pei Wei-Tyler Conference Meal-MVang	502-406-86010	5.10
	USBFIN-May 2024	05/24 FIN	Amazon-Membership Fee	502-510-88040	108.76
	USBFIN-May 2024	05/24 FIN	USPS-Postage Stamps	503-406-70030	46.92
	USBFIN-May 2024	05/24 FIN	Hunble Pie-Tyler Conference Meal-MVang	503-406-86010	4.74
	USBFIN-May 2024	05/24 FIN	Uber-Tyler Conference Transportation	503-406-86010	4.24
	USBFIN-May 2024	05/24 FIN	Pei Wei-Tyler Conference Meal-MVang	503-406-86010	3.88
	USBFIN-May 2024	05/24 FIN	Chick-Fil-A Tyler Conference Meal-MVang	503-406-86010	2.14
	USBFIN-May 2024	05/24 FIN	Wei Ramen-Tyler Conference Meal-MVan	503-406-86010	6.62
	USBFIN-May 2024	05/24 FIN	CowBow Ciao-Tyler Conference Meal-MVa	503-406-86010	10.11
	USBFIN-May 2024	05/24 FIN	Uber-Tyler Conference-Transportation	503-406-86010	6.51
	USBFIN-May 2024	05/24 FIN	Westin-Tyler Conference Hotel-MVang	503-406-86010	164.06
	USBFIN-May 2024	05/24 FIN	Westin-Tyler Conference Hotel-HBonilla	503-406-86010	164.06
	USBFIN-May 2024	05/24 FIN	Amazon-Membership Fee	503-406-88040	36.27
	USBFIN-May 2024	05/24 FIN	Amazon-Membership Fee	503-520-88040	36.27
	USBFIN-May 2024	05/24 FIN	Amazon-Membership Fee	503-521-88040	36.22
	USBFIN-May 2024	05/24 FIN	USPS-Postage Stamps	504-406-70030	4.08
	USBFIN-May 2024	05/24 FIN	Uber-Tyler Conference-Transportation	504-406-86010	0.34
	USBFIN-May 2024	05/24 FIN	Wei Ramen-Tyler Conference Meal-MVan	504-406-86010	0.35
	USBFIN-May 2024	05/24 FIN	Uber-Tyler Conference Transportation	504-406-86010	0.20
	USBFIN-May 2024	05/24 FIN	Hunble Pie-Tyler Conference Meal-MVang	504-406-86010	0.25
	USBFIN-May 2024	05/24 FIN	Pei Wei-Tyler Conference Meal-MVang	504-406-86010	0.20
	USBFIN-May 2024	05/24 FIN	Westin-Tyler Conference Hotel-MVang	504-406-86010	8.63
	USBFIN-May 2024	05/24 FIN	Westin-Tyler Conference Hotel-HBonilla	504-406-86010	8.63
	USBFIN-May 2024	05/24 FIN	Chick-Fil-A Tyler Conference Meal-MVang	504-406-86010	0.13
	USBFIN-May 2024	05/24 FIN	CowBow Ciao-Tyler Conference Meal-MVa	504-406-86010	0.52
	USBFIN-May 2024	05/24 FIN	Amazon-Membership Fee	504-535-88040	5.41
	USBFIN-May 2024	05/24 FIN	CowBow Ciao-Tyler Conference Meal-MVa	820-610-86010	2.66
	USBFIN-May 2024	05/24 FIN	Wei Ramen-Tyler Conference Meal-MVan	820-610-86010	1.74
	USBFIN-May 2024	05/24 FIN	Uber-Tyler Conference-Transportation	820-610-86010	1.71

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	USBFIN-May 2024	05/24 FIN Hunble Pie-Tyler Conference Meal-MVang		820-610-86010	1.25
	USBFIN-May 2024	05/24 FIN Pei Wei-Tyler Conference Meal-MVang		820-610-86010	1.02
	USBFIN-May 2024	05/24 FIN Chick-Fil-A Tyler Conference Meal-MVang		820-610-86010	0.56
	USBFIN-May 2024	05/24 FIN Westin-Tyler Conference Hotel-HBonilla		820-610-86010	43.17
	USBFIN-May 2024	05/24 FIN Uber-Tyler Conference Transportation		820-610-86010	1.12
	USBFIN-May 2024	05/24 FIN Westin-Tyler Conference Hotel-MVang		820-610-86010	43.17
	USBFIN-May 2024	05/24 FIN Amazon-Membership Fee		820-610-88040	54.39
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		101-401-72030	104.08
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		101-404-72030	41.63
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		101-405-72030	104.09
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		101-406-72030	5.58
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		101-408-72030	21.23
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		101-413-72030	478.79
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		101-415-72030	41.63
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		101-416-72030	478.79
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		107-422-72030	0.83
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		107-422-72030	6.27
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		117-416-72030	5.00
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		501-406-72030	74.94
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		501-406-72030	1.67
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		501-503-72030	23.73
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		501-503-72030	2.50
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		501-508-72030	2.91
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		501-508-72030	23.73
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		502-406-72030	65.57
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		502-406-72030	1.67
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		502-510-72030	2.91
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		502-510-72030	23.73
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		503-406-72030	0.62
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		503-406-72030	37.46
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		503-520-72030	1.25
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		503-520-72030	23.73
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		503-521-72030	23.73
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		503-521-72030	0.42
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		504-406-72030	0.23
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		504-406-72030	3.75
	USBPD-April2024-0	04/24 PD GoTo Communications-City Wiide Phone S		820-610-72030	0.44
	USBPD-June2024-02	06/24 PD Expedia-Training Hotel Reimburement		101-413-86010	-656.08
	USBPD-May2024-01	05/24 PD Amazon-Armory Supplies		101-413-70060	14.14
	USBPD-May2024-01	05/24 PD Walgreens-Evidence USB Drive		101-413-70060	20.48
	USBPD-May2024-01	05/24 PD Amazon-Flash Drives		101-413-70060	193.56
	USBPD-May2024-01	05/24 PD Amazon-Armory Supplies		101-413-70060	350.99
	USBPD-May2024-01	05/24 PD Amazon-Armory Supplies		101-413-70101	12.53
	USBPD-May2024-01	05/24 PD Amazon-Armory Supplies		101-413-70101	21.04
	USBPD-May2024-01	05/24 PD Loves- Fuel		101-413-70160	68.20
	USBPD-May2024-01	05/24 PD Peerless Network-City Phones		101-413-72030	227.56
	USBPD-May2024-01	05/24 PD Amazon-Bathroom Signs		101-413-84030	41.76
	USBPD-May2024-01	05/24 PD Expedia-Training Hotel-		101-413-86010	1,312.16
	USBPD-May2024-01	05/24 PD CCUG--Training-KRamsey		101-413-86010	275.00
	USBPD-May2024-01	05/24 PD Expedia-Training Lodging-SYong		101-413-86010	159.47
	USBPD-May2024-01	05/24 PD Journey Team-Microsft 365 Program		101-413-88040	199.20
	USBPD-May2024-01	05/24 PD CPCA-Membership Dues		101-413-88100	155.00
	USBPD-May2024-01	05/24 PD K9 Tactical Gear-Equipment		101-413-90070	231.89
	USBPD-May2024-01	05/24 PD Amazon-Batteries		101-413-90070	138.94
	USBPD-May2024-01	05/24 PD ACE Hardware-BBQ & Cover		101-413-98030	653.74
	USBPD-May2024-01	05/24 PD Tractor Supply-Dog Kennels		101-415-70280	871.76
75335	6/26/2024	02864	VESTIS GROUP INC ARAMARK UNIFORM & APPAREL LLC		1,092.69
	5031401735	05/24 PD Jail Blankets		101-413-70380	364.23
	5031414209	05/24 PD Jail Blankets		101-413-70380	364.23

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Payment Amount / Item Amount
	5031420495	06/24 PD Jail Blankets		101-413-70380	364.23
75336	6/26/2024	02021	Visual Ink		798.67
	S6856	05/24 CD Bldg Inspector Vehicle Decals		101-404-84060	798.67
75337	6/26/2024	1205	City Employee Contrib. Assoc.		55.00
	0008355	CECA Dues		950-000-33000	55.00
75338	6/26/2024	1223	Coalinga Firefighters		940.00
	0008357	Fire Union Dues		950-000-33300	850.00
	0008358	Fire Union Dues		950-000-33300	30.00
	0008364	Fire Union Dues		950-000-33300	60.00
75339	6/26/2024	1228	Coalinga Peace Officer's Association		905.76
	0008361	Mastagni Law Firm		950-000-33200	297.50
	0008365	CPOA Dues		950-000-33200	297.50
	0008366	PORAC Dues		950-000-33200	310.76
75340	6/26/2024	1384	Franchise Tax Board		225.00
	0008417	FTB Sacramento $$		950-000-34010	150.00
	0008418	FTB Sacramento $$		950-000-34010	75.00
75341	6/26/2024	1395	Fresno County Sheriff's Office		21.00
	0008359	Fresno Co. Sheriff Garn Fee		950-000-34050	21.00
75342	6/26/2024	02709	International City Management Association Retirement Corporation		10,433.43
	0008381	457 ICMA EE$/ER%		950-000-32100	918.47
	0008382	457 ICMA EE$/ER%		950-000-32100	460.35
	0008383	457 ICMA EE$/ER%		950-000-32100	521.23
	0008384	457 ICMA $$ General		950-000-32100	30.00
	0008385	457 ICMA $$ General		950-000-32100	225.00
	0008386	457 ICMA $$ General		950-000-32100	30.00
	0008387	457 ICMA $$ General		950-000-32100	15.00
	0008388	457 ICMA $$ General		950-000-32100	15.00
	0008389	457 ICMA $$ General		950-000-32100	45.00
	0008390	457 ICMA % General		950-000-32100	676.88
	0008391	457 ICMA % General		950-000-32100	502.79
	0008392	457 ICMA % General		950-000-32100	264.42
	0008393	457 ICMA % General		950-000-32100	402.04
	0008394	457 ICMA % General		950-000-32100	544.41
	0008395	457 ICMA % General		950-000-32100	557.52
	0008396	457 ICMA % General		950-000-32100	920.17
	0008397	457 ICMA % General		950-000-32100	319.56
	0008398	457 ICMA % General		950-000-32100	205.65
	0008399	457 ICMA % General		950-000-32100	172.52
	0008400	457 ICMA % General		950-000-32100	162.36
	0008401	457 ICMA % General		950-000-32100	340.15
	0008402	457 ICMA % General		950-000-32100	564.66
	0008403	457 ICMA % General		950-000-32100	701.04
	0008404	457 ICMA % General		950-000-32100	685.68
	0008405	457 ICMA % General		950-000-32100	618.24
	0008406	457 ICMA % General		950-000-32100	535.29
75344	6/26/2024	1586	Legal Shield		199.76
	0008360	Pre-Paid Legal Shield		950-000-34060	199.76
75345	6/26/2024	02539	Metropolitan Life Insurance Company		25.57
	0008362	MetLife Standard Insurance		950-000-32400	25.57
75346	6/26/2024	1820	SEIU Local 521 - Dues W/H		850.73
	0008367	SEIU COPE		950-000-33000	40.00
	0008368	SEIU Dues		950-000-33000	810.73

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Payment Amount / Item Amount
75347	6/27/2024	1983	WageWorks		75.03
	INV6583468	05/23 ADMIN FSA Monthly Fee-SBrewer		101-404-88101	0.83
	INV6583468	05/23 ADMIN FSA Monthly Fee-SJensen		101-405-88101	4.67
	INV6583468	05/23 ADMMIN FSA Monthly Fee-SReeding		101-405-88101	4.75
	INV6583468	05/23 ADMIN FSA Monthly Fee-MGarcia		101-405-88101	3.33
	INV6583468	05/23 ADMIN FSA Monthly Fee-MTrejo		101-405-88101	1.42
	INV6583468	05/23 ADMIN FSA Monthly Fee-YIbarra		101-405-88101	6.25
	INV6583468	05/23 PD FSA Monthly Fee-CSeese		101-413-88101	8.33
	INV6583468	05/23 PD FSA Monthly Fee=SAnderson		101-413-88101	8.33
	INV6583468	05/23 PD FSA Monthly Fee-VSparks		101-413-88101	8.33
	INV6583468	05/23 AIR FSA Monthly Fee-MGarcia		101-435-88101	2.50
	INV6583468	05/23 PW FSA Monthly Fee-SBrewer		107-422-88101	2.08
	INV6583468	05/23 PW FSA Monthly Fee-SJensen		107-422-88101	0.58
	INV6583468	05/23 PW FSA Monthly Fee-MTrejo		107-422-88101	0.50
	INV6583468	05/23 PW FSA Monthly Fee-SReeding		107-422-88101	0.17
	INV6583468	05/23 FD EMS FSA Monthly Fee-SReeding		117-416-88101	1.08
	INV6583468	05/23 FD EMSFSA Monthly Fee-SJensen		117-416-88101	0.08
	INV6583468	05/23 FIN FSA Monthly Fee-MTrejo		501-406-88101	0.10
	INV6583468	05/23 FIN FSA Monthly Fee-SReeding		501-406-88101	0.17
	INV6583468	05/23 WP FSA Monthly Fee-SReeding		501-503-88101	0.50
	INV6583468	05/23 WP FSA Monthly Fee-SBrewer		501-503-88101	0.83
	INV6583468	05/23 PW FSA Monthly Fee-SJensen		501-503-88101	0.54
	INV6583468	05/23 WP FSA Monthly Fee-SJensen		501-503-88101	0.33
	INV6583468	05/23 WP FSA Monthly Fee-YIbarra		501-503-88101	2.08
	INV6583468	05/23 WP FSA Monthly Fee-MTrejo		501-503-88101	1.13
	INV6583468	05/23 PW FSA Monthly Fee-MTrejo		501-508-88101	1.17
	INV6583468	05/23 PW FSA Monthly Fee-SReeding		501-508-88101	0.42
	INV6583468	05/23 PW FSA Monthly Fee-SBrewer		501-508-88101	0.42
	INV6583468	05/23 FIN FSA Monthly Fee-SReeding		502-406-88101	0.17
	INV6583468	05/23 FIN FSA Monthly Fee-MTrejo		502-510-88101	0.08
	INV6583468	05/23 PW FSA Monthly Fee-MTrejoy Fee		502-510-88101	1.13
	INV6583468	05/23 PW FSA Monthly Fee-SReeding		502-510-88101	0.42
	INV6583468	05/23 PW FSA Monthly Fee-SBrewer		502-510-88101	1.67
	INV6583468	05/23 PW FSA Monthly Fee-MGarcia		502-510-88101	2.50
	INV6583468	05/23 PW FSA Monthly Fee-SJensen		502-510-88101	0.17
	INV6583468	05/23 FIN FSA Monthly Fee-MTrejo		503-406-88101	0.05
	INV6583468	05/23 FIN FSA Monthly Fee-SReeding		503-406-88101	0.13
	INV6583468	05/23 WWP FSA Monthly Fee-SReeding		503-520-88101	0.25
	INV6583468	05/23 WWP FSA Monthly Fee-SJensen		503-520-88101	0.17
	INV6583468	05/23 WWP FSA Monthly Fee-SBrewer		503-520-88101	1.25
	INV6583468	05/23 WWP FSA Monthly Fee-MTrejo		503-520-88101	1.13
	INV6583468	05/23 PW FSA Monthly Fee-SBrewer		503-521-88101	1.25
	INV6583468	05/23 PW FSA Monthly Fee-SJensen		503-521-88101	0.04
	INV6583468	05/23 PW FSA Monthly Fee-SReeding		503-521-88101	0.13
	INV6583468	05/23 PW FSA Monthly Fee-MTrejo		503-521-88101	1.13
	INV6583468	05/23 FIN FSA Monthly Fee-MTrejo		504-406-88101	0.03
	INV6583468	05/23 SS FSA Monthly Fee-SReeding		504-535-88101	0.08
	INV6583468	05/23 SS FSA Monthly Fee-SJensen		504-535-88101	0.08
	INV6583468	05/23 RDA FSA Monthly Fee-MTrejo		820-610-88101	0.50
	INV6583468	05/23 RDA FSA Monthly Fee-SReeding		820-610-88101	0.08
	INV6583468	05/23 RDA FSA Monthly Fee-SJensen		820-610-88101	1.67
75351	6/27/2024	02320	AM Consulting Engineers, Inc.		1,860.00
	2024-162	06/24 PW Sewer Collection Sys Engineering Svcs		503-521-98904	1,860.00
75352	6/27/2024	02386	American Office Solutions, LLC		800.00
	22590	05/24 PW Access Control-May 2024		501-508-84030	200.00
	22590	05/24 PW Access Control-May 2024		502-510-84030	200.00
	22590	05/24 PW Access Control-May 2024		503-521-84030	200.00
	22595	05/24 PW Access Control Mileage-May 2024		501-508-84030	66.67

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	22595	05/24 PW Access Control Mileage-May 2024		502-510-84030	66.67
	22595	05/24 PW Access Control Mileage-May 2024		503-521-84030	66.66
75353	6/27/2024	1078	AT&T		159.79
	0008441	06/24 PD Internet Service (125125740)		101-413-72030	159.79
75354	6/27/2024	1112	Billingsley Tire Service		69.95
	292623	06/24 SS Tire Repair Uniit #89		504-535-84060	69.95
75355	6/27/2024	02504	Brian Corley		1,184.81
	24-052201	05/24 PW Sandalwood Lift Station Repair		503-521-88100	1,184.81
75356	6/27/2024	02752	Carson Stockdale		147.04
	022	05/24 FD EMS AMB Run Meal Reimbursement		117-416-75010	16.20
	076	04/24 FD EMS AMB Run Meal Reimbursement		117-416-75010	14.03
	083	05/24 FD EMS AMB Run Meal Reimbursement		117-416-75010	16.20
	10364147	02/24 FD EMS AMB Run Meal Reimbursement		117-416-75010	6.38
	108	02/24 FD EMS AMB Run Meal Reimbursement		117-416-75010	16.20
	112614	04/24 FD EMS AMB Run Meal Reimbursement		117-416-75010	11.31
	128	06/24 FD EMS AMB Run Meal Reimbursement		117-416-75010	7.26
	147	05/24 FD EMS AMB Run Meal Reimbursement		117-416-75010	14.06
	203	06/24 FD EMS AMB Run Meal Reimbursement		117-416-75010	13.16
	3.-083288	02/24 FD EMS AMB Run Meal Reimbursement		117-416-75010	16.12
	3-060946	02/24 FD EMS AMB Run Meal Reimbursement		117-416-75010	16.12
75357	6/27/2024	1189	Central Valley Toxicology, Inc.		279.00
	334856	05/24 PD Drug Screening Cs #24-0000795		101-413-88080	188.00
	335122	05/24 PD Drug Screening Cs #24-0000952		101-413-88080	91.00
75358	6/27/2024	02865	CHICAGO TITLE COMPANY		750.00
	45005505-SM	06/24 WTP Solar Project		501-503-88100	750.00
75359	6/27/2024	1207	City of Coalinga		35.29
	02-00500-002	03/24 Natural Gas Assistance (06-00500-002)		502-510-80100	35.29
75360	6/27/2024	02839	Clean Tech Supplies		420.60
	1712	06/24 FD 911 Detox Wipes		101-416-70050	420.60
75361	6/27/2024	1224	Coalinga Hardware		34.57
	826563	06/24 FD SCBA Battery Packs		101-416-84020	17.59
	826635	06/24 FD Drip Torch Screws		101-416-98044	12.13
	826648	06/24 FD Drip Torch Screws		101-416-98044	4.85
75362	6/27/2024	1271	DataProse, Inc.		4,429.88
	3P90604	05/24 FIN Turf Replacement Insert		501-406-70040	310.60
	3P90604	05/24 FIN Turf Replacement Insert		502-406-70040	271.77
	3P90604	05/24 FIN Turf Replacement Insert		503-406-70040	178.59
	3P90604	05/24 FIN Turf Replacement Insert		504-406-70040	15.53
	DP240213	05/24 Postage Used-April 2024		501-406-70030	925.81
	DP240213	05/24 Search & Viewbill-April 2024		501-406-70040	27.04
	DP240213	05/24 Monthly Service Fee-April 2024		501-406-70040	30.00
	DP240213	05/24 2024 ISG Insert-April 2024		501-406-70040	39.29
	DP240213	05/24 NCOALINK-April 2024		501-406-70040	7.00
	DP240213	05/24 Regular Bills-April 2024		501-406-70040	432.21
	DP240213	05/24 Postage Used-April 2024		502-406-70030	810.08
	DP240213	05/24 Regular Bills-April 2024		502-406-70040	378.19
	DP240213	05/24 2024 ISG Insert-April 2024		502-406-70040	34.38
	DP240213	05/24 NCOALINK-April 2024		502-406-70040	6.13
	DP240213	05/24 Monthly Service Fee-April 2024		502-406-70040	26.25
	DP240213	05/24 Search & Viewbill-April 2024		502-406-70040	23.66
	DP240213	05/24 Postage Used-April 2024		503-406-70030	532.34
	DP240213	05/24 2024 ISG Insert-April 2024		503-406-70040	22.59
	DP240213	05/24 Regular Bills-April 2024		503-406-70040	248.52

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Payment Amount / Item Amount
	DP240213	05/24 Monthly Service Fee-April 2024		503-406-70040	17.25
	DP240213	05/24 Search & Viewbill-April 2024		503-406-70040	15.55
	DP240213	05/24 NCOALINK-April 2024		503-406-70040	4.03
	DP240213	05/24 Postage Used-April 2024		504-406-70030	46.29
	DP240213	05/24 Regular Bills-April 2024		504-406-70040	21.61
	DP240213	05/24 2024 ISG Insert-April 2024		504-406-70040	1.97
	DP240213	05/24 Monthly Service Fee-April 2024		504-406-70040	1.50
	DP240213	05/24 Search & Viewbill-April 2024		504-406-70040	1.36
	DP240213	05/24 NCOALINK-April 2024		504-406-70040	0.34
75364	6/27/2024	1288	Department of Justice		781.50
	743947	06/24 PD Blood Alcohol Analysis-May 2024		101-413-88080	105.00
	744744	06/24 PD CLETS Billing-June 2024		101-413-88100	225.50
	744744	06/24 PD CLETS Billing-May 2024		101-413-88100	225.50
	744744	06/24 PD CLETS Billing-April 2024		101-413-88100	225.50
75365	6/27/2024	02580	Encore Textile Services, LLC		489.65
	EFRE-00159865	06/24 FD EMS Ambulance Linens		117-416-75020	489.65
75366	6/27/2024	02667	Enterprise FM Trust		5,306.82
	633291-060524	06/24 PW Monthly Vehicle Lease-June 2024		501-508-98040	1,768.94
	633291-060524	06/24 PW Monthly Vehicle Lease-June 2024		502-510-98040	1,768.94
	633291-060524	06/24 PW Monthly Vehicle Lease-June 2024		503-521-98040	1,768.94
75367	6/27/2024	1353	Failsafe Testing		1,389.00
	13571	06/24 FD Ladder Testing		101-416-75060	1,389.00
75368	6/27/2024	1398	Fresno County Auditor-Controller		7,080.99
	0008440	06/24 CD LAFCO Dues FY 2024-2025		101-404-86030	7,080.99
75369	6/27/2024	1446	Granite Construction Company		838.53
	2713063	05/24 PW Sand Base for Yard		501-508-70130	279.51
	2713063	05/24 PW Sand Base for Yard		502-510-70130	279.51
	2713063	05/24 PW Sand Base for Yard		503-521-70130	279.51
75370	6/27/2024	02856	Haaker Equipment Company		604.39
	W5A0H5	06/24 PW 360 Inspection on Vaccon		503-521-88100	604.39
75371	6/27/2024	02863	HOrRNE LLP		490.21
	2681	06/24l Refund of Payment on Closed UB Accounts		501-400-51010	490.21
75372	6/27/2024	1479	HR Electric		171.92
	I240612647	06/24 BLDG Lobby Outlets for Informational Kiosk		101-432-84030	171.92
75373	6/27/2024	02201	Jimmy E. Phelaw		24,543.42
	049498	04/24 FD Vehicle Service Call Unit #E171		101-416-84060	613.97
	049499	04/24 FD Vehicle Maintenance Unit #E171		101-416-84060	6,212.86
	049660	04/24 FD Vehicle Service Unit #E171		101-416-84060	8,455.13
	049763	06/24		101-416-84060	420.00
	049818	05/24 FD Vehicle Repairs Unit #E371		101-416-84060	8,841.46
75374	6/27/2024	02617	Jose Raul Marquez Perez		230.00
	0008438	06/24 BLDG Animal Shelter HVAC Repairs #8		101-432-84030	230.00
75375	6/27/2024	1571	L.N. Curtis & Sons		32,610.78
	INV894444	04/24 FD Turnouts-3 Coats & 2 Pants		101-416-70102	9,290.12
	INV894447	04/24 FD Turnouts (2) Coats & (3) Pants		101-416-70102	8,826.98
	INV894451	04/24 FD Turnouts-2 Pairs		101-416-70102	7,246.84
	INv894454	04/24 FD Turnouts (2) Coats & (2) Pants		101-416-70102	7,246.84
75376	6/27/2024	1593	Life Assist, Inc.		3,453.55
	1423772	04/24 FD EMS Medical Supplies		117-416-75000	241.16
	1441478	06/24 FD EMS Medical Supplies		117-416-75000	866.22
	1444330	06/24 FD EMS Medical Supplies		117-416-75000	208.53

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	1446079	06/24 FD EMS Medical Supplies		117-416-75000	2,137.64
75377	6/27/2024	02329	Michael K. Nunley & Associates, Inc.		15,612.59
	001050000066	06/24 PW Filter Beds		501-503-98441	2,811.90
	01049999910	06/24 PW Coalinga WTP T & M Services		501-503-88100	87.55
	01049999911	06/24 WP Hydroxide Storage/Injection System		501-503-88100	1,646.30
	01049999943-1	06/24 WWP Los Gatos Creek Debris Removal		503-520-88100	6,755.59
	010500000153	06/24 WP WTP Operations Plan		501-503-88100	4,311.25
75378	6/27/2024	02114	Michee Baggett		630.09
	45051	12/23 FD Paramedic Refresher Course Reg Reimb		101-416-75030	299.25
	7205500565316	05/24 FD Hazmat FRO Lodging Reimbursement		101-416-75030	105.84
	R994979659	05/24 FD Hazmat FRO Registration Reimbursement		101-416-75030	225.00
75379	6/27/2024	1647	Mid Valley Disposal, Inc.		700,061.25
	0008442	05/24 Regular Utility Billing-May 2024		504-530-88170	222,934.17
	0008443	02/24 Regular Utility Billing-February 2024		504-530-88170	220,639.56
	0008444	03/24 Regular Utility Billing-March 2024		504-530-88170	221,157.37
	0008445	04/24 Regular Utility Billing-April 2024		504-530-88170	221,276.11
	CM0000728	05/24 20% Franchise Fee-May 2024		101-400-41080	-44,586.84
	CM0000729	05/24 Mid Valley Billing Franchise Fee-May 2024		504-400-48170	-1,709.88
	CM0000730	05/24 20% Printing/Mailing Utility Bills-April 202		504-400-48170	-715.68
	CM0000731	02/24 20% Franchise Fee--February 2024		101-400-41080	-44,127.92
	CM0000732	02/24 Mid Valley Billing-Franchise Fee-February 24		504-400-48170	-1,701.25
	CM0000733	03/24 20% Franchise Fee-March 2024		101-400-41080	-44,231.48
	CM0000734	03/24 Mid Valley Billing Franchise Fee-March 2024		504-400-48170	-1,751.88
	CM0000735	04/24 20% Franchise Fee-April 2024		101-400-41080	-44,255.23
	CM0000736	04/24 Mid Valley Billing Franchise Fee March 2024		504-400-48170	-2,865.80
75380	6/27/2024	1661	Mountain Valley Pest Control, Inc.		28.00
	114005	06/24 FD Pest Control Services		101-416-84050	28.00
75381	6/27/2024	02615	ODP Business Solutions, LLC		653.10
	361866295001	04/24 FIN Office Supplies		101-406-70010	1.27
	361866295001	04/24 FIN Office Supplies		501-406-70010	16.88
	361866295001	04/24 FIN Office Supplies		502-406-70010	14.77
	361866295001	04/24 FIN Office Supplies		503-406-70010	8.44
	361866295001	04/24 FIN Office Supplies		504-406-70010	0.84
	361869356001	04/24 FIN Desk Tray		101-406-70010	0.48
	361869356001	04/24 FIN Desk Tray		501-406-70010	6.00
	361869356001	04/24 FIN Desk Tray		502-406-70010	5.25
	361869356001	04/24 FIN Desk Tray		503-406-70010	3.00
	361869356001	04/24 FIN Desk Tray		504-406-70010	0.30
	362246932001	04/24 PD Desk Chairs		101-413-70010	428.57
	363764258001	04/24 PD Office Supplies		101-413-70010	43.99
	363765401001	04/24 PD Office Supplies		101-413-70010	46.85
	369465606001	06/24 PD Office Supplies		101-413-70010	76.46
75382	6/27/2024	1692	O'Reilly Automotive, Inc.		71.64
	4316-486983	05/24 FD Fuel Filter/Hose Clamps-Aux Pump Unit		101-416-84060	25.91
	4316-489164	06/24 PD Windshield Repair Unit #227		101-413-84060	21.78
	4316-489636	06/24 FD DEF Unit #256		101-416-70160	23.95
75383	6/27/2024	02554	Pace Supply Corp.		30.49
	199534290-2	06/24 PW Coupling for Sewer Line		503-521-70140	30.49
75384	6/27/2024	1720	Petty Cash Account		87.44
	5029222	04/24 ADMIN Business Resourse Worshop Donuts		101-405-76010	45.00
	509219	01/24 ADMIN Chamber Dinner Raffle Supplies		101-405-76010	5.44
	509223	06/24 ADMIN Napkins & Zioplock Bags		101-405-76010	22.00
	509224	06/24 ADMIB Vehicle Car Wash		101-405-84060	15.00

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75385	6/27/2024	1721	PG&E		41,776.13
	90624-053124	05/24 Gas Delivery-SE 31 20 15 HWY (7001750902-0		502-510-80020	41,776.13
75386	6/27/2024	1722	PG&E 1533-5		127,740.11
	0008335	05/24 7053841272	300 W Elm FD Lights	101-416-72020	3,130.28
	0008335	05/24 705841037	7th & Elm FD Horn	101-416-72020	48.05
	0008335	05/24 7053841516	PD/Jail/City Hall	101-432-72020	9,188.37
	0008335	05/24 795617993	240 N 6th St	101-432-72020	1,459.31
	0008335	05/24 7053841565	NW Cor Phelps-Airport Lights	101-435-72020	1,321.85
	0008335	05/24 7053841899	27500 Phelps Ave Ste 19	101-435-72020	18.96
	0008335	05/24 7053841771	27500 Phelps Ave Ste 1	101-435-72020	32.50
	0008335	05/24 7053841050	5th & Cedar Tower Clock	101-440-72011	63.76
	0008335	05/24 7054189141	Sunset & 5th Ave	101-440-72011	107.06
	0008335	05/24 7053841921	Sunset & Washington-Wtr Ftn	101-440-72011	53.03
	0008335	05/24 7053841936	408 S 5th Lynch Park	101-440-72011	13.49
	0008335	05/24 9713313248	25 1/2 W polk Traffic Control	110-424-72021	132.11
	0008335	05/24 7053841535	160 W Elm Street Light Inv Proj	110-424-72021	86.43
	0008335	05/24 7053841379	Polk & Forest Ave	110-424-72021	83.76
	0008335	05/24 7053841157	240 W Elm Storage Bldg	110-424-72021	186.59
	0008335	05/24 3249826069	TR 4492 Fox Hollow II	110-424-72021	78.78
	0008335	05/24 3289090333	260 1/2 Cambridge Ave	110-424-72021	131.11
	0008335	05/24 7053841002	160W Elm Arpt 3144 Term Bldg	110-424-72021	1,164.66
	0008335	05/24 705381308	Van Ness & Elm	110-424-72021	73.51
	0008335	05/24 3443128372	TR 5246 Phase I Stallion Sprg	110-424-72021	58.15
	0008335	05/24 3443128041	TR 5246 Phase II Stallion Spr	110-424-72021	155.66
	0008335	05/24 7055180510	Forest Ave Btwn 3rd St & 5th St	110-424-72021	64.75
	0008335	05/24 7053841397	Cambridge & Elm Hwy 198	110-424-72021	168.54
	0008335	05/24 3443128611	TR 4492 Fox Hollow II @ Frst	110-424-72021	52.51
	0008335	05/24 3443128411	TR 5208 Spano Ent Posa Chanet	110-424-72021	121.91
	0008335	05/24 1638874976	25 1/2 W Polk	110-424-72021	101.74
	0008335	05/24 7053841538	160 W Elm Street Light Inv Proj	110-424-72021	51.65
	0008335	05/24 7053841244	TR 5344 Promontory Point	110-424-72021	221.29
	0008335	05/24 7053841253	Cambridge & Joaquin	110-424-72021	223.19
	0008335	05/24 7053841505	Cambridge & Elm Hwy 198	110-424-72021	304.30
	0008335	05/24 7053841026	160W Elm Arpt 3144 Term Bldg	110-424-72021	344.99
	0008335	05/24 7053841555	TR 5451 Warthan & Meadows	110-424-72021	909.64
	0008335	05/24 7053841004	160W Elm Arpt 3144 Term Bldg	110-424-72021	182.94
	0008335	05/24 7053841016	160W Elm Arpt 3144 Term Bldg	110-424-72021	985.07
	0008335	05/24 7053841429	TR 5339 Dorothy Allen Est	110-424-72021	423.84
	0008335	05/24 7053841536	160 W Elm Street Light Inv Proj	110-424-72021	105.31
	0008335	05/24 7053841913	N/S Valley St Lights	110-424-72021	52.84
	0008335	05/24 7053841848	SE Juniper Rdg Sprinklers	110-424-72021	30.82
	0008335	05/24 7053841022	160W Elm Arpt 3144 Term Bldg	110-424-72021	180.36
	0008335	05/24 7058160009	N/S of Phelps Ave (W Posa Chan	110-424-72021	168.79
	0008335	05/24 7053841979	City Yard	110-424-72021	208.67
	0008335	05/24 7053841008	160W Elm Arpt 3144 Term Bldg	110-424-72021	3,189.80
	0008335	05/24 7051816617	Jayne Ave Willow Springs	110-424-72021	123.67
	0008335	05/247053841694	160 W Elm	110-424-72021	34.52
	0008335	05/24 7053841023	Monterey & Tyler Clock	110-424-72021	10.03
	0008335	05/24 7053841791	745 W Forest Ave Landscape	110-424-72021	9.86
	0008335	05/24 7053841842	350 El Rancho Blvd Irrigation	110-424-72021	9.86
	0008335	05/24 7054518044	Coolidge N Hachman	110-424-72021	10.57
	0008335	05/24 7053841365	Longhollow & Echo Canyon	110-424-72021	19.22
	0008335	05/24 7053841501	410 El Rancho Blvd	110-424-72021	29.68
	0008335	05/24 7058903139	Tache Way & Warthan St	110-424-72021	21.59
	0008335	05/24 3443128775	TR 5208 Spano Ent Posa Chanet	110-424-72021	13.13
	0008335	05/24 7053841204	SE Crn 1st & Forest Landscap	110-424-72021	9.86
	0008335	05/24 7053841349	160 W Elm	110-424-72021	26.26
	0008335	05/24 7053841619	Monterey & Tyler	110-424-72021	9.86
	0008335	05/24 7050007234	Coolidge N Hachman	110-424-72021	10.57

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	0008335	05/24 3443128925	TR 5140 Sandalwood Jayne & Wil	110-424-72021	142.54
	0008335	05/24 7053841014	160W Elm Arpt 3144 Term Bldg	110-424-72021	23.01
	0008335	05/24 7053841990	160 W Elm	110-424-72021	23.01
	0008335	05/24 7053841881	140 E Durian Prkg Lot Lights	110-424-72021	23.20
	0008335	05/24 7053841909	200 El Rancho Blvd Irrigation	110-424-72021	9.86
	0008335	05/24 7053841661	Forest & 5th	110-424-72021	15.17
	0008335	05/24 3443128591	City Sunset St Project	110-424-72021	108.77
	0008335	05/24 7055365996	Elm & Second	110-424-72021	150.38
	0008335	05/24 7053841534	160 W Elm Street Light Inv Proj	110-424-72021	107.28
	0008335	05/24 7053841206	Crn Posa & San Sim Lift Station	110-424-72021	9.89
	0008335	05/24 7050256422	6th & Durian	110-424-72021	108.74
	0008335	05/24 7053841439	Phelps & La Cuesta	110-424-72021	12.15
	0008335	05/24 7053841485	Washington & Fresno	110-424-72021	10.03
	0008335	05/24 7053841171	SW SW 7 20 15 Booster Station	501-503-72020	192.89
	0008335	05/24 7056027714	NE 11 20 15	501-503-72020	153.49
	0008335	05/24 7053841526	25034 Palmer Ave	501-503-72020	80,616.89
	0008335	05/24 7053841684	NW NW 11 20 15 Water Dept	501-503-72020	48.53
	0008335	05/24 7053841615	SW SW SW 18 20 16 Reservoir	501-503-72020	30.08
	0008335	05/24 7053841518	NW NW 31 20 16 Chlorine Boost	501-503-72020	20.88
	0008335	005/24 7053841131	SW Crn Gale & Derrick Wtr Mtr	501-503-72020	9.86
	0008335	05/24 7053841864	NE SW 31 20 15 Water Ctrl	501-503-72020	27.23
	0008335	05/24 7053841036	NE SW 26 19 15 Booster Station	501-503-72020	3,357.97
	0008335	05/24 7053841979	City Yard	501-508-72020	208.68
	0008335	05/24 7053841657	Behind 595 Roosevelt Alley Light	502-510-72020	67.29
	0008335	05/24 7053841466	Fres Alley Tyler & Polk	502-510-72020	119.66
	0008335	05/24 7053841066	NE Crn Harvard & College	502-510-72020	36.96
	0008335	05/24 7053841574	Coalinga Alley Madison & Mont	502-510-72020	71.99
	0008335	05/24 7053841123	Cherry Ln	502-510-72020	106.83
	0008335	05/24 7053841361	Alley S Pleasant & E Warthan	502-510-72020	75.48
	0008335	05/24 7053841979	City Yard	502-510-72020	208.68
	0008335	05/24 7053841312	Thompson Btwn Valley & Polk	502-510-72020	58.53
	0008335	05/24 7053841697	Baker Alley	502-510-72020	9.86
	0008335	05/24 7053841243	Pine Alley	502-510-72020	101.88
	0008335	05/24 7053841783	California Alley	502-510-72020	89.84
	0008335	05/24 7053841102	N end of Malple St	502-510-72020	66.63
	0008335	05/24 7053841358	College Alley S Side Cat Pro	502-510-72020	81.37
	0008335	05/24 7056603692	SE 33 20 15 WWP	503-520-72020	2,328.44
	0008335	05/24 7052100780	NE SE 33 20 15 WWP	503-520-72020	11,543.42
	0008335	05/24 7053841845	Sewer Lift Station Polk	503-521-72020	187.97
	0008335	05/24 7053841979	City Yard	503-521-72020	208.68
	0008335	05/24 7053841367	Sewer Lift Station Kim	503-521-72020	44.14
	0008335	05/24 7053841328	Sewer Lift Pump P/L	503-521-72020	126.72
	0008335	05/24 7053841194	Sewer Lift Pump Echo	503-521-72020	776.16
75393	6/27/2024	1708	PG&E Payment Processing Center		12,626.62
	98050-053124	06/24 Gas Transmission-Volumetric- May 2024		502-510-80020	3,715.02
	98050-053124	06/24 Gas Transmission-Reservation May 2024		502-510-80020	8,911.60
75394	6/27/2024	1823	Sequoia Equipment Co., Inc.		437.50
	001-126121	05/24 PW Service Warranty Call on Backhoe		501-508-84060	145.84
	001-126121	05/24 PW Service Warranty Call on Backhoe		502-510-84060	145.83
	001-126121	05/24 PW Service Warranty Call on Backhoe		503-521-84060	145.83
75395	6/27/2024	1830	Shell Energy North American (US), LP		8,491.00
	3778139	06/24 PW Natural Gas Delivery May 2024		502-510-80030	8,491.00
75396	6/27/2024	02846	T-MOBILE USA INC		1,395.39
	0008439	06/24 FD Cell Phone Charges-May 2024 (996114500)		101-416-72030	631.71
	0008446	04/24 PD Cell Phone Services (996314300)		101-413-72030	986.82
	CM0000737	04/24 PD Cell Phone Service Credit (996314300)		101-413-72030	-223.14

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75397	6/27/2024	1935	Tri City Engineering		1,132.50
	2770-56	06/24 Engineering Support		125-422-88100	682.50
	2770-56	06/24 PW Grant Support Services		501-508-88130	93.34
	2770-56	06/24 PW Grant Support Services		502-510-88130	93.33
	2770-56	06/24 PW Grant Support Services		503-521-88130	93.33
	2770-56	06/24 Patel Title Co Donation Gift Deed		815-609-88100	170.00
75398	6/27/2024	1943	Tyler Technologies, Inc.		11,788.12
	025-464956	06/24 Energov Annual SaaS Fees (7/1/24-6/30/25)		101-000-08900	1,178.81
	025-464956	06/24 Energov Annual SaaS Fees (7/1/24-6/30/25)		107-000-08900	943.05
	025-464956	06/24 Energov Annual SaaS Fees (7/1/24-6/30/25)		501-000-08900	2,947.03
	025-464956	06/24 Energov Annual SaaS Fees (7/1/24-6/30/25)		502-000-08900	2,947.03
	025-464956	06/24 Energov Annual SaaS Fees (7/1/24-6/30/25)		503-000-08900	2,947.03
	025-464956	06/24 Energov Annual SaaS Fees (7/1/24-6/30/25)		504-000-08900	589.41
	025-464956	06/24 Energov Annual SaaS Fees (7/1/24-6/30/25)		820-000-08900	235.76
75399	6/27/2024	1944 CC	US Bank Corporate Payment Center		7,585.16
	USBFDJUNE24-01	6/24 FD Purn Properties Letters		101-416-70030	26.19
	USBFDJUNE24-01	5/24 FD Burn Tower Lighter		101-416-70050	98.07
	USBFDJUNE24-01	5/24 FD Evidence Cans		101-416-70050	197.36
	USBFDJUNE24-01	5/24 FD Kitchen Sink Faucet Filters		101-416-84030	150.35
	USBFDJUNE24-01	5/24 FD C Shift EMS Week Meal		101-416-86010	63.03
	USBFDJUNE24-01	5/24 FD B Shift EMS Week Meal		101-416-86010	37.21
	USBFDJUNE24-01	5/24 FD Medical Supplies		117-416-75000	935.22
	USBFDJUNE24-01	5/24 FD EMS Room Bins		117-416-75000	37.05
	USBFDJUNE24-01	6/24 FD Heart Saver CPR Card		117-416-86040	25.00
	USBFDJUNE24-01	6/24 FD CPR Card x4		117-416-86040	44.00
	USBFDJUNE24-01	6/24 FD CPR Card - I. Rossel		117-416-86040	11.00
	USBFDJUNE24-01	5/24 FD CPR Card		117-416-86040	11.00
	USBFDJUNE24-02	5/24 FD Pedroza Driver Aerial Tuition		101-416-75030	222.00
	USBFDJUNE24-02	5/24 FD Nozzle Refund CR		101-416-98043	-3.27
	USBFDJUNE24-02	5/24 FD Supplies for Brush 371		101-416-98043	189.76
	USBFDJUNE24-02	5/24 FD Bag for Brush 371		101-416-98043	209.19
	USBFDJUNE24-03	5/24 FD Shields		101-416-70102	349.78
	USBFDJUNE24-03	5/24 FD A Chift EMS Week		101-416-86010	46.10
	USBFDJUNE24-03	5/24 FD Breakfast with Chiefs		101-416-86010	35.95
	USBFDJUNE24-03	5/24 FD Breakfast with Chiefs		101-416-86010	32.34
	USBFDJUNE24-03	5/24 FD Subscription - DuPuis		101-416-86030	2.99
	USBFDJUNE24-03	5/24 FD Subscription - Phillips		101-416-86030	2.99
	USBFDJUNE24-04	5/24 FD Elite Command Training		101-416-75030	450.00
	USBFDJUNE24-04	5/24 FD Kosmosky Tuition		101-416-75030	222.00
	USBFDJUNE24-05	5/24 FD DE & 4 Cycle Fuel		101-416-70160	32.69
	USBFDJUNE24-05	5/24 FD DEF & 4 Cycle Fuel		101-416-70160	130.73
	USBFDJUNE24-05	6/24 FD Fire Line Meal		101-416-86010	109.09
	USBFDJUNE24-05	5/24 FD Fire Mapper		101-416-86030	22.99
	USBFDJUNE24-06	5/24 FD Company Officer 2C		101-416-70050	450.00
	USBPDJUNE24-01	5/24 CC GOTO Phone Invoice - City Wide		101-401-72030	105.76
	USBPDJUNE24-01	5/24 CD GOTO Phone Invoice - City Wide		101-404-72030	42.31
	USBPDJUNE24-01	5/24 CM GOTO Phone Invoice - City Wide		101-405-72030	105.77
	USBPDJUNE24-01	5/24 FIN GOTO Phone Invoice - City Wide		101-406-72030	5.67
	USBPDJUNE24-01	5/24 HR GOTO Phone Invoice - City Wide		101-408-72030	21.58
	USBPDJUNE24-01	5/24 PD GOTO Phone Invoice - City Wide		101-413-72030	486.56
	USBPDJUNE24-01	5/24 PD Renaissance - Travel Report		101-413-86010	591.66
	USBPDJUNE24-01	6/24 PD Breakfast for Chiefs		101-413-86010	15.40
	USBPDJUNE24-01	5/24 PD Breakfast for Chiefs		101-413-86010	11.20
	USBPDJUNE24-01	5/24 AC GOTO Phone Invoice - City Wide		101-415-72030	42.31
	USBPDJUNE24-01	5/24 FD GOTO Phone Invoice - City Wide		101-416-72030	486.60
	USBPDJUNE24-01	5/24 PW GOTO Phone Invoice - City Wide		107-422-72030	6.37
	USBPDJUNE24-01	5/24 PW GOTO Phone Invoice - City Wide		107-422-72030	0.85
	USBPDJUNE24-01	5/24 FD GOTO Phone Invoice - City Wide		117-416-72030	5.08

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	USBPDJUNE24-01	5/24 FIN GOTO Phone Invoice - City Wide		501-406-72030	76.16
	USBPDJUNE24-01	5/24 FIN GOTO Phone Invoice - City Wide		501-406-72030	1.69
	USBPDJUNE24-01	5/24 WP GOTO Phone Invoice - City Wide		501-503-72030	24.12
	USBPDJUNE24-01	5/24 WP GOTO Phone Invoice - City Wide		501-503-72030	2.54
	USBPDJUNE24-01	5/24 PW GOTO Phone Invoice - City Wide		501-508-72030	2.96
	USBPDJUNE24-01	5/24 PW GOTO Phone Invoice - City Wide		501-508-72030	24.12
	USBPDJUNE24-01	5/24 FIN GOTO Phone Invoice - City Wide		502-406-72030	66.64
	USBPDJUNE24-01	5/24 FIN GOTO Phone Invoice - City Wide		502-406-72030	1.69
	USBPDJUNE24-01	5/24 PW GOTO Phone Invoice - City Wide		502-510-72030	2.96
	USBPDJUNE24-01	5/24 PW GOTO Phone Invoice - City Wide		502-510-72030	24.12
	USBPDJUNE24-01	5/24 FIN GOTO Phone Invoice - City Wide		503-406-72030	38.07
	USBPDJUNE24-01	5/24 FIN GOTO Phone Invoice - City Wide		503-406-72030	0.63
	USBPDJUNE24-01	5/24 WWP GOTO Phone Invoice - City Wide		503-520-72030	1.27
	USBPDJUNE24-01	5/24 WWP GOTO Phone Invoice - City Wide		503-520-72030	24.12
	USBPDJUNE24-01	5/24 PW GOTO Phone Invoice - City Wide		503-521-72030	0.42
	USBPDJUNE24-01	5/24 PW GOTO Phone Invoice - City Wide		503-521-72030	24.12
	USBPDJUNE24-01	5/24 FIN GOTO Phone Invoice - City Wide		504-406-72030	3.81
	USBPDJUNE24-01	5/24 FIN GOTO Phone Invoice - City Wide		504-406-72030	0.21
	USBPDJUNE24-01	5/24 RDA GOTO Phone Invoice - City Wide		820-610-72030	0.42
	USBWPJUNE24-01	6/24 WP Amazon - White Board		501-503-70140	31.03
	USBWPJUNE24-01	5/24 WP Avidwater - 6" Sunshine Discharge Valves		503-520-84020	1,166.13
75404	6/27/2024	1975	Vincent Communications		4,920.12
	88275	05/24 FD Radios Unit #BR371		101-416-98044	2,481.09
	88276	05/24 FD Radios Unit #C170		101-416-98044	2,439.03
75405	6/27/2024	1992	West Hills Medical Group, Inc.		1,120.00
	2024-171	02/24 PD Physical-KMatsuzaki		101-408-89040	210.00
	2024-171	02/24 PD Physical-MFlores		101-408-89040	280.00
	2024-171	02/24 PD Physical-JLopez		101-408-89040	210.00
	2024-171	02/24 PD Physical-LRebolledo		101-408-89040	210.00
	2024-171	02/24 PW Physical-MDeatheraga		107-422-89040	21.00
	2024-171	02/24 PW Physical-MDeatheraga		501-508-89040	84.00
	2024-171	02/24 PW Physical-MDeatheraga		502-510-89040	84.00
	2024-171	02/24 PW Physical-MDeatheraga		503-521-89040	21.00
75406	6/27/2024	1993	West Hills Oil, Inc.		22,265.97
	80332	05/24 FD Fuel for May 2024		101-416-70160	16,453.26
	80335	05/24 PW Fuel for May 2024		101-404-70160	105.59
	80335	05/24 PW Fuel for May 2024		101-440-70160	71.89
	80335	05/24 PW Fuel for May 2024		107-422-70160	229.21
	80335	05/24 PW Fuel for May 2024		501-508-70160	996.62
	80335	05/24 PW Fuel for May 2024		502-510-70160	996.61
	80335	05/24 PW Fuel for May 2024		503-521-70160	996.61
	80338	05/24 PW Fuel for May 2024		501-508-70160	601.79
	80338	05/24 PW Fuel for May 2024		502-510-70160	601.78
	80338	05/24 PW Fuel for May 2024		503-520-70160	601.78
	80338	05/24 SS Fuel for May 2024		504-535-70160	610.83
75407	6/27/2024	1996	Westlands Water District		1,410.36
	961776	06/24 WP 2024 Benefit Assessment		501-503-88100	1,410.36
75408	6/27/2024	2002	Wittman Enterprises, LLC		23,360.19
	2404019	06/24 FD EMS Ambulance Billing-April 2024		117-416-75040	13,139.58
	2405019	06/24 FD EMS Ambulance Billing-May 2024		117-416-75040	10,220.61
DFT0005740	6/3/2024	1983	WageWorks		-150.20
	INV6139695CM	Visa Card Payments - HCFSA 2023 Y. Ibarra Reversal		101-405-70080	-112.65
	INV6139695CM	Visa Card Payments - HCFSA 2023 Y. Ibarra Reversal		501-503-70080	-37.55
DFT0005740	6/3/2024	1983	WageWorks		150.20
	INV6139695COR	Visa Card Payments - HCFSA 2023 Y. Ibarra Correct		128-405-70080	112.65

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	INV6139695COR	Visa Card Payments - HCFSA 2023 Y. Ibarra Correct		128-503-70080	37.55
DFT0005982	6/3/2024	02211	Blue Shield of California		1,387.83
	0008190	Blue Shield HMO		950-000-32200	1,387.83
DFT0005996	6/7/2024	1025	AFLAC Group Insurance		537.31
	0008210	AFLAC After Tax		950-000-34600	537.31
DFT0005997	6/7/2024	1025	AFLAC Group Insurance		1,661.51
	0008211	AFLAC Pre Tax		950-000-34600	1,661.51
DFT0005998	6/7/2024	02358	Anthem Blue Cross		10,930.77
	0008212	Anthem HMO		950-000-32200	10,930.77
DFT0005999	6/7/2024	02358	Anthem Blue Cross		3,525.02
	0008213	Anthem HMO - Fire		950-000-32200	3,525.02
DFT0006000	6/7/2024	02358	Anthem Blue Cross		1,280.76
	0008214	Anthem HMO - Non-Safety- FIRE		950-000-32200	1,280.76
DFT0006001	6/7/2024	02358	Anthem Blue Cross		3,752.55
	0008215	Anthem HMO - Non-Saftey Police		950-000-32200	3,752.55
DFT0006002	6/7/2024	02358	Anthem Blue Cross		11,047.57
	0008216	Anthem HMO - Police		950-000-32200	11,047.57
DFT0006003	6/7/2024	02358	Anthem Blue Cross		20,653.04
	0008217	Anthem PPO		950-000-32200	20,653.04
DFT0006004	6/7/2024	02358	Anthem Blue Cross		1,676.16
	0008218	Anthem PPO - City Manager		950-000-32200	1,676.16
DFT0006005	6/7/2024	02358	Anthem Blue Cross		2,052.87
	0008219	Anthem PPO - Non-Safety FIRE		950-000-32200	2,052.87
DFT0006006	6/7/2024	02358	Anthem Blue Cross		1,516.09
	0008220	Anthem PPO - Non- Safety Police		950-000-32200	1,516.09
DFT0006007	6/7/2024	02358	Anthem Blue Cross		15,274.98
	0008221	Blue Shield PPO - Fire		950-000-32200	15,274.98
DFT0006008	6/7/2024	02358	Anthem Blue Cross		2,157.38
	0008222	Anthem PPO - Police		950-000-32200	2,157.38
DFT0006009	6/7/2024	1207	City of Coalinga		38.46
	0008224	Dependent Care-Health Equity		950-000-34500	38.46
DFT0006010	6/7/2024	02043	New York Life Insurance		851.16
	0008231	New York Life Insurance		950-000-32400	851.16
DFT0006013	6/7/2024	1207	City of Coalinga		423.07
	0008248	Unreimbursed Medical		950-000-34500	423.07
DFT0006014	6/7/2024	1677	Newport Trust Company		90.00
	0008276	457 Newport $$ General		950-000-32100	90.00
DFT0006015	6/7/2024	1677	Newport Trust Company		112.50
	0008277	457 Newport $$ General		950-000-32100	112.50
DFT0006016	6/7/2024	1677	Newport Trust Company		37.50
	0008278	457 Newport $$ General		950-000-32100	37.50
DFT0006017	6/7/2024	1677	Newport Trust Company		404.91
	0008279	457 Newport % General		950-000-32100	404.91

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DFT0006018	6/7/2024	1677	Newport Trust Company		310.89
	0008280	457 Newport % General		950-000-32100	310.89
DFT0006019	6/7/2024	1677	Newport Trust Company		486.97
	0008281	457 Newport % General		950-000-32100	486.97
DFT0006020	6/7/2024	1677	Newport Trust Company		678.89
	0008282	457 Newport % General		950-000-32100	678.89
DFT0006021	6/7/2024	1677	Newport Trust Company		123.84
	0008283	457 Newport % General		950-000-32100	123.84
DFT0006022	6/7/2024	1677	Newport Trust Company		950.00
	0008284	457 Newport EE$/ER%		950-000-32100	950.00
DFT0006023	6/7/2024	1677	Newport Trust Company		1,600.11
	0008285	457 Newport EE$/ER%		950-000-32100	1,600.11
DFT0006024	6/7/2024	1869	California State Disbursement Unit		315.69
	0008288	SDU Fresno County DCSS		950-000-34010	315.69
DFT0006025	6/7/2024	1869	California State Disbursement Unit		92.30
	0008289	SDU Fresno County DCSS		950-000-34010	92.30
DFT0006026	6/7/2024	1869	California State Disbursement Unit		184.61
	0008290	SDU Fresno County DCSS		950-000-34010	184.61
DFT0006027	6/7/2024	02078	SDI		3,433.92
	0008291	SDI		950-000-31500	3,433.92
DFT0006028	6/7/2024	02077	SDI (Mgr)		403.68
	0008292	SDI Mgr		950-000-31500	403.68
DFT0006029	6/7/2024	1331	Employment Development Dept. (EDD)		11,980.70
	0008293	State W/H		950-000-31200	11,980.70
DFT0006030	6/7/2024	1956	IRS/United States Treasury		77,856.97
	0008294	Fed W/H		950-000-31100	26,526.03
	0008294	Social Security		950-000-31300	41,601.54
	0008294	Medicare		950-000-31400	9,729.40
DFT0006031	6/6/2024	02358	Anthem Blue Cross		-908.67
	CM0000720	Anthem HMO - Non-Saftey Police		950-000-32200	-908.67
DFT0006033	6/6/2024	1331	Employment Development Dept. (EDD)		25.49
	0008296	State W/H		950-000-31200	25.49
DFT0006034	6/6/2024	1956	IRS/United States Treasury		105.42
	0008297	Fed W/H		950-000-31100	46.34
	0008297	Social Security		950-000-31300	47.88
	0008297	Medicare		950-000-31400	11.20
DFT0006038	6/7/2024	1331	Employment Development Dept. (EDD)		248.83
	0008299	State W/H		950-000-31200	248.83
DFT0006039	6/7/2024	1956	IRS/United States Treasury		632.08
	0008300	Fed W/H		950-000-31100	632.08
DFT0006051	6/3/2024	02753	Global Payments		3,510.40
	0008337	2024-05 CC Fees 7941 Counter Payments		501-406-92090	1,404.16
	0008337	2024-05 CC Fees 7941 Counter Payments		502-406-92090	1,228.64
	0008337	2024-05 CC Fees 7941 Counter Payments		503-406-92090	807.39
	0008337	2024-05 CC Fees 7941 Counter Payments		504-406-92090	70.21
DFT0006052	6/3/2024	02753	Global Payments		22,563.34
	0008338	2023-05 CC Fees 7945 Online Payments		501-406-92090	9,025.33

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Payment Amount / Item Amount
	0008338	2023-05 CC Fees 7945 Online Payments		502-406-92090	7,897.17
	0008338	2023-05 CC Fees 7945 Online Payments		503-406-92090	5,189.57
	0008338	2023-05 CC Fees 7945 Online Payments		504-406-92090	451.27
DFT0006054	6/21/2024	1025	AFLAC Group Insurance		537.31
	0008342	AFLAC After Tax		950-000-34600	537.31
DFT0006055	6/21/2024	1025	AFLAC Group Insurance		1,661.51
	0008343	AFLAC Pre Tax		950-000-34600	1,661.51
DFT0006056	6/21/2024	02358	Anthem Blue Cross		10,503.85
	0008344	Anthem HMO		950-000-32200	10,503.85
DFT0006057	6/21/2024	02358	Anthem Blue Cross		2,280.14
	0008345	Anthem HMO - Fire		950-000-32200	2,280.14
DFT0006058	6/21/2024	02358	Anthem Blue Cross		1,280.76
	0008346	Anthem HMO - Non-Safety- FIRE		950-000-32200	1,280.76
DFT0006059	6/21/2024	02358	Anthem Blue Cross		2,843.88
	0008347	Anthem HMO - Non-Saftey Police		950-000-32200	2,843.88
DFT0006060	6/21/2024	02358	Anthem Blue Cross		11,047.57
	0008348	Anthem HMO - Police		950-000-32200	11,047.57
DFT0006061	6/21/2024	02358	Anthem Blue Cross		20,653.04
	0008349	Anthem PPO		950-000-32200	20,653.04
DFT0006062	6/21/2024	02358	Anthem Blue Cross		1,676.16
	0008350	Anthem PPO - City Manager		950-000-32200	1,676.16
DFT0006063	6/21/2024	02358	Anthem Blue Cross		15,274.98
	0008351	Blue Shield PPO - Fire		950-000-32200	15,274.98
DFT0006064	6/21/2024	02358	Anthem Blue Cross		2,052.87
	0008352	Anthem PPO - Non-Safety FIRE		950-000-32200	2,052.87
DFT0006065	6/21/2024	02358	Anthem Blue Cross		1,516.09
	0008353	Anthem PPO - Non- Safety Police		950-000-32200	1,516.09
DFT0006066	6/21/2024	02358	Anthem Blue Cross		2,157.38
	0008354	Anthem PPO - Police		950-000-32200	2,157.38
DFT0006067	6/21/2024	1207	City of Coalinga		38.46
	0008356	Dependent Care-Health Equity		950-000-34500	38.46
DFT0006071	6/21/2024	1207	City of Coalinga		423.07
	0008380	Unreimbursed Medical		950-000-34500	423.07
DFT0006072	6/21/2024	1677	Newport Trust Company		90.00
	0008407	457 Newport $$ General		950-000-32100	90.00
DFT0006073	6/21/2024	1677	Newport Trust Company		112.50
	0008408	457 Newport $$ General		950-000-32100	112.50
DFT0006074	6/21/2024	1677	Newport Trust Company		37.50
	0008409	457 Newport $$ General		950-000-32100	37.50
DFT0006075	6/21/2024	1677	Newport Trust Company		702.84
	0008410	457 Newport % General		950-000-32100	702.84
DFT0006076	6/21/2024	1677	Newport Trust Company		558.12
	0008411	457 Newport % General		950-000-32100	558.12
DFT0006077	6/21/2024	1677	Newport Trust Company		403.94
	0008412	457 Newport % General		950-000-32100	403.94

Payment Number	Payment Date / Payable Number	Vendor # / Description	Vendor Name	Account Number	Payment Amount / Item Amount
DFT0006078	6/21/2024	1677	Newport Trust Company		678.89
	0008413	457 Newport % General		950-000-32100	678.89
DFT0006079	6/21/2024	1677	Newport Trust Company		122.01
	0008414	457 Newport % General		950-000-32100	122.01
DFT0006080	6/21/2024	1677	Newport Trust Company		957.15
	0008415	457 Newport EE$/ER%		950-000-32100	957.15
DFT0006081	6/21/2024	1677	Newport Trust Company		1,600.11
	0008416	457 Newport EE$/ER%		950-000-32100	1,600.11
DFT0006082	6/21/2024	1869	California State Disbursement Unit		315.69
	0008419	SDU Fresno County DCSS		950-000-34010	315.69
DFT0006083	6/21/2024	1869	California State Disbursement Unit		92.30
	0008420	SDU Fresno County DCSS		950-000-34010	92.30
DFT0006084	6/21/2024	1869	California State Disbursement Unit		269.53
	0008421	SDU Merced County DCSS		950-000-34010	269.53
DFT0006085	6/21/2024	02078	SDI		3,357.38
	0008422	SDI		950-000-31500	3,357.38
DFT0006086	6/21/2024	02077	SDI (Mgr)		341.59
	0008423	SDI Mgr		950-000-31500	341.59
DFT0006087	6/21/2024	1331	Employment Development Dept. (EDD)		12,012.97
	0008424	State W/H		950-000-31200	12,012.97
DFT0006088	6/21/2024	1956	IRS/United States Treasury		75,798.09
	0008425	Fed W/H		950-000-31100	26,167.11
	0008425	Social Security		950-000-31300	40,223.84
	0008425	Medicare		950-000-31400	9,407.14
				Grand Total:	**2,552,194.48**

Report Summary

Fund Summary

Fund	Payment Amount
101 - GENERAL FUND	120,882.82
105 - COPS GRANT FUND	6,605.50
106 - POLICE DEPT GRANTS	16,051.94
107 - GAS TAX FUND	29,847.67
110 - LTF - ARTICLE 8 FUND	14,180.09
117 - IGT-INTERGOVERNMENTAL TRANSFER	47,553.21
125 - MEASURE C-STREET MAINTENANCE	852.50
127 - MEASURE C-FLEXIBLE FUNDING	1,502.17
128 - FLEXIBLE SPENDING ACCOUNT (FSA)	150.20
130 - SPECIAL ASSESSMENT DISTRICTS	10.88
303 - CDBG PROGRAM FUND	203,141.88
304 - HOME PROGRAM FUND	2,030.30
305 - CALTRANS GRANTS FUND	24,378.86
306 - SPECIAL REVENUE GRANTS FUND	70,425.49
308 - AB179 TECH IMPROVEMENT	400.00
310 - AHSC PROGRAM	10,992.50
501 - WATER ENTERPRISE FUND	502,213.39
502 - GAS ENTERPRISE FUND	114,295.89
503 - SEWER ENTEPRISE FUND	106,975.47
504 - SANITATION ENTERPRISE FUND	882,348.70
815 - LOW/MOD HOUSING ASSET FUND	4,170.00
820 - RORF-REDEV OBLIG RETIREMENT FUND (RDA)	2,954.04
950 - PAYROLL TRUST & AGENCY FUND	390,230.98
Grand Total:	**2,552,194.48**

Account Summary

Account Number	Account Name	Payment Amount
101-000-08900	Prepaid Expense	7,824.12
101-000-10003	Retention Payable	-3,809.29
101-400-41080	Mid Valley Franchise Fee	-177,201.47
101-400-42050	Building Permits	134.20
101-400-42130	Residential Solar Permit	88.80
101-401-72030	Telephone	399.89
101-401-84010	Office Equip. Repairs &	20.71
101-401-86030	Subs., Dues, & Publicatio	450.00
101-401-88010	City Attorney Fees	350.64
101-401-88040	Computer Programming	162.52
101-401-88100	Professional Services	400.00
101-404-70100	Uniforms	22.29
101-404-70160	Gasoline & Diesel	105.59
101-404-72030	Telephone	83.94
101-404-84010	Office Equip. Repairs &	36.11
101-404-84060	Vehicle Parts, Repairs &	798.67
101-404-86030	Subs., Dues, & Publicatio	7,080.99
101-404-86500	Planning-Reimbursable F	793.75
101-404-88040	Computer Programming	211.89
101-404-88101	Administrative Fees	0.83
101-405-70080	Payments to Participants	-112.65
101-405-72030	Telephone	209.86
101-405-76010	General Advertising	99.08
101-405-84010	Office Equip. Repairs &	61.39
101-405-84060	Vehicle Parts, Repairs &	15.00
101-405-86030	Subs., Dues, & Publicatio	450.00
101-405-88040	Computer Programming	162.52
101-405-88101	Administrative Fees	20.42
101-406-70010	Office Supplies	1.75
101-406-72030	Telephone	11.25

Account Summary

Account Number	Account Name	Payment Amount
101-406-84010	Office Equip. Repairs &	9.86
101-406-86010	Training, Travel, & Confe	289.23
101-406-88040	Computer Programming	44.23
101-408-72030	Telephone	42.81
101-408-84010	Office Equip. Repairs &	93.04
101-408-88040	Computer Programming	114.71
101-408-88060	Medical - General	1,100.00
101-408-89040	Physical w/Drug & Alcoh	1,590.00
101-408-89050	Polygraphs	250.00
101-413-70010	Office Supplies	595.87
101-413-70060	Small Tools & Equipment	1,773.22
101-413-70101	Uniforms-Safety Equipm	192.49
101-413-70160	Gasoline & Diesel	12,812.13
101-413-70380	Inmate Food/Jail Supplie	1,342.23
101-413-72010	Water, Gas, Sanitation &	59.63
101-413-72030	Telephone	4,528.80
101-413-84010	Office Equip. Repairs &	325.04
101-413-84030	Buildings Repairs & Mai	41.76
101-413-84060	Vehicle Parts, Repairs &	10,862.42
101-413-86010	Training, Travel, & Confe	4,610.20
101-413-86030	Subs., Dues, & Publicatio	675.98
101-413-88040	Computer Programming	6,842.04
101-413-88080	Laboratory	384.00
101-413-88100	Professional Services	2,812.94
101-413-88101	Administrative Fees	24.99
101-413-90070	Investigative Expenses	2,301.68
101-413-98030	Office Furniture & Equip	653.74
101-413-98040	Major Machinery & Equi	1,325.78
101-415-70280	Shelter Food/Supplies	871.76
101-415-72010	Water, Gas, Sanitation &	106.12
101-415-72030	Telephone	83.94
101-415-88100	Professional Services	2,980.00
101-416-70010	Office Supplies	97.38
101-416-70030	Postage & Freight Out	26.19
101-416-70050	Education Materials & S	1,166.03
101-416-70102	Uniforms	32,982.34
101-416-70160	Gasoline & Diesel	16,760.40
101-416-72010	Water, Gas, Sanitation &	1,201.53
101-416-72020	Electric	3,178.33
101-416-72030	Telephone	2,399.19
101-416-75030	Tuition Reimbursement	2,444.55
101-416-75060	Mandated Annual Servic	1,737.00
101-416-84010	Office Equip. Repairs &	140.10
101-416-84020	Major Equip. Repairs &	17.59
101-416-84030	Buildings Repairs & Mai	150.35
101-416-84050	Grounds Repairs & Main	28.00
101-416-84060	Vehicle Parts, Repairs &	31,238.82
101-416-86010	Training, Travel, & Confe	323.72
101-416-86030	Subs., Dues, & Publicatio	28.97
101-416-88020	Outside Attorney Fees	6,473.00
101-416-88040	Computer Programming	1,364.28
101-416-88100	Professional Services	1,700.00
101-416-98043	Ladder Fire Truck Expens	5,322.04
101-416-98044	Brush Truck/Street Swee	10,772.26
101-431-70060	Small Tools & Equipment	192.96
101-431-70100	Uniforms	67.26
101-431-70150	Vehicle Parts & Supplies	115.08
101-431-72030	Telephone	69.86

Account Summary

Account Number	Account Name	Payment Amount
101-431-88040	Computer Programming	13.59
101-432-72010	Water, Gas, Sanitation &	1,714.42
101-432-72020	Electric	10,647.68
101-432-84030	Buildings Repairs & Mai	3,034.25
101-435-72010	Water, Gas, Sanitation &	906.46
101-435-72020	Electric	1,373.31
101-435-72030	Telephone	30.00
101-435-84030	Buildings Repairs & Mai	111.30
101-435-88040	Computer Programming	13.58
101-435-88101	Administrative Fees	2.50
101-440-70060	Small Tools & Equipment	251.13
101-440-70100	Uniforms	198.98
101-440-70160	Gasoline & Diesel	71.89
101-440-72011	Water/Electric - City Plot	6,693.05
101-440-84050	Grounds Repairs & Main	609.58
101-440-84060	Vehicle Parts, Repairs &	341.82
101-440-88040	Computer Programming	13.58
101-440-88100	Professional Services	59.25
101-440-98981	Splash Pad Project	76,185.78
105-413-98041	COPS Grant Equipment E	6,605.50
106-413-98040	Major Machinery & Equi	16,051.94
107-000-08900	Prepaid Expense	5,786.99
107-422-70100	Uniforms	136.77
107-422-70130	Street Materials	429.10
107-422-70160	Gasoline & Diesel	229.21
107-422-72011	Water/Electric - City Plot	4,239.32
107-422-72030	Telephone	14.32
107-422-84010	Office Equip. Repairs &	12.80
107-422-84060	Vehicle Parts, Repairs &	69.06
107-422-86010	Training, Travel, & Confe	96.40
107-422-88040	Computer Programming	199.37
107-422-88060	Medical - General	21.00
107-422-88100	Professional Services	1,435.00
107-422-88101	Administrative Fees	3.33
107-422-88130	Grant Writing/Applicatio	17,120.00
107-422-89040	Physical w/Drug & Alcoh	55.00
110-424-72021	Street Light Electricity	11,450.09
110-424-98912	Durian/Birch St. Improv.	2,730.00
117-416-70102	Uniforms	13,379.06
117-416-72030	Telephone	10.08
117-416-75000	Medical Equipment & Su	5,780.14
117-416-75010	Meals-Ambulance Runs	291.69
117-416-75020	EMS-Linens	489.65
117-416-75040	Ambulance Billing Contr	23,360.19
117-416-84010	Office Equip. Repairs &	17.25
117-416-86040	Required Certification Tr	91.00
117-416-88040	Computer Programming	23.79
117-416-88060	Medical - General	535.00
117-416-88100	Professional Services	3,574.20
117-416-88101	Administrative Fees	1.16
125-422-88100	Professional Services	852.50
127-422-88100	Professional Services	340.00
127-422-98907	Pleasant St Sewer Main	1,162.17
128-405-70080	Payments to Participants	112.65
128-503-70080	Payments to Participants	37.55
130-451-88040	Computer Programming	10.88
303-405-88118	2022 CDBG Grant for FT	203,141.88
304-404-88105	19-HOME-14965 Grant E	2,030.30

Account Summary

Account Number	Account Name	Payment Amount
305-422-98902	Phelps Ave Ph 2 Exp STP	1,617.50
305-422-98905	Los Gatos Bridge Trails-A	5,178.77
305-422-98974	CMAQ-NW Trail Seg 1/2/	1,185.00
305-422-98975	ATP Cycle 5-Est Polk St Bi	8,113.75
305-422-98982	Trail Improv-ATP Cycle 4	5,553.84
305-422-98998	CMAQ Alley Paving Ph 2	2,730.00
306-000-10003	Retention Payable	-3,329.99
306-422-98575	Centennial Park DPR Gra	36,877.74
306-422-98576	Sandalwood Park DPR Gr	36,877.74
308-413-98040	Major Machinery & Equi	400.00
310-422-98581	AHSC Grant Expense	10,992.50
501-000-08900	Prepaid Expense	18,674.73
501-400-51010	Treated Water Sales	490.21
501-406-70010	Office Supplies	22.88
501-406-70030	Postage & Freight Out	2,038.29
501-406-70040	Printing & Binding	846.14
501-406-72030	Telephone	171.81
501-406-84010	Office Equip. Repairs &	137.13
501-406-86010	Training, Travel, & Confe	578.45
501-406-88040	Computer Programming	452.67
501-406-88101	Administrative Fees	0.27
501-406-92090	Taxes, Licenses, & Fees	10,429.49
501-503-70080	Payments to Participants	-37.55
501-503-70100	Uniforms	167.28
501-503-70140	Utility Parts & Supplies	3,316.03
501-503-70160	Gasoline & Diesel	966.93
501-503-70230	Chemicals Chlorine	6,786.91
501-503-70240	Chemicals Aluminate Sul	4,827.04
501-503-72020	Electric	84,457.82
501-503-72030	Telephone	561.52
501-503-80010	Water Purchases	187,019.11
501-503-82030	Equipment Rental	36.00
501-503-84010	Office Equip. Repairs &	139.27
501-503-84020	Major Equip. Repairs &	1,843.70
501-503-84030	Buildings Repairs & Mai	3,601.60
501-503-88040	Computer Programming	2,058.97
501-503-88060	Medical - General	98.00
501-503-88081	Outside Laboratory	687.00
501-503-88100	Professional Services	29,577.09
501-503-88101	Administrative Fees	5.41
501-503-98441	Water Revenue Bond Pr	3,651.90
501-503-98471	CDWR Turf Replacement	929.50
501-508-70100	Uniforms	136.79
501-508-70130	Street Materials	472.60
501-508-70160	Gasoline & Diesel	1,598.41
501-508-72020	Electric	208.68
501-508-72030	Telephone	298.84
501-508-84010	Office Equip. Repairs &	12.04
501-508-84030	Buildings Repairs & Mai	741.68
501-508-84060	Vehicle Parts, Repairs &	5,429.82
501-508-86010	Training, Travel, & Confe	577.74
501-508-88040	Computer Programming	234.61
501-508-88060	Medical - General	84.00
501-508-88100	Professional Services	600.00
501-508-88101	Administrative Fees	2.01
501-508-88121	Geographic Information	1,031.67
501-508-88130	Grant Writing/Applicatio	1,051.68
501-508-89040	Physical w/Drug & Alcoh	220.00

Account Summary

Account Number	Account Name	Payment Amount
501-508-98040	Major Machinery & Equi	1,768.94
501-508-98472	CDWR Advanced Meteri	123,047.98
501-508-98907	Pleasant St Sewer Main	160.30
502-000-08900	Prepaid Expense	18,674.73
502-406-70010	Office Supplies	20.02
502-406-70030	Postage & Freight Out	1,783.50
502-406-70040	Printing & Binding	740.38
502-406-72030	Telephone	150.75
502-406-84010	Office Equip. Repairs &	120.72
502-406-86010	Training, Travel, & Confe	482.05
502-406-88040	Computer Programming	365.34
502-406-88101	Administrative Fees	0.17
502-406-92090	Taxes, Licenses, & Fees	9,125.81
502-510-70100	Uniforms	136.79
502-510-70130	Street Materials	394.78
502-510-70140	Utility Parts & Supplies	14.71
502-510-70160	Gasoline & Diesel	1,598.39
502-510-72020	Electric	1,095.00
502-510-72030	Telephone	422.03
502-510-80020	PG&E Wholesale Transp	54,402.75
502-510-80030	Gas Purchases for Resale	8,491.00
502-510-80100	Gas Assistance Program	163.24
502-510-84010	Office Equip. Repairs &	33.84
502-510-84030	Buildings Repairs & Mai	741.68
502-510-84060	Vehicle Parts, Repairs &	1,077.03
502-510-88040	Computer Programming	583.94
502-510-88060	Medical - General	84.00
502-510-88100	Professional Services	9,515.00
502-510-88101	Administrative Fees	5.97
502-510-88121	Geographic Information	1,031.67
502-510-88130	Grant Writing/Applicatio	1,051.66
502-510-89040	Physical w/Drug & Alcoh	220.00
502-510-98040	Major Machinery & Equi	1,768.94
503-000-08900	Prepaid Expense	18,674.72
503-406-70010	Office Supplies	11.44
503-406-70030	Postage & Freight Out	1,172.01
503-406-70040	Printing & Binding	486.53
503-406-72030	Telephone	86.76
503-406-84010	Office Equip. Repairs &	67.85
503-406-86010	Training, Travel, & Confe	366.36
503-406-88040	Computer Programming	243.49
503-406-88101	Administrative Fees	0.18
503-406-92090	Taxes, Licenses, & Fees	5,996.96
503-520-70100	Uniforms	84.21
503-520-70140	Utility Parts & Supplies	461.60
503-520-70160	Gasoline & Diesel	893.64
503-520-72010	Water, Gas, Sanitation &	2,042.38
503-520-72020	Electric	13,871.86
503-520-72030	Telephone	135.94
503-520-82030	Equipment Rental	18.00
503-520-84010	Office Equip. Repairs &	56.69
503-520-84020	Major Equip. Repairs &	8,950.54
503-520-84030	Buildings Repairs & Mai	60.00
503-520-84060	Vehicle Parts, Repairs &	769.54
503-520-88040	Computer Programming	411.25
503-520-88060	Medical - General	42.00
503-520-88080	Laboratory	260.00
503-520-88100	Professional Services	7,355.59

Account Summary

Account Number	Account Name	Payment Amount
503-520-88101	Administrative Fees	2.80
503-520-89040	Physical w/Drug & Alcoh	130.00
503-521-70100	Uniforms	136.77
503-521-70130	Street Materials	467.20
503-521-70140	Utility Parts & Supplies	223.18
503-521-70160	Gasoline & Diesel	996.61
503-521-72010	Water, Gas, Sanitation &	39.36
503-521-72020	Electric	1,343.67
503-521-72030	Telephone	287.00
503-521-84010	Office Equip. Repairs &	7.39
503-521-84030	Buildings Repairs & Mai	776.64
503-521-84060	Vehicle Parts, Repairs &	18,488.07
503-521-88040	Computer Programming	407.23
503-521-88060	Medical - General	21.00
503-521-88100	Professional Services	4,154.17
503-521-88101	Administrative Fees	2.55
503-521-88121	Geographic Information	1,031.66
503-521-88130	Grant Writing/Applicatio	1,051.66
503-521-89040	Physical w/Drug & Alcoh	55.00
503-521-98040	Major Machinery & Equi	1,768.94
503-521-98904	Clean Water State Revol	4,630.00
503-521-98907	Pleasant St Sewer Main	2,685.03
503-521-98908	Grant St Alley Sewer Lin	5,750.00
504-000-08900	Prepaid Expense	3,616.87
504-400-48170	Reimbursements & Refu	-8,744.49
504-406-70010	Office Supplies	1.14
504-406-70030	Postage & Freight Out	101.91
504-406-70040	Printing & Binding	42.31
504-406-72030	Telephone	8.86
504-406-84010	Office Equip. Repairs &	7.28
504-406-86010	Training, Travel, & Confe	19.25
504-406-88040	Computer Programming	21.39
504-406-88101	Administrative Fees	0.03
504-406-92090	Taxes, Licenses, & Fees	521.48
504-530-88170	Mid Valley Sanitation Se	886,007.21
504-535-70100	Uniforms	19.61
504-535-70160	Gasoline & Diesel	610.83
504-535-84060	Vehicle Parts, Repairs &	69.95
504-535-88040	Computer Programming	5.41
504-535-88100	Professional Services	39.50
504-535-88101	Administrative Fees	0.16
815-609-88100	Professional Services	4,170.00
820-000-08900	Prepaid Expense	1,446.73
820-610-72030	Telephone	0.86
820-610-84010	Office Equip. Repairs &	1.44
820-610-86010	Training, Travel, & Confe	96.40
820-610-88040	Computer Programming	56.36
820-610-88101	Administrative Fees	2.25
820-610-96512	Continuing Disclosure Fe	1,350.00
950-000-31100	Federal Withholding	53,371.56
950-000-31200	State Income Tax Withh	24,267.99
950-000-31300	FICA Withheld	81,873.26
950-000-31400	Medicare Insurance Wit	19,147.74
950-000-31500	State Disability Insuranc	7,536.57
950-000-32100	Employee Deferred Com	39,952.85
950-000-32200	Employee Medical Insur	145,633.07
950-000-32300	Employee Long Term Dis	494.62
950-000-32400	Life Insurance	1,824.55

Account Summary

Account Number	Account Name	Payment Amount
950-000-33000	CLOCEA Dues Withheld	2,684.39
950-000-33200	CPOA Dues Withheld	2,717.28
950-000-33300	Fire Assoc. Dues Withhel	2,820.00
950-000-34010	Other Withholdings Gar	1,945.12
950-000-34050	Garnishment Service Fe	42.00
950-000-34060	Prepaid Legal Services	599.28
950-000-34500	Unreimbursed Med/Dep	923.06
950-000-34600	AFLAC Insurance Withhe	4,397.64
	Grand Total:	**2,552,194.48**

Project Account Summary

Project Account Key		Payment Amount
None		2,536,142.54
ORT6		16,051.94
	Grand Total:	**2,552,194.48**

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Information Only: Cannabis Related Revenue Quarter Ending June 30, 2024
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Heather Bonilla, Senior Accountant

I. RECOMMENDATION:

II. BACKGROUND:

III. DISCUSSION:

The unaudited FY 23-24 Cannabis related revenue received at June 30, 2024 was 57.4% or $313,397.94 of the anticipated revenue of $545,590.00.

IV. ALTERNATIVES:

V. FISCAL IMPACT:

ATTACHMENTS:

File Name	Description
FY_23-24_Cannabis_Related_Revenue_2024-Q2.pdf	FY 23-24 Cannabis Related Revenue 2024-Q2

CITY OF COALINGA
The Sunny Side of the Valley

Cannabis Related Revenue

Fiscal Year 2023-2024

GL Account	GL Name	*Budget*	Jul-Sep 2023 2023-Q3	Oct-Dec 2023 2023-Q4	Jan-Mar 2024 2024-Q1	Apr-Jun 2024 2024-Q2	Total
101-400-42170	Cannabis Application Fees	*5,000.00*	629.00	200.00	1,289.00	230.00	**2,348.00**
101-400-42180	Cannabis Regulatory Permit Renewal	*-*	-	-	-	-	**-**
101-400-42190	Cannabis Revenue Raising Fee	*440,064.00*	24,090.00	166,238.75	59,604.44	33,870.75	**283,803.94**
101-400-42200	Cannabis Regulatory Licensing Fee	*100,526.00*	-	8,904.00	526.00	17,816.00	**27,246.00**
Total		***545,590.00***	**24,719.00**	**175,342.75**	**61,419.44**	**51,916.75**	**313,397.94**

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Information Only: Measure J Quarter Ending March 31, 2024
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Heather Bonilla, Senior Accountant

I. RECOMMENDATION:

II. BACKGROUND:

III. DISCUSSION:

The FY 23-24 Measure J revenue received at $1,753,613.83 versus the $2,131,000.00 budgeted has a variance of 17.7% that is attributed to revenue that will be received by the end of August and accrued.

The City anticipates an additional estimated amount of $300,000 by the end of August for the months of May and June.

IV. ALTERNATIVES:

V. FISCAL IMPACT:

ATTACHMENTS:

File Name	Description
FY_23-24_Measure_J_Revenue_2024-Q1.pdf	FY 23-24 Measure J Revenue 2024-Q1

CITY OF COALINGA
The Sunny Side of the Valley

Measure J

1% Transitions & Use Tax

Fiscal Year 2023-2024

Reporting Period	Total
2023-Jul	**161,988.76**
2023-Aug	**170,445.58**
3rd Quarter True Up	**272,566.06**
2023-Oct	**148,832.14**
2023-Nov	**149,906.11**
4th Quarter True Up	**339,236.87**
2024-Jan	**147,826.87**
2024-Feb	**140,564.08**
1st Quarter True Up	**222,247.36**
2024-Apr	
2024-May	
2nd Quarter True Up	
Total	**1,753,613.83**

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Information Only: Transient Occupancy Tax Quarter Ending March 31, 2024
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Heather Bonilla, Senior Accountant

I. RECOMMENDATION:

II. BACKGROUND:

III. DISCUSSION:

The FY 23-24 Transient Occupancy Tax revenue received at $55,920.15 versus the $62,061.00 budgeted has a variance of 9.6% that is attributed to revenue that will be received by the end of August and accrued.

IV. ALTERNATIVES:

V. FISCAL IMPACT:

ATTACHMENTS:

File Name	Description
FY_23-24_Transient_Occupancy_Tax_(TOT)_Revenue_2024-Q1.pdf	FY 23-24 Transient Occupancy Tax (TOT) Revenue 2024-Q1

CITY OF COALINGA
The Sunny Side of the Valley

Transient Occupancy Tax

Fiscal Year 2023-2024

Hotel/Motel Name	Jul-Sep 2023 2023-Q3 Reporting Period	Oct-Dec 2023 2023-Q4 Reporting Period	Jan-Mar 2024 2024-Q1 Reporting Period	Apr-Jun 2024 2024-Q2 Reporting Period	Total
Best Western Plus	10,576.88	8,960.45	6,956.55		**26,493.88**
Cambridge Inn	185.10	299.31	485.76		**970.17**
Coalinga Motel	-	8,817.00	10,000.00		**18,817.00**
Laura Lodge	695.46	475.11	261.93		**1,432.50**
Royal Lodge	3,043.97	2,886.55	326.08		**6,256.60**
Travel Inn	480.90	1,278.90	190.20		**1,950.00**
Total	**14,982.31**	**22,717.32**	**18,220.52**	**-**	**55,920.15**

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Informational Only: Old Courtroom as Cooling Center
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Marissa Trejo, City Manager

I. RECOMMENDATION:

Mayor Pro Tem Ramirez requested a future agenda item to explore the idea of utilizing the old courtroom as a cooling center.

This item is informational only as explained below.

II. BACKGROUND:

The City of Coalinga currently leases the old courthouse to Westside Family Preservation Services Network for $1,000 per month. Additionally, the City of Coalinga currently leases the old courtroom to Westside Family Preservation Services Network for $500 per month.

The annual lease just renewed July 1, 2024.

III. DISCUSSION:

In considering the feasibility of utilizing the old courtroom as a cooling center, staff is not recommending its use based on the following reasons which include, but are not limited to:

1. The property is currently leased through June 30, 2025;
2. The City's General Fund receives $6,000 in revenue from the lease;
3. There are already at least two (2) cooling centers available within the City;
4. If opened as a cooling center, the City would have to hire an employee to be present at the cooling center while it is open which would be an unbudgeted General Fund expense;
5. The old courtroom does not have interior restrooms.

IV. ALTERNATIVES:

None as this item is informational only.

V. FISCAL IMPACT:

None.

ATTACHMENTS:

File Name	Description
No Attachments Available	

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Information Only: Data on Time/Cost Public Safety Spends on Homelessness
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Marissa Trejo, City Manager

I. RECOMMENDATION:

This item is informational only and was requested as a future agenda item by Councilman Vosburg.

II. BACKGROUND:

III. DISCUSSION:

As stated when the future agenda item was requested, the Coalinga Fire Department is unable to ask a patient whether or not he/she is homeless. If the patient self-discloses, the information can be tracked. There is no available information on any interactions the Coalinga Fire Department had with any homeless individuals within the last 12 months.

The Coalinga Police Department was able to pull information for an 18 month period. They average 5.38 hours per month (64.56 hours per fiscal year) on calls involving homeless individuals.

To estimate an average cost of that time, we utilized 64.56 hours x $47.19 per hour = $3,046.59 per fiscal year.

IV. ALTERNATIVES:

None.

V. FISCAL IMPACT:

None.

ATTACHMENTS:

File Name	Description

No Attachments Available

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Adopt Amended Resolution No. 4211-A Calling for a Municipal Election to Submit to the Voters a Local Ballot Measure Extending the Sunset Date for the One-Percent Transactions and Use (Sales) Tax to Fund Coalinga City Services Including Police and Fire Protection; and Other General Services and Requesting the Board of Supervisors of Fresno County to Consolidate a Municipal Election on a Local Ballot Measure with Other Elections to be Held on November 5, 2024
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Mario Zamora, City Attorney

I. RECOMMENDATION:

The City Manager recommends the City Council adopt Resolution No. 4211-A amending the previously approved Resolution No. 4211 calling for a municipal election to submit to the voters a local ballot measure extending the sunset date for the one-percent transactions and use (sales) tax to fund Coalinga City services including police and fire protection; and other general services and requesting the Board of Supervisors of Fresno County to consolidate a municipal election on a local measure with other elections to be held on November 5, 2024.

II. BACKGROUND:

After submitting Resolution No. 4211 for a local ballot measure renewing the sunset date for the one-percent transactions and use (sales) tax to continue to fund City services, the Fresno County Elections Office required certain technical revisions to the resolution.

Resolution No. 4211-A (attached) revises and corrects those requirements from the Elections Office.

III. DISCUSSION:

Resolution No. 4211-A (attached) would extend the sunset of the transactions and use (sales) tax ten (10) years to 2039 and complies with requirements from the Fresno County Elections Office.

IV. ALTERNATIVES:

None. An amended resolution is needed to meet the requirements from the Fresno County Elections Office and for the measure to appear on the November 5, 2024 ballot.

V. FISCAL IMPACT:

The fiscal impact to the City's General Fund to place this item on the November 5, 2024 ballot is estimated not to exceed $35,000 in combination with the other election items (City Treasurer and City Council District 1, 2 and 4 seats). This expense is budgeted.

ATTACHMENTS:

File Name	Description
RESO#4211-A_FINAL_County_s_Req_d_Amendments_Extending_Measure_J_Sunset_to_2039_080124.pdf	Resolution No. 4211-A (Amended)

RESOLUTION NO. 4211-A

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA CALLING FOR A MUNICIPAL ELECTION TO SUBMIT TO THE VOTERS A LOCAL BALLOT MEASURE EXTENDING THE ONE-PERCENT TRANSACTIONS AND USE (SALES) TAX TO FUND COALINGA CITY SERVICES INCLUDING POLICE AND FIRE PROTECTION; AND OTHER GENERAL SERVICES AND REQUESTING THE BOARD OF SUPERVISORS OF FRESNO COUNTY TO CONSOLIDATE A MUNICIPAL ELECTION ON A LOCAL MEASURE WITH OTHER ELECTIONS TO BE HELD ON NOVEMBER 5, 2024

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COALINGA AS FOLLOWS:

WHEREAS, the City Council deemed it advisable to submit to the voters a ballot measure to approve a one-percent (1%) transactions and use (sales) tax to fund city services, including police and fire protection, and other general services during the 2024 Regular Election; and

WHEREAS, the voters elected to approve the ballot measure and a one-percent (1%) transactions and use (sales) tax was adopted by the City with an expiration date of April 1, 2029; and

WHEREAS, the City Council has deemed it advisable to submit the renewal of the one-percent (1%) transactions and use (sales) tax to the voters in order to extend the expiration date to April 1, 2039; and

WHEREAS, the City Council is authorized to request an order that the ballot measure election be consolidated with other elections to be held on the same day and in the same territory (California Elections Code 10400 et seq.); and

WHEREAS, it is desirable that said ballot measure election be consolidated with the statewide general election to be held November 5, 2024; that within the City, the precincts, polling places, and election officers for the two elections be the same; that the Board of Supervisors canvass the returns of the City ballot measure election; and said City ballot measure election be held in all respects as if there were only one election;

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

1. Call for Election. The City Council hereby calls a municipal election on November 5, 2024 for the purpose of submitting to the voters a ballot measure to approve one-percent (1%) transactions and use (sales) tax to fund Coalinga city services, including police, fire and emergency services; and other general services. A majority vote of the votes cast is required for the passage of the ballot measure.

2. Form of Measure. The text of the proposed ordinance to be submitted to the voters is attached as **Exhibit A** to this resolution. The exact form of the measure to be voted upon shall appear on the ballot as follows:

Shall the City of Coalinga measure, which extends the already-adopted general-purpose, **one-percent** sales tax, expected to generate $850,000.00 annually, with annual independent audits with an expiration (sunset) of April 1, 2039, be adopted?	Yes No

The measure shall be designated on the ballot by a letter assigned by the County printed on the left margin of the square containing the description of the measure, as provided in California Election Code Section 13116.

3. Transmission to the City Attorney. The City Clerk is directed, pursuant to Elections Code Section 9280, to transmit a copy of the measure to the City Attorney for the purpose of preparing an impartial analysis of the measure.

4. Full Text of the Measure. The full text of the "Ordinance of the City of Coalinga Extending the Transactions and Use Tax to be Administered by the State Board of Equalization," extending the one-percent Transactions and Use (Sales) Tax to fund Coalinga city services is attached hereto and will be available at no cost, from the City Clerk's Office or on the City's website: www.coalinga.com. A statement about how to obtain the full text of the Ordinance will be included in the Voter Information Pamphlet below the Impartial Analysis.

5. Synopsis of the Measure.

Notice is hereby given that the following measure is to be voted on at the special municipal election to be held in the City of Coalinga, on Tuesday, the 5th day of November, 2024.

The proposed tax measure renews the previously voter-approved 1% sales tax (one cent for every dollar spent) within the City of Coalinga. Adoption of this renewal does not increase the sales tax above current levels. Funds generated by the revenue of the sales tax will continue to be allocated to the General Fund and may be used for any general fund purpose. All tax revenue would continue to be kept by the City and not be able to be spent by the State or County. The renewal will extend the expiration of the sales tax to April 1, 2039. The tax measure was placed on the ballot by the Coalinga City Council.

6. Consolidation of Election. The City Council requests that the Board of Supervisors of the County of Fresno, State of California order the consolidation of the election in the City of Coalinga to be held on November 5, 2024, with any other election(s) to be held on the same date, under California Election Code Sections 10400 et seq.

7. Deadline for Submittal of Arguments. Pursuant to the Elections Code of the State of California the county elections official "… shall fix and determine a reasonable date prior to the election after which no arguments for or against any county measure may be submitted for printing and distribution to the voters …" (Elections Code 9163). Once the final deadline is determined by the Fresno County Clerk/Registrar of Voters, arguments for and against shall not to exceed 300 words and sent directly to the Fresno County Clerk/Registrar of Voters. The provisions of this Section shall apply only to the election to be held on November 5, 2024 and shall then be repealed.

8. Conduct of the Election. The consolidated election shall be held and conducted, election officers appointed, voting precincts designated, ballots printed, polls opened and closed, ballots counted and returned, returns canvassed, results declared, certificates of election issued, and all other proceedings incidental to and connected with the election shall be regulated and done by the County Clerk in accordance with the provisions of law regulating a regularly scheduled election. The Board of Supervisors is hereby requested to issue all officers of the County charged with duties pertaining to the November 5, 2024 election instructions to take any and all steps necessary for the holding of such consolidated election. (California Elections Code 10418.)

9. Costs. The City will reimburse the County for the actual cost incurred in conducting the election upon receipt of a bill stating the amount due as determined by the Election Official.

10. Filing with County. The City Clerk is directed to file with the Board of Supervisors and the County Clerk of Fresno County certified copies of this resolution. The foregoing Resolution No. 4211-A was adopted by the Coalinga City Council on the **1st day of August 1, 2024**, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

_____

James Horn, Mayor

_____

Shannon Jensen, City Clerk

Exhibit A

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COALINGA AMENDING SECTION 102 TO TITLE 3A, CHAPTER 6 TO THE COALINGA MUNICIPAL CODE TO PROVIDE FOR AN ADDITIONAL ONE-PERCENT TRANSACTIONS AND USE TAX FOR GENERAL PURPOSES

BE IT ORDAINED BY THE COUNCIL AND THE PEOPLE OF THE CITY OF COALINGA:

SECTION I: AMENDMENT OF CODE.

Coalinga Municipal Code Tite 3, Chapter 6, is hereby amended by the addition of a new Chapter to read as follows:

Sec. 3-6A.102 Operative Date.

"Operative date' means the first day of the first calendar quarter commencing more than one hundred ten (110) days after the adoption of the ordinance from which this chapter is derived, April 1, 2019. The ordinance from which this chapter is derived shall expire April 1, 2039.

SECTION II: STATUTORY AUTHORITY FOR TAX.

This ordinance is adopted pursuant to Revenue and Taxation Code section 7285.9.

SECTION III: ELECTION REQUIRED.

This ordinance shall not become operative unless and until at least a majority of the electors voting on this measure vote to approve the imposition of the tax at the election to be held on November 5, 2024.

SECTION IV: ANNUAL AUDIT.

By no later than December 31st of each year, the City's independent auditors shall complete a financial audit report to include the revenue raised and expended by this tax.

SECTION V: EFFECTIVE DATE.

This ordinance shall take effect on April 1, 2025, if approval by a majority f voters at the general election to be held on November 5, 2024.

SECTION VI: CERTIFICATION; PUBLICATION.

Upon approval by the voters, the City Clerk shall verify to the passage and adoption of this ordinance and shall cause it to be published according to law and transmitted to the California Department of Tax and Fee Administration.

****

ATTEST:

CITY COUNCIL OF THE CITY OF COALINGA

_____

Shannon Jensen, City Clerk

_____

James Horn, Mayor

APPROVED BY THE FOLLOWING VOTE OF THE PEOPLE ON _____:

CITY OF COALINGA)
STATE OF CALIFORNIA) CITY CLERK CERTIFICATION
COUNTY OF FRESNO)

I, Shannon Jensen, City Clerk of the City of Coalinga, do hereby certify that the foregoing is a full, true and correct copy of Ordinance No. [###] introduced at a regular meeting of the City Council of the City of Coalinga held on the [##] day of [MONTH], [YEAR], and adopted at a regular meeting held on the [##] day of [MONTH], [YEAR] upon motion by [NAME], second of [NAME] by the following vote, as the same appears of record and on the file in my office.

AYES:
NOES:
ABSTAIN:
ABSENT:

WITNESS my hand and Corporate City Seal of Coalinga this ## day of [MONTH], [YEAR].

OFFICE OF THE CITY CLERK OF COALINGA

_____

Shannon Jensen, City Clerk

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Adopt Resolution No.4218 and Coalinga Public Financing Authority Resolution No. PFA 24-02 Approving Proceedings to Finance Improvements to the City's Municipal Water System, Approving the Issuance of Revenue Bonds by the Coalinga Public Financing Authority for such Purposes and Approving related Documents and Official Actions
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Sean Brewer, Assistant City Manager

I. RECOMMENDATION:

Adopt City Council Resolution No. 4218 and Coalinga Public Financing Authority Resolution No. PFA 24-02 approving proceedings to finance improvements to the City's municipal water system, approving the issuance of revenue bonds by the Coalinga Public Financing Authority for such purposes and approving related documents and official actions.

II. BACKGROUND:

On June 20, 2024, the City Council authorized the City Manager to execute an Energy Services Contract with Johnson Controls, Inc. ("JCI") to install photovoltaic solar panels at the Water Treatment Plant (the "2024 Water Project"). As part of such approval, the City Council approved the following actions relating the 2024 Water Project, the water enterprise fund, and City's municipal water system ("Water System"):

- Authorized City Manager to sign Agreement with JCI;
- Authorized the contribution of $500,000 from the water enterprise bond fund to the 2024 Water Project to be reimbursed by Investment Tax Credit ("ITC") direct pay subsidies provided under the Inflation Reduction Act;
- Authorized execution of the initial notice to proceed with JCI; and
- Consideration of using bond financing to pay for a portion of the 2024 Water Project at a future City Council meeting subject to related financing documents being brought back to the City Council for approval.

Per the City Council's action on June 20, 2024, the City Staff and its financing team have prepared the requisite documents needed for the City for to finance a portion of the 2024 Water Project and such documents are attached hereto.

If approved, the 2024 Water Project will be financed from the proceeds of revenue bonds to be issued by the Coalinga Public Financing Authority (the "2024 Water Bonds").

The Authority previously issued its $10,610,000 Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Projects) (Federally Taxable) and $8,200,000 Revenue Bonds, Series 2021B (Water Project) (Tax-Exempt) (collectively, the "2021 Bonds"). The Series 2021A Bonds refinanced prior Coalinga Public Financing Authority obligations and the Series 2021B Bonds provided project funds certain improvements and facilities constituting part of the Water System.

This action, if approved by the Authority Board and City Council, will allow the Authority to issue the 2024 Water Bonds to finance the 2024 Water Project. The 2024 Water Bonds will be on parity with the Series 2021B Bonds and a portion of the Series 2021A Bonds. The 2024 Water Bonds will be payable from and secured by payments to be made by the City under an installment sale agreement, similar to the agreement

executed in 2021 from the net revenues of the Water System..

III. DISCUSSION:

The financing documents are being presented to the Authority Board and the City Council in near final form. The documents will be completed when the interest rates and debt service payments are determined at the time the 2024 Water Bonds are sold to Oppenheimer & Co., Inc., the Underwriter. The approval by the City Council and the Authority provide not-to-exceed parameters for the issuance of the 2024 Water Bonds. This method of approval is the normal method of approving a bond issue in California. The individual financing documents needed to complete the financing are included as attachments and are each briefly described on the following page.

Installment Sale Agreement- In order to provide for the repayment of the 2024 Water Bonds, (a) the City will sell the Water System to the Authority and the Authority will sell the Water System and the 2024 Water Project to the City pursuant to an installment sale agreement (the "Water Installment Sale Agreement"), under which the City will agree to make installment payments to the Authority payable from the net revenues of the Water System. The payments to be made under the Water Installment Sale Agreement will be calculated to be sufficient, in time and amount, to enable the Authority to pay the principal of and interest on the 2024 Water Bonds when due.

Indenture - Between the Authority and Computershare Trust Company, N.A., the Trustee, under which the 2024 Water Bonds will be issued, funds and accounts will be established by the Trustee and payments to be made by the City under the Water Installment Sale Agreement will be received by the Trustee and applied to pay the principal of and interest on the 2024 Water Bonds when due. The Trustee will also pay project costs from the project fund when requested by the City.

Preliminary Official Statement - As a necessary prerequisite to the public marketing and selling of the 2024 Water Bonds, a Preliminary Official Statement has been prepared, with the assistance of the City's financing team (bond counsel, disclosure counsel, the municipal advisor and the Underwriter). This document describes the Authority, the City, the 2024 Water Project, the Water System, the 2024 Water Bonds and the financing documents. Once the 2024 Water Bonds are priced and the sale is executed, the final details will be used to fill in the blanks of the Preliminary Official Statement, which will then be used as the basis for a final Official Statement.

Bond Purchase Agreement - Contains the obligation of the Underwriter to accept and pay for the 2024 Water Bonds, provided that all of the covenants and representations of the Authority and the City are met and certain other conditions excusing performance by the underwriter do not exist.

Continuing Disclosure Certificate - Contains the obligation of the City to provide annual financial statements and certain operating data to 2024 Water Bond investors, via the City's appointed Dissemination Agent, IGService.

IV. ALTERNATIVES:

Determine not to adopt the resolutions and to not authorize the issuance of the 2024 Water Bonds. Explore alternative sources of funds available to make payment to JCI under the executed Agreement.

V. FISCAL IMPACT:

Through fiscal year ending June 30, 2050, the 2024 Water Project is estimated to generate cost avoidance (gross of related debt service) in the approximate amount of $28.47 million. The 2024 Water Bonds are estimated to produce a total net debt service obligation of approximately $18.79 million. Net of debt service, the 2024 Water Project is estimated to generate cost savings of approximately $9.68 million. Additionally, via completion of the 2024 Water Project, the City is eligible to receive an ITC direct pay subsidy in the estimated amount of $2.81 million, which shall be partially offset by the $500,000 contribution from water

enterprise bond fund. The City's municipal advisor and Underwriter have provided good faith estimates for the 2024 Water Bonds which are included in exhibits attached to the Resolutions.

ATTACHMENTS:

File Name	Description
BPA_(Draft).pdf	BPA (Draft)
City_Resolution_No_4218_Water_(2).pdf	City Res No. 4218
Water_Authority_Res_#PFA_24-02_(1).pdf	Water Auth Res No. PFA 24-02
Indenture_(Draft).pdf	Indenture (Draft)
WaterISA_(Draft).pdf	Water ISA (Draft)
WaterPOS_(Draft).pdf	Water POS (Draft)
ContDisclCert_(Draft).pdf	ContDisclCert (Draft)

$_____
COALINGA PUBLIC FINANCING AUTHORITY
(Fresno County, California)
Water Revenue Bonds, Series 2024
(Solar Project)

BOND PURCHASE AGREEMENT

August 20, 2024

Coalinga Public Financing Authority
155 West Durian
Coalinga, CA 93210

City of Coalinga
155 West Durian
Coalinga, CA 93210

Ladies and Gentlemen:

The undersigned, Oppenheimer & Co. Inc. (the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (the "Bond Purchase Agreement") with the Coalinga Public Financing Authority (the "Authority") and the City of Coalinga (the "City"), which, upon the Authority's and City's acceptance hereof, will be binding upon the Authority, the City and the Underwriter. This offer is made subject to written acceptance by the Authority and the City and the delivery of such acceptance to the Underwriter at or prior to 9:00 p.M., California time, on the date hereof. If this offer is not so accepted, this offer will be subject to withdrawal by the Underwriter upon notice delivered to the Authority and the City at any time prior to acceptance by the Authority and the City. All capitalized terms used herein and not otherwise defined herein shall have the respective meanings ascribed thereto in the Official Statement (as defined herein).

1. **Purchase, Sale and Delivery of the Bonds**.

(a) Subject to the terms and conditions, and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase, and the Authority agrees to sell and deliver to the Underwriter, all (but not less than all) of the $_____ Coalinga Public Financing Authority (Fresno County, California) Water Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"). The Bonds shall be dated the date of delivery thereof and shall mature on such dates and shall bear interest at such rates set forth in Exhibit A attached hereto. Interest on the Bonds shall be payable semiannually on April 1 and October 1 of each year, commencing April 1, 2025.

(b) The purchase price for the Bonds shall be $_____ (consisting of the $_____ aggregate principal amount of the Bonds, plus $_____ of net original issue premium, less

$_____ of Underwriter's discount). As an accommodation to the Authority, the Underwriter will transfer the sum of $_____ to _____ (the "Municipal Bond Insurer") in payment of the premium for the municipal bond insurance policy issued for the Bonds (the "Municipal Bond Insurance Policy") and will transfer the sum of $_____ to the Municipal Bond Insurer in payment of the premium for the reserve fund municipal bond insurance policy issued for the Bonds in lieu of cash funding a reserve fund for the Bonds (the "Reserve Policy"). The net purchase price of the Bonds of $_____ will be transferred to the Trustee.

All capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in Section 1.01 of the Indenture.

(c) The Bonds shall be issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985, consisting of Article 4, Chapter 5, Division 7, Title 1 of the California Government Code (commencing with Section 6584) (the "Bond Law"), and an Indenture of Trust, dated as of August 1, 2024 (the "Indenture"), by and between the Authority and Computershare Trust Company, N.A., as trustee (the "Trustee"), a resolution of the governing body of the Authority adopted on August 1, 2024 (the "Authority Resolution"), and a resolution of the City, adopted on August 1, 2024 (the "City Resolution").

(e) The Bonds shall be substantially in the form described in, and shall be issued and secured under the provisions of, the Indenture. The Bonds shall be secured by a pledge, charge and lien upon "Revenues", which consist primarily of installment payments to be made by the City to the Authority pursuant to an installment sale agreement, dated as of August 1, 2024 (the "Installment Sale Agreement"), by and between the City and the Authority.

The Bonds are being issued by the Authority to (a) finance the acquisition and construction of certain improvements, including, but not limited to, the installation of a solar photovoltaic (PV) system which will generate electricity through the conversion of solar energy and facilities, constituting part of the City's municipal water enterprise (the "Water System"), (b) to purchase the Municipal Bond Insurance Policy and the Reserve Policy, (c) fund capitalized interest on the Bonds through April 1, 2026, and (d) pay costs of issuance of the Bonds.

The City will undertake, pursuant to a continuing disclosure certificate (the "Continuing Disclosure Certificate") to provide certain annual financial information, specified other information data and notices of the occurrence of certain events, if material, to IGService, the initial Dissemination Agent, or any successor Dissemination Agent. A description of this undertaking is set forth in the Preliminary Official Statement (as defined herein) and will also be set forth in the Official Statement (as defined herein).

The Indenture, the Installment Sale Agreement, the Continuing Disclosure Certificate and this Bond Purchase Agreement, are herein referred to as the "Financing Documents."

(c) At 8:00 o'clock A.M., Pacific Daylight time, on August 29, 2024, or at such other time or on such other date as mutually agreed upon by the Authority, the City and the Underwriter (such time and date herein referred to as the "Closing Date"), the Authority will, subject to the terms and conditions hereof, sell and deliver, or cause to be delivered, the Bonds to the Underwriter, in definitive form, duly executed and authenticated, together with the other documents mentioned herein, and subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in subparagraph (a) above in immediately available funds (such delivery and payment being herein referred to as the "Closing") to the order of the Trustee. Sale, delivery and payment as aforesaid shall be made at the offices of Stradling Yocca Carlson & Rauth LLP ("Bond

Counsel"), 660 Newport Center Drive, Suite 1600, Newport Beach, CA, or such other place as shall have been mutually agreed upon by the Authority, the City and the Underwriter, except that the Bonds shall be delivered through the Trustee via the F.A.S.T. delivery book-entry system of The Depository Trust Company ("DTC") in New York, New York, or at such other place as shall have been mutually agreed upon by the Authority and the Underwriter, in fully registered book-entry eligible form (which may be typewritten) and registered in the name of Cede & Co. as nominee of DTC.

2. **Use and Preparation of Official Statement**. The Authority and the City hereby ratify, confirm and approve of the use and distribution by the Underwriter prior to the date hereof of an official statement in preliminary form dated August 13, 2024, relating to the Bonds (which, together with all appendices thereto, is referred to herein as the "Preliminary Official Statement"). The Authority and the City have deemed final the Preliminary Official Statement as of its date for purposes of Rule 15c2-12 promulgated by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), except for information permitted to be omitted therefrom by Rule 15c2-12. The Authority and the City hereby agree to deliver or cause to be delivered to the Underwriter, within seven (7) business days of the date hereof and at least in sufficient time to accompany any orders or confirmations that request payment from any customer, copies of the final official statement, dated the date hereof (which, together with all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements to such official statement as have been approved by the Authority, the City and the Underwriter is referred to herein as the "Official Statement") in sufficient quantity to enable the Underwriter to comply with the rules of the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Authority and the City hereby approve of the use and distribution by the Underwriter of the Official Statement in connection with the offer and sale of the Bonds. At the time of or prior to the Closing Date, the Underwriter shall file a copy of the Official Statement with the Municipal Securities Rulemaking Board and with a nationally recognized securities information repository. The Underwriter shall advise the Authority and the City of the date and repository of such filing.

3. **Bona Fide Public Offering**. The Underwriter agrees to make a bona fide public offering of all of the Bonds, at prices not in excess of the initial public offering yields or prices set forth on the cover page of the Official Statement. Subject to Section 4(c), the Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices; provided, however, that the Underwriter may offer a portion of the Bonds for sale to selected dealers who are members of the Financial Industry Regulatory Authority and who agree to resell the Bonds to the public on terms consistent with this Bond Purchase Agreement, and the Underwriter reserves the right to change such offering prices or yields as the Underwriter shall deem necessary in connection with the marketing of the Bonds and to offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial offering prices or at yields higher than the initial yields set forth on Exhibit A attached hereto. The Underwriter also reserves the right to over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market and to discontinue such stabilizing, if commenced, at any time. None of such activities shall affect the principal amounts, maturity dates, interest rates, redemption or other provision of the Bonds or the amount to be paid by the Underwriter to the Authority for the Bonds.

4. **Establishment of Issue Price**.

(a) The Underwriter agrees to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at Closing an "issue price" or similar

certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority and Special Counsel (hereinafter defined), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the Authority under this section to establish the issue price of the Bonds may be taken on behalf of the Authority by the Authority's municipal advisor identified herein and any notice or report to be provided to the Authority may be provided to the Authority's municipal advisor.

(b) Except as otherwise set forth in Exhibit B attached hereto, the Authority will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Bond Purchase Agreement, the Underwriter shall report to the Authority the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the Authority the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Bonds of that maturity or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Authority or Special Counsel. For purposes of this Section 3, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

(c) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit B attached hereto, except as otherwise set forth therein. Exhibit B also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the Authority and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Authority promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the

selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The Authority acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Authority further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(f) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date of execution of this Bond Purchase Agreement by all parties.

5. **Representations, Warranties and Agreements of the Authority and the City**.

(a) The Authority hereby represents, warrants and agrees with the Underwriter as follows:

(1) The Authority is, and will be on the Closing Date, a joint powers entity of the State of California organized and operating pursuant to the laws of the State of California with the full power and authority to issue the Bonds pursuant to the Bond Law, to execute and deliver the Official Statement and to enter into the Financing Documents to which the Authority is a party;

(2) By all necessary official action of the Authority prior to or concurrently with the acceptance hereof, the Authority has duly approved the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in, the Financing Documents to which the Authority is a party and the consummation by it of all other transactions contemplated by the Official Statement and the Financing Documents to which the Authority is a party;

(3) The Financing Documents to which the Authority is a party, when duly executed by the other party thereto, will constitute the legal, valid and binding agreements of the Authority enforceable against the Authority in accordance with their respective terms; except as enforcement of each of the Financing Documents may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance laws, laws affecting the enforcement of creditors rights, the application of equitable principles and judicial discretion, by the covenant of good faith and fair dealing which may be implied by law into contracts, and by the limitations on legal remedies against public agencies in the State of California;

(4) The Authority is not in breach of or default under any applicable constitutional provision, law or administrative regulation to which it is subject or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or to which the Authority or any of its property or assets is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default in any material respect under any such instrument; and the issuance of the Bonds and the execution and delivery of the Official Statement and the Financing Documents to which the Authority is a party and compliance with the provisions on the Authority's part contained herein and therein, will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Authority under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided in the Indenture and the Installment Sale Agreement;

(5) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the best knowledge of the Authority, threatened against the Authority affecting the corporate existence of the Authority or affecting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds or contesting or affecting the execution and delivery of the Financing Documents or the Bonds or the lien or pledge or application of any moneys or security provided thereby, or in any way contesting or affecting the validity or enforceability of the Financing Documents, the Bonds or the Authority Resolution, or the compliance by the Authority with the covenants contained in the Financing Documents, or contesting in any way the completeness or accuracy of the Preliminary Official Statement and the Official Statement relating to the Bonds, or contesting the power of the Authority to execute and deliver the Financing Documents to which the Authority is a party or the Bonds, nor to the best of the Authority's knowledge, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Financing Documents or materially impair the investment quality or value of the Bonds;

(6) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Authority of its obligations in connection

with the issuance of the Bonds under the Indenture have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds; and, except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Authority of its obligations under the Financing Documents to which the Authority is a party have been duly obtained;

(7) The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification in effect so long as required for distribution of the Bonds; provided, however, that in no event shall the Authority be required to take any action which would subject it to service of process in any jurisdiction in which it is not now so subject;

(8) As of the date thereof, the Preliminary Official Statement (excluding information concerning DTC and the book-entry system as to which no representation is made) did not, except as revised by the Official Statement, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(9) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the Bonds, the Official Statement (excluding information concerning DTC and the book-entry system as to which no representation is made) did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(10) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs which might or would cause the information contained in the Official Statement (other than information concerning DTC and the book-entry system), as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in light of the circumstances under which it was presented, not misleading, the Authority will notify the Underwriter, and, if in the opinion of the Authority, the Underwriter or their respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will forthwith prepare and furnish to the Underwriter (at the expense of the Authority) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading. For the purposes of this subsection, between the date hereof

and the date which is 25 days after the End of the Underwriting Period for the Bonds, the Authority will furnish such information with respect to itself as the Underwriter may from time to time reasonably request;

(11) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (9) of this Section 5(a), at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (other than information concerning DTC and the book-entry system) will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading;

(12) After the Closing Date, the Authority will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing; and

(13) Any certificate signed by any authorized official of the Authority, and delivered to the Underwriter in connection with the delivery of the Bonds, shall be deemed a representation and warranty by the Authority to the Underwriter as to the statements made therein.

(b) The City represents, warrants and covenants to the Underwriter that:

(1) The City is and on the Closing Date will be a municipal corporation of the State of California, with the legal right, power and authority to approve the issuance of the Bonds, approve the Official Statement, execute, deliver and perform its obligations under this Bond Purchase Agreement and the Financing Documents to which it is a party, and to carry out its obligations as described therein;

(2) The City has duly approved this Bond Purchase Agreement and the distribution of the Preliminary Official Statement, the execution and delivery of, and the performance by the City of the obligations on its part contained in the Bonds and the Financing Documents to which it is a party, and the consummation by it of all other transactions contemplated by the Official Statement and this Bond Purchase Agreement;

(3) The Financing Documents to which the City is a party, when duly executed by the other party thereto, will constitute the legal, valid and binding agreements of the City enforceable against the City in accordance with their respective terms; except as enforcement of each of the Financing Documents may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance laws, laws affecting the enforcement of creditors rights, the application of equitable principles and judicial discretion, by the covenant of good faith and fair dealing which may be implied by law into contracts, and by the limitations on legal remedies against public agencies in the State of California;

(4) Except as otherwise disclosed in the Official Statement, the City is not in any material respect, in breach of or default under (i) any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or (ii) any material loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or is otherwise subject, and no event has

occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute an event of default under any such instrument;

(5) The approval of the Official Statement, the execution and delivery of this Bond Purchase Agreement, the Bonds and the Financing Documents to which the City is a party, the consummation of the transactions herein and therein contemplated, and the fulfillment of or compliance with the terms and conditions hereof and thereof will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or, to the knowledge of the City, any indenture, mortgage, deed of trust, installment purchase agreement, lease, contract or other agreement or instrument to which it is a party, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the City's assets, which conflict, violation, breach, default, lien, charge or encumbrance might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Bond Purchase Agreement, the Official Statement, the Financing Documents to which the City is a party, or the financial condition, assets, properties or operations of the City;

(6) No consent or approval of any trustee or holder of any indebtedness of the City, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority (except in connection with Blue Sky proceedings, if any) is necessary in connection with the execution and delivery of the Bonds, this Bond Purchase Agreement or the Financing Documents to which the City is a party, or the consummation of any transaction therein or herein contemplated on the part of the City, except as have been obtained or made and as are in full force and effect or, as appropriate, will be in full force and effect at the Closing;

(7) Except as otherwise disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the City, threatened against or affecting the City which, if determined adversely to the City or the interests thereof, would (a) affect the creation, organization, existence or powers of the City or the titles of its officers or officials to their respective offices; (b) in any way question or affect the validity or enforceability of any of the Financing Documents or the City Resolution; (c) find illegal, invalid or unenforceable any of the Financing Documents or the transactions contemplated thereby, or any other agreement or instrument related to the issuance of the Bonds; (d) affect the issuance or delivery of any of the Bonds, the payment or collection of any revenues or charges of the Water System, the validity of the pledge of or lien on such revenues or charges for the payment of the Installment Payments payable by the City under the Installment Sale Agreement; or (e) contest the completeness or accuracy of the Official Statement;

(8) Except as otherwise disclosed in the Official Statement, the City does not and will not have outstanding any indebtedness or obligation which is secured by a pledge of or lien on the Water System Net Revenues superior to or on a parity with the lien of the Installment Payments on the Water System Net Revenues.

(9) As of the date thereof, the Preliminary Official Statement (excluding information concerning DTC and the book-entry system as to which no representation is made) did not, except as revised by the Official Statement, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(10) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the Bonds, the Official Statement (excluding information concerning DTC and the book-entry system as to which no representation is made) did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(11) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs which might or would cause the information contained in the Official Statement (other than information concerning DTC and the book-entry system), as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in light of the circumstances under which it was presented, not misleading, the City will notify the Underwriter, and, if in the opinion of the City, the Underwriter or their respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will forthwith prepare and furnish to the Underwriter (at the expense of the City) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, the City will furnish such information with respect to itself as the Underwriter may from time to time reasonably request;

(12) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (11) of this Section 5(b), at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (other than information concerning DTC and the book-entry system) will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading;

(13) After the Closing Date, the City will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing;

(14) Between the date of this Bond Purchase Agreement and the Closing Date, except as disclosed in the Official Statement, the City will not, without the prior written consent of the Underwriter, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities direct or contingent, payable from Gross Revenues of the Water System, other than in the ordinary course of its business, nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the City;

(15) No current study undertaken by or on behalf of the City regarding the feasibility of the Water Improvement Project (as defined in the Official Statement) has been excluded from mention in the Official Statement;

(16) Except as otherwise disclosed in the Official Statement, the City has not in the previous five years failed to comply in any material respect, and is as of the date hereof in compliance in all material respects, with its disclosure obligations under any prior undertaking related to the Securities and Exchange Commission Rule 15c2-12 to provide annual reports or notices of enumerated events; and

(17) Any certificate signed by any authorized official of the City, and delivered to the Underwriter in connection with the delivery of the Bonds, shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein.

(c) As used herein and for the purposes of the foregoing, the term "End of the Underwriting Period" for the Bonds shall mean the earlier of (i) the Closing Date unless the Authority and the City shall have been notified in writing to the contrary by the Underwriter on or prior to the Closing Date, or (ii) the date on which the End of the Underwriting Period for the Bonds has occurred under Rule 15c2-12; provided, however, that the Authority and the City may treat as the End of the Underwriting Period for the Bonds the date specified as such in a notice from the Underwriter stating the date which is the End of the Underwriting Period.

(d) The representations, warranties and agreements herein shall survive the Closing Date and any investigation made on behalf of the Authority (with respect to subsection (a) of this Section 3), the City (with respect to subsection (b) of this Section 3) and the Underwriter of any matters described in or related the transactions hereby and by this Bond Purchase Agreement, the Official Statement, the Bonds and the Financing Documents to which the Authority or the City, as the case may be, is a party.

6. **Conditions to the Obligations of the Underwriter**. The Underwriter hereby enters into this Bond Purchase Agreement in reliance upon the representations and warranties of the Authority and the City contained herein and the representations and warranties of the Authority and the City to be contained in the documents and instruments to be delivered on or prior to the Closing Date and upon the performance by the Authority and the City of their obligations both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Bond Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations and warranties of the Authority and the City contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Authority and the City made in any certificate or other document furnished pursuant to the provisions hereof, to the performance by the Authority and the City of their obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, and also shall be subject to the following additional conditions:

(a) The Underwriter shall receive, within seven (7) business days of the date hereof and at least in sufficient time to accompany any orders or confirmations that request payment from any customer, copies of the Official Statement (including all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriter), in such quantity as the Underwriter shall have requested pursuant to Section 2 hereof;

(b) The representations and warranties of the Authority and the City contained herein shall be true and correct on the date hereof and on the Closing Date, as if made on and at the Closing Date;

(c) As of the Closing Date, the Financing Documents shall have been duly authorized, executed and delivered by the respective parties thereto, and the Official Statement shall have been duly authorized, executed and delivered by the Authority, all in substantially the forms heretofore submitted to the Underwriter, with only such changes as shall have been agreed to in writing by the Underwriter, and such Financing Documents shall be in full force and effect and shall not have been amended, modified or supplemented and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriter; and there shall be in full force and effect such resolution or resolutions of the Authority and the City as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;

(d) Between the date hereof and the Closing Date, the market price or marketability, at the initial public offering prices set forth in the Official Statement, of the Bonds shall not have been materially adversely affected, in the judgment of the Underwriter (evidenced by a written notice to the Authority terminating the obligation of the Underwriter to accept delivery of and make any payment for the Bonds), by reason of any of the following:

(1) an amendment to the Constitution of the United States or the State of California shall have been passed or legislation shall have been introduced in or enacted by the Congress of the United States or the legislature of any state having jurisdiction of the subject matter or legislation pending in the Congress of the United States shall have been amended or legislation shall have been recommended to the Congress of the United States or to any state having jurisdiction of the subject matter or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such Committee by any member thereof or presented as an option for consideration by either such Committee by the staff of such Committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or of the State of California or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States, the Internal Revenue Service or other federal or State of California authority, with respect to federal or State of California taxation upon revenues or other income of the general character to be derived by the Authority or upon interest received on obligations of the general character of the Bonds which may have the purpose or effect, directly or indirectly, of affecting the tax status of the Authority, its property or income, its securities (including the Bonds) or the interest thereon, or any tax exemption granted or authorized by State of California legislation or materially and adversely affecting the market for the Bonds or the market price generally of obligations of the general character of the Bonds;

(2) legislation enacted, introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established

under Article III of the Constitution of the United States or by the Tax Court of the United States, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter shall have been made or issued to the effect that obligations of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(3) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State of California, or a decision by any court of competent jurisdiction within the State of California or any court of the United States of America shall be rendered which, in the reasonable opinion of the Underwriter, materially adversely affects the market price of the Bonds;

(4) the escalation in military hostilities or declaration by the United States of a national emergency or war, or other calamity or crisis or escalation thereof;

(5) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(6) the imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(7) an order, decree or injunction of any court of competent jurisdiction, or order, ruling, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws as amended and then in effect;

(8) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance or sale of the Bonds or in any way contesting the validity of the Bonds or the Financing Documents, or the existence or powers of the Authority or the City;

(9) any event occurring, or information becoming known that, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(10) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State, or the amendment of legislation pending as of the date of the Bond Purchase Agreement in the Congress of the United States, or the

recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any federal or state court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or state authority affecting the federal or state tax status of the City or the Authority, or the interest on bonds or notes (including the Bonds);

(11) the withdrawal or downgrading of any rating of the Bonds by a national rating agency; or

(12) any other event shall have occurred since the date of hereof that in the reasonable judgment of the Underwriter materially adversely affects the marketability or market price of the Bonds.

(e) At or prior to the Closing Date, the Underwriter shall have received the following documents, in each case satisfactory in form and substance to the Underwriter:

(1) The Official Statement and each supplement or amendment, if any, thereto, executed by the Authority and approved by the City;

(2) Copies of each of the Financing Documents, each duly executed and delivered by the respective parties thereto;

(3) The approving opinions of Bond Counsel, dated the Closing Date and addressed to the Authority, in substantially the forms attached to the Official Statement as Appendix E thereto, together with reliance letters addressed to the Underwriter permitting the Underwriter to rely on such opinions;

(4) The supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Underwriter, to the effect that the statements in the Official Statement under the captions "INTRODUCTION," "THE BONDS" (excluding the information relating to DTC and the book-entry only system), "SECURITY FOR THE BONDS," "TAX MATTERS," APPENDIX D—SUMMARY OF PRINCIPAL LEGAL DOCUMENTS, and APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE insofar as such statements purport to summarize certain provisions of the Financing Documents or the Bonds and such counsel's final legal opinion concerning certain federal tax matters, are accurate in all material respects;

(5) The letter of Stradling Yocca Carlson & Rauth LLP, in its capacity as Disclosure Counsel, dated the Closing Date and addressed to the Authority and the Underwriter, substantially in the form attached hereto as Exhibit C.

(6) An opinion, dated the Closing Date and addressed to the Underwriter and the Authority, of the City Attorney, to the effect that:

(i) the City is a municipal corporation and general law city duly organized and validly existing under the Constitution and laws of the State of California;

(ii) the Financing Documents to which it is a party have been duly approved by resolutions of the City adopted at meetings duly called and held in accordance with the requirements of all applicable laws, with all public notice required by law, and at which a quorum of the members of the City Council of the City was continuously present and such resolutions have not been modified, amended or rescinded since the date of its adoption;

(iii) except as described in the Official Statement, to such counsel's best knowledge, there is no litigation, inquiry, or investigation pending or threatened, which: (A) challenges the right or title of any member of the City Council of the City or officer of the City to hold his or her office or exercise or perform the powers and duties pertaining thereto; (B) challenges the validity or enforceability of the Bonds or the Financing Documents; (C) seeks to restrain or enjoin the sale of the Bonds or the execution and delivery by the City of, or the performance by the City of its legal obligations under, the Financing Documents to which it is a party or in which a final adverse decision could materially adversely affect the operations of the City; or (D) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement;

(iv) to such counsel's best knowledge, the execution and delivery by the City of, and the performance by the City of its obligations under, the Financing Documents to which it is a party, do not conflict with, violate or constitute a default under any provision of any law, court order or decree or any contract, instrument or agreement to which the City is a party or by which it is bound and of which such counsel has knowledge;

(v) the Financing Documents to which it is a party have been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery of the Financing Documents by the parties thereto other than the City, the Financing Documents constitute legal, valid and binding agreements of the City, enforceable against the City in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights and remedies in general, or by the application of equitable principles if equitable remedies are sought; and

(vi) except as may be required under the "blue sky" or securities laws of the United States or any state, there is no authorization, approval, consent or other order of, or filing with, or certification by, the State or any other governmental authority or agency within the State having jurisdiction over the City required for the issuance of the Bonds or the consummation by the City of the other financial transactions contemplated by the Official Statement and the City Documents;

As used in such opinion, the phrase "current actual knowledge" may mean knowledge as such counsel shall have obtained from (i) the incumbency and signature certificate of the City, (ii) the representations and warranties contained in each closing

certificate of the City, and (iii) knowledge of facts or other information currently known to lawyers in its firm who have performed legal services for the City.

(7) An opinion or opinions, dated the Closing Date and addressed to the Underwriter, of counsel for the Authority, to the effect that:

(i) the Authority is a joint exercise of powers entity duly organized and validly existing under the laws of the State of California pursuant to the Agreement;

(ii) the Financing Documents to which it is a party have been duly approved by a resolution of the Authority adopted at a regular meeting duly called and held in accordance with the requirements of all applicable laws, with all public notice required by law, and at which a quorum of the members of the Board of Directors of the Authority was continuously present and such resolution has not been modified, amended or rescinded since the date of its adoption;

(iii) except as described in the Official Statement, to such counsel's best knowledge, there is no litigation, inquiry, or investigation pending or threatened, which: (A) challenges the right or title of any member of the Board of Directors of the Authority or officer of the Authority to hold his or her office or exercise or perform the powers and duties pertaining thereto; (B) challenges the validity or enforceability of the Bonds or the Financing Documents; (C) seeks to restrain or enjoin the sale of the Bonds or the execution and delivery by the Authority of, or the performance by the Authority of its legal obligations under, the Financing Documents to which it is a party or in which a final adverse decision could materially adversely affect the operations of the Authority; or (D) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement;

(iv) to such counsel's best knowledge, the execution and delivery by the Authority of, and the performance by the Authority of its obligations under, the Financing Documents to which it is a party, do not conflict with, violate or constitute a default under any provision of any law, court order or decree or any contract, instrument or agreement to which the Authority is a party or by which it is bound and of which such counsel has knowledge;

(v) the Financing Documents to which it is a party have been duly authorized, executed and delivered by the Authority and, assuming due authorization, execution and delivery of the Financing Documents by the parties thereto other than the Authority, the Financing Documents constitute legal, valid and binding agreements of the Authority, enforceable against the Authority in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights and remedies in general, or by the application of equitable principles if equitable remedies are sought; and

(vi) except as may be required under the "blue sky" or securities laws of the United States or any state, there is no authorization, approval, consent or other order of, or filing with, or certification by, the State or any other governmental authority or agency having jurisdiction over the Authority required for the issuance of the Bonds or the consummation by the Authority of

the other financial transactions contemplated by the Official Statement and the Authority Documents;

As used in such opinion, the phrase "current actual knowledge" may mean knowledge as such counsel shall have obtained from (i) the incumbency and signature certificate of the Authority, (ii) the representations and warranties contained in each closing certificate of the Authority, and (iii) knowledge of facts or other information currently known to lawyers in its firm who have performed legal services for the Authority.

(8) The opinion of counsel to the Trustee, dated the Closing Date and addressed to the Authority, the City and the Underwriter, to the effect that (i) the Trustee has duly authorized, executed and delivered the Indenture and duly authenticated and delivered the Bonds on the Closing Date; and (ii) the Indenture constitutes the legally valid and binding obligation of the Trustee, enforceable against the Trustee in accordance with its terms, except that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting the rights of creditors generally and except to the extent that the enforceability thereof may be limited by the application of general principles of equity;

(9) A certificate or certificates, dated the Closing Date, signed by a duly authorized official of the Authority to the effect that (i) the representations and warranties of the Authority contained in this Bond Purchase Agreement are true, complete and correct on and as of the Closing Date; (ii) there is no action, suit, proceeding, inquiry or investigation pending or, to the best knowledge of such official, threatened (a) to restrain or enjoin the execution and delivery of any of the Bonds, (b) in any way affecting the validity of the Bonds or the Financing Documents to which the Authority is a party, (c) in any way contesting the corporate existence or powers of the Authority to execute and deliver the Financing Documents to which the Authority is a party or the Bonds, or (d) asserting that the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (iii) since the date of the Official Statement, no event has occurred which should have been set forth in an amendment or supplement to the Official Statement which has not been set forth in such amendment or supplement;

(10) A certificate or certificates, dated the Closing Date, signed by a duly authorized official of the City to the effect that (i) the representations and warranties of the City contained in this Bond Purchase Agreement and the Financing Documents to which the City is a party are true, complete and correct on and as of the Closing Date; (ii) there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, government agency, public board or body, pending or, to the best knowledge of such official, threatened (a) to restrain or enjoin the execution and delivery of the Financing Documents to which the City is a party; (b) in any way contesting or affecting the validity of the Financing Documents to which the City is a party; (c) in any way contesting the power of the City to execute and deliver the Financing Documents to which the City is a party; (d) asserting that the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; or (e) seeking to prohibit, restrain or enjoin the collection of moneys from the Water System to pay the Installment Payments securing the Bonds, or the compliance by the City of the covenants contained in the Financing Documents to which the City is a party, or questioning the authority of the City to fix, charge and collect rates

for the services provided by the Water System as provided in the Installment Sale Agreement or the authority of the City to fix, charge and collect rates for the services provided by the Water System as provided in the Installment Sale Agreement, nor to the best knowledge of such official, is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Financing Documents to which the City is a party or materially adversely impair the City's ability to perform its obligations the Financing Documents to which the City is a party; (iii) to the best of such official's knowledge and belief, after reasonable investigation, the Official Statement (excluding therefrom the information concerning DTC and the book-entry system included therein and Appendix G thereto), as of the date thereof and the Closing Date, did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (iv) (a) since the date of the Official Statement, no event has occurred which should have been set forth in an amendment or supplement to the Official Statement which has not been set forth in such amendment or supplement, and (b) there has not been any material adverse change in the operations or financial affairs of the City, the Water System since the date of the Official Statement;

(11) A certificate, dated the Closing Date, signed by a duly authorized official of the Trustee, satisfactory in form and substance to the Underwriter, to the effect that: (i) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the Indenture; (ii) the Trustee is duly authorized to enter into the Indenture and to authenticate and deliver the Bonds to the Underwriter pursuant to the terms of the Indenture; (iii) the execution and delivery of the Indenture and compliance with the provisions on the Trustee's part contained therein, and the authentication and delivery of the Bonds will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Trustee is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or Blue Sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture; and (iv) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, served on, or, to the best knowledge of such officer, threatened against, the Trustee, affecting the existence of the Trustee or the titles of its officers to their respective offices, or in any way contesting or affecting the validity or enforceability of the Indenture against the Trustee, or contesting the power of the Trustee or its authority to enter into, adopt or perform its obligations under the Indenture, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Indenture against the Trustee or the authentication and delivery of the Bonds;

(12) A certified copy of the general resolution of the Trustee authorizing the execution and delivery of the Indenture;

(13) A certified copy of the Authority Resolution;

(14) A certified copy of the City Resolution;

(15) A copy of the Municipal Bond Insurance Policy;

(16) A copy of the Reserve Policy;

(17) An opinion of counsel to the Municipal Bond Insurer, addressed to the Authority and the Underwriter to the effect that:

(i) the descriptions of the Municipal Bond Insurer, the Municipal Bond Insurance Policy and the Reserve Policy included in the Official Statement are accurate;

(ii) the Municipal Bond Insurance Policy and the Reserve Policy constitute legal, valid and binding obligations of the Municipal Bond Insurer, enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditor's rights generally and by the application of equitable principles if equitable remedies are sought, and

(iii) as to such other matters as the Authority or the Underwriter may reasonably request;

(18) a certificate of the Municipal Bond Insurer, signed by an authorized officer of the Municipal Bond Insurer, to the effect that:

(i) the information contained in the Official Statement relating to the Municipal Bond Insurer, the Municipal Bond Insurance Policy and the Reserve Policy is true and accurate; and

(ii) as to such other matters as the City or the Underwriter may reasonably request;

(19) letters from S&P Global Ratings, a Standard & Poor's Financial Services LLC business, indicating that the Bonds have been assigned an insured rating of "AA" and a letter from Moody's Investors Service indicating that the Bonds have been assigned an underlying rating of "___."

(20) evidence required filings with the California Debt and Investment Advisory Commission;

(21) a Tax Certificate relating to the Bonds in a form satisfactory to Bond Counsel;

(22) an issue price certificate relating to the Bonds substantially in the form attached to this Bond Purchase Agreement as Exhibit B;

(23) the opinion of Kutak Rock LLP, as Underwriter's counsel, satisfactory to Underwriter;

(24) 15c2-12 certificates of the Authority and the City;

(25) The Blanket Letter of Representations of the Authority to DTC, relating to the book-entry only system;

(26) evidence required filings with the California Debt and Investment Advisory Commission;

(27) transcripts of all proceedings relating to the authorization, issuance, execution and delivery of the Bonds; and

(28) Such additional legal opinions, certificates, proceedings, instruments, insurance policies or evidences thereof and other documents as the Underwriter, Underwriter's Counsel or Bond Counsel may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the representations of the Authority herein and of the statements and information contained in the Official Statement, and the due performance or satisfaction by the Authority and the City on or prior to the Closing Date of all agreements then to be performed and all conditions then to be satisfied by the Authority and the City in connection with the transactions contemplated hereby and by the Official Statement and the Financing Documents.

If the Authority and/or the City shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Bond Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted herein, all obligations of the Underwriter hereunder may be terminated by the Underwriter at, or at any time prior to, the Closing Date by written notice to the Authority and neither the Underwriter nor the Authority shall have any further obligations hereunder.

7. **Expenses**.

(a) The Authority or the City shall pay the expenses incident to the performance of their obligations hereunder including, but not limited to: (i) the cost of preparation, printing and distribution of the Financing Documents, the Preliminary Official Statement, the Official Statement and any supplements or amendments thereto, including a reasonable number of certified or conformed copies thereof; (ii) the cost of preparation and printing of the Bonds; (iii) the fees and disbursements of Bond Counsel; (iv) the fees and disbursements of any engineers, accountants and other experts, consultants or advisors retained by the Authority or the City; (v) fees for bond ratings (which include fees of rating agencies and travel expenses of the Authority or the City); and (vi) fees, if any, payable to the California Debt and Investment Advisory Commission, the Municipal Securities Rulemaking Board, the fees associated with obtaining CUSIP numbers for the Bonds, and fees of the Public Securities Association and the California Public Securities Association in connection with the execution and delivery of the Bonds.

(b) The Underwriter shall pay (which amounts shall be included as an expense component of the Underwriter's discount): (i) fees and disbursements of any underwriter's counsel, (ii) the Underwriter's expenses related to attending working group meetings, such as parking, meals and transportation, (iii) all advertising expenses and Blue Sky filing fees, if any, in connection with the public offering of the Bonds; and (iv) all other expenses incurred by them in connection with the public offering of the Bonds not outlined above.

8. **Notices**. Any notice or other communication to be given to the Authority, the City or the Underwriter under this Bond Purchase Agreement may be given by delivering the same in writing to

Authority:	Coalinga Public Financing Authority c/o City of Coalinga 155 West Durian Coalinga, CA 93210 Attention: Financial Services Director
City:	City of Coalinga 155 West Durian Coalinga, CA 93210 Attention: Financial Services Director
Underwriter:	Oppenheimer & Co. Inc. 135 Main, Suite 1700 San Francisco, CA 94105 Attention: Managing Director

9. **Effectiveness and Counterpart Signatures**. This Bond Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by duly authorized officers of the Authority and approval by duly authorized officers of the City and shall be valid and enforceable as of the time of such acceptance and approval. This Bond Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

10. **Parties in Interest**. This Bond Purchase Agreement is made solely for the benefit of the Authority, the City and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.

11. **Headings**. The headings of the sections of this Bond Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

12. **Governing Law**. This Bond Purchase Agreement shall be construed in accordance with the laws of the State of California.

Very truly yours,

OPPENHEIMER & CO. INC., as Underwriter

By _____
Managing Director

ACCEPTED AND AGREED at:

Time: _____, August 20, 2024

COALINGA PUBLIC FINANCING AUTHORITY

By _____
Executive Director

ACCEPTED AND AGREED at:

Time: _____, August 20, 2024

CITY OF COALINGA

By _____
City Manager

EXHIBIT A

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES AND YIELDS

$_____
COALINGA PUBLIC FINANCING AUTHORITY
(Fresno County, California)
Water Revenue Bonds, Series 2024
(Solar Project)

Maturity Date (April 1)	Principal Amount	Interest Rate	Yield	Price

T Term maturity
c Priced to the April 1, ____, par call date

REDEMPTION PROVISIONS

Optional Redemption. The Bonds maturing on or before April 1, ____, are not subject to optional redemption prior to maturity. The Bonds maturing on or after April 1, ____, shall be subject to redemption, at the option of the City on any date on or after April 1, ____, as a whole or in part, by such maturities as shall be determined by the City, and at random within a maturity, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

Sinking Fund Redemption.

The Bonds maturing on April 1, ____, are also subject to mandatory redemption from sinking account payments made by the Authority, in part at random, on April 1, ____, and on April 1 in each year thereafter to and including April 1, ____, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount

† Maturity.

The Bonds maturing on April 1, ____, are also subject to mandatory redemption from sinking account payments made by the Authority, in part at random, on April 1, ____, and on April 1 in each year thereafter to and including April 1, ____, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount

† Maturity.

EXHIBIT B

ISSUE PRICE CERTIFICATE

$_____
COALINGA PUBLIC FINANCING AUTHORITY
(Fresno County, California)
Water Revenue Bonds, Series 2024
(Solar Project)

The undersigned, on behalf of Oppenheimer & Co. Inc. ("Oppenheimer"), based on the information available to Oppenheimer, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (collectively, the "Bonds").

1. Sale of the General Rule Maturities. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. Initial Offering Price of the Hold-the-Offering-Price Maturities.

(a) Oppenheimer offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, dated the Sale Date, between the Underwriter and the Issuer, Oppenheimer has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, the Underwriter has not offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. Defined Terms.

(a) "*General Rule Maturities*" means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) "*Hold-the-Offering-Price Maturities*" means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) "*Holding Period*" means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) "*Issuer*" means the Coalinga Public Financing Authority.

(e) "*Maturity*" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(f) "*Public*" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than the Underwriter or a related party to the Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

(g) "*Sale Date*" means August 20, 2024.

(h) "*Underwriter*" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

4. Credit.

Oppenheimer has calculated that the present value of the amounts paid to obtain the _____ (the "Municipal Bond Insurer") municipal bond insurance and reserve fund municipal bond insurance policies (the "Policies") is less than the present value of the debt service reasonably expected to be saved as a result of having the Policies, using as the discount factor for this purpose the expected Yield with respect to the Bonds treating the fees paid as interest on the Bonds.

To the best of Oppenheimer's knowledge, the fees paid to obtain the Policies were determined in arm's-length negotiations and were required as a condition to the issuance by the Municipal Bond Insurer of the Policies.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the interpretation of Oppenheimer of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the tax certificate for the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Stradling Yocca Carlson & Rauth LLP, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose. Notwithstanding anything set forth herein, the Underwriter is not engaged in the practice of law. Accordingly, the Underwriter makes no representation as to the legal sufficiency of the factual matters set forth herein.

OPPENHEIMER & CO. INC., as Underwriter

By _____
Managing Director

Dated: August 29, 2024

SCHEDULE A TO ISSUE PRICE CERTIFICATE

SALE PRICES OF THE GENERAL RULE MATURITIES AND

INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

$_____
COALINGA PUBLIC FINANCING AUTHORITY
(Fresno County, California)
Water Revenue Bonds, Series 2024
(Solar Project)

Hold-the-Offering Price Maturities	General Rule Maturities	Maturity Date (April 1)	Principal Amount	Interest Rate	Price

T Term maturity
c Priced to the April 1, ____, par call date

SCHEDULE B TO ISSUE PRICE CERTIFICATE

PRICING WIRE OR EQUIVALENT COMMUNICATION

EXHIBIT C

FORM OF DISCLOSURE COUNSEL LETTER

[Letterhead of Stradling Yocca Carlson & Rauth LLP]

CITY OF COALINGA

RESOLUTION NO. 4218

RESOLUTION APPROVING PROCEEDINGS TO FINANCE IMPROVEMENTS TO THE CITY'S MUNICIPAL WATER SYSTEM, APPROVING THE ISSUANCE OF REVENUE BONDS BY THE COALINGA PUBLIC FINANCING AUTHORITY FOR SUCH PURPOSES AND APPROVING RELATED DOCUMENTS AND OFFICIAL ACTIONS

RESOLVED, by the City Council (the "Council") of the City of Coalinga (the "City"), as follows:

WHEREAS, the City, the Redevelopment Agency of the City of Coalinga and the Coalinga-Huron Unified School District have heretofore entered into a joint exercise of powers agreement establishing the Coalinga Public Financing Authority (the "Authority") for the purpose, among others, of issuing its bonds to be used to provide financial assistance to the City;

WHEREAS, the City has determined that, due to prevailing financial market conditions and for other reasons, it is in the best interests of the City to finance the acquisition and construction of improvements and facilities including, but not limited to the installation of a solar photovoltaic (PV) system which will generate electricity through the conversion of solar energy (the "2024 Water Project"), to the City's municipal water enterprise (the "Water System");

WHEREAS, for the purpose of raising funds necessary to provide such financial assistance to the City, the Authority proposes to authorize the issuance of its revenue bonds under the provisions of Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code, designated as the Coalinga Public Financing Authority Water Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"), all pursuant to and secured by an indenture of trust, by and between the Authority and Computershare Trust Company, N.A., as trustee;

WHEREAS, in order to provide for the repayment of the Bonds, the Authority will sell the 2024 Water Project to the City pursuant to an installment sale agreement (the "Installment Sale Agreement"), under which the City will agree to make installment payments to the Authority payable from the net revenues of the Water System, which payments will be calculated to be

sufficient, in time and amount, to enable the Authority to pay the principal of and interest and premium (if any) on the Bonds when due and payable;

WHEREAS such payments by the City under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments under a water installment sale agreement, dated as of March 1, 2021, which provides for the payment of (a) a portion of the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable) and (b) the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021B (Water Project) (Tax-Exempt);

WHEREAS, the form of a preliminary official statement (the "Preliminary Official Statement") describing the Authority, the City, the Water System, the Bonds and other matters, to be used in connection with the marketing of the Bonds, has been prepared and presented to the City;

WHEREAS, the firm of Oppenheimer & Co. Inc. (the "Underwriter") has proposed to purchase and underwrite the Bonds and has presented to the City a form of bond purchase agreement for the Bonds, to be entered into among the Authority, the City and the Underwriter (the "Bond Purchase Agreement");

WHEREAS, the Council approves all of said transactions in furtherance of the public purposes of the City, and wishes at this time to take its action approving the issuance and sale of the Bonds and the financing to be accomplished thereby; and

WHEREAS, pursuant to section 5852.1 of the Government Code, which became effective on January 1, 2018, by the enactment of Senate Bill 450, certain information relating to the Bonds is set forth in Appendix A attached to this Resolution, and such information is hereby disclosed and made public;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Approval of Bonds. The Council hereby approves the issuance of the Bonds by the Authority for the purpose, among others, of providing funds to finance the 2024 Water Project, so long as (a) the principal amount of Bonds does not exceed $9,750,000, (b) the final maturity date of the Bonds is not later than April 1, 2051, and (c) the true interest cost of the Bonds does not exceed 6.75%.

Section 2. Approval of Installment Sale Agreement. The Council hereby approves the Installment Sale Agreement in the form on file with the City Clerk, together with such additions thereto and changes therein as the Mayor, the City Manager, the Assistant City Manager or the Financial Services Director, or their assignees (the "Designated Officers") shall deem necessary, desirable or appropriate, the execution of which by the City shall be conclusive evidence of the

approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Installment Sale Agreement for and in the name and on behalf of the City. The Council hereby authorizes the delivery and performance of the Installment Sale Agreement.

Section 3. Continuing Disclosure Certificate. The Council hereby approves a continuing disclosure certificate (the "Continuing Disclosure Certificate"), in the form on file with the City Clerk, together with any changes therein or additions thereto deemed advisable by any Designated Officer, the execution of which by the City shall be conclusive evidence of the approval of any such non-material additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Continuing Disclosure Certificate for and in the name and on behalf of the City. The City hereby authorizes the delivery and performance of the Continuing Disclosure Certificate.

Section 4. Sale of Bonds. The Council hereby approves the sale of the Bonds by the Authority by negotiation with the Underwriter pursuant to the Bond Purchase Agreement, in the form on file with the City Clerk, together with such additions thereto and changes therein as any Designated Officer shall deem necessary, desirable or appropriate, the execution of which by the City shall be conclusive evidence of the approval of such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Bond Purchase Agreement for and in the name and on behalf of the City upon the submission of an offer by the Underwriter to purchase the Bonds, which offer is acceptable to any Designated Officer and consistent with the requirements of this Resolution. The amount of Underwriter's discount for the Bonds shall be not more than 1.6% of the par amount thereof (not taking into account any original issue discount on the sale thereof).

Section 5. Official Statement. The Council hereby approves the Preliminary Official Statement in the form on file with the City Clerk, together with such additions thereto and changes therein as any Designated Officer shall deem necessary, desirable or appropriate. The Designated Officers, each acting alone, are hereby authorized and directed to deem final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 except for permitted omissions, the Preliminary Official Statement. Distribution of the Preliminary Official Statement is hereby approved. The Designated Officers, each acting alone, are hereby authorized to execute the final form of a final official statement, including as it may be modified by such additions thereto and changes therein as any Designated Officer shall deem necessary, desirable or appropriate, and the execution of the final official statement by the City shall be conclusive evidence of the approval of any such additions and changes. The Council hereby authorizes the distribution of the final official statement. The final official statement shall be executed in the name and on behalf of the City by any designated Officer.

Section 6. Official Actions. The Mayor, the City Manager, the Assistant City Manager, the Financial Services Director, the City Clerk and any and all other officers of the City are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things

and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, including the application to providers of municipal bond insurance for the Bonds, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the Bonds and the consummation of the transactions as described herein.

Section 7. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

* * * * * *

The foregoing resolution was dully adopted by the Coalinga Coalinga City Council at a regular meeting held on the **1st day of August, 2024**, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

_____
James Horn, Mayor

I, the undersigned City Clerk of the Coalinga City Council, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted by the Coalinga City Council at a meeting thereof on the 1st day of August, 2024.

_____
Shannon Jensen, City Clerk

APPENDIX A

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by the City's municipal advisor and the Underwriter which has been represented to have been provided in good faith:

(A) True Interest Cost of the Bonds: 5.95%

(B) Finance Charges (Costs of Issuance): $331,829

(C) Net Proceeds to be Received for the Bonds: $8,430,075
(net of finance charges)

(E Total Payment Amount through Maturity: $18,249,900

The foregoing estimates constitute good faith estimates only.

The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates with respect to the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.

COALINGA PUBLIC FINANCING AUTHORITY

RESOLUTION NO. PFA 24-02

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF REVENUE BONDS TO FINANCE IMPROVEMENTS TO THE CITY OF COALINGA'S MUNICIPAL WATER SYSTEM, APPROVING RELATED DOCUMENTS AND OFFICIAL ACTIONS

RESOLVED, by the Board of Directors (the "Board") of the Coalinga Public Financing Authority (the "Authority"), as follows:

WHEREAS, the City of Coalinga (the "City"), the Redevelopment Agency of the City of Coalinga and the Coalinga-Huron Unified School District have heretofore entered into a joint exercise of powers agreement establishing the Authority for the purpose, among others, of issuing its bonds to be used to provide financial assistance to the City;

WHEREAS, the City has determined that, due to prevailing financial market conditions and for other reasons, it is in the best interests of the City to finance the acquisition and construction of improvements and facilities including, but not limited to the installation of a solar photovoltaic (PV) system which will generate electricity through the conversion of solar energy (the "2024 Water Project"), to the City's municipal water enterprise (the "Water System");

WHEREAS, for the purpose of raising funds necessary to provide such financial assistance to the City, the Authority proposes to authorize the issuance of its revenue bonds under the provisions of Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code(the "Bond Law"), designated as the Coalinga Public Financing Authority Water Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"), all pursuant to and secured by an indenture of trust, by and between the Authority and Computershare Trust Company, N.A., as trustee;

WHEREAS, in order to provide for the repayment of the Bonds, the Authority will sell the 2024 Water Project to the City pursuant to an installment sale agreement (the "Installment Sale Agreement"), under which the City will agree to make installment payments to the Authority payable from the net revenues of the Water System, which payments will be calculated to be sufficient, in time and amount, to enable the Authority to pay the principal of and interest and premium (if any) on the Bonds when due and payable;

WHEREAS such payments by the City under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments under a water installment sale agreement, dated as of March 1, 2021, which provides for the payment of (a) a portion of the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable) and (b) the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021B (Water Project) (Tax-Exempt);

WHEREAS, the form of a preliminary official statement (the "Preliminary Official Statement") describing the Authority, the City, the Water System, the Bonds and other matters, to be used in connection with the marketing of the Bonds, has been prepared and presented to the Authority;

WHEREAS, the firm of Oppenheimer & Co. Inc. (the "Underwriter") has proposed to purchase and underwrite the Bonds and has presented to the Authority a form of bond purchase agreement for the Bonds, to be entered into among the Authority, the City and the Underwriter (the "Bond Purchase Agreement");

WHEREAS, the Board has duly considered such transactions and wishes at this time to approve said transactions in the public interests of the Authority; and

WHEREAS, pursuant to section 5852.1 of the Government Code, which became effective on January 1, 2018, by the enactment of Senate Bill 450, certain information relating to the Bonds is set forth in Appendix A attached to this Resolution, and such information is hereby disclosed and made public;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Issuance of Bonds; Approval of Indenture. The Board hereby authorizes the issuance of the Bonds under and pursuant to the Bond Law and the Indenture in the aggregate principal amount of not to exceed $9,750,000 for the purpose of providing funds to enable the City to finance the 2024 Water Project. The Board hereby approves the Indenture in the form on file with the Secretary, together with such additions thereto and changes therein as the Chairperson, the Executive Director or the Treasurer, or any designee thereof (the "Designated Officers") shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Indenture for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Indenture.

Section 2. Approval of Installment Sale Agreement. The Board hereby approves the Installment Sale Agreement in the form on file with the Secretary, together with such additions thereto and changes therein as the Designated Officers shall deem necessary, desirable or

appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Installment Sale Agreement for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Installment Sale Agreement.

Section 3. Sale of Bonds. The Board hereby approves the sale of the Bonds by the Authority by negotiation with the Underwriter, pursuant to the Bond Purchase Agreement in the form on file with the Secretary, together with such additions thereto and changes therein as any designated Officer shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Bond Purchase Agreement for and in the name and on behalf of the Authority upon the submission of an offer by the Underwriter to purchase the Bonds, which offer is acceptable to any designated Officer and consistent with the requirements of this Resolution. The amount of Underwriter's discount for the Bonds shall be not more than 1.6% of the par amount thereof (not taking into account any original issue discount on the sale thereof).

Section 4. Official Statement. The Board hereby approves the Preliminary Official Statement in the form on file with the Secretary, together with such additions thereto and changes therein as any Designated Officer shall deem necessary, desirable or appropriate. The Designated Officers, each acting alone, are hereby authorized and directed to deem final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 except for permitted omissions, the Preliminary Official Statement. Distribution of the Preliminary Official Statement is hereby approved. The Designated Officers, each acting alone, are hereby authorized to execute the final form of a final official statement, including as it may be modified by such additions thereto and changes therein as any Designated Officer shall deem necessary, desirable or appropriate, and the execution of the final official statement by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Board hereby authorizes the distribution of the final official statement. The final official statement shall be executed in the name and on behalf of the Authority by any Designated Officer.

Section 5. Official Actions. The Chairperson, the Executive Director, the Treasurer, the Secretary and any and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, including the application to providers of municipal bond insurance for the Bonds, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the Bonds and the consummation of the transactions as described herein.

Section 6. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

* * * * * *

The foregoing resolution was dully adopted by the Coalinga Public Financing Authority Board of Directors at a regular meeting held on the **1st day of August, 2024**, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

_____
James Horn, Director

I, the undersigned Secretary of the Coalinga Public Financing Authority, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted by the Board of Directors of the Coalinga Public Financing Authority at a meeting thereof on the 1st day of August, 2024.

_____
Shannon Jensen, Secretary

APPENDIX A

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by the City's municipal advisor and the Underwriter which has been represented to have been provided in good faith:

(A) True Interest Cost of the Bonds: 5.95%

(B) Finance Charges (Costs of Issuance): $331,829

(C) Net Proceeds to be Received for the Bonds: $8,430,075
(net of finance charges)

(E Total Payment Amount through Maturity: $18,249,900

The foregoing estimates constitute good faith estimates only.

The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates with respect to the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.

INDENTURE OF TRUST

Dated as of August 1, 2024

by and between the

COALINGA PUBLIC FINANCING AUTHORITY

and

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

Authorizing the Issuance of
$_____
Coalinga Public Financing Authority
(Fresno County, California)
Water Revenue Bonds, Series 2024
(Solar Project)

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EXHIBIT A FORM OF BOND

INDENTURE OF TRUST

THIS INDENTURE OF TRUST, made and entered into and dated as of August 1, 2024, is by and between the COALINGA PUBLIC FINANCING AUTHORITY, a joint exercise of powers entity duly organized and existing under and by virtue of the laws of the State of California (the "Authority"), and COMPUTERSHARE TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, being qualified to accept and administer the trusts hereby created (the "Trustee");

W I T N E S S E T H :

WHEREAS, the Authority is a joint powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated March 17, 1991, by and among the City of Coalinga (the "City"), the former Redevelopment Agency of the City of Coalinga and the Coalinga-Huron Unified School District;

WHEREAS, under Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Bond Law") the Authority is authorized to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, public entities including the City, and to provide financing for public capital improvements of public entities including the City;

WHEREAS, the City has determined that, due to prevailing financial market conditions and for other reasons, it is in the best interests of the City to finance the acquisition and construction of improvements and facilities (the "2024 Water Project") to the City's municipal water enterprise (the "Water System");

WHEREAS, for the purpose of raising funds necessary to provide such financial assistance to the City, the Authority proposes to authorize the issuance of its revenue bonds under the provisions of the Bond Law, designated as the Coalinga Public Financing Authority (Fresno County, California) Water Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"), all pursuant to and secured by an indenture of trust, by and between the Authority and the Trustee;

WHEREAS, in order to provide for the repayment of the Bonds, (a) the Authority will sell the 2024 Water Project to the City pursuant to an installment sale agreement (the "Installment Sale Agreement"), under which the City will agree to make installment payments to the Authority payable from the net revenues of the Water System which payments will be calculated to be sufficient, in time and amount, to enable the Authority to pay the principal of and interest and premium (if any) on the Bonds when due and payable;

WHEREAS, such payments by the City under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments made by the City under that certain water installment sale agreement, dated as of March 1, 2021, which provides for the payment of (a) a portion of the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable) and (b) the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021B (Water Project) (Tax-Exempt);

WHEREAS, the Authority has determined that in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof and interest and premium (if any) thereon, the Authority has authorized the execution and delivery of this Indenture; and

WHEREAS, the Authority hereby certifies that all acts and proceedings required by law necessary to make the Bonds, when executed by the Authority, authenticated and delivered by the Trustee, and duly issued, the valid, binding and legal special obligations of the Authority, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Indenture have been in all respects duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest and premium (if any) on all Bonds at any time issued and outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the owners thereof, and for other valuable considerations, the receipt whereof is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the respective owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS; CONTENT OF CERTIFICATES AND OPINIONS

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes of this Indenture and of any indenture supplemental hereto and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined. In addition, all capitalized terms used herein and not otherwise defined in this Section 1.01 shall have the respective meanings given such terms in the Installment Sale Agreement.

"*Acquisition and Construction*" means, with respect to any portion of the 2024 Water Project, the acquisition, construction, improvement, equipping, renovation, remodeling or reconstruction thereof.

"*Additional Payments*" means the payments so designated and required to be paid by the City pursuant to Sections 4.9, 4.10 and 4.11 of the Installment Sale Agreement.

"*Agency*" means the former Redevelopment Agency of the City of Coalinga, a public body corporate and politic organized under the laws of the State, and any successor thereto.

"*Agreement*" means that certain Joint Exercise of Powers Agreement, dated March 17, 1991, by and among the City, the Agency and the District, creating the Authority, together with any amendments thereof and supplements thereto.

"*Authority*" means the Coalinga Public Financing Authority, a joint powers entity duly organized and existing under the laws of the State.

"*Authorized Representative*" means: (a) with respect to the Authority, its Chairman, Vice Chairman, Executive Director, Assistant Executive Director, Treasurer or any other person designated as an Authorized Representative of the Authority by a Written Certificate of the Authority signed by its Chairman and filed with the City and the Trustee; and (b) with respect to the City, its Mayor, City Manager, Treasurer, Financial Services Director or any other person designated as an Authorized Representative of the City by a Written Certificate of the City signed by its Mayor and filed with the Trustee.

"*Board of Directors*" means the governing body of the Authority.

"*Bond Counsel*" means (a) Stradling Yocca Carlson & Rauth LLP, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Authority of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

"*Bond Fund*" means the fund by that name established and held by the Trustee pursuant to Section 5.01.

"*Bond Law*" means the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code, as in existence on the Closing Date or as thereafter amended from time to time.

"*Bond Year*" means each twelve-month period extending from April 2 in one calendar year to April 1 of the succeeding calendar year, both dates inclusive; provided that the first Bond Year shall begin on the Closing Date and shall end on April 1, 2025.

"*Bonds*" means the $_____ aggregate principal amount of Coalinga Public Financing Authority (Fresno County, California) Water Revenue Bonds, Series 2024 (Solar Project), authorized by and at any time Outstanding pursuant to the Bond Law and this Indenture.

"*Business Day*" means any day, other than a Saturday or Sunday or a day on which commercial banks in New York, New York, Los Angeles, California, or San Francisco, California, are required or authorized by law to close or a day on which the New York Stock Exchange is closed.

"*City*" means the City of Coalinga, a municipal corporation organized under the laws of the State.

"*Closing Date*" means August 29, 2024, being the date of delivery of the Bonds to the Underwriter.

"*Code*" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable proposed, temporary and final regulations promulgated under the Code.

"*Completion Date*" means, with respect to any component of the 2024 Water Project, the date on which the Authority files a Written Certificate with the City and the Trustee stating that the Acquisition and Construction of such component of the 2024 Water Project has been completed pursuant to Article III.

"*Continuing Disclosure Certificate*" means that certain Continuing Disclosure Certificate executed by the City and dated the Closing Date, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"*Costs of Issuance*" means all expenses incurred in connection with the authorization, issuance, sale and delivery of the Bonds and the application of the proceeds of the Bonds, including but not limited to all compensation, fees and expenses (including but not limited to fees and expenses for legal counsel) of the Authority, initial fees and expenses of the Trustee and its counsel, title insurance premiums, appraisal fees, compensation to any financial consultants or underwriters, legal fees and expenses, filing and recording costs, rating agency fees, the premiums for the Municipal Bond Insurance Policy and the Reserve Policy, costs of preparation and reproduction of documents and costs of printing.

"*Costs of Issuance Fund*" means the fund by that name established and held by the Trustee pursuant to Section 3.03.

"*County*" means the County of Fresno, a public body corporate and politic organized under the laws of the State.

"*Debt Service*" means, during any period of computation, the amount obtained for such period by totaling the following amounts: (a) the principal amount of all Outstanding Serial Bonds coming due and payable by their terms in such period; (b) the minimum principal amount of all Outstanding Term Bonds scheduled to be redeemed by operation of mandatory sinking fund deposits in such period; and (c) the interest which would be due during such period on the

aggregate principal amount of Bonds which would be Outstanding in such period if the Bonds are retired as scheduled, but deducting and excluding from such aggregate amount the amount of Bonds no longer Outstanding and any interest on deposit in the Interest Account and available for the payment of interest on the Bonds.

"*Defeasance Obligations*" means (a) cash, (b) non-callable direct obligations of the United States of America ("Treasuries"), (c) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (d) subject to the prior written consent of the Municipal Bond Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (e) subject to the prior written consent of the Municipal Bond Insurer, securities eligible for "AAA" defeasance under then existing criteria of S&P.

"*District*" means the Coalinga-Huron Unified School District, a school district organized under the laws of the State, and any successor thereto.

"*Event of Default*" means, (a) with respect to the Bonds, any of the events described in Section 7.01 of this Indenture, and (b) with respect to the Installment Sale Agreement, any of the events described in Section 8.1 of the Installment Sale Agreement.

"*Fair Market Value*" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) the investment is the Local Agency Investment Fund of the State but only if at all times during which the investment is held its yield is reasonably expected to be equal to or greater than the yield on a reasonably comparable direct obligation of the United States.

"*Fiscal Year*" means any twelve-month period extending from July 1 in one calendar year to June 30 of the succeeding calendar year, both dates inclusive, or any other twelve-month period selected and designated by the Authority as its official fiscal year period.

"*Gross Revenues*" means all user fee charges derived by the City from, the ownership and operation of the Water System, including but not limited to investment earnings thereon.

"*Indenture*" means this Indenture of Trust, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture pursuant to the provisions hereof.

"*Independent Accountant*" means any certified public accountant or firm of certified public accountants appointed and paid by the Authority or the City, and who, or each of whom (a) is in fact independent and not under domination of the Authority or the City; (b) does not have any

substantial interest, direct or indirect, in the Authority or the City; and (c) is not connected with the Authority or the City as an officer or employee of the Authority or the City but who may be regularly retained to make annual or other audits of the books of or reports to the Authority or the City.

"*Independent Counsel*" means an attorney duly admitted to the practice of law before the highest court of the state in which such attorney maintains an office and who is not an employee of the Authority, the Trustee or the City.

"*Information Services*" means the Electronic Municipal Market Access System (referred to as "EMMA"), a facility of the Municipal Securities Rulemaking Board (at http://emma.msrb.org) or, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other national information services providing information with respect to called bonds as the Authority may designate in a Written Certificate of the Authority delivered to the Trustee.

"*Installment Payment Date*" means the fifteenth (15th) day of each March and September during the Term of the Installment Sale Agreement, commencing March 15, 2025.

"*Installment Payments*" means the amounts payable by the City pursuant to Section 4.4 of the Installment Sale Agreement, including any prepayments thereof pursuant to Article IX of the Installment Sale Agreement.

"*Installment Sale Agreement*" means that certain Installment Sale Agreement, dated as of August 1, 2024, by and between the Authority, as seller, and the City, as purchaser, of the 2024 Water Project, as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms thereof and of this Indenture.

"*Interest Account*" means the account by that name established in the Bond Fund pursuant to Section 5.02.

"*Interest Payment Date*" means each April 1 and October 1, commencing April 1, 2025.

"*Late Payment Rate*" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds, and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Reserve Policy Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Municipal Bond Insurer in its sole and absolute discretion shall specify.

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

"*Municipal Bond Insurance Policy*" means the municipal bond insurance policy issued by the Municipal Bond Insurer guaranteeing the payment, when due, of the principal and interest with respect to the Bonds.

"*Municipal Bond Insurer*" means _____, or any successor thereto or assigns thereof.

"*Net Revenues*" means, for any period, an amount equal to all of the Gross Revenues received during such period minus the amount required to pay all Operation and Maintenance Costs becoming payable during such period.

"*Operation and Maintenance Costs*" means the reasonable and necessary costs and expenses paid by the City for maintaining and operating the Water System, including but not limited to (a) costs of electricity and other forms of energy supplied to the Water System, (b) the reasonable expenses of management and repair and other costs and expenses necessary to maintain and preserve the Water System in good repair and working order, and (c) the reasonable administrative costs of the City attributable to the operation and maintenance of the Water System; but in all cases excluding (i) debt service payable on obligations incurred by the City with respect to the Water System including but not limited to the Installment Payments and any Parity Obligations, (ii) depreciation, replacement and obsolescence charges or reserves therefor, and (iii) amortization of intangibles or other bookkeeping entries of a similar nature.

"*Outstanding*," when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 12.10) all Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under this Indenture except: (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Bonds with respect to which all liability of the Authority shall have been discharged in accordance with Section 10.02, including Bonds (or portions thereof) described in Section 12.10; and (c) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to this Indenture.

"*Owner*," whenever used herein with respect to a Bond, means the person in whose name the ownership of such Bond is registered on the Registration Books.

"*Parity Obligations*" means any leases, loan agreements, installment sale agreements, bonds, notes, interest rate swap agreements, currency swap agreements, forward payment agreements, futures, or contracts providing for payments based on levels of, or changes in, interest rates, currency exchange rates, stock or other indices, or contracts to exchange cash flows or a series of payments, or contracts, including, without limitation, interest rate floors or caps, options, puts or calls to hedge payment, currency, rate, spread, or similar exposure (except termination payments relating thereto which shall be payable on a subordinate basis) or other obligations of the City payable from and secured by a pledge of and lien upon any of the Net Revenues on a parity with the Installment Payments, entered into or issued pursuant to and in accordance with Section 4.8 of the Installment Sale Agreement. For all purposes, the 2021 Installment Sale Agreement and the payments thereunder constitutes existing Parity Obligations.

"*Permitted Investments*" means any of the following which at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein, but only to the extent that the same are acquired at Fair Market Value (provided the Trustee may rely upon the Request of the Authority directing investment under this Indenture as a determination that such investment is a Permitted Investment):

(a) Treasuries;

(b) Federal Housing Administration debentures;

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

(i) Federal Home Loan Mortgage Corporation (FHLMC) senior debt obligations and participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts),

(ii) Farm Credit System (formerly Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) consolidated system-wide bonds and notes,

(iii) Federal Home Loan Banks (FHL Banks) consolidated debt obligations,

(iv) Federal National Mortgage Association (FNMA) senior debt obligations and mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts),

(v) Financing Corporation (FICO) debt obligations, and

(vi) Resolution Funding Corporation (REFCORP) debt obligations;

(d) U.S. dollar denominated deposit accounts, federal funds or bankers acceptances with domestic commercial banks having a rating on their short term certificates of deposit on the date of purchase of "P-1" by Moody's and "A-1" or "A-1+" by S&P and maturing not more than 360 calendar days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

(e) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least $5 million;

(f) Commercial paper (having original maturities of not more than 30 days) rated "A-1+" by S&P and "Prime-1" by Moody's;

(g) Money market funds rated in the highest rating category by S&P and Moody's including such funds for which the Trustee or an affiliate provides investment advice or other services;

(h) "State Obligations," which means:

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

(ii) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (i) above and rated "A-1+" by S&P and "MIG-1" by Moody's, and

(iii) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state or state agency described in (i) above and rated "AA" or better by S&P and "Aa" or better by Moody's;

(i) Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:

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

(ii) the municipal obligations are secured by cash or U.S. Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations,

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

(iv) the cash or U.S. Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations

(v) no substitution of a U.S. Treasury Obligation shall be permitted except with another U.S. Treasury Obligation and upon delivery of a new Verification, and

(vi) the cash or U.S. Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent;

(j) Repurchase agreements with

(i) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "AA" by S&P and Moody's, or

(ii) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "AA" by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation, or

(iii) any other entity rated "AA" or better by S&P and Moody's and acceptable to the Municipal Bond Insurer, provided that:

(A) The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach),

(B) The Trustee or a third party acting solely as agent therefor or for the City (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books),

(C) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral

has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession),

(D) All other requirements of S&P in respect of repurchase agreements shall be met, and

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

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (A) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively.

(k) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt is rated at least "AA" (stable) by S&P and "Aa" (stable) by Moody's, or, in the case of a monoline municipal bond insurance company, claims paying ability of the guarantor is rated at least "AAA" (stable) by S&P and "Aaa" (stable) by Moody's; provided that, by the terms of the investment agreement:

(i) interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service with respect to the Bonds;

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

(iii) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

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

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

(A) the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws

(other than by means of entries on the provider's books) to the City, the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and

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

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

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

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

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

(l) The Local Agency Investment Fund of the State, created pursuant to section 16429.1 of the California Education Code, to the extent the Trustee is authorized to register such investment in its name.

(m) other forms of investments approved in writing by the Municipal Bond Insurer.

The Trustee shall be entitled to assume that any investment which at the time of purchase is a Permitted Investment remains a Permitted Investment thereafter, absent actual receipt of written notice or actual knowledge of a responsible officer in the corporate trust department of the Trustee to the contrary. The Trustee shall have no responsibility to monitor the ratings of Permitted Investments after the initial purchase of or investment in such Permitted Investments.

"*Plans and Specifications*" means, with respect to the 2024 Water Project or any component thereof, the plans and specifications relating thereto filed by the City with the Authority pursuant to Section 3.2 of the Installment Sale Agreement, as such plans and specifications may be revised from time to time by the City pursuant to Section 3.2 of the Installment Sale Agreement.

"*Principal Account*" means the account by that name established in the Bond Fund pursuant to Section 5.02.

"*Project Costs*" means all costs of payment of, or reimbursement for, the 2024 Water Project.

"*Project Fund*" means the fund by that name established and held by the Trustee pursuant to Section 3.04.

"*Rate Stabilization Fund*" means the fund by that name established pursuant to Section 4.7 of the Installment Sale Agreement.

"*Record Date*" means, with respect to any Interest Payment Date, the fifteenth (15th) calendar day of the month preceding such Interest Payment Date.

"*Redemption Fund*" means the fund by that name established pursuant to Section 5.07.

"*Registration Books*" means the records maintained by the Trustee pursuant to Section 2.05 for the registration and transfer of ownership of the Bonds.

"*Reserve Account*" means the account by that name in the Bond Fund established pursuant to Section 5.02.

"*Reserve Fund Agreement*" means that certain Reserve Fund Agreement, dated as of August 1, 2024, by and among the Authority, the City and the Municipal Bond Insurer, relating to the Reserve Policy, as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms thereof.

"*Reserve Policy*" means the municipal bond insurance policy issued by the Municipal Bond Insurer for deposit in the Reserve Account in an amount equal to the Reserve Requirement.

"*Reserve Policy Late Payment Rate*" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 5%, and (ii) the then applicable highest rate of interest on the Bonds, and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Reserve Policy Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Municipal Bond Insurer in its sole and absolute discretion shall specify. If the interest provisions of this paragraph shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created in this Indenture, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party to this Indenture, be applied as additional interest for any later periods of time when amounts are outstanding under this Indenture to the extent that interest otherwise due under this Indenture for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the Municipal Bond Insurer, with the same force and effect as if the City had specifically designated such extra sums to be so applied and the Municipal Bond Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created in this Indenture exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

"*Reserve Requirement*" means, as of the Closing Date, with respect to the Bonds, an amount equal to the least of (a) maximum amount of annual Debt Service coming due and payable in the current or any future Bond Year, (b) 125% of average annual Debt Service, and (c) 10% of the par amount of the Bonds. As of the Closing date, the Reserve Requirement is $_____.

"*Revenues*" means (a) all amounts received by the Authority or the Trustee pursuant or with respect to the Installment Sale Agreement, including, without limiting the generality of the foregoing, all of the Installment Payments (including both timely and delinquent payments, any late charges, and whether paid from any source) and prepayments, and (b) all interest, profits or other income derived from the investment of amounts in any fund or account established pursuant to this Indenture; but excluding any Additional Payments.

"*S&P*" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, and its successors.

"*Securities Depositories*" means The Depository Trust Company, 55 Water Street, 50th Floor, New York, NY 10041-0099, Attention: Call Notification Department, Fax (212) 855-7232; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Authority may designate in a Written Certificate of the Authority delivered to the Trustee.

"*Serial Bonds*" means the Bonds maturing on April 1 in each of the years ____ through ____, inclusive.

"*Sinking Account*" means the account by that name established in the Bond Fund pursuant to Section 5.02.

"*State*" means the State of California.

"*Subordinate Debt*" means any obligations of the City payable from and secured by a pledge of and lien upon any of the Net Revenues subordinate to the Installment Payments and any Parity Obligations, entered into or issued pursuant to and in accordance with Section 4.8 of the Installment Sale Agreement.

"*Supplemental Indenture*" means any indenture hereafter duly authorized and entered into between the Authority and the Trustee, supplementing, modifying or amending this Indenture; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

"*Term Bonds*" means the Bonds maturing on April 1, ____, and April 1, ____.

"*Term of the Installment Sale Agreement*" means the time during which the Installment Sale Agreement is in effect, as provided in Section 4.2 of the Installment Sale Agreement.

"*Trust Office*" means the corporate trust office of the Trustee at 1505 Energy Park Drive, St. Paul, MN 55108, or at such other or additional offices as may be specified in writing to the Authority and the City, except that with respect to presentation of Bonds for payment or for registration of transfer and exchange such term shall mean the office or agency of the Trustee at which, at any particular time, its corporate trust agency business shall be conducted.

"*Trustee*" means Computershare Trust Company, N.A., a national banking association organized and existing under the laws of the United States of America, or its successor, as Trustee hereunder as provided in Section 8.01.

"*2021A Bonds*" means the Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable).

"*2021B Bonds*" means the Coalinga Public Financing Authority Revenue Bonds, Series 2021B (Water Project) (Tax-Exempt).

"*2021 Installment Sale Agreement*" means that certain water installment sale agreement, dated as of March 1, 2021, by and between the Authority and the City, which provides for the payment of (a) a portion of the debt service due by the Authority under 2021A Bonds, and (b) the debt service due by the Authority under the 2021B Bonds.

"*2024 Water Project*" means the acquisition and construction of improvements and facilities of the Water System financed from the proceeds of the Bonds including, but not limited to, the installation of a solar photovoltaic (PV) system which will generate electricity through the conversion of solar energy.

"*Underwriter*" means Oppenheimer & Co. Incorporated, the original purchaser of the Bonds upon their delivery by the Trustee on the Closing Date.

"*Water Fund*" means the City's existing water enterprise fund, established and held by the City with respect to the Water System.

"*Water System*" means all land and facilities used and useful by the City for the production, storage, conveyance, treatment and distribution of water now owned by the City, together with all additions, betterments, extensions or improvements to such facilities or any part thereof hereafter acquired or constructed by the City and other real or personal property useful in connection therewith.

"*Written Certificate*," "*Written Request*" and "*Written Requisition*" of the Authority or the City mean, respectively, a written certificate, request or requisition signed in the name of the Authority or the City by its Authorized Representative. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

Section 1.02. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; the words "herein," "hereof,"

"hereby," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

THE BONDS

Section 2.01. Authorization of Bonds.

(a) The Authority hereby authorizes the issuance hereunder of the Bonds, which shall constitute special obligations of the Authority, for the purpose of providing funds to enable the City to finance the 2024 Water Project.

(b) The Bonds are hereby designated the "Coalinga Public Financing Authority (Fresno County, California) Water Revenue Bonds, Series 2024 (Solar Project)." The aggregate principal amount of Bonds initially issued and Outstanding under this Indenture shall equal _____ dollars ($_____).

(c) This Indenture constitutes a continuing agreement with the Trustee and the Owners from time to time of the Bonds to secure the full payment of the principal of and interest and premium (if any) on all the Bonds, subject to the covenants, provisions and conditions herein contained.

Section 2.02. Terms of the Bonds.

(a) The Bonds shall be issued in fully registered form without coupons in denominations of $5,000 or any integral multiple thereof.

(b) The Bonds shall mature on April 1 in each of the years and in the amounts set forth below and shall bear interest on each Interest Payment Date at the rates set forth below:

Maturity Date (April 1)	Principal Amount	Interest Rate

T Term maturity

(c) Interest on the Bonds shall be payable semi-annually calculated based on a 360-day year of twelve (12) thirty-day months on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee mailed on the applicable Interest Payment Date by first class mail to the Owner at the address of such Owner as it appears on the Registration Books; provided however, that payment of interest

may be by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of $1,000,000 or more who shall furnish written wire instructions to the Trustee at least five (5) days before the applicable Record Date. Subject to Section 2.10, principal of any Bond and any premium upon redemption shall be paid by check of the Trustee upon presentation and surrender thereof at the Trust Office. Principal of and interest and premium (if any) on the Bonds shall be payable in lawful money of the United States of America.

Each Bond shall be dated the Closing Date and shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (b) unless it is authenticated on or before March 15, 2025, in which event it shall bear interest from the Closing Date; *provided, however*, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Section 2.03. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred on the Registration Books by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Trustee. Transfer of any Bond shall not be permitted by the Trustee during the period established by the Trustee for selection of Bonds for redemption or if such Bond has been selected for redemption pursuant to Article IV. Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and shall deliver a new Bond or Bonds for a like aggregate principal amount and of like maturity. The Trustee may require the Bond Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. The transferor shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 2.04. Exchange of Bonds. Any Bond may be exchanged at the Trust Office for a like aggregate principal amount of Bonds of other authorized denominations and of like maturity. Exchange of any Bond shall not be permitted during the period established by the Trustee for selection of Bonds for redemption or if such Bond has been selected for redemption pursuant to Article IV. The Trustee shall require the Bond Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange.

Section 2.05. Registration Books. The Trustee will keep or cause to be kept, at the Trust Office, sufficient records for the registration and transfer of ownership of the Bonds, which shall at all reasonable times with reasonable prior notice be open to inspection during regular business hours by the Authority, the City and the Owners; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such records, the ownership of the Bonds as hereinbefore provided.

Section 2.06. Form and Execution of Bonds. The Bonds shall be signed in the name and on behalf of the Authority with the manual or facsimile signatures of its Chairman or its Executive Director and attested with the manual or facsimile signature of its Secretary or any assistant duly appointed by the Board of Directors, under the printed seal of the Authority, and shall be delivered to the Trustee for authentication by it. In case any officer of the Authority who shall

have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been authenticated or delivered by the Trustee or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Authority as though the individual who signed the same had continued to be such officer of the Authority. Also, any Bond may be signed on behalf of the Authority by any individual who on the actual date of the execution of such Bond shall be the proper officer although on the nominal date of such Bond such individual shall not have been such officer.

Only such of the Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, manually executed by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

Section 2.07. Temporary Bonds. The Bonds may be issued in temporary form exchangeable for definitive Bonds when ready for delivery. Any temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Authority, shall be in fully registered form without coupons and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Authority and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the Authority issues temporary Bonds it will execute and deliver definitive Bonds as promptly thereafter as practicable, and thereupon the temporary Bonds may be surrendered, for cancellation, at the Trust Office and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.08. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Authority, at the expense of the Owner of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it and held and destroyed pursuant to its retention policy then in effect. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the Authority, at the expense of the Owner of such lost, destroyed or stolen Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof). The Authority may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.08 and of the expenses which may be incurred by the City, the Authority and the Trustee in the premises. Any Bond issued under the provisions of this Section 2.08 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Authority whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

Section 2.09. CUSIP Numbers. The Trustee and the Authority shall not be liable for any defect or inaccuracy in the CUSIP number that appears on any Bond or in any redemption notice. The Trustee may, in its discretion, include in any redemption notice a statement to the effect that

the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Owners and that neither the Trustee nor the Authority shall be liable for any inaccuracies in such numbers.

Section 2.10. Book-Entry System. Notwithstanding any provision of this Indenture to the contrary:

(a) The Bonds shall be initially issued registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, and shall be evidenced by one securities certificate maturing on each of the maturity dates set forth in Section 2.02 hereof to be in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except:

(i) to any successor of The Depository Trust Company or its nominee, or of any substitute depository designated pursuant to paragraph (ii) of this subsection (a) ("substitute depository"); provided that any successor of The Depository Trust Company or substitute depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(ii) to any substitute depository designated in a written request of the Authority, upon (A) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository or (B) a determination by the Authority that The Depository Trust Company or its successor is no longer able to carry out its functions as depository; provided that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) to any person as provided below, upon (A) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository or (B) a determination by the Authority that The Depository Trust Company or its successor is no longer able to carry out its functions as depository; provided that no substitute depository which is not objected to by the Authority or the Trustee can be obtained.

(b) In the case of any transfer pursuant to paragraph (i) or paragraph (ii) of subsection (a) of this Section 2.10, upon receipt of all Outstanding Bonds by the Trustee, together with a written request of an Authorized Representative of the Authority to the Trustee, a single new Bond shall be issued, authenticated and delivered for each maturity of such Bond then outstanding, registered in the name of such successor or such substitute depository or their nominees, as the case may be, all as specified in such written request of an Authorized Representative of the Authority. In the case of any transfer pursuant to paragraph (iii) of subsection (a) of this Section 2.10, upon receipt of all Outstanding Bonds by the Trustee together with a written request of an Authorized Representative of the Authority, new Bonds shall be issued, authenticated and delivered in such denominations and registered in the names of such persons as are requested in a written request of the Authority provided the Trustee shall not be required to deliver such new Bonds within a period less than sixty (60) days from the date of receipt of such a written request of an Authorized Representative of the Authority. In connection with any proposed transfer outside the book-entry only system as described in the prior sentence, the Authority or DTC shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(c) In the case of partial redemption or an advance refunding of any Bonds evidencing all of the principal maturing in a particular year, The Depository Trust Company shall, at the Authority's expense, deliver the Bonds to the Trustee for cancellation and re-registration to reflect the amounts of such reduction in principal.

(d) The Authority and the Trustee shall be entitled to treat the person in whose name any Bond is registered as the absolute Owner thereof for all purposes of this Indenture and any applicable laws, notwithstanding any notice to the contrary received by the Trustee or the Authority; and the Authority and the Trustee shall have no responsibility for transmitting payments to, communication with, notifying or otherwise dealing with any beneficial owners of the Bonds. Neither the Authority nor the Trustee will have any responsibility or obligations, legal or otherwise, to the beneficial owners or to any other party including The Depository Trust Company or its successor (or substitute depository or its successor), except for the registered owner of any Bond.

(e) So long as all outstanding Bonds are registered in the name of Cede & Co. or its registered assign, the Authority and the Trustee shall reasonably cooperate with Cede & Co., as sole registered Owner, or its registered assign in effecting payment of the principal and redemption premium, if any, and interest due with respect to the Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

(f) So long as all Outstanding Bonds are registered in the name of Cede & Co. or its registered assigns (hereinafter, for purposes of this paragraph (f), the "Owner"):

(i) All notices and payments addressed to the Owners shall contain the Bonds' CUSIP number.

(ii) Notices to the Owner shall be forwarded in the manner set forth in the form of blanket issuer letter of representations (prepared by The Depository Trust Company) executed by the Authority and received and accepted by The Depository Trust Company.

ARTICLE III

ISSUANCE OF BONDS; APPLICATION OF PROCEEDS; ADDITIONAL BONDS

Section 3.01. Issuance of the Bonds. At any time after the execution of this Indenture, the Authority may execute and the Trustee shall authenticate and, upon the Written Request of the Authority, deliver Bonds in the aggregate principal amount of _____ dollars ($_____).

Section 3.02. Application of Proceeds of the Bonds. The proceeds received from the sale of the Bonds ($_____), being the principal amount of the Bonds of $_____, less an Underwriter's discount of $_____, plus a net original issue premium of $_____, less $_____ paid to the Municipal Bond Insurer being the premium for the Municipal Bond Insurance Policy and less $_____ paid to the Municipal Bond Insurer being the premium for the Reserve Policy, shall be deposited by the Trustee as follows:

(i) The Trustee shall deposit the amount of $_____ in the Interest Account representing capitalized interest with respect to a portion of the Bonds through April 1, 2026;

(ii) The Trustee shall deposit the amount of $_____ in the Costs of Issuance Fund; and

(iii) The Trustee shall deposit the amount of $_____ in the Project Fund to be applied as provided in Section 3.04.

(c) The Trustee may, in its discretion, establish a temporary fund, account or subaccount to facilitate the foregoing transfers.

Section 3.03. Establishment and Application of Costs of Issuance Fund.

(a) The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Costs of Issuance Fund."

(b) There shall be deposited in the Costs of Issuance Fund the amounts indicated in Sections 3.02(a)(ii) of this Indenture. The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay the Costs of Issuance of the Bonds upon submission of Written Requisitions of the Authority stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said account. On December 4, 2024, or upon the earlier Written Request of the Authority, all amounts remaining in the Costs of Issuance Fund shall be transferred by the Trustee to the Project Fund and the Costs of Issuance Fund shall be closed.

Section 3.04. Project Fund.

(a) The Trustee shall establish, maintain and hold in trust a separate fund to be known as the "Project Fund." There shall be deposited in the Project Fund the amounts indicated in Section 3.02(a)(iii) of this Indenture.

(b) Except as otherwise provided herein, moneys in the Project Fund shall be used solely for the payment of the Project Costs. The Trustee shall disburse moneys in the Project Fund from time to time to pay Project Costs (or to reimburse the Authority or the City for payment of Project

Costs) upon receipt by the Trustee of a Written Requisition of the Authority or the City which: (A) states with respect to each disbursement to be made (i) the requisition number, (ii) the name and address of the person, firm or corporation to whom payment will be made, (iii) the amount to be disbursed, (iv) that each obligation mentioned therein is a proper charge against the Project Fund and has not previously been disbursed by the Trustee from amounts in the Project Fund, (v) that all conditions precedent set forth in the Installment Sale Agreement with respect to such disbursement have been satisfied, and (vi) defined in the Installment Sale Agreement; (B) specifies in reasonable detail the nature of the obligation; and (C) is accompanied by a bill or statement of account (if any) for each obligation. The Trustee may conclusively rely on the information contained in any Written Requisition and shall have no responsibility with respect to the application of any funds disbursed in accordance with such Written Requisitions. Upon the filing with the Trustee of a Written Certificate of the Authority stating that the 2024 Water Project has been completed or that all Written Requisitions intended to be filed by the Authority and the City have been filed, the Trustee shall withdraw all amounts then on deposit in the Project Fund and transfer such amounts to the Bond Fund and the Project Fund shall be closed.

(c) Notwithstanding the foregoing provisions of this Section 3.04, upon the occurrence and continuation of an Event of Default under and as defined in Section 7.01(a) or (b), the Trustee shall immediately withdraw all amounts then on deposit in the Project Fund and apply such amounts in accordance with the provisions of Section 7.03.

Section 3.05. Validity of Bonds. The validity of the authorization and issuance of the Bonds is not dependent on and shall not be affected in any way by any proceedings taken by the Authority or the Trustee with respect to or in connection with the Installment Sale Agreement. The recital contained in the Bonds that the same are issued pursuant to the Constitution and laws of the State shall be conclusive evidence of their validity and of compliance with the provisions of law in their issuance.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.01. Terms of Redemption.

(a) *Sinking Account Redemption*.

(i) The Term Bonds maturing on April 1, ____ (the "____ Term Bonds") are subject to mandatory redemption, in part at random, from Sinking Account payments set forth in the following schedule on April 1, ____, and on April 1 in each year thereafter to and including April 1, ____, at a redemption price equal to the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption; *provided, however*, that if some but not all of the ____ Term Bonds have been redeemed pursuant to subsection (b) below, the total amount of Sinking Account payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the ____ Term Bonds so redeemed by reducing each such future Sinking Account payment as shall be determined by the City and, in lieu of such determination, on a *pro rata* basis (as nearly as practicable given authorized denominations) in integral multiples of $5,000, as shall be designated pursuant to written notice filed by the Authority with the Trustee.

Redemption Date (April 1)	Principal Amount

† Maturity.

(ii) The Term Bonds maturing on April 1, ____ (the "____ Term Bonds") are subject to mandatory redemption, in part at random, from Sinking Account payments set forth in the following schedule on April 1, ____, and on April 1 in each year thereafter to and including April 1, ____, at a redemption price equal to the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption; *provided, however*, that if some but not all of the ____ Term Bonds have been redeemed pursuant to subsection (b) below, the total amount of Sinking Account payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the ____ Term Bonds so redeemed by reducing each such future Sinking Account payment as shall be determined by the City and, in lieu of such determination, on a *pro rata* basis (as nearly as practicable given authorized denominations) in integral multiples of $5,000, as shall be designated pursuant to written notice filed by the Authority with the Trustee.

Redemption Date (April 1)	Principal Amount

† Maturity.

(b) *Optional Redemption*. The Bonds maturing on or before April 1, ____, shall not be subject to optional redemption prior to maturity. The Bonds maturing on or after April 1, ____, shall be subject to redemption, at the option of the City on any date on or after April 1, ____, as a whole or in part, by such maturities as shall be determined by the City, and at random within a maturity, from any available source of funds, from prepayments of the Installment Payments made at the option of the City pursuant to Section 9.2 of the Installment Sale Agreement, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

(c) *Purchase of Bonds In Lieu of Redemption*. In lieu of redemption of Bonds as provided in paragraphs (a) and (b) of this Section 4.01, amounts held by the Trustee for such redemption may also be used on any Interest Payment Date, upon receipt by the Trustee at least ninety (90) days prior to the next scheduled Interest Payment Date of the written request of an Authorized Representative of the City, for the purchase of Bonds at public or private sale as and when and at such prices (including brokerage, accrued interest and other charges) as the City may in its discretion direct, but not to exceed the redemption price which would be payable if such Bonds were redeemed; *provided, however*, that no Bonds shall be purchased in lieu of redemption with a trade settlement date less than seventy-five (75) days prior to the relevant redemption date. Such purchases may be affected through the investment department of the Trustee or of an affiliate of the Trustee. The aggregate principal amount of Bonds of the same maturity purchased in lieu of redemption pursuant to this paragraph shall not exceed the aggregate principal amount of Bonds of such maturity which would otherwise be subject to such redemption. The exercise of any provision of this Indenture which permits the purchase of Bonds in lieu of redemption shall require prior written approval of the Municipal Bond Insurer wherein any Bond so purchased is not extinguished.

Section 4.02. Selection of Bonds for Redemption. Whenever provision is made in this Indenture for the redemption of less than all of the Bonds of a particular maturity, the Trustee shall select the Bonds to be redeemed from all Bonds of such maturity or such given portion thereof not previously called for redemption, at random in any manner which the Trustee in its sole discretion shall deem appropriate. For purposes of such selection, the Trustee shall treat each Bond as consisting of separate $5,000 portions and each such portion shall be subject to redemption as if such portion were a separate Bond. If less than all the Outstanding Bonds are called for redemption from proceeds of eminent domain or insurance at any one time, the Authority shall specify to the Trustee a principal amount in each maturity to be redeemed which, to the extent practicable, results in approximately equal annual debt service on the Bonds Outstanding following such redemption. If less than all Outstanding Bonds are called for redemption from proceeds of eminent domain or insurance at any one time, the Authority shall designate the maturity or maturities of the Bonds to be redeemed. Upon the occurrence of a redemption in part, the maturities to be redeemed shall be subject to the approval of the Municipal Bond Insurer.

Section 4.03. Notice of Redemption. Notice of redemption shall be mailed by first class mail, postage prepaid, not less than thirty (30) nor more than sixty (60) days before any redemption date, to the respective Owners of any Bonds designated for redemption at their addresses appearing on the Registration Books, to the Securities Depositories and to the Information Services. Each notice of redemption shall state the date of the notice, the redemption date, the place or places of redemption, whether less than all of the Bonds (or all Bonds of a single maturity) are to be redeemed, the CUSIP numbers and Bond numbers of the Bonds to be redeemed, the maturity or maturities of the Bonds to be redeemed and in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the redemption date there will become due and payable

on each of said Bonds the redemption price thereof, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered. Neither the failure to receive any notice nor any defect therein shall affect the proceedings for such redemption or the cessation of accrual of interest from and after the redemption date. Notice of redemption of Bonds shall be given by the Trustee, at the expense of the Authority, for and on behalf of the Authority.

Notice of any redemption of Bonds (other than redemptions pursuant to Section 4.01(a)) shall either (i) explicitly state that the proposed redemption is conditioned on there being on deposit in the applicable fund or account on the redemption date sufficient money to pay the full redemption price of the Bonds to be redeemed, or (ii) be sent only if sufficient money to pay the full redemption price of the Bonds to be redeemed is on deposit in the applicable fund or account.

Section 4.04. Partial Redemption of Bonds. Upon surrender of any Bonds redeemed in part only, the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered.

Section 4.05. Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the redemption price of, together with interest accrued to the date fixed for redemption on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

All Bonds redeemed pursuant to the provisions of this Article shall be canceled by the Trustee upon surrender thereof and destroyed.

ARTICLE V

REVENUES; FUNDS AND ACCOUNTS; PAYMENT OF PRINCIPAL AND INTEREST

Section 5.01. Pledge and Assignment; Bond Fund.

(a) Subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, all of the Revenues and any other amounts (including proceeds of the sale of the Bonds) held in any fund or account established pursuant to this Indenture are hereby pledged to secure the payment of the principal of and interest on the Bonds in accordance with their terms and the provisions of this Indenture. Said pledge shall constitute a lien on and security interest in such assets and shall attach, be perfected and be valid and binding from and after the Closing Date, without any physical delivery thereof or further act.

(b) The Authority hereby transfers in trust, grants a security interest in and assigns to the Trustee, for the benefit of the Owners from time to time of the Bonds, all of the Revenues and all of the rights of the Authority in the Installment Sale Agreement (other than the rights of the Authority under Sections 4.9, 6.3 and 8.4 thereof). The Trustee shall be entitled to and shall collect and receive all of the Revenues, and any Revenues collected or received by the Authority shall be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and shall forthwith be paid by the Authority to the Trustee. The Trustee also shall be entitled to and shall, subject to the provisions of Article VIII, take all steps, actions and proceedings which the Trustee determines to be reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority and all of the obligations of the City under the Installment Sale Agreement.

The assignment of the Installment Sale Agreement to the Trustee is solely in its capacity as Trustee under this Indenture and the duties, powers and liabilities of the Trustee in acting thereunder shall be subject to the provisions of this Indenture, including, without limitation, the provisions of Article VIII hereof. The Trustee shall not be responsible for any representations, warranties, covenants or obligations of the Authority.

(c) Subject to Section 5.08, all Revenues shall be promptly deposited by the Trustee upon receipt thereof in a special fund designated as the "Bond Fund" which the Trustee shall establish, maintain and hold in trust; except that all moneys received by the Trustee and required hereunder, under the Installment Sale Agreement to be deposited in the Redemption Fund shall be promptly deposited in such Fund. All Revenues deposited with the Trustee shall be held, disbursed, allocated and applied by the Trustee only as provided in this Indenture.

(d) The Trustee shall provide written notice to the City, at least ten Business Days preceding each Interest Payment Date, of the amount of Revenues, derived from Installment Payments as required by the Installment Sale Agreement, due to the Trustee on such Interest Payment Date, taking into account any investment earnings which shall be applied as a credit against such required payment. If, on the 5th Business Day preceding each Interest Payment Date, the Trustee is not in receipt of the total amount due to the Trustee on such Interest Payment Date, the Trustee shall provide a second similar notice to the City and promptly notify the Financial Services Director by telephone. Notwithstanding the foregoing, the failure of the Trustee to provide either of such notices shall in no way relieve the City of its obligation to make all Installment Payments as required by the Installment Sale Agreement.

Section 5.02. Allocation of Revenues. On each date on which principal of or interest on the Bonds becomes due and payable, the Trustee shall transfer from the Bond Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Bond Fund), the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) The Trustee shall deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to be at least equal to the amount of interest becoming due and payable on such date on all Bonds then Outstanding.

(b) The Trustee shall deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of the Bonds coming due and payable on such date.

(c) The Trustee shall deposit in the Sinking Account an amount equal to the aggregate principal amount of the Term Bonds required to be redeemed on such date, if any, pursuant to Section 4.01(a).

(d) Subject to the provisions of Section 5.06, the Trustee shall deposit in the Reserve Account an amount, if any, required to cause the amount on deposit in the Reserve Account to be equal to the Reserve Requirement, but shall only be required to do so if the Reserve Policy is no longer in effect.

(e) If the then applicable Interest Payment Date is October 1, all remaining moneys shall be held by the Trustee in the Bond Fund and applied for the next succeeding April 1 Interest Payment Date deposits. If the then applicable Interest Payment Date is April 1, and payment of any applicable fees and expenses to the Trustee and payment of any amounts owed to the Municipal Bond Insurer, or provision for such redemption or payment having been made to the satisfaction of the Trustee, all remaining moneys may be treated as surplus and applied for any lawful purpose.

Section 5.03. Application of Interest Account. All amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity pursuant to this Indenture). hereof. Amounts deposited in the Interest Account from Bond proceeds, representing capitalized interest, shall be applied to pay the interest on the Bonds on the following dates and in the following amounts:

Interest Payment Date	Amount
April 1, 2025	
October 1, 2025	
April 1, 2026	

Section 5.04. Application of Principal Account. All amounts in the Principal Account shall be used and withdrawn by the Trustee solely to pay the principal amount of the Bonds at their respective maturity dates.

Section 5.05. Application of Sinking Account. All moneys on deposit in the Sinking Account shall be used and withdrawn by the Trustee for the sole purpose of redeeming or purchasing (in lieu of redemption) Term Bonds pursuant to Sections 4.01.

Section 5.06. Application of Reserve Account.

(a) All moneys, equal to the Reserve Requirement, at any time on deposit in the Reserve Account shall be held by the Trustee in trust for the benefit of the Owners of the Bonds and applied solely as provided in this Indenture.

(b) On the Closing Date, the Reserve Policy shall be delivered to the Trustee by the Municipal Bond Insurer. The prior written consent of the Municipal Bond Insurer shall be a condition precedent to the deposit of any credit instrument (other than the Reserve Policy) provided in lieu of a cash deposit into the Reserve Account. Notwithstanding anything to the contrary set forth in this Indenture, amounts on deposit in the Reserve Account shall be applied solely to the payment of principal and interest due with respect to the Bonds.

(c) If, on any Interest Payment Date, the moneys available in the Bond Fund do not equal the amount of the principal, sinking fund installment or interest with respect to the Bonds then coming due and payable, the Trustee shall apply the moneys available in the Reserve Account to make the delinquent principal, sinking fund installment or interest payment by transferring the amount necessary for this purpose to the Bond Fund or shall draw on the Reserve Policy and apply amounts received from such draw to make the delinquent principal, sinking fund installment or interest payment by transferring the amount necessary for this purpose to the Bond Fund. To the extent there is cash or investments on deposit in the Reserve Account, such cash or investments shall be applied first before there is any draw on the Reserve Policy or any other credit facility credited to the Reserve Account in lieu of cash (a "Credit Facility"). Payment of any Reserve Policy Costs (hereinafter defined) shall be made prior to replenishment of any such cash amounts. Draws on all Credit Facilities (including the Reserve Policy) on which there is available coverage shall be made on a *pro rata* basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Reserve Account. Payment of Reserve Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a *pro rata* basis prior to replenishment of any cash drawn from the Reserve Account.

For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw. Upon receipt of any delinquent principal, sinking fund installment or interest payment with respect to which moneys have been advanced from the Reserve Account or there has been a draw on the Reserve Policy, such delinquent principal, sinking fund installment or interest payment shall be deposited in the Reserve Account to the extent of such advance and first applied to reimburse a draw on the Reserve Policy and then to replenish any cash drawn therefrom.

The Trustee shall ascertain the necessity for a claim upon the Reserve Policy and to provide notice to the Municipal Bond Insurer in accordance with the terms of the Reserve Policy at least five (5) business days prior to each date upon which interest or principal is due with respect to the Bonds.

(e) The City agrees to repay any draws under the Reserve Policy and pay all related reasonable expenses incurred by the Municipal Bond Insurer. Interest shall accrue and be payable

on such draws and expenses from the date of payment by the Municipal Bond Insurer at the Reserve Policy Late Payment Rate.

Repayment of draws and payment of expenses and accrued interest thereon at the Reserve Policy Late Payment Rate (collectively, "Reserve Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Reserve Policy Costs related to such draw.

Amounts in respect of Reserve Policy Costs paid to the Municipal Bond Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Municipal Bond Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

If the City shall fail to pay any Reserve Policy Costs in accordance with the requirements of this Indenture, the Municipal Bond Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Indenture, other than (i) acceleration of the maturity of the Bonds, or (ii) remedies which would adversely affect Owners. The City shall also include any Reserve Policy Costs then due and owing the Municipal Bond Insurer in the calculation of the additional bonds/obligations test and the rate covenant set forth in the Installment Sale Agreement.

(f) Neither this Indenture nor the Installment Sale Agreement shall be discharged until all amounts due to the Municipal Bond Insurer shall have been paid in full. The City's obligation to pay such amounts shall expressly survive payment in full of the Bonds.

(g) The Trustee shall, on or before each March 15 and September 15, value investments in the Reserve Account at market value and transfer any moneys in the Reserve Account then in excess of the Reserve Requirement in accordance with this Indenture; *provided, however*, that the Trustee shall not liquidate an investment to make such transfer of excess unless so directed in writing by a City Representative. The Trustee shall transfer any amount in excess of such sum to the Bond Fund to be applied as a credit against amounts owed by the City for the payment of Installment Payments on each Installment Payment Date thereafter, until depleted.

(h) If, on any Interest Payment Date, the moneys on deposit in the Reserve Account and the Bond Fund (excluding amounts required for payment of principal and interest with respect to Bonds not presented for payment) are sufficient to pay all Outstanding Bonds, including all principal and interest, the Trustee shall transfer all amounts then on deposit in the Reserve Account to the Bond Fund to be applied to the payment of the Installment Payments, and such moneys shall be distributed to the Owners of Bonds in accordance with this Indenture. Any amounts remaining in the Reserve Account upon payment in full of all Outstanding Bonds and all amounts due the Municipal Bond Insurer and the Trustee under this Indenture, or upon provision for such payment as provided in this Indenture, shall be withdrawn by the Trustee and paid to the City.

Section 5.07. Application of Redemption Fund. The Trustee shall establish and maintain the Redemption Fund, amounts in which shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds to be redeemed pursuant to Section 4.01(b); *provided, however*, that at any time prior to giving notice of redemption of any such Bonds, the Trustee may apply such amounts to the purchase of Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as shall be directed pursuant to a Written Request of the

Authority, except that the purchase price (exclusive of accrued interest) may not exceed the redemption price then applicable to the Bonds.

Section 5.08. Investments. All moneys in any of the funds or accounts established with the Trustee pursuant to this Indenture shall be invested by the Trustee solely in Permitted Investments maturing or available on or before the date on which they are anticipated to be used. Such investments shall be directed by the Authority pursuant to a Written Request of the Authority filed with the Trustee at least two (2) Business Days in advance of the making of such investments (which directions shall be promptly confirmed in writing). In the absence of any such directions from the Authority, the Trustee shall invest any such moneys in the money market fund set forth in the letter of authorization at the cost and direction executed by the Authority and delivered to the Trustee. If no specific fall-back investment has been specified by the Authority, the Trustee shall make a request to the Authority for investment directions and, if no investment directions are provided, such amount shall be held in cash, uninvested until specific investment directions are provided by the Authority to the Trustee. Permitted Investments purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. To the extent investments are registrable, such investments shall be registered in the name of the Trustee.

All interest or gain derived from the investment of amounts in Project Fund shall be retained therein. All interest or gain derived from the investment of amounts in Costs of Issuance Fund shall be retained therein. All interest or gain derived from the investment of the amount in the Reserve Account shall be retained therein to the extent required to maintain the Reserve Requirement. Reserve Account investments may not have maturities extending beyond five years, except for the Reserve Policy and investment agreements or repurchase agreements approved by the Municipal Bond Insurer. To the extent that any investment agreement requires the payment of fees, such fees shall be paid from available moneys in the Bond Fund after the deposit of moneys described in Section 5.02 (a) through (c) above. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder. The Trustee or any of its affiliates may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee or its affiliates may act as sponsor or depository with respect to any Permitted Investment. To the extent that any Permitted Investment purchased by the Trustee are registrable securities such Permitted Investment shall be registered in the name of the Trustee on behalf of the Owners. The Trustee shall incur no liability for losses arising from any investments made pursuant to this Section 5.08.

The Trustee shall furnish the Authority periodic cash transaction statements which include detail for all investment transactions effected by the Trustee or brokers selected by the Authority. Upon the Authority's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request. The Authority waives the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, to the extent permitted by law. The Authority further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

Such investments shall be valued by the Trustee not less often than quarterly, at the market value thereof, exclusive of accrued interest. Deficiencies in the amount on deposit in any fund or account resulting from a decline in market value shall be restored no later than the succeeding valuation date.

The Trustee may utilize securities pricing services that may be available to it making such valuations, including those within its accounting system with respect to the Bonds, and conclusively rely thereon.

Section 5.09. Valuation and Disposition of Investments. All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by this Indenture. Except as specifically provided in this Indenture, the Trustee shall not be liable to pay interest on any moneys received by it, but shall be liable only to account to the Authority for earnings derived from funds that have been invested.

The Authority covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Indenture, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Indenture or the Code) at Fair Market Value.

Investments in the Reserve Account shall be valued at fair market value and the Trustee shall be deemed to have complied with such valuation to the extent it utilized an automated pricing service through its trust accounting system. Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code and (unless valuation is undertaken at least annually) investments in the Reserve Account shall be valued by the Authority at their present value (within the meaning of section 148 of the Code).

ARTICLE VI

PARTICULAR COVENANTS

Section 6.01. Punctual Payment. The Authority shall punctually pay or cause to be paid the principal of and interest and premium (if any) on all the Bonds in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof, but only out of Revenues and other assets pledged for such payment as provided in this Indenture.

Section 6.02. Extension of Payment of Bonds. The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section 6.02 shall be deemed to limit the right of the Authority to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

Section 6.03. Against Encumbrances. The Authority shall not create, or permit the creation of, any pledge, lien, charge or other encumbrance upon the Revenues and other assets pledged or assigned under this Indenture while any of the Bonds are Outstanding, except the pledge and assignment created by this Indenture. Subject to this limitation, the Authority expressly reserves the right to enter into one or more other indentures for any of its corporate purposes, and reserves the right to issue other obligations for such purposes.

Section 6.04. Power to Issue Bonds and Make Pledge and Assignment. The Authority is duly authorized pursuant to law to issue the Bonds and to enter into this Indenture and to pledge and assign the Revenues and other assets purported to be pledged and assigned, respectively, under this Indenture in the manner and to the extent provided in this Indenture. The Bonds and the provisions of this Indenture are and will be the legal, valid and binding special obligations of the Authority in accordance with their terms, and the Authority and the Trustee shall at all times, subject to the provisions of Article VIII and to the extent permitted by law, defend, preserve and protect said pledge and assignment of Revenues and other assets and all the rights of the Bond Owners under this Indenture against all claims and demands of all persons whomsoever.

Section 6.05. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which complete and accurate entries shall be made of all transactions made by it relating to the proceeds of Bonds, the Revenues, the Installment Sale Agreement and all funds and accounts established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Authority and the City, during business hours and under reasonable circumstances. The Trustee shall deliver a monthly accounting of all funds and accounts except for any fund or account which has a balance of $0.00 and has not had any activity since the last reporting date. The Trustee shall establish such other funds and accounts as it deems necessary to carry out its duties under this Indenture.

Section 6.06. No Additional Obligations. The Authority covenants that no additional bonds, notes or other indebtedness shall be issued or incurred which are payable out of the Revenues in whole or in part.

Section 6.07. Tax Covenants.

(a) *No Arbitrage*. The Authority shall not take, or permit to be taken by the Trustee, the City or otherwise, any action with respect to the proceeds of the Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Bonds would have caused the Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code.

(b) *Rebate Requirement*. The Authority shall cause the City to take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investments earnings, if any, to the federal government, to the extent that such section is applicable to the Bonds.

(c) *Private Activity Bond Limitation*. The Authority shall assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private business tests of section 141(c) of the Code or the private loan financing test of section 141(b) of the Code.

(d) *Federal Guarantee Prohibition*. The Authority shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

(e) *Maintenance of Tax Exemption*. The Authority shall take any and all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Bonds.

Section 6.08. Installment Sale Agreement. The Trustee shall promptly collect all amounts due from the City pursuant to the Installment Sale Agreement. Subject to the provisions of Article VIII, the Trustee shall enforce, and take all steps, actions and proceedings which the Trustee determines to be reasonably necessary for the enforcement of all of its rights thereunder as assignee of the Authority and for the enforcement of all of the obligations of the City under the Installment Sale Agreement.

Section 6.09. Waiver of Laws. The Authority shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Indenture or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the Authority to the extent permitted by law.

Section 6.10. Continuing Disclosure. Pursuant to Section 5.6 of the Installment Sale Agreement, the City has undertaken all responsibility for compliance with continuing disclosure requirements and the Authority shall have no liability to the holders of the Bonds or any other person with respect to such disclosure matters. Notwithstanding any other provision of this Indenture, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default, however, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 6.11. Further Assurances. The Authority will make, execute and deliver any and all such further indentures, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture and for the better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Indenture.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.01. Events of Default. The following events shall be Events of Default hereunder:

(a) Default in the due and punctual payment of the principal of any Bonds when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by acceleration, or otherwise.

(b) Default in the due and punctual payment of any installment of interest on any Bonds when and as the same shall become due and payable.

(c) Default by the Authority in the observance of any of the other covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, if such default shall have continued for a period of thirty (30) days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the Authority by the Trustee; *provided, however*, that if in the reasonable opinion of the Authority the default stated in the notice can be corrected, but not within such thirty (30) day period, such default shall not constitute an Event of Default hereunder if the Authority shall commence to cure such default within such thirty (30) day period and thereafter diligently and in good faith cure such failure in a reasonable period of time.

(d) The occurrence and continuation of an event of default under and as defined in the Installment Sale Agreement.

Section 7.02. Remedies Upon Event of Default. If any Event of Default shall occur, then, and in each and every such case during the continuance of such Event of Default, the Trustee may, and shall at the written direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding, upon notice in writing to the Authority and the City, declare the principal of all of the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this Indenture or in the Bonds contained to the contrary notwithstanding.

Any such declaration is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Authority or the City shall deposit with the Trustee a sum sufficient to pay all the principal of and installments of interest on the Bonds payment of which is overdue, with interest on such overdue principal at the rate borne by the respective Bonds to the extent permitted by law, and the reasonable fees, charges and expenses (including those of its attorneys) of the Trustee, and any and all other Events of Default known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Authority, the City and the Trustee, or the Trustee if such declaration was made by the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences and waive such Event of Default; but no such rescission and annulment shall extend to or shall affect any subsequent Event of Default, or shall impair or exhaust any right or power consequent thereon.

Section 7.03. Application of Revenues and Other Funds After Default. If an Event of Default shall occur and be continuing, all Revenues and any other funds then held or thereafter received by the Trustee under any of the provisions of this Indenture shall be applied by the Trustee as follows and in the following order:

(a) To the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Owners of the Bonds and payment of reasonable fees, charges and expenses of the Trustee (including reasonable fees and disbursements of its counsel) incurred in and about the performance of its powers and duties under this Indenture;

(b) To the payment of the principal of and interest then due on the Bonds (upon presentation of the Bonds to be paid, and stamping or otherwise noting thereon of the payment if only partially paid, or surrender thereof if fully paid) in accordance with the provisions of this Indenture, as follows:

First: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal of any Bonds which shall have become due, whether at maturity or by acceleration or redemption, with interest on the overdue principal at the rate borne by the respective Bonds (to the extent permitted by law), and, if the amount available shall not be sufficient to pay in full all the Bonds, together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference.

Third: To the payment of amounts due to the Municipal Bond Insurer not payable pursuant to *First* or *Second* above.

Section 7.04. Trustee to Represent Bond Owners. The Trustee is hereby irrevocably appointed (and the successive respective Owners of the Bonds, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney-in-fact of the Owners of the Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Owners under the provisions of the Bonds, this Indenture and applicable provisions of any law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Trustee to represent the Bond Owners, the Trustee in its discretion may, and upon the written request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of such Owners by such appropriate action, suit, mandamus or other proceedings as it shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Trustee or in such Owners under the Bonds, this Indenture or any other law; and upon instituting such proceeding, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the Revenues and other assets pledged under this Indenture, pending such proceedings. All rights of action under this Indenture or the Bonds or otherwise may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding

instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of all the Owners of such Bonds, subject to the provisions of this Indenture.

Section 7.05. Bond Owners' Direction of Proceedings. Anything in this Indenture to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, and upon indemnification of the Trustee to its reasonable satisfaction, to direct the method of conducting all remedial proceedings taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would expose it to liability.

Section 7.06. Limitation on Bond Owners' Right to Sue. Notwithstanding any other provision hereof, no Owner of any Bonds shall have the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under this Indenture, the Installment Sale Agreement or any other applicable law with respect to such Bonds, unless (a) such Owner shall have given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (c) such Owner or Owners shall have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; (d) the Trustee shall have failed to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee; and (e) no direction inconsistent with such written request shall have been given to the Trustee during such sixty (60) day period by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds of any remedy hereunder or under law; it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture or the rights of any other Owners of Bonds, or to enforce any right under the Bonds, this Indenture, the Installment Sale Agreement or other applicable law with respect to the Bonds, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the benefit and protection of all Owners of the Outstanding Bonds, subject to the provisions of this Indenture.

Section 7.07. Absolute Obligation of Authority. Nothing in Section 7.06 or in any other provision of this Indenture or in the Bonds contained shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay the principal of and interest and premium (if any) on the Bonds to the respective Owners of the Bonds at their respective dates of maturity, or upon call for redemption, as herein provided, but only out of the Revenues and other assets herein pledged therefor, or affect or impair the right of such Owners, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the Bonds.

Section 7.08. Termination of Proceedings. In case any proceedings taken by the Trustee or any one or more Bond Owners on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or the Bond Owners, then in every such case the Authority, the Trustee and the Bond Owners, subject to any determination in such proceedings, shall be restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers and duties of the

Authority, the Trustee and the Bond Owners shall continue as though no such proceedings had been taken.

Section 7.09. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Owners of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

Section 7.10. No Waiver of Default. No delay or omission of the Trustee or of any Owner of the Bonds to exercise any right or power arising upon the occurrence of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or the Owners of the Bonds may be exercised from time to time and as often as may be deemed expedient.

Section 7.11. Parties Interested Herein. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Authority, the Municipal Bond Insurer or the Trustee, their officers, employees and agents, and the Owners any right, remedy or claim under or by reason of this Indenture, or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the City, the Authority, the Municipal Bond Insurer or the Trustee, their officers, employees and agents, and the Owners.

ARTICLE VIII

THE TRUSTEE

Section 8.01. Appointment of Trustee. Computershare Trust Company, N.A., a national banking association organized and existing under and by virtue of the laws of the United States of America, is hereby appointed Trustee by the Authority for the purpose of receiving all moneys required to be deposited with the Trustee hereunder and to allocate, use and apply the same as provided in this Indenture. The Authority agrees that it will, in accordance with Section 11.03(a), maintain a Trustee having a combined capital and surplus of at least fifty million dollars ($50,000,000), and subject to supervision or examination by federal or State authority, so long as any Bonds are Outstanding. If such national banking association, bank or trust company publishes a report of condition at least annually pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this Section 8.01 the combined capital and surplus of such national banking association, bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee is hereby authorized to pay the principal of and interest and maturity amount and redemption premium (if any) on the Bonds when duly presented for payment at maturity, or on redemption or purchase prior to maturity, and to cancel all Bonds upon payment thereof. The Trustee shall keep accurate records of all funds administered by it and of all Bonds paid and discharged.

Section 8.02. Acceptance of Trustee. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an Event of Default and after curing or waiving of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default hereunder has occurred (which has not been cured or waived), the Trustee may exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill and diligence in their exercise, as a prudent person would use in the conduct of such person's own affairs.

(b) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder. The Trustee shall not be responsible for any misconduct or negligence on the part of any agent, receiver or attorney appointed with due care by it hereunder. The Trustee may conclusively rely upon an opinion of counsel as full and complete protection for any action taken or suffered by it hereunder.

(c) The Trustee shall not be responsible for any recital herein, or in the Bonds, or for any of the supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby and the Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, conditions or agreements on the part of the Authority hereunder.

(d) Except as provided in Section 3.02, the Trustee shall not be accountable for the use of any proceeds of sale of the Bonds delivered hereunder. The Trustee may become the Owner of Bonds secured hereby with the same rights which it would have if not the Trustee; may acquire

and dispose of other bonds or evidences of indebtedness of the Authority with the same rights it would have if it were not the Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of Bonds, whether or not such committee shall represent the Owners of the majority of the Bonds.

(e) The Trustee shall be protected in acting, in good faith and without negligence, upon any notice, request, consent, certificate, order, affidavit, letter, telegram, requisition, facsimile transmission, electronic mail or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken or omitted to be taken by the Trustee in good faith and without negligence pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof. The Trustee shall not be bound to recognize any person as an Owner of any Bond or to take any action at his request unless the ownership of such Bond by such person shall be reflected on the Registration Books.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a Written Certificate of the Authority as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default hereunder of which the Trustee has been given notice or is deemed to have notice, as provided in Section 8.02(h) hereof, shall also be at liberty to accept a Written Certificate of the Authority to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed by it to be necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and it shall not be answerable for other than its negligence or willful misconduct. The immunities and exceptions from liability of the Trustee shall extend to its officers, directors, employees and agents.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder or under the Installment Sale Agreement, except failure by the Authority to make any of the payments to the Trustee required to be made by the Authority pursuant hereto or failure by the Authority to file with the Trustee any document required by this Indenture to be so filed subsequent to the issuance of the Bonds, unless the Trustee shall be specifically notified in writing of such default by the Authority, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the Trust Office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default hereunder except as aforesaid.

(i) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, accountants and representatives, shall have the right (but not any duty) fully to inspect all books, papers and records of the Authority pertaining to the Bonds, and to make copies of any of such books, papers and records such as may be desired but which is not privileged by statute or by law.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises hereof.

(k) Notwithstanding anything elsewhere in this Indenture with respect to the execution of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, the Trustee shall have the right, but shall not be required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, as may be deemed desirable for the purpose of establishing the right of the Authority to the execution of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(l) Before taking any action under Article VII hereof or this Article VIII at the request or direction of the Owners, the Trustee may require payment or reimbursement of its fees and expenses, including fees and expenses of counsel and receipt of indemnity satisfactory to it from the Owners to protect it against all liability, except liability which is adjudicated to have resulted from its own negligence or willful misconduct in connection with any action so taken. Before being required to take any action, the Trustee may require an opinion of Independent Counsel acceptable to the Trustee, which opinion shall be made available to the other parties hereto upon request, which counsel may be counsel to any of the parties hereto, or a verified certificate of any party hereto, or both, concerning the proposed action. If it does so in good faith, the Trustee shall be absolutely protected in relying thereon.

(m) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law.

(n) The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

Whether or not therein expressly so provided, every provision of this Indenture and the Installment Sale Agreement relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article.

The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, coupon or other paper or document.

(o) The Trustee shall have no responsibility for or liability in connection with assuring that all of the procedures or conditions to closing set forth in the contract for purchase of the Bonds have been met on the closing date or, that all documents required to be delivered on the Closing Date to the parties are actually delivered, except its own responsibility to receive the proceeds of the sale, deliver the Bonds or other certificates expressly required to be delivered by it and its counsel.

The Trustee may assume that parties to the contract for purchase of the Bonds have waived their rights to receive documents or to require the performance of procedures if the parties to whom such documents are to be delivered or for whom such procedures are to be performed do not require delivery or performance on or prior to the Closing Date.

(p) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds.

(q) The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in

the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, pandemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the 2024 Water Project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar even and/or occurrences beyond the control of the Trustee.

(r) Whenever in the administration of the trusts imposed upon it by this Trust Agreement the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of the Authority or City, and such certificate shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

Section 8.03. Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and reimbursement for, and the City shall pay, reasonable fees for its services rendered hereunder and all advances, counsel fees (including expenses) and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. Upon the occurrence of an Event of Default hereunder, but only upon an Event of Default, the Trustee shall have a first lien with right of payment prior to payment of any Bond upon the amounts held hereunder for the foregoing fees, charges and expenses incurred by it respectively.

Section 8.04. Notice to Bond Owners of Default. If an Event of Default hereunder occurs with respect to any Bonds of which the Trustee has been given or is deemed to have notice, as provided in Section 8.02(h) hereof, then the Trustee shall immediately give written notice thereof, by first-class mail to the Owner of each such Bond, unless such Event of Default shall have been cured before the giving of such notice; *provided, however*, that unless such Event of Default consists of the failure by the Authority to make any payment when due, the Trustee shall, within thirty (30) days of the Trustee's knowledge thereof, give such notice to the Bond Owners unless the Trustee in good faith determines that it is in the best interests of the Bond Owners not to give such notice.

Section 8.05. Intervention by Trustee. In any judicial proceeding to which the Authority is a party which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of the Owners of any of the Bonds, the Trustee may intervene on behalf of such Bond Owners, and subject to Section 8.02(l) hereof, shall do so if requested in writing by the Owners of at least twenty-five percent (25%) of the Bonds.

Section 8.06. Removal of Trustee. The Owners of a majority of the Bonds may at any time, and the Authority may, so long as no Event of Default shall have occurred and then be continuing, remove the Trustee initially appointed, and any successor thereto, by an instrument or concurrent instruments in writing delivered to the Trustee, whereupon the Authority (with the written consent of the City) or such Owners, as the case may be, shall appoint a successor or successors thereto; provided that any such successor shall be a bank or trust company meeting the requirements set forth in Section 8.01 and in accordandw with Section 11.03(a).

Section 8.07. Resignation by Trustee. The Trustee and any successor Trustee may at any time give written notice of its intention to resign as Trustee hereunder, such notice to be given to the Authority and the City by first class mail. Upon receiving such notice of resignation, the Authority (with the written approval of the City) shall promptly appoint a successor Trustee. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. Upon such acceptance, the Authority shall cause notice thereof to be given by first class mail, postage prepaid, to the Bond Owners at their respective addresses set forth on the Registration Books.

Section 8.08. Appointment of Successor Trustee. In the event of the removal or resignation of the Trustee pursuant to Sections 8.06 or 8.07, respectively, and if the Owners shall not have approved a successor Trustee, then, with the prior written consent of the City, the Authority shall promptly appoint a successor Trustee. In the event the Authority shall for any reason whatsoever fail to appoint a successor Trustee within sixty (60) days following the delivery to the Trustee of the instrument described in Section 8.06 or within sixty (60) days following the receipt of notice by the Authority pursuant to Section 8.07, the Trustee may, at the expense of the Authority, apply to a court of competent jurisdiction for the appointment of a successor Trustee meeting the requirements of Section 8.01 hereof. Any such successor Trustee appointed by such court shall become the successor Trustee hereunder notwithstanding any action by the Authority purporting to appoint a successor Trustee following the expiration of such ninety-day period.

Within sixty (60) days following the appointment of a successor Trustee hereunder, the former Trustee shall deliver to such successor Trustee (a) all funds and accounts held by the former Trustee hereunder, and (b) any and all information and documentation as may be required or reasonably requested by the Authority or such successor Trustee in connection with the transfer to such successor Trustee of all the duties and functions of the Trustee hereunder. The Authority shall pay the reasonable costs and expenses of such former Trustee incurred in connection with such transfer.

Section 8.09. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of it corporate trust business, provided that such company shall meet the requirements set forth in Section 8.01, shall be the successor to the Trustee and vested with all of the title to the trust estate and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 8.10. Concerning any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Authority an instrument in writing accepting such appointment hereunder and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the Request of the Authority, or of the Trustee's successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as the Trustee hereunder to its successor. Should any instrument in writing from the Authority be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor Trustee, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority.

Section 8.11. Appointment of Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in the case of litigation under this Indenture, and in particular in case of the enforcement of the rights of the Trustee on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate co-trustee. The following provisions of this Section 8.11 are adopted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Should any instrument in writing from the Authority be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority. In case any separate trustee or co-trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

Section 8.12. Indemnification; Limited Liability of Trustee. The Authority further covenants and agrees to indemnify and save the Trustee and its officers, directors, agents and employees, harmless against any loss, expense, including legal fees and expenses, and liabilities which it may incur arising out of or in the exercise and performance of its powers and duties hereunder, including the reasonable costs and expenses of defending against any claim of liability or arising out of any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading in any official statement or other disclosure utilized in connection with the sale of the Bonds, but excluding any and all losses, expenses and liabilities which are due to the negligence or misconduct of the Trustee, its officers, directors, agents or employees. No provision in this Indenture shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability hereunder if repayment of such funds or adequate indemnity against such liability or risk is not assured to it. The Trustee shall not be liable for any action taken or omitted to be taken by it in accordance with the direction of the Owners of at least a majority of the principal amount of the Bonds relating to the time, method and place of exercising any trust or power or conducting any proceeding or remedy available to the Trustee under this Indenture of for any special, indirect, consequential or punitive damages. The obligations of the Authority hereunder shall survive the resignation or removal of the Trustee, or the discharge of this Indenture.

ARTICLE IX

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 9.01. Amendments Permitted.

(a) This Indenture and the rights and obligations of the Authority and of the Owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time by an indenture or indentures supplemental thereto, which the Authority and the Trustee may enter into with the consent of the Owners of a majority in principal amount of the Bonds. No such modification or amendment shall (i) extend the fixed maturity of any Bonds, or reduce the amount of principal thereof or extend the time of payment, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, without the consent of the Owner of each Bond so affected, or (ii) reduce the aforesaid percentage of Bonds the consent of the Owners of which is required to effect any such modification or amendment, or permit the creation of any lien on the Revenues and other assets pledged under this Indenture prior to or on a parity with the lien created by this Indenture except as permitted herein, or deprive the Owners of the Bonds of the lien created by this Indenture on such Revenues and other assets (except as expressly provided in this Indenture), without the consent of the Owners of all of the Bonds then Outstanding. It shall not be necessary for the consent of the Bond Owners to approve the particular form of any Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof.

(b) This Indenture and the rights and obligations of the Authority, of the Trustee and the Owners of the Bonds may also be modified or amended from time to time and at any time by a Supplemental Indenture, which the Authority and the Trustee may enter into without the consent of any Bond Owners, if the Trustee has been furnished an opinion of counsel that the provisions of such Supplemental Indenture shall not materially adversely affect the interests of the Owners of the Bonds, including, without limitation, for any one or more of the following purposes:

(i) to add to the covenants and agreements of the Authority in this Indenture contained other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the Authority;

(ii) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Indenture, or in regard to matters or questions arising under this Indenture, as the Authority may deem necessary or desirable;

(iii) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute;

(iv) to modify, amend or supplement this Indenture in such manner as to cause interest on the Bonds to remain excludable from gross income under the Code; or

(v) to facilitate the issuance of Parity Obligations by the City pursuant to the Installment Sale Agreement.

(c) The Trustee may in its discretion, but shall not be obligated to, enter into any such Supplemental Indenture authorized by subsections (a) or (b) of this Section 9.01 which materially adversely affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

(d) Prior to the Trustee entering into any Supplemental Indenture hereunder, there shall be delivered to the Trustee an opinion of Bond Counsel stating, in substance, that such Supplemental Indenture has been adopted in compliance with the requirements of this Indenture and that the adoption of such Supplemental Indenture will not, in and of itself, adversely affect the exclusion from gross income for purposes of federal income taxes of interest on the Bonds.

(e) Notice of any modification hereof or amendment hereto shall be given by the Authority to each rating agency which then maintains a rating on the Bonds, at least fifteen (15) days prior to the effective date of the related Supplemental Indenture.

Section 9.02. Effect of Supplemental Indenture. Upon the execution of any Supplemental Indenture pursuant to this Article IX, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Authority, the Trustee and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 9.03. Endorsement of Bonds; Preparation of New Bonds. Bonds delivered after the execution of any Supplemental Indenture pursuant to this Article may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, upon demand on the Owner of any Bonds Outstanding at the time of such execution and presentation of his Bonds for the purpose at the Trust Office or at such additional offices as the Trustee may select and designate for that purpose, a suitable notation shall be made on such Bonds. If the Supplemental Indenture shall so provide, new Bonds so modified as to conform, in the opinion of the Authority and the Trustee, to any modification or amendment contained in such Supplemental Indenture, shall be prepared and executed by the Authority and authenticated by the Trustee, and upon demand on the Owners of any Bonds then Outstanding shall be exchanged at the Trust Office, without cost to any Bond Owner, for Bonds then Outstanding, upon surrender for cancellation of such Bonds, in equal aggregate principal amount of the same Bond and maturity.

Section 9.04. Amendment of Particular Bonds. The provisions of this Article IX shall not prevent any Bond Owner from accepting any amendment as to the particular Bonds held by them.

ARTICLE X

DEFEASANCE

Section 10.01. Discharge of Indenture. Any or all of the Outstanding Bonds may be paid by the Authority in any of the following ways, provided that the Authority also pays or causes to be paid any other sums payable hereunder by the Authority:

(a) by paying or causing to be paid the principal of and interest and premium (if any) on such Bonds, as and when the same become due and payable;

(b) by depositing with the Trustee, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem such Bonds; or

(c) by delivering to the Trustee, for cancellation by it, all of such Bonds.

If the Authority shall also pay or cause to be paid all other sums payable hereunder by the Authority, then and in that case, at the election of the Authority (evidenced by a Written Certificate of the Authority, filed with the Trustee, signifying the intention of the Authority to discharge all such indebtedness and this Indenture), and notwithstanding that any of such Bonds shall not have been surrendered for payment, this Indenture and the pledge of Revenues and other assets made under this Indenture with respect to such Bonds and all covenants, agreements and other obligations of the Authority under this Indenture with respect to such Bonds shall cease, terminate, become void and be completely discharged and satisfied. In such event, upon the Written Request of the Authority, the Trustee shall execute and deliver to the Authority all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over, transfer, assign or deliver to the City all moneys or securities or other property held by it pursuant to this Indenture which are not required for the payment or redemption of any of such Bonds not theretofore surrendered for such payment or redemption.

Section 10.02. Discharge of Liability on Bonds. Upon the deposit with the Trustee, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem any Outstanding Bonds (whether upon or prior to the maturity or the redemption date of such Bonds), provided that, if such Bonds are to be redeemed prior to maturity, notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice, then all liability of the Authority in respect of such Bonds shall cease, terminate and be completely discharged, and the Owners thereof shall thereafter be entitled only to payment out of such money or securities deposited with the Trustee as aforesaid for their payment, subject, however, to the provisions of Section 10.04.

The Authority may at any time surrender to the Trustee for cancellation by it any Bonds previously issued and delivered, which the Authority may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

Section 10.03. Deposit of Money or Securities with Trustee. Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by the Trustee in the funds and accounts established pursuant to this Indenture and shall be:

(a) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount of such Bonds and all unpaid interest thereon to the redemption date; or

(b) Defeasance Obligations, the principal of and interest on which when due will, in the written opinion of an Independent Accountant filed with the City, the Authority and the Trustee, provide money sufficient to pay the principal of and interest and premium (if any) on the Bonds to be paid or redeemed, as such principal, interest and premium become due, provided that in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice;

provided, in each case, that (i) the Trustee shall have been irrevocably instructed (by the terms of this Indenture or by Written Request of the Authority) to apply such money to the payment of such principal, interest and premium (if any) with respect to such Bonds, and (ii) the Authority shall have delivered to the Trustee an opinion of Bond Counsel to the effect that such Bonds have been discharged in accordance with this Indenture (which opinion may rely upon and assume the accuracy of the Independent Accountant's opinion referred to above).

Section 10.04. Unclaimed Funds. Notwithstanding any provisions of this Indenture, and subject to applicable provisions of State law, any moneys held by the Trustee in trust for the payment of the principal of, or interest on, any Bonds and remaining unclaimed for a period ending on the earlier of 10 days prior to the date unclaimed funds would escheat to the state or (a) two (2) years after the principal of all of the Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in this Indenture), if such moneys were so held at such date, or (b) two (2) years after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall be repaid to the City free from the trusts created by this Indenture, and all liability of the Trustee with respect to such moneys shall thereupon cease; *provided, however*, that before the repayment of such moneys to the City as aforesaid, the Trustee may (at the cost of direction of the City) first mail to the Owners of Bonds which have not yet been paid, at the addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Trustee with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to the Authority of the moneys held for the payment thereof.

ARTICLE XI

PROVISIONS RELATING TO THE MUNICIPAL BOND INSURER AND THE MUNICIPAL BOND INSURANCE POLICY

Section 11.01. Notices and Other Information.

(a) The Authority (or the City at the direction of the Authority) will provide the Municipal Bond Insurer with all notices and other information it is obligated to provide (i) under the City's Continuing Disclosure Certificate and (ii) to the Owners or the Trustee under this Indenture or the Installment Sale Agreement (the "Related Documents").

The notice address of the Municipal Bond Insurer is: _____, Attention: Managing Director—Surveillance, Re: Municipal Bond Insurance Policy No. ____ and Reserve Policy No. _____. If such communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel of the Municipal Bond Insurer and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(b) The Municipal Bond Insurer shall be provided with the following information by the Authority, the City or Trustee, as the case may be: (i) notice of any draw upon the Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of Bonds; (ii) notice of any default known to the Trustee, the City or Authority within five Business Days after knowledge thereof; (iii) prior notice of the advance refunding or redemption of any of the Bonds, including the principal amount, maturities and CUSIP numbers thereof; (iv) notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto; (v) notice of the commencement of any proceeding by or against the Authority or the City commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding"); (vi) notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Bonds; (vii) a full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents; (viii) all reports, notices and correspondence to be delivered to holders of Bonds under the terms of the Related Documents.

(c) The Municipal Bond Insurer shall have the right to receive such additional information as it may reasonably request.

(d) The Authority (or the City at the direction of the Authority) will permit the Municipal Bond Insurer to discuss the affairs, finances and accounts of the City or any information the Municipal Bond Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the City, and the Authority (or the City at the direction of the Authority) will use best efforts to enable the Municipal Bond Insurer to have access to the facilities, books and records of the City on any Business Day upon reasonable prior notice.

(e) The Trustee shall notify the Municipal Bond Insurer of any failure of the Authority (or the City at the direction of the Authority) to provide notices, certificates and other information required to be provided under this Indenture or the Installment Sale Agreement.

Section 11.02. Defeasance.

(a) The investments in any defeasance escrow relating to the Bonds shall be limited to non-callable, direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, or as otherwise may be authorized under State law and approved by the Municipal Bond Insurer.

At least five (5) Business Days prior to any defeasance with respect to the Bonds, the Authority (or the City at the direction of the Authority) shall deliver to the Municipal Bond Insurer and the Trustee draft copies of an escrow agreement, an opinion of bond counsel regarding the validity and enforceability of the escrow agreement and the defeasance of the Bonds, and a verification report (a "Verification Report") prepared by a nationally recognized independent financial analyst or firm of certified public accountants regarding the sufficiency of the escrow fund. Such opinion and Verification Report shall be addressed to the Municipal Bond Insurer and shall be in form and substance satisfactory to the Municipal Bond Insurer. In addition, the escrow agreement shall provide that any substitution of securities following the execution and delivery of the escrow agreement shall require the delivery of a Verification Report and the prior written consent of the Municipal Bond Insurer, which consent will not be unreasonably withheld. Bonds shall be deemed "Outstanding" under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

(b) The Authority (and the City at the direction of the Authority) will not exercise any optional redemption of the Bonds secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding bonds, and (ii) as a condition to any such redemption there shall be provided to the Municipal Bond Insurer a Verification Report as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following any such redemption.

(c) The Authority (or the City at the direction of the Authority) shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of the Municipal Bond Insurer.

(d) Amounts paid by the Municipal Bond Insurer under the Municipal Bond Insurance Policy shall not be deemed paid for purposes of this Indenture and the Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Authority in accordance with this Indenture. This Indenture shall not be discharged unless all amounts due or to become due to the Municipal Bond Insurer have been paid in full or duly provided for.

Section 11.03. Trustee-Related Provisions.

(a) The Municipal Bond Insurer shall receive written notice of any name change of the Trustee or the resignation or removal of the Trustee. Any successor trustee must be (i) a national banking association that is supervised by the Office of the Comptroller of the Currency and has at least $250 million of assets, (ii) a state-chartered commercial bank that is a member of the Federal Reserve System and has at least $1 billion of assets, or (c) otherwise approved by the Municipal Bond Insurer in writing.

(b) No removal, resignation or termination of the Trustee shall take effect until a successor, acceptable to the Municipal Bond Insurer, shall be qualified and appointed.

(c) The Trustee may be removed at any time at the request of the Municipal Bond Insurer for any breach of its obligations under this Indenture.

Section 11.04. Amendments and Supplements. The Municipal Bond Insurer's prior written consent is required for all amendments and supplements to the Installment Sale Agreement and this Indenture, with the exceptions noted below. The Authority (or the City at the direction of the Authority) shall send copies of any such amendments or supplements to the Municipal Bond Insurer and the rating agencies which have assigned a rating to the Bonds. In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Indenture would adversely affect the security for the Bonds or the rights of the Owners of Bonds, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Municipal Bond Insurance Policy.

(a) *Consent of the Municipal Bond Insurer*. Any amendments or supplements to the Installment Sale Agreement or this Indenture shall require the prior written consent of the Municipal Bond Insurer with the exception of amendments or supplements:

(i) to cure any ambiguity or formal defect or omissions or to correct any inconsistent provisions in the therein or in any supplement thereto, or

(ii) to grant or confer upon the Owners any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners, or

(iii) to add to the covenants and agreements of the City in the Installment Sale Agreement other covenants and agreements thereafter to be observed by the City or to surrender any right or power therein reserved to or conferred upon the City.

(b) *Consent of the Municipal Bond Insurer in Addition to Owner Consent*. Any amendment, supplement, modification to, or waiver of the Installment Sale Agreement or this Indenture that requires the consent of Owners or adversely affects the rights or interests of the Municipal Bond Insurer shall be subject to the prior written consent of the Municipal Bond Insurer.

Section 11.05. Consent of the Municipal Bond Insurer in the Event of Insolvency. Any reorganization or liquidation plan with respect to the City must be acceptable to the Municipal Bond Insurer. In the event of any reorganization or liquidation of the City, the Municipal Bond Insurer shall have the right to vote on behalf of all Owners absent a continuing failure by the Municipal Bond Insurer to make a payment under the Municipal Bond Insurance Policy.

Section 11.06. Consent of the Municipal Bond Insurer Upon Default. Anything in the Installment Sale Agreement or this Indenture to the contrary notwithstanding, upon the occurrence and continuance of a default or an Event of Default, the Municipal Bond Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Owners or the Trustee for the benefit of the Owners under the Installment Sale Agreement and this Indenture. No default or Event of Default may be waived without the Municipal Bond Insurer's written consent. The maturity of Bonds shall not be accelerated without the consent of the Municipal Bond Insurer and in the event the maturity of the Bonds is accelerated, the Municipal Bond Insurer may elect, in its sole discretion, to pay accelerated principal, and interest accrued on such principal, to the date of acceleration (to the extent unpaid by the City) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the Municipal Bond Insurer's obligations under the Municipal Bond Insurance Policy with respect to such Bonds shall be fully discharged.

Section 11.07. The Municipal Bond Insurer as Owner. The Municipal Bond Insurer shall be deemed to be the sole holder of the Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Bonds are entitled to take pursuant to this Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of this Indenture and Bond, each holder of Bond appoints the Municipal Bond Insurer as its agent and attorney-in-fact and agrees that the Municipal Bond Insurer may at any time during the continuation of any proceeding by or against the Authority under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each holder of a Bond delegates and assigns to the Municipal Bond Insurer, to the fullest extent permitted by law, its rights in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each holder of Bond for the Municipal Bond Insurer's benefit, and agrees to cooperate with the Municipal Bond Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the holders of Bonds shall expressly include mandamus.

Upon the occurrence and continuance of a default or an Event of Default, the Municipal Bond Insurer shall be deemed to be the sole owner of the Bonds for all purposes, including, without limitations, for purposes of exercising remedies and approving amendments.

Section 11.08. Grace Periods for Payment Defaults. No grace period shall be permitted for payment defaults under the Installment Sale Agreement. No grace period for a covenant default shall exceed 30 days without the prior written consent of the Municipal Bond Insurer.

Section 11.09. Special Provisions for Municipal Bond Insurer Default. If an Insurer Default (hereinafter defined) shall occur and be continuing, then, notwithstanding anything in paragraphs (a)-(e) above to the contrary, (i) if at any time prior to or following an Insurer Default, the Municipal Bond Insurer has made payment under the Municipal Bond Insurance Policy, to the extent of such payment the Municipal Bond Insurer shall be treated like any other Owner for all purposes, including giving of consents, and (ii) if the Municipal Bond Insurer has not made any payment under the Municipal Bond Insurance Policy, the Municipal Bond Insurer shall have no further consent rights until the particular Insurer Default is no longer continuing or the Municipal Bond Insurer makes a payment under of the Municipal Bond Insurance Policy, in which event, the foregoing clause (i) shall control. For purposes of this paragraph, "Insurer Default" means: (1) the Municipal Bond Insurer has failed to make any payment under the Municipal Bond Insurance Policy when due and owing in accordance with its terms; or (2) the Municipal Bond Insurer shall (A) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (B) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (C) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (D) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (E) make a general assignment for the benefit of creditors, or (F) take action for the purpose of effecting any of the foregoing; or (3) any state or federal agency or instrumentality shall order the suspension of payments on the

Municipal Bond Insurance Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of the Municipal Bond Insurer (including without limitation under the New York Insurance Law).

Section 11.10. Reserve Fund.

(i) The prior written consent of the Municipal Bond Insurer shall be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Reserve Account, if any. Amounts on deposit in the Reserve Account shall be applied solely to the payment of principal and interest due with respect to the Bonds.

(ii) Unless the Municipal Bond Insurer otherwise directs, upon the occurrence and continuance of an Event of Default or an event which with notice or lapse of time would constitute an Event of Default, amounts on deposit in the Project Fund shall not be disbursed, but shall instead be applied to the payment of payment of the principal, interest or redemption price due with respect to the Bonds.

Section 11.11. Exercise of Rights of the Municipal Bond Insurer. The rights granted to the Municipal Bond Insurer under the Installment Sale Agreement and/or this Indenture to request, consent to or direct any action are rights granted to the Municipal Bond Insurer in consideration of its issuance of the Municipal Bond Insurance Policy. Any exercise by the Municipal Bond Insurer of such rights is merely an exercise of the Municipal Bond Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the Bonds and such action does not evidence any position of the Municipal Bond Insurer, affirmative or negative, as to whether the consent of the Owners of the Bonds or any other person is required in addition to the consent of the Municipal Bond Insurer.

The Municipal Bond Insurer shall be entitled to pay principal or interest with respect to the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Municipal Bond Insurance Policy), and any amounts due on the Bonds as a result of acceleration of the maturity thereof, whether or not the Municipal Bond Insurer has received a claim upon the Municipal Bond Insurance Policy.

Section 11.12. Municipal Bond Insurer as Third Party Beneficiary. The Municipal Bond Insurer is explicitly recognized as being a third party beneficiary hereunder and may enforce such right, remedy or claim conferred, given or granted hereunder.

Section 11.13. Payment Procedure Under the Municipal Bond Insurance Policy.

(a) In the event that principal and/or interest due with respect to the Bonds shall be paid by the Municipal Bond Insurer pursuant to the Municipal Bond Insurance Policy, the Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the City, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the City to the Owners shall continue to exist and shall run to the benefit of the Municipal Bond Insurer, and the Municipal Bond Insurer shall be subrogated to the rights of such registered owners including, without limitation, any rights that such owners may have in respect of securities law violations arising from the offer and sale of the Bonds.

(b) If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Trustee, after making all transfers and deposits required under this Indenture, moneys sufficient to pay the principal of and interest on the Bonds due on such Payment Date, the Trustee shall give notice to the Municipal Bond Insurer and to its designated agent (if any) (the "Municipal Bond Insurer's Fiscal

Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Bonds due on such Payment Date, the Trustee shall make a claim under the Municipal Bond Insurance Policy and give notice to the Municipal Bond Insurer and the Municipal Bond Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Bonds and the amount required to pay principal of the Bonds, confirmed in writing to the Municipal Bond Insurer and the Municipal Bond Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Municipal Bond Insurance Policy.

The Trustee shall designate any portion of payment of principal on Bonds paid by the Municipal Bond Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Bonds registered to the then current holder of Bond, whether DTC or its nominee or otherwise, and shall issue a replacement Bond to the Municipal Bond Insurer, registered in the name of the Municipal Bond Insurer, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Bond shall have no effect on the amount of principal or interest payable by the Authority on any Bond or the subrogation rights of the Municipal Bond Insurer.

The Trustee shall keep a complete and accurate record of all funds deposited by the Municipal Bond Insurer into the Municipal Bond Insurance Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Bond. The Municipal Bond Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Municipal Bond Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of holders of Bonds referred to herein as the "Municipal Bond Insurance Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Municipal Bond Insurance Policy in trust on behalf of holders of Bonds and shall deposit any such amount in the Municipal Bond Insurance Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to holders of Bonds in the same manner as principal and interest payments are to be made with respect to the Bonds under the sections hereof regarding payment of Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Authority (or the City at the direction of the Authority) agrees to pay to the Municipal Bond Insurer (i) a sum equal to the total of all amounts paid by the Municipal Bond Insurer under the Municipal Bond Insurance Policy (the "Municipal Bond Insurer Advances"); and (ii) interest on such Municipal Bond Insurer Advances from the date paid by the Municipal Bond Insurer until payment thereof in full, payable to the Municipal Bond Insurer at the Late Payment Rate per annum (collectively, the "Municipal Bond Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The Issuer of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Authority (or the City at the direction of the

Authority) hereby covenants and agrees that the Municipal Bond Insurer Reimbursement Amounts are payable from and secured by a lien on and pledge of the same revenues and other collateral pledged to payment of Installment Payments on a parity with the Installment Payments.

Funds held in the Municipal Bond Insurance Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Municipal Bond Insurance Policy Payments Account following a Bond payment date shall promptly be remitted to the Municipal Bond Insurer.

The Municipal Bond Insurer shall, to the extent it makes any payment of principal of or interest on the Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Municipal Bond Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Authority to the Municipal Bond Insurer under the Related Documents shall survive discharge or termination of such Related Documents.

Section 11.14. Additional Payments. The City agrees unconditionally that it will pay or reimburse the Municipal Bond Insurer, any and all charges, fees, costs and expenses that the Municipal Bond Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Related Documents; (ii) the pursuit of any remedies under this Indenture or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Indenture or any other Related Document whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the Municipal Bond Insurer to honor its obligations under the Municipal Bond Insurance Policy. The Municipal Bond Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture or any other Related Document.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Liability of Authority Limited to Revenues. Notwithstanding anything in this Indenture or in the Bonds contained, the Authority shall not be required to advance any moneys derived from any source other than the Revenues and other assets pledged under this Indenture for any of the purposes in this Indenture mentioned, whether for the payment of the principal of or interest on the Bonds or for any other purpose of this Indenture. Nevertheless, the Authority may, but shall not be required to, advance for any of the purposes hereof any funds of the Authority which may be made available to it for such purposes.

Section 12.02. Limitation of Rights to Parties and Bond Owners. Nothing in this Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any person other than the Authority, the Trustee, the City and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Authority, the Trustee, the City and the Owners of the Bonds.

Section 12.03. Funds and Accounts. Any fund or account required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee, either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with corporate trust industry standards to the extent practicable, and with due regard for the requirements of Section 6.05 and for the protection of the security of the Bonds and the rights of every Owner thereof.

Section 12.04. Waiver of Notice; Requirement of Mailed Notice. Whenever in this Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. Whenever in this Indenture any notice shall be required to be given by mail, such requirement shall be satisfied by the deposit of such notice in the United States mail, postage prepaid, by first class mail.

Section 12.05. Destruction of Bonds. Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to the Authority of any Bonds, the Trustee may in lieu of such cancellation and delivery, destroy such Bonds and deliver a certificate of such destruction to the Authority.

Section 12.06. Severability of Invalid Provisions. If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority hereby declares that it would have entered into this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Indenture may be held illegal, invalid or unenforceable.

Section 12.07. Notices. All written notices to be given under this Indenture shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Authority, the City or the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the Authority:	Coalinga Public Financing Authority c/o City of Coalinga 155 West Durian Coalinga, CA 93210 Attention: Financial Services Director Phone: (559) 935-1533 x129
If to the City:	City of Coalinga 155 West Durian Coalinga, CA 93210 Attention: Financial Services Director Phone: (559) 935-1533 X129
If to the Trustee:	Computershare Trust Company, N.A. CTO Mail Operations 1505 Energy Park Drive St. Paul, MN 55108 Attention: Mataka Mposa Phone: (612) 448-7816
If to the Municipal Bond Insurer:	See Section 11.01

The City, the Authority, the Municipal Bond Insurer and the Trustee, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 12.08. Evidence of Rights of Bond Owners. Any request, consent or other instrument required or permitted by this Indenture to be signed and executed by Bond Owners may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Bond Owners in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the holding by any person of Bonds transferable by delivery, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and the Authority if made in the manner provided in this Section 12.08.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer.

The ownership of Bonds shall be proved by the Registration Books.

Any request, consent, or other instrument or writing of the Owner of any Bond shall bind every future Owner of the same Bond and the Owner of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Authority in accordance therewith or reliance thereon.

Section 12.09. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are known by the Trustee to be owned or held by or for the account of the Authority or the City, or by any other obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or the City or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section 11.09 if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or the City or any other obligor on the Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee. Upon request of the Trustee, the Authority and the City shall specify in a certificate to the Trustee those Bonds disqualified pursuant to this Section 11.09 and the Trustee may conclusively rely on such certificate.

Section 12.10. Money Held for Particular Bonds. The money held by the Trustee for the payment of the interest or principal due on any date with respect to particular Bonds (or portions of Bonds in the case of Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Bonds entitled thereto, subject, however, to the provisions of Section 10.04 hereof but without any liability for interest thereon.

Section 12.11. Waiver of Personal Liability. No member, officer, agent or employee of the Authority shall be individually or personally liable for the payment of the principal of or interest or premium (if any) on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by this Indenture.

Section 12.12. Successor Is Deemed Included in All References to Predecessor. Whenever in this Indenture either the Authority or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Authority or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 12.13. Execution in Several Counterparts. This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 12.14. Governing Law. This Indenture shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the COALINGA PUBLIC FINANCING AUTHORITY has caused this Indenture to be signed in its name by its Executive Director and COMPUTERSHARE TRUST COMPANY, N.A., in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its office thereunto duly authorized, all as of the day and year first above written.

COALINGA PUBLIC FINANCING AUTHORITY

By _____
Marissa Trejo,
Executive Director

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

By _____
Authorized Officer

EXHIBIT A

FORM OF SERIES A BOND

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
FRESNO COUNTY

COALINGA PUBLIC FINANCING AUTHORITY
Water Revenue Bond, Series 2024
(Solar Project)

INTEREST RATE	MATURITY DATE	ORIGINAL ISSUE DATE	CUSIP
_____%	April 1, ____	August 29, 2024	___

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The COALINGA PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority, duly organized and existing under the laws of the State of California (the "Authority"), for value received, hereby promises to pay to the Registered Owner specified above or registered assigns (the "Registered Owner"), on the Maturity Date specified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount specified above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth day of the month preceding such interest payment date, in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before March 15, 2025, in which event it shall bear interest from the Original Issue Date specified above; provided, however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, at the Interest Rate per annum specified above, payable semiannually on April 1 and October 1 in each year, commencing April 1, 2025 (collectively, the "Interest Payment Dates"), calculated on the basis of a 360-day year composed of twelve 30-day months. Principal hereof and premium, if any, upon early redemption hereof are payable upon presentation and surrender hereof at the corporate trust office (the "Trust Office") of Computershare Trust Company, N.A., as trustee (the "Trustee"), in Los Angeles, California, or such other place as designated by the Trustee. Interest hereon is payable by check of the Trustee mailed on the applicable Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books of the Trustee as of the close of business on the fifteenth day of the month preceding each Interest Payment Date (a "Record Date"), or, upon written request filed with the Trustee at least five days prior to such Record Date by a Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to an account in the United States designated by such Registered Owner in such written request.

This Bond is not a debt of the City of Coalinga (the "City"), Fresno County, the State of California, or any of its political subdivisions, and neither the City, said County, said State, nor any of its political subdivisions, is liable hereon nor in any event shall this Bond be payable out of any funds or properties of the Authority other than the Revenues.

This Bond is one of a duly authorized issue of bonds of the Authority designated as the "Coalinga Public Financing Authority (Fresno County, California) Water Revenue Bonds, Series 2024 (Solar Project)" (the "Bonds"), in an aggregate principal amount of _____ dollars ($_____), all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or redemption provisions) and all issued pursuant to the provisions of Article 4 of Chapter 5 of Division 7 of Title 1 (commencing with section 6584) of the California Government Code (the "Bond Law"), and pursuant to an Indenture of Trust, dated as of August 1, 2024, by and between the Authority and the Trustee (the "Indenture"), and a resolution of the Board of Directors of the Authority adopted on August 1, 2024, authorizing the issuance of the Bonds. Reference is hereby made to the Indenture (copies of which are on file at the office of the Authority) and all supplements thereto for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Revenues, and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Authority thereunder, to all of the provisions of which the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Authority to finance the acquisition and construction of certain improvements and facilities (the "2024 Water Project") constituting part of the City's municipal water enterprise (the "Water System").

In order to provide for the repayment of the Bonds, the Authority will sell the 2024 Water Project to the City pursuant to an installment sale agreement (the "Installment Sale Agreement"), under which the City will agree to make installment payments to the Authority payable from the net revenues of the Water System which payments will be calculated to be sufficient, in time and amount, to enable the Authority to pay the principal of and interest and premium (if any) on the Bonds when due and payable;

Such payments by the City under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments made by the City under that certain water installment sale agreement, dated as of March 1, 2021, which provides for the payment of (a) a portion of the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable) and (b) the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021B (Water Project) (Tax-Exempt).

This Bond and the interest and premium, if any, hereon and all other Bonds and the interest and premium, if any, thereon (to the extent set forth in the Indenture) are special obligations of the Authority, and are payable from, and are secured by a charge and lien on the Revenues as defined in the Indenture, consisting primarily of installment payments to be made by the City under the Installment Sale Agreement. As and to the extent set forth in the Indenture, all of the Revenues are exclusively and irrevocably pledged in accordance with the terms hereof and the provisions of the Indenture, to the payment of the principal of and interest and premium (if any) on the Bonds.

The rights and obligations of the Authority and the owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall extend the fixed maturity of any Bonds, or reduce the amount of principal thereof or premium (if any) thereon, or extend the time of payment, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, without the consent of the owner of each Bond so affected.

The Bonds maturing on or before April 1, ____, are not subject to optional redemption prior to maturity. The Bonds maturing on or after April 1, ____, shall be subject to redemption, at the option of the City on any date on or after April 1, ____, as a whole or in part, by such maturities as shall be determined by the City, and at random within a maturity, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

The Bonds maturing on April 1, ____, are also subject to mandatory redemption from sinking account payments made by the Authority, in part at random, on April 1, ____, and on April 1 in each year thereafter to and including April 1, ____, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount

† Maturity.

The Bonds maturing on April 1, ____, are also subject to mandatory redemption from sinking account payments made by the Authority, in part at random, on April 1, ____, and on April 1 in each year thereafter to and including April 1, ____, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount

† Maturity.

As provided in the Indenture, notice of redemption shall be mailed by the Trustee by first class mail not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective owners of any Bonds designated for redemption at their addresses appearing on the registration books of the Trustee, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption or the cessation of accrual of interest thereon from and after the date fixed for redemption.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Trust Office of the Trustee or such other place as designated by the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer, a new Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. This Bond may be exchanged at the Trust Office of the Trustee for Bonds of the same tenor, aggregate principal amount, interest rate and maturity, of other authorized denominations.

The Authority and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Authority and the Trustee shall not be affected by any notice to the contrary.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time, form and manner as required by the Bond Law and the laws of the State of California and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Bond Law or any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been signed by the Trustee.

IN WITNESS WHEREOF, the Coalinga Public Financing Authority, has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Executive Director and attested to by the facsimile signature of its Secretary, all as of the Original Issue Date.

COALINGA PUBLIC FINANCING AUTHORITY

By _____
Executive Director

Attest:

By _____
Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Dated: _____

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

By _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

_____

_____

_____

(Name, Address and Tax Identification or Social Security Number of Assignee)

_____

_____

_____

the within Bond and do(es) hereby irrevocably constitute(s) and appoint(s)

_____

_____

attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

_____

Notice: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

_____

Notice: The signature on this assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever."

STATEMENT OF INSURANCE

[TO COME]

INSTALLMENT SALE AGREEMENT

Dated as of August 1, 2024

by and between

COALINGA PUBLIC FINANCING AUTHORITY, as Seller

and the

CITY OF COALINGA, as Purchaser

Relating to
$_____
Coalinga Public Financing Authority
(Fresno County, California)
Water Revenue Bonds, Series 2024
(Solar Project)

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EXHIBIT B DESCRIPTION OF THE 2024 WATER PROJECT

INSTALLMENT SALE AGREEMENT

THIS INSTALLMENT SALE AGREEMENT, dated as of August 1, 2024 (this "Installment Sale Agreement"), is by and between the COALINGA PUBLIC FINANCING AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California (the "Authority"), and the CITY OF COALINGA, a general law city and municipal corporation duly organized and existing under the laws of the State of California (the "City").

W I T N E S S E T H :

WHEREAS, under Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Bond Law") the Authority is authorized to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, public entities including the City, and to provide financing for public capital improvements of public entities including the City;

WHEREAS, the City has determined that, due to prevailing financial market conditions and for other reasons, it is in the best interests of the City to finance the acquisition and construction of improvements and facilities (the "2024 Water Project") to the City's municipal water enterprise (the "Water System");

WHEREAS, for the purpose of raising funds necessary to provide such financial assistance to the City, the Authority proposes to authorize the issuance of its revenue bonds under the provisions of the Bond Law, designated as the Coalinga Public Financing Authority Water Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"), all pursuant to and secured by an indenture of trust, by and between the Authority and Computershare Trust Company, N.A., as trustee;

WHEREAS, in order to provide for the repayment of the Bonds, the Authority will sell the 2024 Water Project to the City pursuant to this Installment Sale Agreement, under which the City will agree to make installment payments to the Authority payable from the net revenues of the Water System which payments will be calculated to be sufficient, in time and amount, to enable the Authority to pay the principal of and interest and premium (if any) on the Bonds when due and payable;

WHEREAS, such payments by the City under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments made by the City under that certain Installment Sale Agreement, dated as of March 1, 2021, which provides for the payment of (a) a portion of the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable) and (b) the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021B (Water Project) (Tax-Exempt); and

WHEREAS, the Authority and the City have duly authorized the execution and delivery of this Installment Sale Agreement;

NOW, THEREFORE, for and in consideration of the premises and the material covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Installment Sale Agreement shall have the respective meanings specified in the Indenture.

ARTICLE II

COVENANTS AND REPRESENTATIONS

Section 2.1. Covenants and Representations of the City. The City makes the following covenants and representations to the Authority that as of the Closing Date:

(a) The City is a general law city and municipal corporation duly organized and validly existing under the laws of the State, has full legal right, power and authority to enter into this Installment Sale Agreement and to carry out and consummate all transactions contemplated hereby, and by proper action has duly authorized the execution and delivery of this Installment Sale Agreement.

(b) The representatives of the City executing this Installment Sale Agreement are fully authorized to execute the same.

(c) This Installment Sale Agreement has been duly authorized, executed and delivered by the City, and constitutes the legal, valid and binding agreement of the City, enforceable against the City in accordance with its terms.

(d) The execution and delivery of this Installment Sale Agreement, the consummation of the transactions herein contemplated and the fulfillment of or compliance with the terms and conditions hereof, will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the City is a party or by which it, the Water System or the 2024 Water Project are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the City, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Installment Sale Agreement, or the financial condition, assets, improvements or operations of the Water System.

(e) No consent or approval of any trustee or holder of any indebtedness of the City or of the voters of the City, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority, is necessary in connection with the execution and delivery of this Installment Sale Agreement or the consummation of any transaction herein contemplated, except as have been obtained or made and as are in full force and effect.

(f) There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or threatened against or affecting the City or the Water System which, if determined adversely to the City or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Installment Sale Agreement or upon the financial condition or operation of the Water System, and the City is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Installment Sale Agreement, or the financial conditions or operations of the Water System.

(g) The City has heretofore established the Water Fund into which the City deposits and will continue to deposit all Gross Revenues, and which the City will maintain throughout the Term of this Installment Sale Agreement.

(h) There are no outstanding bonds, notes, loans, leases, installment sale agreements or other obligations which have any security interest in or claim upon the Net Revenues, which security interest or claim is superior to or on a parity with the Installment Payments other than the 2021 Installment Sale Agreement.

Section 2.2. Covenants and Representations of the Authority. The Authority makes the following covenants and representations to the City that as of the Closing Date:

(a) The Authority is a joint powers entity, duly organized and existing under the laws of the State. The Authority has the power to enter into the transactions contemplated by this Installment Sale Agreement and to carry out its obligations hereunder. By proper action of its governing body, the Authority has been duly authorized to execute, deliver and duly perform this Installment Sale Agreement and the Indenture.

(b) To finance the 2024 Water Project and the Costs of Issuance, the Authority will issue the Bonds, which will mature, bear interest and be subject to redemption as set forth in the Indenture.

(c) The Bonds will be issued under and secured by the Indenture, and pursuant thereto, certain of the Authority's interests in this Installment Sale Agreement have been assigned to the Trustee as security for payment of a portion of the principal of, premium, if any, and interest on the Bonds.

(d) The Authority is not in default under any of the provisions of the laws of the State, which default would affect its existence or its powers referred to in subsection (a) of this Section 2.2.

ARTICLE III

ISSUANCE OF BONDS; ACQUISITION AND CONSTRUCTION OF 2024 WATER PROJECT

Section 3.1. The Bonds. The Authority has authorized the issuance of the Bonds pursuant to the Indenture in the aggregate principal amount of _____ dollars ($_____). The Authority agrees that the proceeds of sale of the Bonds shall be paid to the Trustee on the Closing Date for deposit pursuant to the terms and conditions of the Indenture. The City hereby approves the Indenture, the assignment to the Trustee of the rights of the Authority assigned under and pursuant to the Indenture, and the issuance of the Bonds by the Authority under and pursuant to the Indenture.

Section 3.2. Plans and Specifications for the 2024 Water Project. Before any payment is made for the 2024 Water Project or any component thereof from amounts on deposit in the Project Fund, the City shall have filed with the Authority detailed Plans and Specifications relating thereto. The City may from time to time file amendments to such Plans and Specifications with the Authority, and may thereby change or modify the description of the 2024 Water Project or any component thereof.

Section 3.3. Acquisition and Construction of the 2024 Water Project. The Authority hereby agrees with due diligence to supervise and provide for, or cause to be supervised and provided, for the Acquisition and Construction of the 2024 Water Project in accordance with Plans and Specifications, purchase orders, construction contracts and other documents relating thereto and approved by the City pursuant to all applicable requirements of law. Direct payment of the costs of the 2024 Water Project shall be made from amounts on deposit in the Project Fund, pursuant to Section 3.04 of the Indenture. All contracts for, and all work relating to, the Acquisition and Construction of the 2024 Water Project shall be subject to all applicable provisions of law relating to the acquisition and construction of public works by the City. The Authority expects that the Acquisition and Construction of the 2024 Water Project will be completed on or before September 1, 2027; *provided, however*, that the failure to complete the 2024 Water Project by the estimated Completion Date thereof shall not constitute an Event of Default hereunder or a grounds for termination hereof, nor shall such failure result in the diminution, abatement or extinguishment of the obligations of the City hereunder to pay the Installment Payments allocable to such 2024 Water Project.

The City shall have the right from time to time in its sole discretion to amend the description of the 2024 Water Project to be financed and sold by the Authority hereunder. In order to exercise such right, the City shall file with the Authority and the Trustee an amended Exhibit B hereto.

Upon the completion of the Acquisition and Construction of the 2024 Water Project, but in any event not later than thirty (30) days following such completion, an Authorized Representative of the City shall execute and deliver to the Trustee a Written Certificate which (a) states that the Acquisition and Construction of such 2024 Water Project have been substantially completed; (b) identifies the total cost of the 2024 Water Project; and (c) identifies (i) the amounts, if any, to remain on deposit in the Project Fund for payment of costs of the 2024 Water Project thereafter intended to be requisitioned by the Authority and (ii) the amounts to be transferred to the Bond Fund. Upon the filing with the Trustee of the final Written Requisition for payment of costs of the 2024 Water Project, the Authority shall direct the Trustee to close the Project Fund.

Section 3.4. Grant of Easements. The City hereby grants to the Authority all necessary easements, rights of way and rights of access in and to all real property or interests therein now or hereafter acquired and owned by the City, as may be necessary or convenient to enable the Authority to acquire, construct and install the 2024 Water Project thereon or thereabouts. The City covenants that it will execute, deliver and record any and all additional documents as may be required to be executed, delivered and recorded to establish such easements, rights of way and rights of access.

Section 3.5. Appointment of City as Agent of Authority. The Authority hereby appoints the City as its agent to carry out all phases of the Acquisition and Construction of the 2024 Water Project pursuant to and in accordance with the provisions hereof. The City hereby accepts such appointment and assumes all rights, liabilities, duties and responsibilities of the Authority regarding the Acquisition and Construction of the 2024 Water Project. The Authority, or the City as agent of the Authority hereunder, shall enter into, administer and enforce all purchase orders or other contracts relating to the Acquisition and Construction of the 2024 Water Project. The City shall submit Written Requisitions of the City to the Trustee from time to time pursuant to and in accordance with the provisions of Section 3.04 of the Indenture for payment, or for reimbursement to the City for payment, of all Project Costs. All contracts for, and all work relating to, the Acquisition and Construction of the 2024 Water Project shall be subject to all applicable provisions of law relating to the acquisition, construction, improvement, and equipping of like property by joint powers entities and by municipal corporations.

ARTICLE IV

SALE; INSTALLMENT PAYMENTS

Section 4.1. Sale. The Authority hereby agrees to sell the 2024 Water Project to the City, and the City hereby agrees to purchase the 2024 Water Project from the Authority, upon the terms and conditions set forth in this Installment Sale Agreement.

Section 4.2. Term. The Term of this Installment Sale Agreement shall commence on the Closing Date, and shall end on the date on which the City shall have paid all of the Installment Payments and all other amounts due and payable hereunder and under the Indenture. The provisions of this Section 4.2 are subject in all respects to any other provisions of this Installment Sale Agreement relating to the termination hereof with respect to the 2024 Water Project or any portion thereof.

Section 4.3. Title. Upon the Completion Date of each component of the 2024 Water Project, title to such component shall be deemed conveyed to and vested in the City. The Authority and the City shall execute, deliver and cause to be recorded any and all documents necessary to convey such title to the City.

Section 4.4. Installment Payments.

(a) *Obligation to Pay*. The City agrees to pay to the Authority, its successors and assigns, but solely from the Net Revenues and other funds pledged hereunder, as the purchase price of the 2024 Water Project the aggregate principal amount of _____ dollars ($_____), together with interest on the unpaid principal balance, payable in Installment Payments coming due and payable in the respective amounts and on each Installment Payment Date specified in Exhibit A. The Installment Payments shall be paid by the City to the Trustee, as assignee of the Authority pursuant to the Indenture, in the amounts and at the times as set forth in Section 4.5(b).

(b) *Effect of Prepayment*. In the event that the City prepays all remaining Installment Payments in full pursuant to Article IX, the City's obligations under this Installment Sale Agreement shall thereupon cease and terminate, including but not limited to the City's obligation to pay Installment Payments therefor under this Section 4.4; *provided, however*, that the City's obligations to compensate and indemnify the Trustee pursuant to Sections 4.9 and 6.3 shall survive such prepayment. In the event that the City prepays the Installment Payments in part but not in whole pursuant to Section 9.2, the principal component of each succeeding Installment Payment shall be reduced as provided in such Sections, and the interest component of each remaining Installment Payment shall be reduced by the aggregate corresponding amount of interest which would otherwise be payable on the Bonds thereby redeemed pursuant to the applicable provisions of Section 4.01 of the Indenture.

(c) *Rate on Overdue Payments*. In the event the City should fail to make any of the payments required in this Section 4.4 and Section 4.10, the payment in default shall continue as an obligation of the City until the amount in default shall have been fully paid, and the City agrees to pay the same with interest thereon, from the date of default to the date of payment, at the rate of ten percent (10%) per annum.

(d) *Assignment*. The City understands and agrees that all Installment Payments have been assigned by the Authority to the Trustee in trust, pursuant to the Indenture, for the benefit of the Owners of the Bonds, and the City hereby assents to such assignment. The Authority

hereby directs the City, and the City hereby agrees, to pay to the Trustee at its Trust Office, all amounts payable by the City pursuant to this Section 4.4 and all amounts payable by the City pursuant to Article IX.

Section 4.5. Application of Gross Revenues; Pledge and Application of Net Revenues.

(a) *Deposits Into Water Fund; Transfers to Make Installment Payments*. All of the Gross Revenues shall be deposited by the City immediately upon receipt in the Water Fund.

Upon receipt of Gross Revenues, the City shall segregate such amounts as shall be estimated to be required to pay all Operation and Maintenance Costs for the period beginning on such date and ending on the next anticipated date of receipt of Gross Revenues. Amounts remaining on deposit in the Water Fund shall be the Net Revenues.

The City covenants and agrees that all Net Revenues will be held by the City in the Water Fund in trust for the benefit of the Trustee (as assignee of the rights of the Authority hereunder) and the Bond Owners, and for the benefit of the owners of any Parity Obligations.

(b) *Pledge of Net Revenues; Transfers*. All of the Net Revenues are hereby irrevocably pledged, charged and assigned to the punctual payment of the Installment Payments and all Parity Obligations and, except as otherwise provided herein, the Net Revenues shall not be used for any other purpose so long as any of the Installment Payments remain unpaid. Such pledge, charge and assignment shall constitute a first lien on the Net Revenues for the payment of the Installment Payments and all Parity Obligations in accordance with the terms hereof.

On or before each Installment Payment Date, commencing March 15, 2025, the City shall withdraw from the Water Fund:

(i) and transfer to the Trustee for deposit in the Bond Fund (and transfer on a parity to such similar funds or accounts established for the payment of Parity Obligations such amounts as are required for the payment thereof), an amount (other than amounts resulting from the prepayment of the Installment Payments pursuant to Article IX and other than amounts required for payment of principal of or interest on any Bonds which have matured or been called for redemption but which have not been presented for payment) equal to the interest component of the Installment Payment coming due and payable on the next succeeding Interest Payment Date, and the principal component of the Installment Payment coming due and payable on the next succeeding principal payment date, if any, provided that any amounts on deposit in the Bond Fund representing capitalized interest or on deposit in a similar fund created with respect to Parity Obligations, shall be credited against the City's obligation to make such deposits or transfers therein,

(ii) and transfer to the Trustee for deposit in the Reserve Fund (and transfer on a parity to such similar funds or accounts established as reserve funds with respect to Parity Obligations such amounts as are required for the replenishment thereof), the amount, if any, required to increase the amount on deposit in the Reserve Fund to the Reserve Requirement (including amounts due under the Reserve Policy),

(iii) and pay all other amounts, including Additional Payments, when and as due and payable under this Installment Sale Agreement and under any agreements relating to Parity Obligations, and

(iv) and pay all amounts when and as due and payable with respect to any Subordinate Debt.

(c) *Release from Lien*. Following the transfers described in paragraph (b) of this Section 4.5, excess Net Revenues shall be released from the lien of this Installment Sale Agreement and shall be available for any lawful purpose of the City.

Section 4.6. Special Obligation of the City; Obligations Absolute. The City's obligation to pay the Installment Payments, the Additional Payments, any other amounts coming due and payable hereunder and payments with respect to Parity Obligations shall be a special obligation of the City limited solely to the Net Revenues. Under no circumstances shall the City be required to advance moneys derived from any source of income other than the Net Revenues and other sources specifically identified herein for the payment of the Installment Payments, the Additional Payments or payments with respect to Parity Obligations, nor shall any other funds or property of the City be liable for the payment of the Installment Payments, the Additional Payments or payments with respect to Parity Obligations and any other amounts coming due and payable hereunder.

The obligations of the City to make the Installment Payments, the Additional Payments and payments with respect to Parity Obligations from the Net Revenues and to perform and observe the other agreements contained herein and under agreements with respect to Parity Obligations shall be absolute and unconditional and shall not be subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach of the City, the Authority or the Trustee of any obligation to the City or otherwise with respect to the Water System, whether hereunder or otherwise, or out of indebtedness or liability at any time owing to the City by the Authority or the Trustee. Until such time as all of the Installment Payments, all of the Additional Payments and all other amounts coming due and payable hereunder shall have been fully paid or prepaid, the City (a) will not suspend or discontinue payment of any Installment Payments, Additional Payments, payments with respect to Parity Obligations or such other amounts, (b) will perform and observe all other agreements contained in this Installment Sale Agreement and under any agreements with respect to Parity Obligations, and (c) will not terminate the Term of this Installment Sale Agreement or such agreements with respect to Parity Obligations for any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Water System, failure to complete the Acquisition and Construction of the 2024 Water Project by the estimated Completion Date thereof, sale of the Water System, the taking by eminent domain of title to or temporary use of any component of the Water System, commercial frustration of purpose, any change in the tax law or other laws of the United States of America or the State or any political subdivision of either thereof or any failure of the Authority or the Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Indenture, this Installment Sale Agreement or agreements with respect to Parity Obligations.

Nothing contained in this Section 4.6 shall be construed to release the Authority or the Trustee from the performance of any of the agreements on its part contained herein or in the Indenture, and in the event the Authority or the Trustee shall fail to perform any such agreements, the City may institute such action against the Authority or the Trustee as the City may deem necessary to compel performance so long as such action does not abrogate the obligations of the City contained in the preceding paragraph. The City may, however, at the City's own cost and expense and in the City's own name or in the name of the Authority prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to secure or protect the City's rights

hereunder, and in such event the Authority hereby agrees to cooperate fully with the City and to take such action necessary to effect the substitution of the City for the Authority in such action or proceeding if the City shall so request.

Section 4.7. Rate Covenant.

(a) The City hereby covenants that it shall fix, prescribe and collect rates, fees and charges for the services and facilities of the Water System for each Fiscal Year, which after allowances for contingencies and error in the estimates, shall produce Gross Revenues at least sufficient to pay the following amounts during such Fiscal Year:

(i) All current Operation and Maintenance Costs;

(ii) The Installment Payments and all payments required with respect to other Parity Obligations;

(iii) All payments required with respect to all Subordinate Debt;

(iv) All payments required for compliance with the terms of the Indenture and hereof, including amounts required to replenish the Reserve Account;

(v) All payments to meet any other obligations of the City which are charges, liens or encumbrances upon, or payable from, the Gross Revenues; and

(vi) any other lawful purposes of the Authority, including, but not limited to, deposits to the Rate Stabilization Fund in accordance with paragraph (c) of this Section 4.7.

(b) In addition to the requirements of the foregoing subsection (a) of this Section 4.7, the City hereby covenants that it shall fix, prescribe and collect rates, fees and charges for the services and facilities of the Water System for each Fiscal Year so as to yield Net Revenues during such Fiscal Year equal to at least 1.25 times the Installment Payments and all payments required with respect to all Parity Obligations in such Fiscal Year.

The City may make or permit to be made adjustments from time to time in such rates, fees and charges and may make or permit to be made such classification thereof as it deems necessary, but shall not reduce or permit to be reduced such rates, fees and charges below those then in effect unless the Gross Revenues from such reduced rates, fees and charges will at all times be sufficient to meet the requirements of this Section 4.7.

(c) The Rate Stabilization Fund previously created, held and maintained by the City is hereby continued. The Rate Stabilization Fund is not pledged to secure payment of the Installment Payments. Amounts in the Rate Stabilization Fund shall be applied solely for the uses and purposes set forth in this subsection (c). The City shall have the right to deposit into the Rate Stabilization Fund from time to time any amount of funds which are legally available therefor; provided that deposits for each Fiscal Year may be made until (but not after) one hundred eighty (180) days following the end of such Fiscal Year.

For the purpose of computing the amount of Net Revenues for any Fiscal Year for purposes of the preceding subsection (b), the City shall be permitted to transfer amounts on deposit in the Rate Stabilization Fund to the Water Fund, such transfers to be made until (but not after) one hundred eighty (180) days after the end of such Fiscal Year. In addition, the City

shall be permitted to withdraw amounts on deposit in the Rate Stabilization Fund for any other lawful purpose.

Notwithstanding the foregoing, amounts on deposit in the Rate Stabilization Fund and transferred to the Water Fund shall be accounted separately from all other amounts deposited in the Water Fund and, if such amounts shall become available to the City in accordance with subparagraph (vi) of paragraph (a) of this Section 4.7, such amounts may not again be deposited in the Rate Stabilization Fund.

Section 4.8. Limitations on Future Obligations Secured by Net Revenues.

(a) *No Obligations Superior to Installment Payments*. In order to protect further the availability of the Net Revenues and the security for the Installment Payments and any Parity Obligations, the City hereby agrees that the City shall not, so long as the Installment Payments are not fully paid or any Parity Obligations are outstanding, issue or incur any obligations payable from Net Revenues superior to the Installment Payments or such Parity Obligations.

(b) Parity *Obligations*. The City further covenants that it will not issue or incur any Parity Obligations unless:

(i) The City is not in default under the terms of this Installment Sale Agreement or any agreements relating to then existing Parity Obligations;

(ii) (A) Net Revenues, calculated on sound accounting principles, as shown by the books of the City for the latest Fiscal Year or any twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, as shown by the books of the City, shall have amounted to at least 1.25 times the maximum amount of Installment Payments and debt service on all Parity Obligations outstanding immediately subsequent to the incurring of such additional obligations coming due and payable in any future Fiscal Year.

Either or both of the following items may be added to such Net Revenues for the purpose of applying the restriction contained in this subsection (b)(ii)(A):

(1) An allowance for revenues to be derived from any additions to or improvements or extensions of the Water System which, during all or any part of such Fiscal Year or the twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, were not in service, in an amount equal to 100% of the estimated additional average annual Net Revenues to be derived from such additions, improvements and extensions, all as shown by the certificate or opinion of a qualified independent consultant employed by the City.

(2) An allowance for any increase in the charges made for service from the Water System which has become effective prior to the incurring of such Parity Obligations but which, during all or any part of such Fiscal Year or the twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations

are authorized to be issued or incurred, was not in effect, in an amount equal to 100% of the amount by which the Net Revenues would have been increased if such increase in charges had been in effect during the whole of such Fiscal Year or the twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, as shown by the certificate or opinion of a qualified independent consultant employed by the City;

or

(B) Estimated Net Revenues, based on a report of a qualified independent engineer employed by the City or a report of a qualified independent consultant employed by the City, for each of the five (5) Fiscal Years next following the earlier of (i) the end of the period during which interest on the Parity Obligations proposed to be executed is to be capitalized or, if no interest is capitalized the Fiscal Year in which the proposed Parity Obligations are to be issued, or (ii) the date on which substantially all projects financed with the proposed Parity Obligations are expected to commence operations, shall have amounted to at least 1.25 times the maximum amount of Installment Payments and debt service on all Parity Obligations outstanding immediately subsequent to the incurring of such additional obligations coming due and payable in any future Fiscal Year. If employing this option, the City must demonstrate that, at the time of such incurrence, Net Revenues for the most recent Fiscal Year, or other more recent twelve month period, were at least equal to 1.25 times the maximum amount of Installment Payments and the maximum amount of debt service on any then outstanding Parity Obligations.

Any or all of the following items may be added to such Net Revenues for the purpose of applying the restriction contained in this subsection (b)(ii)(B):

(1) An allowance for revenues that are estimated to be derived from any increase in the rates, fees and charges in effect and being charged or from any increase in the rates, fees and charges that have been approved but are not yet in place; and

(2) An allowance for revenues that are estimated to be derived from customers of the Water System anticipated to be served by the additions, betterments or improvements to the Water System to be financed by the proposed Parity Obligation during such five year period; and

(3) An allowance for a reduction in expenses that are estimated to be realized by the City pursuant to a contractual guarantee from the provider of energy efficiency improvements during such five year period.

(iii) A reserve fund may, but shall not be required to be, funded for such Parity Obligations.

(iv) Interest with respect to such Parity Obligations shall be paid on the Installment Payment Dates.

(v) Principal with respect to such Parity Obligations shall be paid on March 15.

Notwithstanding the foregoing provisions, there shall be no limitations on the ability of the City to issue or incur Parity Obligations at any time to refund the Installment Payments or Parity Obligations for debt service savings.

(c) *Subordinate Debt*. There shall be no limitations on the ability of the City to issue or incur Subordinate Debt so long as the City is not in default under the terms of this Installment Sale Agreement, any agreements relating to then existing Parity Obligations or any agreement relating to then existing Subordinate Debt; provided, that Subordinate Debt shall not be accelerated without the prior written consent of the Municipal Bond Insurer.

(d) *Calculating Debt Service on Variable Rate Debt*. For all purposes of Sections 4.7 and 4.8, variable rate indebtedness shall be assumed to bear interest at the highest of: (i) the actual rate on the date of calculation, or if the indebtedness is not yet outstanding, the initial rate (if established and binding); (ii) if the indebtedness has been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation; or (iii) (A) if interest on the indebtedness is excludable from gross income under the applicable provisions of the Code, the most recently published *Bond Buyer* "Revenue Bond Index" (or comparable index if no longer published), or (B) if interest is not so excludable, the interest rate on direct U.S. Treasury Obligations with comparable maturities plus 50 basis points; *provided, however*, that for purposes of any rate covenant measuring actual debt service coverage during a test period, variable rate indebtedness shall be deemed to bear interest at the actual rate per annum applicable during the test period; provided, further that, so long as any Bonds remain outstanding or any amounts are owed to the Municipal Bond Insurer, the City shall not issue or incur indebtedness payable from or secured in whole or in part by the Net Revenues that (i) bears interest at other than fixed rates or (ii) permits the holder to tender such indebtedness for purchase prior to the stated maturity thereof, in either case without the prior written consent of the Municipal Bond Insurer.

(e) *Calculating Debt Service on Swaps.* If any interest rate swap agreement under which the City is obligated to make payments based on a fixed interest rate is in place with respect to variable rate Parity Obligations, the amount payable by the City with respect to such variable rate Parity Obligations shall be assumed to be the fixed rate payable under such interest rate swap agreement; provided, that, so long as any Bonds insured by the Municipal Bond Insurer remain outstanding or any amounts are owed to the Municipal Bond Insurer, the City shall not enter into any interest rate exchange agreement, cap, collar, floor ceiling or other agreement or instrument involving reciprocal payment obligations between the City and a counterparty based on interest rates applied to a notional amount of principal, without the prior written consent of the Municipal Bond Insurer.

Section 4.9. Additional Payments. In addition to the Installment Payments, the City shall pay when due all costs and expenses incurred by the Authority to comply with the provisions of the Indenture, including without limitation all Costs of Issuance (to the extent not paid from amounts on deposit in the Costs of Issuance Fund or the Project Fund), and shall pay to the Trustee upon request therefor all compensation for fees due to the Trustee and all of its costs and expenses payable as a result of the performance of and compliance with its duties hereunder or under the Indenture or any related documents, together with all amounts required to indemnify the Trustee pursuant to Section 6.3 hereof or Section 8.12 of the Indenture, and all costs and expenses of attorneys, auditors, engineers and accountants. The City shall also pay to the Municipal Bond Insurer as Additional Payments (i) all Reserve Policy Costs not paid as an Installment Payment pursuant to Section 5.06 of the Indenture, all interest on Municipal Bond Insurer Advances pursuant to Section 11.06 of the Indenture and (iii) all amounts required to

indemnify the Municipal Bond Insurer pursuant to Section 11.07 of the Indenture. The rights of the Trustee and the obligations of the City under this Section 4.9 shall survive the termination of this Installment Sale Agreement and any resignation or removal of the Trustee.

Section 4.10. Payments to Reserve Account. In addition to the Installment Payments, the City shall pay to the Trustee, from Net Revenues, such amounts as shall be required to replenish the Reserve Account in the event of a draw therefrom or a valuation determines that a deficiency exists therein, all in accordance with the Indenture.

Section 4.11. Payment of Rebatable Amounts. The City agrees to furnish all information to, and cooperate fully with, the Authority and its officers, employees, agents and attorneys, in order to assure compliance with the provisions of Section 6.07(b) of the Indenture. In the event that the Authority shall determine, pursuant to Section 6.07(b) of the Indenture, that any amounts are due and payable to the United States of America thereunder and that neither the Authority nor the Trustee has on deposit an amount of available moneys (excluding moneys on deposit in the funds and accounts established for the payment of the principal of or interest or redemption premium, if any, on the Bonds) to make such payment, the Authority shall promptly notify the City of such fact. Upon receipt of any such notice, the City shall promptly pay to the Trustee from any source of legally available funds, the amounts determined by the Authority to be due and payable to the United States of America under such Section 6.07(b).

ARTICLE V

MAINTENANCE, TAXES, INSURANCE AND OTHER MATTERS

Section 5.1. Maintenance, Utilities, Taxes and Assessments. Throughout the Term of this Installment Sale Agreement, all improvement, repair and maintenance of the Water System shall be the responsibility of the City, and the City shall pay for or otherwise arrange for the payment of all utility services supplied to the Water System, which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, water and all other utility services, and shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Water System resulting from ordinary wear and tear.

The City shall also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Authority or the City affecting the Water System or the respective interests or estates therein; *provided, however*, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are required to be paid during the Term of this Installment Sale Agreement as and when the same become due.

The City may, at the City's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Authority shall notify the City that, in its opinion, by nonpayment of any such items, the interest of the Authority hereunder or under the Indenture will be materially adversely affected, in which event the City shall promptly pay such taxes, assessments or charges or provide the Authority with full security against any loss which may result from nonpayment, in form satisfactory to the Authority.

Section 5.2. Operation of Water System. The City covenants and agrees to operate or cause to be operated the Water System in an efficient and economical manner and to operate, maintain and preserve or caused to be operated, maintained and preserved the Water System in good repair and working order. The City covenants that, in order to fully preserve and protect the priority and security of the Bonds, the City shall pay from the Gross Revenues and discharge all lawful claims for labor, materials and supplies furnished for or in connection with the Water System which, if unpaid, may become a lien or charge upon the Gross Revenues or the Net Revenues prior or superior to the lien granted hereunder, or which may otherwise impair the ability of the City to pay the Installment Payments in accordance herewith.

Section 5.3. Insurance. The City shall maintain or cause to be maintained, throughout the Term of this Installment Sale Agreement, but only if and to the extent available at reasonable cost from reputable insurers, liability and casualty insurance in such amounts and against such risks as shall be appropriate for water systems of like size and with similar facilities as the Water System. Such insurance may be maintained as part of or in conjunction with any other insurance carried by the City and may be maintained in whole or in part in the form of self-insurance by the City or in the form of the participation by the City in a joint powers agency or other program providing pooled insurance. All amounts collected from insurance against accident to or destruction of any portion of the Water System shall be used to repair, rebuild or replace such damaged or destroyed portion of the Water System. The proceeds of liability insurance shall be applied toward the extinguishment or satisfaction of the liability with respect to which such proceeds shall have been paid.

Section 5.4. Eminent Domain. Any amounts received as awards as a result of the taking of all or any part of the Water System by the lawful exercise of eminent domain, at the election of the City (evidenced by a Written Certificate of the City filed with the Trustee and the Authority) shall either (a) be used for the acquisition or construction of improvements and extension of the Water System in replacement of the condemned portions thereof, or (b) applied as a credit against the City's obligation to make the Installment Payments and payments with respect to any Parity Obligations in accordance with written instructions of the City filed with the Trustee.

Section 5.5. Records and Accounts. The City shall keep proper books of record and accounts of the Water System, separate from all other records and accounts, in which complete and correct entries shall be made of all transactions relating to the Water System. Said books shall, upon prior request, be subject to the reasonable inspection by the Owners of not less than ten percent (10%) in aggregate principal amount of the Outstanding Bonds, or their representatives authorized in writing. The City shall cause the books and accounts of the Water System to be audited annually by an Independent Accountant, not more than two hundred seventy (270) days after the close of each Fiscal Year, and shall make a copy of such report available for inspection by the Bond Owners at the office of the City and the Municipal Bond Insurer. Simultaneously with the delivery of the audited financial statements, the City shall also provide the Municipal Bond Insurer with (i) a certification of the City stating that it is not aware of any default or Event of Default under this Installment Sale Agreement, and (ii) the Water System's annual budget.

Section 5.6. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Installment Sale Agreement, failure of the City to comply with the Continuing Disclosure Certificate shall not constitute an Event of Default hereunder; *provided, however*, that any Participating Underwriter or any Owner or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance by the City of its obligations under this Section 5.6, including seeking mandate or specific performance by court order.

Section 5.7. Incorporation by Reference. The City hereby covenants and agrees that it shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the Municipal Bond Insurer) of the Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section 5.7 by reference solely for the benefit of the Municipal Bond Insurer as if set forth directly herein.

ARTICLE VI

DISCLAIMER OF WARRANTIES; ACCESS

Section 6.1. Disclaimer of Warranties. The Authority and the Trustee make no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the City of the Water System and the 2024 Water Project, or any other representation or warranty with respect to the 2024 Water Project. In no event shall the Authority or the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising out of this Installment Sale Agreement or the Indenture for the existence, furnishing, functioning or City's use of the Water System and the 2024 Water Project.

Section 6.2. Access to the Water System. The City agrees that the Authority and the Trustee, and any duly authorized representative thereof, shall have the right at all reasonable times to enter upon and to examine and inspect the Water System. The City further agrees that the Authority and the Trustee, and any duly authorized representative thereof, shall have such rights of access to the Water System as may be reasonably necessary to cause the proper maintenance of the Water System in the event of failure by the City to perform its obligations hereunder.

Section 6.3. Release and Indemnification Covenants. The City shall and hereby agrees to indemnify and save the Authority and the Trustee and their respective officers, agents, successors and assigns harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of (a) the use, maintenance, condition or management of, or from any work or thing done on the Water System by the City, (b) any breach or default on the part of the City in the performance of any of its obligations under this Installment Sale Agreement, (c) any negligence or willful misconduct of the City or of any of its agents, contractors, servants, employees or licensees with respect to the Water System, (d) any act or negligence of any sublessee of the City with respect to the Water System, (e) the Acquisition and Construction of the 2024 Water Project or the authorization of payment of the 2024 Water Project Costs, (f) the performance by the Trustee of its duties and obligations hereunder and under the Indenture, including any duties referred to in Section 8.12 of the Indenture, (g) the presence on, under or about, or release from, the Water System of any substance, material or waste which is, or which becomes, regulated or classified as hazardous or toxic under State, federal or local law, or (h) the offer, sale and issuance of the Bonds. No indemnification is made under this Section 6.3 or elsewhere in this Installment Sale Agreement for adjudicated willful misconduct or negligence by the Authority or the Trustee, or their respective officers, employees, successors or assigns. The rights of the Trustee and the obligations of the City under this Section 6.3 shall survive the termination of this Installment Sale Agreement and the resignation or removal of the Trustee.

Section 6.4. Non-Liability of Authority for Water System Obligations. The Authority and its successor and assigns shall have no obligation and shall incur no liabilities or debts whatsoever for the obligations, liabilities and debts of the City incurred in connection with the Water System.

ARTICLE VII

ASSIGNMENT, SALE AND AMENDMENT

Section 7.1. Assignment by the City. The obligations of the City under this Installment Sale Agreement may not be assigned by the City.

Section 7.2. Sale or Other Disposition of Water System. Except as provided herein, the City covenants that the Water System shall not be encumbered, sold, leased, pledged, any charge placed thereon, or otherwise disposed of, as a whole or substantially as a whole; *provided, however*, the City may lease the Water System to a related public entity that (a) assumes all liabilities of the City with respect to the Water System, and (b) covenants to maintain Gross Revenues sufficient to operate and maintain the Water System and duly provide for the punctual payment of all obligations assumed by such related public entity in connection with such lease including, but not limited to, the Installment Payments hereunder. Neither the Net Revenues nor any other funds pledged or otherwise made available to secure payment of the Installment Payments shall be mortgaged, encumbered, sold, leased, pledged, any charge placed thereon, or disposed or used except as authorized by the terms of this Installment Sale Agreement. The City shall not enter into any agreement which impairs the operation of the Water System or any part of it necessary to secure adequate Net Revenues to pay the Installment Payments, or which otherwise would impair the rights of the Bond Owners and the owners of any Parity Obligations with respect to the Net Revenues. If any substantial part of the Water System shall be sold, the payment therefor shall either (a) be used for the acquisition or construction of improvements, extensions or replacements of Water System, or (b) to the extent not so used, be paid to the Trustee to be applied to prepay the Installment Payments or any Parity Obligations, in accordance with written instructions of the City filed with the Trustee.

Section 7.3. Amendment of Installment Sale Agreement. The City and the Authority shall have the right to modify or amend this Installment Sale Agreement, with the prior written consent of the Municipal Bond Insurer, but without the consent of any of the Bond Owners or any of the owners of Parity Obligations, but only if such amendment or modification does not cause interest represented by the Bonds to be includable in gross income for federal income tax purposes in the opinion of Bond Counsel, and only if such amendment or modification does not materially adversely affect the interests of the Owners of the Bonds or the owners of any Parity Obligations in the opinion of Bond Counsel, and only if such amendment or modification is for any one or more of the following purposes:

(a) to provide for the issuance of Parity Obligations pursuant to Section 4.8;

(b) to add to the covenants and agreements of the City contained in this Installment Sale Agreement, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the City;

(c) to cure any ambiguity, or to cure, correct or supplement any defective provision contained herein, or in any other respect whatsoever as the Authority and the City may deem necessary or desirable; or

(d) to amend any provision thereof for the purpose of complying with the applicable requirements of the Tax Code.

ARTICLE VIII

EVENTS OF DEFAULT

Section 8.1. Events of Default Defined. The following events shall be Events of Default hereunder:

(a) Failure by the City to pay any Installment Payment when and as the same become due and payable hereunder.

(b) Failure by the City to pay any Additional Payment when due and payable hereunder, and the continuation of such failure for a period of ten (10) days.

(c) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in the preceding clauses (a) or (b), for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Authority or the Trustee; *provided, however*, that if the City shall notify the Authority and the Trustee that in its reasonable opinion the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure shall not constitute an Event of Default hereunder if the City shall commence to cure such failure within such thirty (30) day period and thereafter diligently and in good faith cure such failure in a reasonable period of time.

(d) The filing by the City of a voluntary petition in bankruptcy, or failure by the City promptly to lift any execution, garnishment or attachment, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

(e) The occurrence and continuation of any payment event of default under and as defined in the instruments authorizing the issuance of any Parity Obligations.

Section 8.2. Remedies on Default. Whenever any Event of Default shall have happened and be continuing, the Trustee as assignee of the Authority shall have the right, at its option and without any further demand or notice, but subject in all respects to the provisions of Article VII of the Indenture, to:

(a) declare all principal components of the unpaid Installment Payments, together with accrued interest thereon at the net effective rate of interest per annum then borne by the Outstanding Bonds from the immediately preceding Interest Payment Date on which payment was made, to be immediately due and payable, whereupon the same shall immediately become due and payable;

(b) take whatever action at law or in equity may appear necessary or desirable to collect the Installment Payments then due or thereafter to become due during the Term of this Installment Sale Agreement, or enforce performance and observance of any obligation, agreement or covenant of the City under this Installment Sale Agreement; and

(c) as a matter of right, in connection with the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and the Bond Owners hereunder, cause

the appointment of a receiver or receivers of the Gross Revenues and other amounts pledged hereunder, with such powers as the court making such appointment shall confer.

The provisions of the preceding clause (a), however, are subject to the condition that if, at any time after the principal components of the unpaid Installment Payments shall have been so declared due and payable pursuant to the preceding clause (a), and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the City shall deposit with the Trustee a sum sufficient to pay all principal components of the Installment Payments coming due prior to such declaration and all matured interest components (if any) of the Installment Payments, with interest on such overdue principal and interest components calculated at the net effective rate of interest per annum then borne by the Outstanding Bonds, and the reasonable expenses of the Trustee (including any fees and expenses of its attorneys), and any and all other defaults known to the Trustee (other than in the payment of the principal and interest components of the Installment Payments due and payable solely by reason of such declaration) shall have been made good, then, and in every such case, the Authority, with the written consent of the Trustee, shall rescind and annul such declaration and its consequences. However, 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. As provided in Section 8.6, the Trustee shall be required to exercise the remedies provided herein in accordance with the Indenture.

Section 8.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Installment Sale Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it in this Article VIII it shall not be necessary to give any notice, other than such notice as may be required in this Article VIII or by law.

Section 8.4. Agreement to Pay Attorneys' Fees and Expenses. In the event either party to this Installment Sale Agreement shall default under any of the provisions hereof and the nondefaulting party, the Trustee or the Owner of any Bonds should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the nondefaulting party, the Trustee or such Owner, as the case may be, the reasonable fees of such attorneys and such other expenses so incurred.

Section 8.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Installment Sale Agreement shall be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 8.6. Trustee and Bond Owners to Exercise Rights. Such rights and remedies as are given to the Authority under this Article VIII have been assigned by the Authority to the Trustee under the Indenture, to which assignment the City hereby consents. Such rights and remedies shall be exercised by the Trustee and the Owners of the Bonds as provided in the Indenture.

Section 8.7. Rights of the Owners of Parity Obligations. Notwithstanding anything in this Article VIII to the contrary, it is hereby acknowledged and agreed that the rights of the

Trustee and the Bond Owners hereunder in and to the Net Revenues and the Water System shall be exercised on a parity and proportionate basis with the rights of the owners of any Parity Obligations and any fiduciary acting for the benefit of such owners. The provisions of this Article VIII, and the provisions of any instruments authorizing the issuance of any Parity Obligations, shall be construed in accordance with the foregoing sentence.

ARTICLE IX

PREPAYMENT OF INSTALLMENT PAYMENTS

Section 9.1. Security Deposit. Notwithstanding any other provision of this Installment Sale Agreement, the City may on any date secure the payment of Installment Payments in whole or in part by irrevocably depositing with the Trustee or any other fiduciary an amount of cash which, together with amounts on deposit in the Bond Fund, the accounts therein and the cash on deposit in the Reserve Account, is either (a) sufficient to pay all such Installment Payments, including the principal and interest components thereof, in accordance with the Installment Payment schedule set forth in Exhibit A, or (b) invested in whole or in part in Federal Securities in such amount as will, in the written opinion of an Independent Accountant, together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay all such Installment Payments when due pursuant to Section 4.4(a) or when due on any optional prepayment date pursuant to Section 9.2, as the City shall instruct at the time of said deposit. In the event of a security deposit pursuant to this Section 9.1 with respect to all of the Installment Payments, all obligations of the City under this Installment Sale Agreement, and all security provided by this Installment Sale Agreement for said obligations, shall cease and terminate, excepting only the obligation of the City to make, or cause to be made, all of such Installment Payments from such security deposit, and the obligation of the City to compensate and indemnify the Trustee pursuant to Sections 4.9 and 6.3. Said security deposit shall be deemed to be and shall constitute a special fund for the payment of Installment Payments in accordance with the provisions of this Installment Sale Agreement.

Section 9.2. Optional Prepayment. The City may exercise its option to prepay the principal components of the Installment Payments in whole, or in part in integral multiples of $5,000, on any date on or after March 15, ____, by paying a prepayment price equal to the aggregate principal components of the Installment Payments to be prepaid, together with the interest component of the Installment Payment required to be paid on or accrued to such date. Such prepayment price shall be deposited by the Trustee in the Redemption Fund or in another trustee-held fund to be applied to the redemption of Bonds pursuant to Section 4.01(b) of the Indenture. The City shall give the Trustee written notice of its intention to exercise its option not less than forty-five (45) days in advance of the date of exercise.

Section 9.3. Credit for Amounts on Deposit. In the event of prepayment of the principal components of the Installment Payments in full under this Article IX, such that the Indenture shall be discharged by its terms as a result of such prepayment, and upon payment in full of all Additional Payments and other amounts then due and payable hereunder, all available amounts then on deposit in the funds and accounts established under the Indenture shall be credited towards the amounts then required to be so prepaid.

ARTICLE X

MISCELLANEOUS

Section 10.1. Further Assurances. The City agrees that it will execute and deliver any and all such further agreements, instruments, financing statements or other assurances as may be reasonably necessary or requested by the Authority or the Trustee to carry out the intention or to facilitate the performance of this Installment Sale Agreement, including, without limitation, to perfect and continue the security interests herein intended to be created.

Section 10.2. Notices. Any notice, request, complaint, demand or other communication under this Installment Sale Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by telecopy, telex or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by telecopy, telex or other form of telecommunication, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt.

If to the Authority:	Coalinga Public Financing Authority c/o City of Coalinga 155 West Durian Coalinga, CA 93210 Attention: Financial Services Director Phone: (559) 935-1533 x129
If to the City:	City of Coalinga 155 West Durian Coalinga, CA 93210 Attention: Financial Services Director Phone: (559) 935-1533 x129
If to the Trustee:	Computershare Trust Company, N.A. CTO Mail Operations 1505 Energy Park Drive St. Paul, MN 55108 Attention: Mataka Mposa Phone: (612) 448-7816
If to the Municipal Bond Insurer:	See Section 11.01 of the Indenture

The Authority, the City or the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

Section 10.3. Third Party Beneficiaries. The Trustee and the Municipal Bond Insurer shall each be and each is hereby made a third party beneficiary hereunder with all rights of a third party beneficiary.

Section 10.4. Governing Law. This Installment Sale Agreement shall be construed in accordance with and governed by the laws of the State.

Section 10.5. Binding Effect. This Installment Sale Agreement shall inure to the benefit of and shall be binding upon the Authority and the City, and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 10.6. Severability of Invalid Provisions. If any one or more of the provisions contained in this Installment Sale Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Installment Sale Agreement and such invalidity, illegality or unenforceability shall not affect any other provision of this Installment Sale Agreement, and this Installment Sale Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority and the City each hereby declares that it would have entered into this Installment Sale Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Installment Sale Agreement may be held illegal, invalid or unenforceable.

Section 10.7. Article and Section Headings and References. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Installment Sale Agreement. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Installment Sale Agreement; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Installment Sale Agreement as a whole and not to any particular Article, Section or subdivision hereof; and words of the masculine gender shall mean and include words of the feminine and neuter genders.

Section 10.8. Execution of Counterparts. This Installment Sale Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument.

Section 10.9. Waiver of Personal Liability. No member of the City Council, officer, agent or employee of the City shall be individually or personally liable for the payment of Installment Payments or Additional Payments or be subject to any personal liability or accountability by reason of this Installment Sale Agreement; but nothing herein contained shall relieve any such member of the City Council, officer, agent or employee from the performance of any official duty provided by law or by this Installment Sale Agreement.

Section 10.10. Limitation of Rights to Parties and Bond Owners. Nothing in this Installment Sale Agreement expressed or implied is intended or shall be construed to give to any person other than the Authority, the Trustee, the City and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Installment Sale Agreement or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Authority, the Trustee, the City and the Owners of the Bonds.

Section 10.11. Captions. The captions or headings in this Installment Sale Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Installment Sale Agreement.

IN WITNESS WHEREOF, the Authority and the City have caused this Installment Sale Agreement to be executed in their respective names by their duly authorized officers, all as of the date first above written.

COALINGA PUBLIC FINANCING AUTHORITY, as Purchaser

By _____
Marissa Trejo,
Executive Director

CITY OF COALINGA, as Seller

By _____
Marissa Trejo,
City Manager

EXHIBIT A

SCHEDULE OF INSTALLMENT PAYMENTS

Installment Payment Date	Principal Component	Interest Component	Total
Total			

EXHIBIT B

DESCRIPTION OF THE 2024 WATER PROJECT

The 2024 Water Project includes, but is not limited to, the installation of a solar photovoltaic (PV) system which will generate electricity through the conversion of solar energy.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 13 2024

NEW ISSUE—FULL BOOK ENTRY

RATINGS:
S&P: "AA" (___-Insured)
Moody's: "___" (Underlying)
See "RATINGS" herein

In the opinion of Stradling Yocca Carlson & Rauth, LLP, Newport Beach, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, it should be noted that with respect to applicable corporations as defined in section 59(k) of the Internal Revenue Code of 1986, as amended, interest (and original issue discount) with respect to the Bonds might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed on such corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. See "TAX MATTERS" herein.

$_____*
COALINGA PUBLIC FINANCING AUTHORITY
(Fresno County, California)
Water Revenue Bonds, Series 2024
(Solar Project)

Dated: Date of Delivery **Due: April 1, as shown on the inside cover**

The $_____* Coalinga Public Financing Authority (Fresno County, California) Water Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"), will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Bonds. Individual purchases of Bonds will be made in book-entry form only, in denominations of $5,000 or any integral multiple thereof. Purchasers of Bonds will not receive certificates representing their interest in the Bonds purchased but will receive a credit balance in the records of DTC. Principal of and interest on the Bonds are payable directly to DTC by Computershare Trust Company, N.A., Los Angeles, California, as trustee (the "Trustee"). Principal is payable on the dates set forth below. Interest is payable semiannually on each April 1 and October 1, commencing April 1, 2025. Upon receipt of payments of principal of, premium, if any, and interest on the Bonds, DTC is obligated in turn to remit such principal, premium, if any, and interest to the DTC Participants (as defined herein) for subsequent disbursement to purchasers of the Bonds, as described herein.

The Bonds are subject to redemption prior to maturity. See "THE BONDS—Redemption" herein.

The Bonds are special obligations of the Coalinga Public Financing Authority (the "Authority") payable from the revenues pledged under the Indenture of Trust, dated as of August 1, 2024, by and between the Authority and the Trustee, consisting primarily of installment payments (the "Installment Payments") to be made by the City of Coalinga (the "City") under an installment sale agreement, dated as of August 1, 2024, by and between the Authority and the City (the "Installment Sale Agreement"). The Installment Payments are secured by a pledge of and lien on the net revenues of the City's municipal water enterprise (the "Water System"). The Bonds are being issued to (a) finance the acquisition and construction of certain improvements and facilities which constitute part of the Water System (see "THE 2024 WATER PROJECT" herein); (b) fund a portion of the interest on the Bonds through April 1, 2026, (c) purchase a reserve fund surety bond in lieu of cash funding a reserve fund for the Bonds, and (d) pay the costs of issuance of the Bonds, including to purchase a municipal bond insurance policy for the Bonds.

The City is legally required under the Installment Sale Agreement to make Installment Payments from a first and prior lien on the Net Revenues of the Water System. "Net Revenues" are the gross revenues of the Water System, less operating and maintenance expenses of the Water System. The City will covenant in the Installment Sale Agreement that it will not issue any obligations senior to the Installment Payments. The Installment Payments are not subject to abatement. Installment Payments are scheduled in an amount sufficient to pay, when due, the principal of and interest on the Bonds. The City has covenanted under the Installment Sale Agreement to prescribe, revise and collect such charges from the services and facilities of the Water System which will produce gross revenues sufficient in each Fiscal Year to provide Net Revenues equal to at least 1.25 times the aggregate of obligations of the City with respect to the Installment Payments and payments with respect to any parity obligations hereafter issued or incurred by the City in such Fiscal Year. The City's obligations under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments under a water installment sale agreement, dated as of March 1, 2021, which provides for the payment of (a) a portion of the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable) and (b) the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021B (Water Project) (Tax-Exempt).

NEITHER THE BONDS NOR THE OBLIGATION OF THE CITY TO MAKE INSTALLMENT PAYMENTS CONSTITUTES AN OBLIGATION OF THE CITY OR THE AUTHORITY FOR WHICH THE CITY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. THE AUTHORITY HAS NO TAXING POWER. NEITHER THE BONDS NOR THE OBLIGATION OF THE CITY TO MAKE INSTALLMENT PAYMENTS UNDER THE INSTALLMENT SALE AGREEMENT CONSTITUTES A DEBT OF THE CITY, THE COUNTY OF FRESNO, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by _____.

[INSURER LOGO]

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND PRICES OR YIELDS

SEE THE INSIDE COVER

The following firm, serving as financial advisor to the Authority and the City, has structured this issue:

Wulff, Hansen & Co.
ESTABLISHED 1931

This cover page contains information for general reference only. It is not a summary of this issue. Potential purchasers of the Bonds are advised to read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bonds will be offered when, as and if issued, and received by the Underwriter, subject to the approval as to their validity by Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the City and the Authority by the City Attorney, by Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Disclosure Counsel, and for the Underwriter by Kutak Rock LLP, Irvine, California, as Underwriter's Counsel. It is anticipated that the Bonds will be available for delivery through the facilities of DTC in New York, New York, on or about August 29, 2024.

OPPENHEIMER

Dated: August ___, 2024

*Preliminary, subject to change.

$_____*

COALINGA PUBLIC FINANCING AUTHORITY

(Fresno County, California)

Water Revenue Bonds, Series 2024

(Solar Project)

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND PRICES OR YIELDS*

$_____ Serial Bonds

CUSIP† Prefix: _____

Maturity April 1	Principal Amount	Interest Rate	Price	Yield	CUSIP† Suffix

$_____ _____% Term Bonds maturing April 1, _____; Price: _____%, to yield _____%; CUSIP† _____

*Preliminary, subject to change.

†Copyright 2024, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Global Services. CUSIP numbers have been assigned by an independent company not affiliated with the Authority or the City and are included solely for the convenience of the registered owners of the Bonds. None of the Authority, the City or the Underwriter is responsible for the selection or uses of these CUSIP numbers and no representation is made as to their correctness on the Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the delivery of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, as amended ("Rule 15c2-12"), this Preliminary Official Statement constitutes an "official statement" of the Authority with respect to the Bonds that has been deemed "final" by the Authority and the City as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

No dealer, broker, salesperson or other person has been authorized by the Authority, the City or the Underwriter to give any information or to make any representations other than as set forth herein and, if given or made, such other information or representation must not be relied upon as having been authorized by the Authority, the City or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement that involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts.

The information set forth in this Official Statement has been obtained from official sources and other sources that are believed to be reliable, but it is not guaranteed as to accuracy or completeness and is not to be construed as a representation of the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Authority or the City since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance is given that actual results will meet the Authority's or the City's forecasts in any way, regardless of the level of optimism communicated in the information. The Authority is not obligated to issue any updates or revisions to the forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur. See "CONTINUING DISCLOSURE" herein.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING TRANSACTIONS, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

The execution, sale and delivery of the Bonds has not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Sections 3(a)(2) and 3(a)(12), respectively, for the issuance and sale of municipal securities.

_____ (the "Municipal Bond Insurer") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, the Municipal Bond Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Municipal Bond Insurer supplied by the Municipal Bond Insurer and presented under the heading "MUNICIPAL BOND INSURANCE" and "APPENDIX H—SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

The City maintains a website, however, the information presented therein is not a part of this Official Statement and should not be relied on in making an investment decision with respect to the Bonds.

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COALINGA PUBLIC FINANCING AUTHORITY

CITY OF COALINGA

155 West Durian
Coalinga, CA 93210
(559) 935-1533
http://www.coalinga.com

AUTHORITY BOARD OF DIRECTORS AND CITY COUNCIL

James Horn, *Chair/Mayor*
Jose Manny Ramirez, *Vice Chair/Mayor Pro Tem*
Lonnie Hedgecock, *Boardmember/Councilmember*
Roger Schindler, *Boardmember/Councilmember*
Nathan Vosburg, *Boardmember/Councilmember*

AUTHORITY/CITY STAFF

Marissa Trejo, *Executive Director/City Manager*
Sean Brewer, *Assistant Executive Director/Assistant City Manager*
Mai Vang, *Financial Services Director*
Dawn Kahikina, *Treasurer*
Shannon Jensen, *Authority Secretary/City Clerk*
Mario Zamora, Esq., *Authority Counsel/City Attorney*

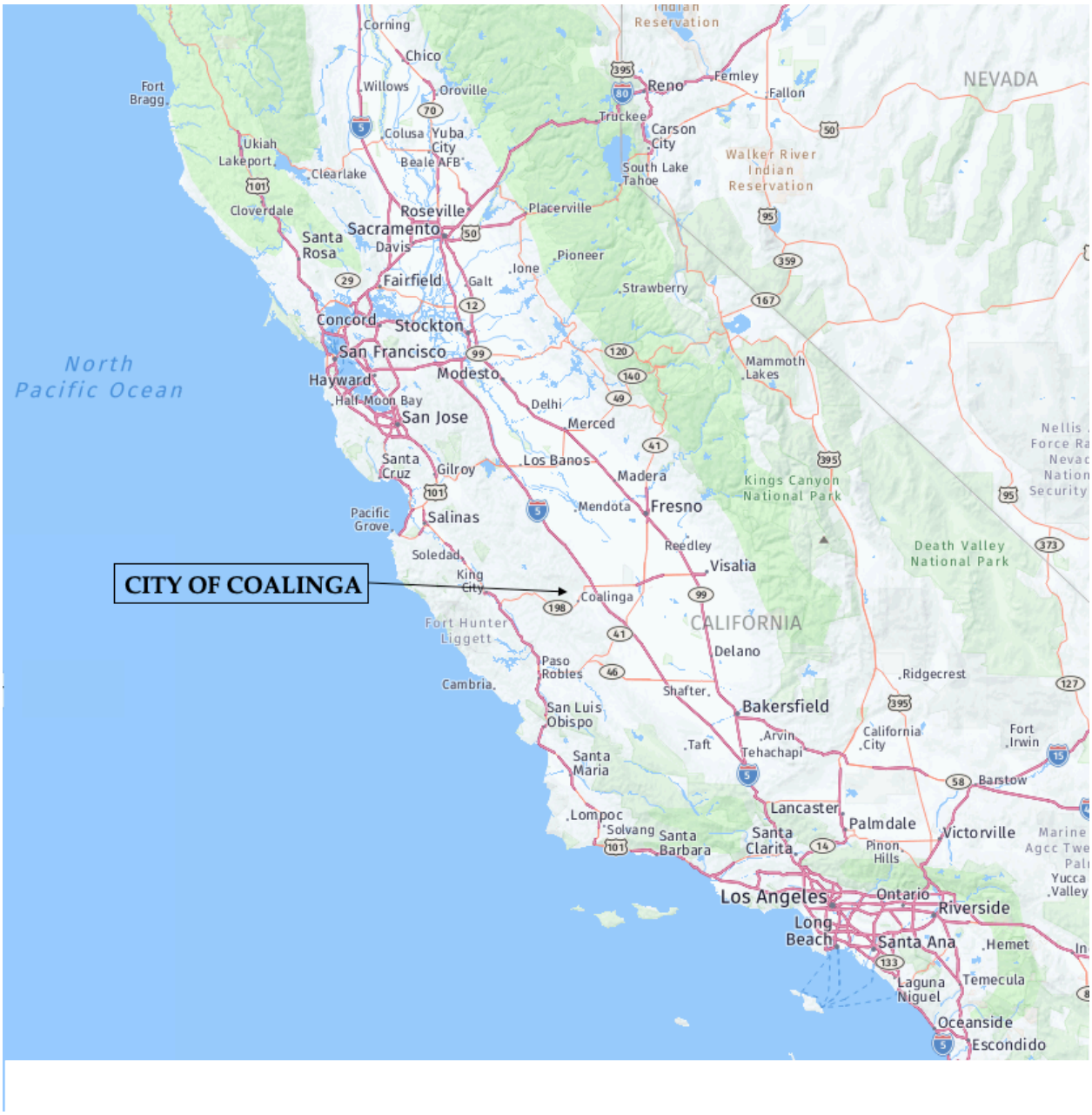
SPECIAL SERVICES

Wulff Hansen & Co.
San Rafael, California
Municipal Advisor

Computershare Trust Company, N.A.
Los Angeles, California
Trustee

Stradling Yocca Carlson & Rauth LLP
Newport Beach, California
Bond Counsel and Disclosure Counsel

LOCATION MAP



$_____
COALINGA PUBLIC FINANCING AUTHORITY
(Fresno County, California)
Water Revenue Bonds, Series 2024
(Solar Project)

INTRODUCTION

The following introduction presents a brief description of certain information in connection with the Bonds (as defined below) and is qualified in its entirety by reference to the entire Official Statement and the documents summarized or described herein. References to, and summaries of, provisions of the Constitution and the laws of the State of California (the "State") and any documents referred to herein do not purport to be complete and such references are qualified in their entirety by reference to the complete provisions thereof. Capitalized terms used in this Official Statement and not defined elsewhere herein have the meanings given such terms in the Indenture. See APPENDIX D—SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS—Definitions.

General

The purpose of this Official Statement is to provide certain information concerning the issuance, sale and delivery by the Coalinga Public Financing Authority, a joint exercise of powers entity organized and existing under the laws of the State (the "Authority"), of its Coalinga Public Financing Authority (Fresno County, California) Water Revenue Bonds, Series 2024 (Solar Project), in the aggregate principal amount of $_____ (the "Bonds").

The Bonds are special obligations of the Authority payable from the revenues pledged under the Indenture of Trust, dated as of August 1, 2024 (the "Indenture"), by and between the Authority and Computershare Trust Company, N.A., Los Angeles, California, as trustee (the "Trustee"), consisting primarily of installment payments (the "Installment Payments") to be made by the City of Coalinga (the "City") under an installment sale agreement, dated as of August 1, 2024, by and between the Authority and the City (the "Installment Sale Agreement"). The Installment Payments are secured by a pledge of and lien on the net revenues (the "Net Revenues") of the City's municipal water enterprise (the "Water System").

The Authority

The Authority is a joint exercise of powers entity, organized pursuant to a Joint Exercise of Powers Agreement, dated February 17, 1991, by and among the City, the Coalinga Redevelopment Agency (the "Agency") and the Coalinga-Huron Unified School District (the "School District") to provide, in part, for the financing of public capital improvements by the City. See "THE AUTHORITY."

The City

The City, a general law city incorporated on April 3, 1906, is located the southwestern tip of Fresno County (the "County") and the western San Joaquin Valley, in central California. The City is located 52 miles (84 km) southwest of Fresno, 10 miles west of I-5 and sits at an elevation of 673 feet (205 m). The City occupies a land area of 6.61 square miles and serves a population of approximately 17,200. The City is

surrounded by hills and ranches. Monterey County lies to the west of the City and Kings County sits to the east.

Members of the City Council of the City (the "City Council") are elected by district from five districts within the City for overlapping four-year terms. The policies of the City Council are carried out by the appointed City Manager. For certain information with respect to the City, see "THE CITY" and APPENDIX A— GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY AND THE COUNTY.

The City owns and operates the Water System which provides potable water service to residents and businesses in the City.

The Water System

The City's Public Works Department operates and maintains the Water System, which consists of filtration, storage, distribution and transmission facilities. The City purchases its raw water supplies from California's Central Valley Project through a contract with the United States Department of Interior's Bureau of Reclamation. For a discussion of the Water System, see "THE WATER SYSTEM" herein.

Authority for Issuance of the Bonds

The Bonds are being issued pursuant to the provisions of Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code, the Indenture and resolutions of the governing body of the Authority and of the City Council of the City adopted on August 1, 2024.

Purpose of the Bonds

The Bonds are being issued to (a) finance the Water Improvement Project (as defined herein), (b) fund a portion of the interest on the Bonds through April 1, 2026, (c) fund the cost of a municipal bond insurance reserve fund policy in lieu of cash funding a reserve fund for the Bonds (the "Reserve Policy"), and (d) pay the costs of issuance of the Bonds, including the premium for a municipal bond insurance policy for the Bonds (the "Municipal Bond Insurance Policy."

See "THE FINANCING PLAN" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

Security and Source of Repayment

In accordance with the Installment Sale Agreement, the City is required to make Installment Payments to the Trustee for the account of the Authority. The Installment Payments are designed to be sufficient, in both time and amount, to pay, when due, the principal of, and interest on, the Bonds. The City is also required to make additional payments in the amount of any taxes, assessments, insurance premiums, expenses of the Authority and the Trustee incidental to the sale and delivery of the Bonds, administrative costs or charges of the Authority in connection with the Water Improvement Project and costs and expenses which the Authority may incur as a consequence of a default by the City. See APPENDIX D—SUMMARY OF PRINCIPAL LEGAL DOCUMENTS—Installment Sale Agreement.

The City's obligations with respect to the Installment Sale Agreement and any additional obligations hereafter issued and incurred on a parity as to payment and security with the Installment

Payments (collectively, the "Parity Obligations") are secured by a first lien on the Net Revenues. The City's obligations under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments under an Installment Sale Agreement, dated as of March 1, 2021, which provides for the payment of (a) a portion of the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable) and (b) the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021B (Water Project) (Tax-Exempt). The City has covenanted in the Installment Sale Agreement that it will not issue any obligations senior to the Installment Payments and Parity Obligations.

THE OBLIGATION OF THE CITY TO MAKE THE INSTALLMENT PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE AUTHORITY, THE CITY, THE COUNTY OR THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE AUTHORITY, THE CITY, THE COUNTY OR THE STATE IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY OR THE STATE HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

"Water System" means all land and facilities used and useful by the City for the production, storage, conveyance, treatment and distribution of water now owned by the City, together with all additions, betterments, extensions or improvements to such facilities or any part thereof hereafter acquired or constructed by the City and other real or personal property useful in connection therewith.

"Gross Revenues" means all user fee charges derived by the City from, the ownership and operation of the Water System, including but not limited to investment earnings thereon.

"Net Revenues" means, for any period, an amount equal to all of the Gross Revenues received during such period minus the amount required to pay all Water System Operation and Maintenance Costs becoming payable during such period.

"Operation and Maintenance Costs" means the reasonable and necessary costs and expenses paid by the City for maintaining and operating the Water System, including but not limited to (a) costs of electricity and other forms of energy supplied to the Water System, (b) the reasonable expenses of management and repair and other costs and expenses necessary to maintain and preserve the Water System in good repair and working order, and (c) the reasonable administrative costs of the City attributable to the operation and maintenance of the Water System; but in all cases excluding (i) debt service payable on obligations incurred by the City with respect to the Water System including but not limited to the Installment Payments and any Parity Obligations, (ii) depreciation, replacement and obsolescence charges or reserves therefor, and (iii) amortization of intangibles or other bookkeeping entries of a similar nature.

See "SECURITY FOR THE BONDS."

Municipal Bond Insurance Policy; Reserve Policy

The scheduled payment of the principal of and interest on the Bonds when due will be guaranteed under the Municipal Bond Insurance Policy to be issued by _____ (the "Municipal Bond Insurer") simultaneously with the issuance of the Bonds. See "MUNICIPAL BOND INSURANCE."

In addition, the Municipal Bond Insurer has made a commitment to issue the Reserve Policy in an amount equal to the Reserve Requirement for the Bonds. See "SOURCES OF PAYMENT FOR THE BONDS—Reserve Account."

Redemption of the Bonds

The Bonds are subject to redemption prior to their stated maturity dates, as provided herein. See "THE BONDS—Terms of Redemption."

Book-Entry Form

The Bonds will be delivered in fully registered form only and, when issued and delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Bonds. Ownership interests in the Bonds may be purchased in denominations of $5,000 or any integral multiple thereof, in book-entry form only. Principal, premium, if any, and interest are payable directly to DTC by the Trustee. Upon receipt of payments of principal of, premium, if any, and interest on the Bonds, DTC is obligated to remit such principal, premium, if any, and interest to the participants in DTC for subsequent disbursement to the beneficial owners of the Bonds. See "THE BONDS—Book-Entry Only System" below and APPENDIX G—BOOK-ENTRY ONLY SYSTEM.

Continuing Disclosure

The City will covenant, pursuant to a continuing disclosure certificate (the "Continuing Disclosure Certificate") to be executed on the date of delivery of the Bonds, for the benefit of owners and beneficial owners of the Bonds, to provide certain financial information and operating data related to the Water System by not later than nine months following the end of the City's Fiscal Year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of enumerated events will be filed by the City with the Municipal Securities Rulemaking Board. The specific nature of the information to be contained in the Annual Report and any notices of enumerated events is summarized below under the caption "CONTINUING DISCLOSURE." The form of the Continuing Disclosure Certificate is set forth in APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE. The covenants of the City in the Continuing Disclosure Certificate have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5), as amended (the "Rule").

Tax Matters

In the opinion of Stradling Yocca Carlson & Rauth, LLP, Newport Beach, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, it should be noted that with respect to applicable corporations as defined in section 59(k) of the Internal Revenue Code of 1986, as amended, interest (and original issue discount) with respect to the Bonds might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed on such corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. See "TAX MATTERS."

Professionals Involved in the Offering

The proceedings of the Authority and the City in connection with the issuance of the Bonds are subject to the approval as to their legality of Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Bond Counsel. Certain legal matters will be passed upon for the Authority and the City by Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, as Disclosure Counsel, and by Griswold, LaSalle, Cobb, Dowd & Gin, LLP, Hanford, California, Authority Counsel and City Attorney. Computershare Trust Company, N.A., Los Angeles, California, will act as the Trustee under the Indenture. Certain legal matters will be passed upon for the Underwriter by Kutak Rock LLP, Irvine, California. The fees of Bond Counsel, Disclosure Counsel, counsel to the Underwriter and the Trustee are contingent upon the sale and delivery of the Bonds.

Forward-Looking Statements

This Official Statement, and particularly the information contained under the headings entitled "THE WATER IMPROVEMENT PROJECT," "THE WATER SYSTEM," "RISK FACTORS RELATING TO THE BONDS" and APPENDIX A—GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY AND THE COUNTY, contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 2000. When used in this Official Statement, the words "estimate," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. The City is not obligated to issue any updates or revisions to the forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur. See "RISK FACTORS RELATING TO THE BONDS" and "TAX MATTERS."

Other Matters

There follows in this Official Statement brief descriptions of the Bonds, the security for the Bonds, the Indenture, the Authority, the City, the Water System, the Water Improvement Project and certain other information relevant to the issuance of the Bonds. The descriptions and summaries of documents herein do not purport to be comprehensive or definitive, and reference is made to each such document for the complete details of all its respective terms and conditions. All statements herein with respect to such documents are qualified in their entirety by reference to each such document for the complete details of all of their respective terms and conditions. All statements herein with respect to certain rights and remedies are qualified by reference to laws and principles of equity relating to or affecting creditors' rights generally. See APPENDIX D—SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS.

The information and expressions of opinion herein speak only as of the date of this Official Statement and are subject to change without notice. Neither delivery of this Official Statement nor any sale made hereunder nor any future use of this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority or the City since the date hereof.

All financial and other information presented in this Official Statement has been provided by the Authority and the City from their records, except for information expressly attributed to other sources. The presentation of information, including the table of receipts from taxes and other revenues, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial or other affairs of the Authority or the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

Other Information

Copies of the documents are on file and, upon request and payment to the City of a charge for copying, mailing and handling, from the Financial Services Director, City of Coalinga, 155 West Durian, Coalinga, CA 93210, Telephone: (559) 935-1533.

The information and expressions of opinion herein speak only as of their date and are subject to change without notice. Neither the delivery of this Official Statement nor any sale made hereunder nor any future use of this Official Statement, under any circumstances, creates any implication that there has been no change in the affairs of the City or the Authority since the date hereof.

The presentation of information, including tables of receipt of revenues, is intended to show recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of the City or the Authority. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

THE WATER IMPROVEMENT PROJECT

The Bonds are being issued to (a) finance the Water Improvement Project, (b) fund a portion of interest on the Bonds through April 1, 2026, (c) fund the cost of the Reserve Policy, and (d) pay a the costs of issuance of the Bonds, including the premium for the Municipal Bond Insurance Policy.

The Water Improvement Project consists of various improvements to the Water System including, but not limited to, the installation of a solar photovoltaic (PV) system which will generate electricity through the conversion of solar energy.

ESTIMATED SOURCES AND USES OF FUNDS

SOURCES	
Par Amount of Bonds	
Plus/Less: Net Original Issue Premium/Discount	
Total Uses	
USES	
Deposit to Project Fund [1]	
Deposit to Interest Account [2]	
Costs of Issuance [3]	
Total Uses	

(1) Represents the amount required to finance the Water Improvement Project.
(2) Represents capitalized interest with respect to a portion of the Bonds through April 1, 2026.
(3) Includes the Underwriter's discount, legal and financing costs, printing costs, fees of the rating agency, initial fees of the Trustee, the premiums for the Municipal Bond Insurance Policy and the Reserve Policy and other costs related to the issuance of the Bonds.

DEBT SERVICE REQUIREMENTS

Annual debt service on the Bonds (assuming no redemptions of the Bonds other than sinking fund redemptions) is presented below.

Year Ending (April 1)	Principal [1]	Interest [2]	Total
Totals			

(1) Includes mandatory sinking fund installments.
(2) Interest on a portion of the Bonds is funded through April 1, 2026.

Payments made by the City under the Installment Sale Agreement are scheduled, in time and amount to pay the debt service on the Bonds.

THE BONDS

General Provisions

The Bonds will be issued in fully registered form without coupons in denominations of $5,000 or any integral multiple thereof. The Bonds will mature on April 1 in each of the years and in the amounts and will bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rates set forth on the inside cover page hereof.

Interest on the Bonds will be payable semiannually on each April 1 and October 1, commencing April 1, 2025 (each, an "Interest Payment Date"), to the person whose name appears on the Registration Books as the Owner thereof as of the 15th calendar day of the month immediately preceding each such Interest Payment Date (each, a "Record Date"), such interest to be paid by check of the Trustee mailed by first-class mail to the Owners at the respective addresses of such Owners as they appear on the Registration Books; provided, however, that payment of interest may be made by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of $1,000,000 or more who furnishes written wire instructions to the Trustee at least five days before the applicable Record Date. Principal of any Bond and any premium upon redemption will be paid by check of the Trustee upon presentation and surrender thereof at the corporate trust office of the Trustee, except as provided in APPENDIX G—BOOK-ENTRY ONLY SYSTEM. Principal of and interest and premium (if any) on the Bonds will be payable in lawful money of the United States of America.

Each Bond will be dated as of its date of delivery and will bear interest from the Interest Payment Date next preceding such date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it will bear interest from such Interest Payment Date, or (b) it is authenticated on or before March 15, 2025, in which event it will bear interest from the Closing Date; provided, however, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Book-Entry Only System

The Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Bonds so purchased. Individual purchases will be made in book-entry-only form. Purchasers will not receive a certificate representing their beneficial ownership interest in the Bonds. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Bondholders, holders or registered owners shall mean Cede & Co. as aforesaid, and shall not mean the "Beneficial Owners" of the Bonds. In this Official Statement, the term "Beneficial Owner" shall mean the person for whom a Participant (as defined herein) acquires an interest in the Bonds. See APPENDIX G—BOOK-ENTRY ONLY SYSTEM.

In the event the use of the book-entry-only system is discontinued, principal of the Bonds will be payable upon surrender thereof at the principal corporate trust office of the Trustee in Los Angeles, California. Interest payable on the Bonds will be paid by check mailed on the Interest Payment Date to the person in whose name each Bond is registered in the registration books maintained by the Trustee as of the applicable Record Date for such Interest Payment Date.

Transfer and Exchange

Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred on the Registration Books by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Trustee. Whenever any Bonds or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and shall deliver a new Bond or Bonds for a like aggregate principal amount and of like maturity. The Trustee may require the Bond Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

Exchange of Bonds. Any Bond may be exchanged at the principal corporate trust office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations and of like maturity. The Trustee shall require the Bond Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange.

Terms of Redemption

Optional Redemption. The Bonds are subject to redemption, at the option of the City, on any date on or after April 1, _____, as a whole or in part, by such maturities as shall be determined by the City, and by lot within a maturity, from prepayments of Installment Payments made at the option of the City pursuant to the Installment Sale Agreement, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption. The Bonds maturing on April 1, _____, are also subject to mandatory redemption from sinking account payments made by the Authority, in part by lot, on April 1, _____, and on each April 1 thereafter to and including April 1, _____, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount

† Maturity.

The Bonds maturing on April 1, _____, are also subject to mandatory redemption from sinking account payments made by the Authority, in part by lot, on April 1, _____, and on each April 1 thereafter to and including April 1, _____, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount

† Maturity.

Purchase of Bonds In Lieu of Optional and Mandatory Sinking Fund Redemption. In lieu of optional and mandatory sinking fund redemption of Bonds as provided above, amounts held by the Trustee for such redemption may also be used on any Interest Payment Date, upon receipt by the Trustee at least ninety (90) days prior to the next scheduled Interest Payment Date of the written request of an Authorized Representative of the City, for the purchase of Bonds at public or private sale as and when and at such prices (including brokerage, accrued interest and other charges) as the City may in its discretion direct, but not to exceed the redemption price which would be payable if such Bonds were redeemed. Such purchases may be affected through the investment department of the Trustee or of an affiliate of the Trustee. The aggregate principal amount of Bonds of the same maturity purchased in lieu of redemption shall not exceed the aggregate principal amount of Bonds of such maturity which would otherwise be subject to such redemption.

Selection of Bonds for Redemption. The Trustee shall select the Bonds to be redeemed from all Bonds or such given portion thereof not previously called for redemption by lot within a maturity. For purposes of such selection, the Trustee shall treat each Bond as consisting of separate $5,000 portions and each such portion shall be subject to redemption as if such portion were a separate Bond. No Bonds selected for redemption may be transferred.

Notice of Redemption. Notice of redemption shall be mailed by first class mail, postage prepaid, not less than thirty (30) nor more than sixty (60) days before any redemption date, to the respective Owners of any Bonds designated for redemption at their addresses appearing on the Registration Books, and to the Securities Depositories and to the Information Services. Each notice of redemption shall state the date of the notice, the redemption date, the place or places of redemption, whether less than all of the Bonds (or all Bonds of a single maturity) are to be redeemed, the CUSIP numbers and Bond numbers of the Bonds to be redeemed, the maturity or maturities of the Bonds to be redeemed and in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the redemption date there will become due and payable on each of said Bonds the redemption price thereof, and that from and after such redemption date interest thereon shall cease to accrue and shall require that such Bonds be then surrendered. Neither the failure to receive any notice nor any defect therein shall affect the proceedings for such redemption or the cessation of accrual of interest from and after the redemption date. Notice of redemption of Bonds shall be given by the Trustee, at the expense of the Authority, for and on behalf of the Authority.

Notice of any optional redemption of Bonds shall either (i) explicitly state that the proposed redemption is conditioned on there being on deposit in the applicable fund or account on the redemption date sufficient money to pay the full redemption price of the Bonds to be redeemed, or (ii) be sent only if sufficient money to pay the full redemption price of the Bonds to be redeemed is on deposit in the applicable fund or account.

Partial Redemption of Bonds. Upon surrender of any Bonds redeemed in part only, the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered.

Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the redemption price of, together with interest accrued to the date fixed for redemption on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

All Bonds redeemed pursuant to the provisions of the Indenture shall be canceled by the Trustee upon surrender thereof and destroyed.

SECURITY FOR THE BONDS

Revenues

The Bonds are special obligations of the Authority payable from and secured by a pledge of the Revenues, consisting primarily of Installment Payments to be made by the City under the Installment Sale Agreement and any other amounts (including proceeds of the sale of the Bonds) held in any fund or account established pursuant to the Indenture.

The Installment Payments payable to the Trustee are calculated to be sufficient to pay, when due, the principal of and interest on the Bonds.

Installment Payments

Obligation to Pay. The City agrees to pay to the Authority, its successors and assigns, but solely from the Net Revenues, as the purchase price of the Water System and the Water Improvement Project, an amount equal to the aggregate principal amount of the Bonds, together with interest on the unpaid principal balance, payable in Installment Payments coming due and payable on each Installment Payment Date. The Installment Payments will be paid by the City to the Trustee, as assignee of the Authority pursuant to the Indenture.

The City's obligations under the Installment Sale Agreement are secured by a pledge of and lien on Net Revenues.

Effect of Prepayment. In the event that the City prepays all remaining Installment Payments in full, the City's obligations under the Installment Sale Agreement will thereupon cease and terminate, including but not limited to the City's obligation to pay Installment Payments; *provided, however*, that the City's obligations to compensate and indemnify the Trustee shall survive such prepayment. In the event that the City prepays the Installment Payments in part but not in whole, the principal component of each succeeding Installment Payment will be reduced and the interest component of each remaining Installment Payment

will be reduced by the aggregate corresponding amount of interest which would otherwise be payable on the Bonds thereby redeemed.

Rate on Overdue Payments. In the event the City fails to make any of the payments required in the Installment Sale Agreement, the payment in default will continue as an obligation of the City until the amount in default is fully paid, and the City agrees to pay the same with interest thereon, from the date of default to the date of payment, at the rate of ten percent (10%) per annum.

Assignment. The City agrees that all Installment Payments have been assigned by the Authority to the Trustee in trust, pursuant to the Indenture, for the benefit of the Owners of the Bonds, and the City assents to such assignment.

Special Obligations of the City; Obligations Absolute

Installment Payments. The City's obligation to pay the Installment Payments, the Water System Additional Payments, any other amounts coming due and payable under the Installment Sale Agreement and payments with respect to Parity Obligations is a special obligation of the City limited solely to the Net Revenues. Under no circumstances is the City required to advance moneys derived from any source of income other than Net Revenues and other sources specifically identified in the Installment Sale Agreement for the payment of the Installment Payments, the Water Additional Payments or payments with respect to Parity Obligations, nor will any other funds or property of the City be liable for the payment of the Installment Payments, the Water Additional Payments or payments with respect to Parity Obligations and any other amounts coming due and payable under the Installment Sale Agreement.

The obligations of the City to make the Installment Payments, the Water Additional Payments and payments with respect to Parity Obligations from Net Revenues and to perform and observe the other agreements contained in the Installment Sale Agreement and under agreements with respect to Parity Obligations are absolute and unconditional and are not subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach of the City, the Authority or the Trustee of any obligation to the City or otherwise with respect to the Water System, whether under the Installment Sale Agreement or otherwise, or out of indebtedness or liability at any time owing to the City by the Authority or the Trustee. Until such time as all of the Installment Payments, all of the Water Additional Payments and all other amounts coming due and payable under the Installment Sale Agreement and payments with respect to Parity Obligations shall have been fully paid or prepaid, the City (a) will not suspend or discontinue payment of any Installment Payments, Water Additional Payments, payments with respect to Parity Obligations or such other amounts, (b) will perform and observe all other agreements contained in the Installment Sale Agreement and under any agreements with respect to Parity Obligations, and (c) will not terminate the Installment Sale Agreement or agreements with respect to Parity Obligations for any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Water System, failure to complete the Water Improvement Project by the estimated Completion Dates thereof, sale of the Water System, the taking by eminent domain of title to or temporary use of any component of the Water System, commercial frustration of purpose, any change in the tax law or other laws of the United States of America or the State or any political subdivision of either thereof or any failure of the Authority or the Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Indenture, the Installment Sale Agreement or agreements with respect to Parity Obligations.

Nothing contained in the Installment Sale Agreement shall be construed to release the Authority or the Trustee from the performance of any of the agreements on its part contained in the Installment Sale Agreement or in the Indenture, and in the event the Authority or the Trustee shall fail to perform any such agreements, the City may institute such action against the Authority or the Trustee as the City may deem necessary to compel performance so long as such action does not abrogate the obligations of the City contained in the preceding paragraph. The City may, however, at the City's own cost and expense and in the City's own name or in the name of the Authority prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to secure or protect the City's rights under, the Installment Sale Agreement and in such event the Authority hereby agrees to cooperate fully with the City and to take such action necessary to effect the substitution of the City for the Authority in such action or proceeding if the City shall so request.

Pledge and Application of Net Revenues

Pledge of Net Revenues. The City agrees that the payment of the Installment Payments will be secured by a pledge, charge and first and prior lien upon Net Revenues, and Net Revenues sufficient to pay the Installment Payments as they become due and payable are charged, assigned, transferred and set over by the City to the Authority and its assigns for the purpose of securing payment of the Installment Payments. The Net Revenues shall constitute a trust fund for the security and payment of the Installment Payments.

Deposit to and Transfer from Water Fund. All of the Gross Revenues shall be deposited by the City immediately upon receipt in the Water Fund.

The City shall withdraw from the Water Fund such amounts at such times as shall be required to pay all Maintenance and Operation Costs as they come due and payable.

The City covenants and agrees that all Gross Revenues will be held by the City in the Water Fund in trust for the benefit of the Trustee (as assignee of the rights of the Authority hereunder), the Owners, the owners of any Parity Obligations and the owners of any Subordinate Obligations.

On or before each Installment Payment Date, the City shall withdraw from the Water Fund and transfer to the Trustee, for deposit into the Bond Fund, amounts which, together with the balance then on deposit in the Bond Fund (other than amounts resulting from the prepayment of the Installment Payments and other than amounts required for payment of the principal or interest with respect to any Bonds which have matured or been called for redemption but which have not been presented for payment), is equal to the aggregate amount of the Installment Payment coming due and payable on the next succeeding Interest Payment Date.

In addition, the City shall withdraw from the Water Fund such amounts at such times as shall be required to pay (i) the principal of and interest on any Parity Obligations and otherwise comply with the provisions of the instruments authorizing the issuance of any Parity Obligations; and (ii) pay all other amounts when and as due and payable hereunder.

Release from Lien. Following the transfers with respect to the April 1 Interest Payment Date, Net Revenues in excess of amounts required for the payment of Installment Payments and any Parity Obligations in that Fiscal Year shall be released from the lien of the Installment Sale Agreement and shall be available for any lawful purpose of the City.

Rates, Fees and Charges

The City will, at all times while any of the Installment Payments, any Parity Obligations and any Obligations remain outstanding, fix, prescribe and collect rates, fees and charges for the Water Service for each Fiscal Year so as to yield Gross Revenues at least sufficient, after making reasonable allowances for contingencies and errors in the estimates, to pay the following amounts during such Fiscal Year in the order below set forth:

(i) All current Maintenance and Operation Costs.

(ii) The Installment Payments and all payments required with respect to the any Parity Obligations.

(iii) Payments required with respect to the any Subordinate Obligations.

(iv) All payments to meet any other obligations of the City which are charges, liens or encumbrances upon, or payable from, the Net Revenues.

(v) Any other lawful purposes of the City, including, but not limited to, deposits to the Rate Stabilization Fund.

In addition, the City shall fix, prescribe and collect rates, fees and charges for the water service during each Fiscal Year which are sufficient to yield Net Revenues at least equal to one hundred twenty-five percent (125%) of the amounts payable under the preceding paragraphs (ii) and (iii) above in such Fiscal Year.

Limitations on Future Obligations Secured by Net Revenues

No Obligations Superior to Installment Payments. In order to protect further the availability of the Net Revenues and the security for the Installment Payments and any Parity Obligations, the City hereby agrees that the City shall not, so long as any Installment Payments or any Parity Obligations are outstanding, issue or incur any obligations payable from Gross Revenues or Net Revenues superior to the Installment Payments or any Parity Obligations.

Parity Obligations. The City further covenants that it will not issue or incur any Parity Obligations unless:

(i) The City is not in default under the terms of this Installment Sale Agreement or any agreements relating to then existing Parity Obligations;

(ii) (A) Net Revenues, calculated on sound accounting principles, as shown by the books of the City for the latest Fiscal Year or any twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, as shown by the books of the City, shall have amounted to at least 1.25 times the maximum amount of Installment Payments and debt service on all Parity Obligations outstanding immediately subsequent to the incurring of such additional obligations coming due and payable in any future Fiscal Year.

Either or both of the following items may be added to such Net Revenues for the purpose of applying the restriction contained in this subsection (b)(ii)(A):

(1) An allowance for revenues to be derived from any additions to or improvements or extensions of the Water System which, during all or any part of such Fiscal Year or the twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, were not in service, in an amount equal to 100% of the estimated additional average annual Net Revenues to be derived from such additions, improvements and extensions, all as shown by the certificate or opinion of a qualified independent consultant employed by the City.

(2) An allowance for any increase in the charges made for service from the Water System which has become effective prior to the incurring of such Parity Obligations but which, during all or any part of such Fiscal Year or the twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, was not in effect, in an amount equal to 100% of the amount by which the Net Revenues would have been increased if such increase in charges had been in effect during the whole of such Fiscal Year or the twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, as shown by the certificate or opinion of a qualified independent consultant employed by the City;

or

(B) Estimated Net Revenues, based on a report of a qualified independent engineer employed by the City or a report of a qualified independent consultant employed by the City, for each of the five (5) Fiscal Years next following the earlier of (i) the end of the period during which interest on the Parity Obligations proposed to be executed is to be capitalized or, if no interest is capitalized the Fiscal Year in which the proposed Parity Obligations are to be issued, or (ii) the date on which substantially all projects financed with the proposed Parity Obligations are expected to commence operations, shall have amounted to at least 1.25 times the maximum amount of Installment Payments and debt service on all Parity Obligations outstanding immediately subsequent to the incurring of such additional obligations coming due and payable in any future Fiscal Year.

Any or all of the following items may be added to such Net Revenues for the purpose of applying the restriction contained in this subsection (b)(ii)(B):

(1) An allowance for revenues that are estimated to be derived from any increase in the rates, fees and charges in effect and being charged or from any increase in the rates, fees and charges that have been approved but are not yet in place; and

(2) An allowance for revenues that are estimated to be derived from customers of the Water System anticipated to be served by the additions, betterments or improvements to the Water System to be financed by the proposed Parity Obligation during such five year period; and

(3) An allowance for a reduction in expenses that are estimated to be realized by the City pursuant to a contractual guarantee from the provider of energy efficiency improvements during such five year period.

(iii) A reserve fund may, but shall not be required to be, funded for such Parity Obligations.

(iv) Interest with respect to such Parity Obligations shall be paid on the Installment Payment Dates.

(v) Principal with respect to such Parity Obligations shall be paid on March 15.

Notwithstanding the foregoing provisions, there shall be no limitations on the ability of the City to issue or incur Parity Obligations at any time to refund the Installment Payments or Parity Obligations for debt service savings.

Subordinate Obligations. There shall be no limitations on the ability of the City to issue or incur Subordinate Obligations so long as the City is not in default under the terms of this Installment Sale Agreement, any agreements relating to then existing Parity Obligations or any agreement relating to then existing Subordinate Obligations.

Calculating Debt Service on Variable Rate Debt. For all purposes, variable rate indebtedness shall be assumed to bear interest at the highest of: (i) the actual rate on the date of calculation, or if the indebtedness is not yet outstanding, the initial rate (if established and binding); (ii) if the indebtedness has been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation; or (iii) (A) if interest on the indebtedness is excludable from gross income under the applicable provisions of the Code, the most recently published *Bond Buyer* "Revenue Bond Index" (or comparable index if no longer published), or (B) if interest is not so excludable, the interest rate on direct U.S. Treasury Obligations with comparable maturities plus 50 basis points; *provided, however*, that for purposes of any rate covenant measuring actual debt service coverage during a test period, variable rate indebtedness shall be deemed to bear interest at the actual rate per annum applicable during the test period.

Calculating Debt Service on Swaps. If any interest rate swap agreement under which the City is obligated to make payments based on a fixed interest rate is in place with respect to variable rate Parity Obligations, the amount payable by the City with respect to such variable rate Parity Obligations shall be assumed to be the fixed rate payable under such interest rate swap agreement.

Additional Payments

In addition to the Installment Payments, the City shall pay, from Net Revenues, when due all costs and expenses incurred by the Authority to comply with the provisions of the Indenture and the Installment Sale Agreement, including, without limitation all Costs of Issuance (to the extent not paid from amounts on deposit in the Costs of Issuance Fund), compensation due to the Trustee for its fees, costs and expenses

incurred under the Indenture, compensation due to the Authority for its fees, costs and expenses incurred under the Indenture and all costs and expenses of attorneys, auditors, engineers and accountants.

Rate Stabilization Fund

From time to time, the City may deposit in the Water Rate Stabilization Fund from Gross Revenues such amounts as the City may determine, provided that deposits for each Fiscal Year may be made until (but not after) one hundred eighty (180) days following the end of such Fiscal Year. There are no current moneys in the Water Rate Stabilization Fund.

The City may withdraw amounts from the Water Rate Stabilization Fund (i) for transfer to the Water Fund for inclusion in Gross Revenues for any Fiscal Year, such withdrawals to be made until (but not after) one hundred eighty (180) days after the end of such Fiscal Year, or (ii) for any other lawful purpose of the City.

All interest or other earnings on deposits in the Water Rate Stabilization Fund shall be withdrawn therefrom and accounted for as Gross Revenues.

Notwithstanding the foregoing, (i) no deposit of Gross Revenues to the Water Rate Stabilization Fund may be made to the extent that such Gross Revenues were included in the calculations of parity test and withdrawal of the Gross Revenues to be deposited in the Water Rate Stabilization Fund from Gross Revenues that would cause noncompliance with the rate covenant and (ii) no deposit of Net Revenues shall be made in the Water Rate Stabilization Fund to the extent that such deposit would cause noncompliance with the rate covenant in any Fiscal Year.

The Water Rate Stabilization Fund is not pledged to secure the payments with respect to the Installment Payments, the payments with respect to any Parity Obligations or the payments with respect to any Water Subordinate Obligations.

Reserve Account

The Reserve Account is established by the Indenture. The Reserve Account is required to be funded in an amount equal to the least of (a) Maximum Annual Debt Service on all the Bonds, (b) 125% of average annual debt service on the Bonds, and (c) 10% of the principal amount of the Bonds (the "Reserve Requirement"). The Reserve Requirement as of the date is delivery of the Bonds is $_____. Amounts in the Reserve Account are to be used only for the payment of the principal of and interest on Bonds to the extent amounts in the Principal Account and/or the Interest Account are insufficient therefor.

On the date of delivery of the Bonds, in lieu of a cash deposit to the Reserve Account, the Municipal Bond Insurer will issue the Reserve Policy, in an amount equal to the initial Reserve Requirement.

There is no obligation for the Authority to replace the Reserve Policy or to cash fund the Reserve Account if the rating of the Municipal Bond Insurer is downgraded or withdrawn.

If the City is required to replenish cash in the Reserve Account, it shall be paid by the City from Net Revenues.

Flow of Funds

No later than the first Business Day preceding each date on which principal of or interest on the Bonds becomes due and payable, the Trustee shall transfer from the Bond Fund and deposit into the following respective accounts, the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) The Trustee will deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to be at least equal to the amount of interest becoming due and payable on such date on all Bonds then Outstanding.

(b) The Trustee will deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of the Bonds coming due and payable on such date.

(c) The Trustee will deposit in the Sinking Account an amount equal to the aggregate principal amount of the Term Bonds required to be redeemed on such date, if any.

(d) The Trustee will deposit in the Reserve Account an amount, if any, required to cause the amount on deposit in the Reserve Account to be equal to the Reserve Requirement.

MUNICIPAL BOND INSURANCE

[TO COME]

THE AUTHORITY

The Authority is a joint exercise of powers entity duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated February 17, 1991, by and among the City, the Agency, and the School District. The Authority is authorized pursuant to Article 4 (commencing with section 6584) of the California Government Code to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, public entities, including the City, the Agency, and the School District, and to provide financing for public capital improvements for lease to public entities, including the City, the Agency, and the School District. The members of the City Council of the City also sit as the Board of Directors of the Authority. The Authority is administered by the City staff.

THE CITY

The City, a general law city incorporated on April 3, 1906, is located the southwestern tip of the County in the western San Joaquin Valley in central California. The City is located 52 miles (84 km) southwest of Fresno, 10 miles west of I-5 and sits at an elevation of 673 feet (205 m). The City occupies a land area of 6.61 square miles and serves a population of approximately 17,200. The City is surrounded by hills and ranches. Monterey County lies to the west of the City and Kings County sits to the east.

The City Council members are elected for overlapping four-year terms. Members of the City Council are elected by district instead of from the City at large. One council member represents each of the five districts within the City. The policies of the City Council are carried out by the appointed City Manager. The City Council also directly hires the City Attorney who serves as the City's primary legal advisor. Key administrative personnel of the City are listed at the front of this Official Statement. The current members of the City Council are as follows:

COALINGA CITY COUNCIL MEMBERS

Name and Office	District	Current Term Expires
James Horn, *Mayor*	2	December 2024
Jose Manny Ramirez, *Mayor Pro Tem*	4	December 2024
Lonnie Hedgecock *Councilmember*	5	December 2026
Roger Schindler *Councilmember*	1	December 2024
Nathan Vosburg *Councilmember*	3	December 2026

See APPENDIX A— GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY AND THE COUNTY for additional description of the City as well as certain economic and demographic information relating to the surrounding area.

THE WATER SYSTEM

General

The City owns the Water System, the sole purveyor of potable water within City limits. The City has operated the existing Water System since it was completed in 1972 when the City's water supply became surface water from the Central Valley Project. The City's Public Works Department operates and maintains the Water System, which consists of treatment, storage, and distribution and transmission facilities.

The City purchases all of its raw water supplies from California's Central Valley Project through a contract with the United States Department of Interior's Bureau of Reclamation (the "USBR"). Raw water from the Central Valley Project is sent to the Water System's treatment plant which has a nominal capacity of 12 million gallons per day ("MGD") average flow and hydraulic (maximum flow) capacity of 16 MGD. The Water System's distribution system distributes potable water from the treatment plant to a network of water mains ranging in size from 4 inches to 16 inches. For additional information about the City's water supply, see "Water Supply." For additional information about the Water System's facilities, see "Water System Facilities."

All Water System customer accounts are metered. The Water System currently has approximately 3,900 metered connections, of which approximately 3,400 are residential meters and 500 are non-residential connections. For additional information about the Water System's users, see "Water Use."

Water System Management

The Water System is operated by the City's Utilities Department and is managed by the Utilities Supervisor. The Utilities Supervisor supervises seven staff members. Generally, staff members perform administrative, engineering, construction and maintenance, water treatment, water quality, preventive maintenance, and customer service activities.

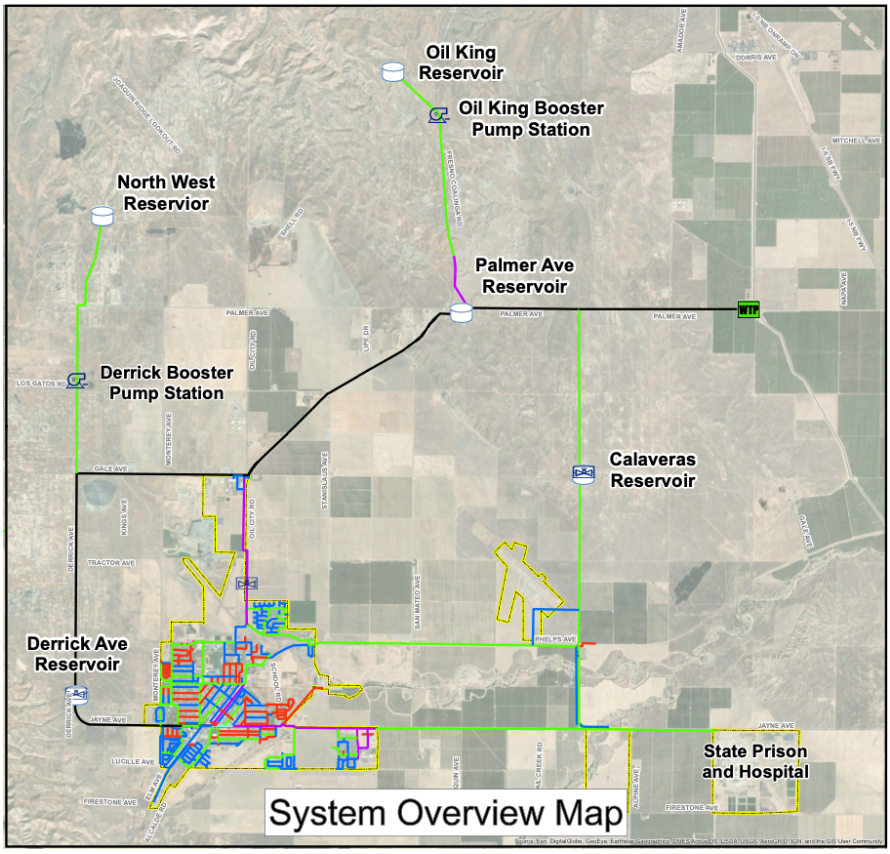
Jared Salona, the Chief Plant Operator, manages the operation of the Water Treatment Plant. Mr. Salona has been with the City for over nine years. Mr. Salona holds Water Treatment T-4 and Water Distribution D-2 certificates.

Water System Employee Relations

Service Employees International Union Local 521 represents the Water System's non-management as a collective bargaining unit. The current contract expires on June 30, 23025. The Water System has not experienced a labor stoppage or an interruption in service since its inception.

Water System Facilities

MAP OF WATER SYSTEM FACILITIES



Water Treatment Plant. The City's water treatment plant originally came online in April 1972 with an average daily flow capacity of 8 MGD and maximum daily flow capacity of 12 MGD. The water treatment plant provides surface water treatment for the City's raw water purchases from the Central Valley Project with processes that include chemical pretreatment (oxidation), flocculation, sedimentation, filtration, disinfection, and corrosion control. As a secondary disinfection, chloramination is used to maintain chlorine residual in the distribution system while reducing further production of disinfection byproducts. In 1996, in anticipation of the increased demands resulting from the construction of the Pleasant Valley State Prison, the capacity of the water treatment plant was increased to receive an average daily flow of 12 MGD and a maximum daily flow of 16 MGD.

Treated water is pumped from the treatment plant by a filtered-water pump station (as described below) into a 27-inch diameter pipeline in Palmer Avenue.

Pump Stations. The filtered water pump station includes two 450 horsepower ("HP"), 2,300 gallons per minute ("gpm") and 2,400 gpm and three 700 HP, 3,600 gpm vertical turbine pumps. When in optimal condition, the pump station has the operational ability to pump the treatment plant capacity of 16.4 MGD (11,400 gpm) with one of the 450 HP pumps out of service. A booster pump station lifts treated water in a series of 24, 27 and 30-inch transmission mains leading to City. Treated water is pumped from the

treatment plant and filtered water pump station into five storage reservoirs with an estimated combined storage capacity of 16 million gallons ("MG").

The City's water system also includes two booster pumping stations. The booster pumping stations do not function as a part of the Water System's main service area but instead serve the oil company customers exclusively. The Oil King booster pumping station consists of two 200-HP, 1,440 gpm booster pumps that elevate Palmer Avenue Reservoir water to the Oil King Reservoir. The Derrick Avenue booster station consists of two 75-HP, 556 gpm booster pumps to elevate water to the Northwest Reservoir.

Storage Reservoirs. The City's existing storage reservoirs all consist of steel tanks resting on reinforced concrete ring wall foundations. The City's five reservoirs have an estimated combined storage of 16 MG and supply the City, many of the surrounding commercial facilities, Oil fields, Pleasant Valley State Prison and the Coalinga State Hospital. The following is a description of each of the City's treated water storage reservoirs:

New Palmer Avenue Reservoir (2014) – This reservoir is located on the south side of Palmer Avenue and has a capacity of 2.8 MG. This reservoir receives pumped treated water from the water treatment plant and filtered water pump station. The New Palmer Reservoir was completed in 2014, constructed directly south of the old Palmer Reservoir. The old reservoir is not presently in use.

Calaveras Avenue Reservoir – This reservoir is located on the east side of Calaveras Avenue and has a capacity of 5.0 MG. Water flows from the water treatment plant to the Calaveras Reservoir and then to the Pleasant Valley State Prison.

Derrick Avenue Reservoir – This reservoir is located west of the City, on the east side of Derrick Avenue. This reservoir has a capacity of 7.6 MG. Water from the Palmer Reservoir flows to the Derrick Reservoir and then into the City.

Oil King Reservoir – This reservoir is located west of Highway 33/198, approximately three miles north of Palmer Avenue. The reservoir has a capacity of 0.5 MG and exclusively serves the City's oil company customers.

Northwest Reservoir – This reservoir is located east of Derrick Avenue, approximately three miles north of Gale Avenue. This reservoir has a capacity of 0.2 MG. Like the Oil King Reservoir, this reservoir is also used exclusively for the City's oil company customers.

Since the Oil King and Northwest reservoirs' sole function is to provide water to oil companies, they are excluded from the evaluation of the City's available storage. The existing combined storage capacity of the Palmer, Derrick and Calaveras reservoirs is 15.4 MG.

Distribution System. Potable water from the City's water treatment plant is pumped by a filtered-water pump station into a 27-inch diameter pipeline on Palmer Avenue. Approximately two miles west of the water treatment plant, the flow tees at Calaveras Avenue. Water flowing west continues for another mile and a half to the Palmer Avenue Reservoir. Water going to the Pleasant Valley State Prison travels south in the 12-inch Calaveras Avenue pipeline to the Calaveras Avenue Reservoir. After flowing through the Calaveras Reservoir, it continues south along Calaveras Avenue another 3.5 miles to Jayne Avenue and then

east to the prison. Water can potentially travel from the Calaveras Reservoir westerly into the City; however, this seldom occurs due to the hydraulic conditions.

Water leaving the Palmer Reservoir flows through approximately eight miles of 24 and 27-inch transmission mains to the Derrick Avenue Reservoir. Water travels primarily from the Derrick Avenue Reservoir through 18, 24, and 30-inch transmission mains into the City's water distribution system. The distribution system consists of a network of water mains ranging in size from 4 to 14 inches in diameter. The system can supply peak hour needs without excessive losses and can deliver fire flows to main lines.

Water System Service Area

The Water System's service area comprises the City boundaries, as well as a portion of the unincorporated area of the County located outside the City's borders but within the City's urban development boundaries. All of the residents and businesses residing within the Water System's service area receive potable water from the Water System.

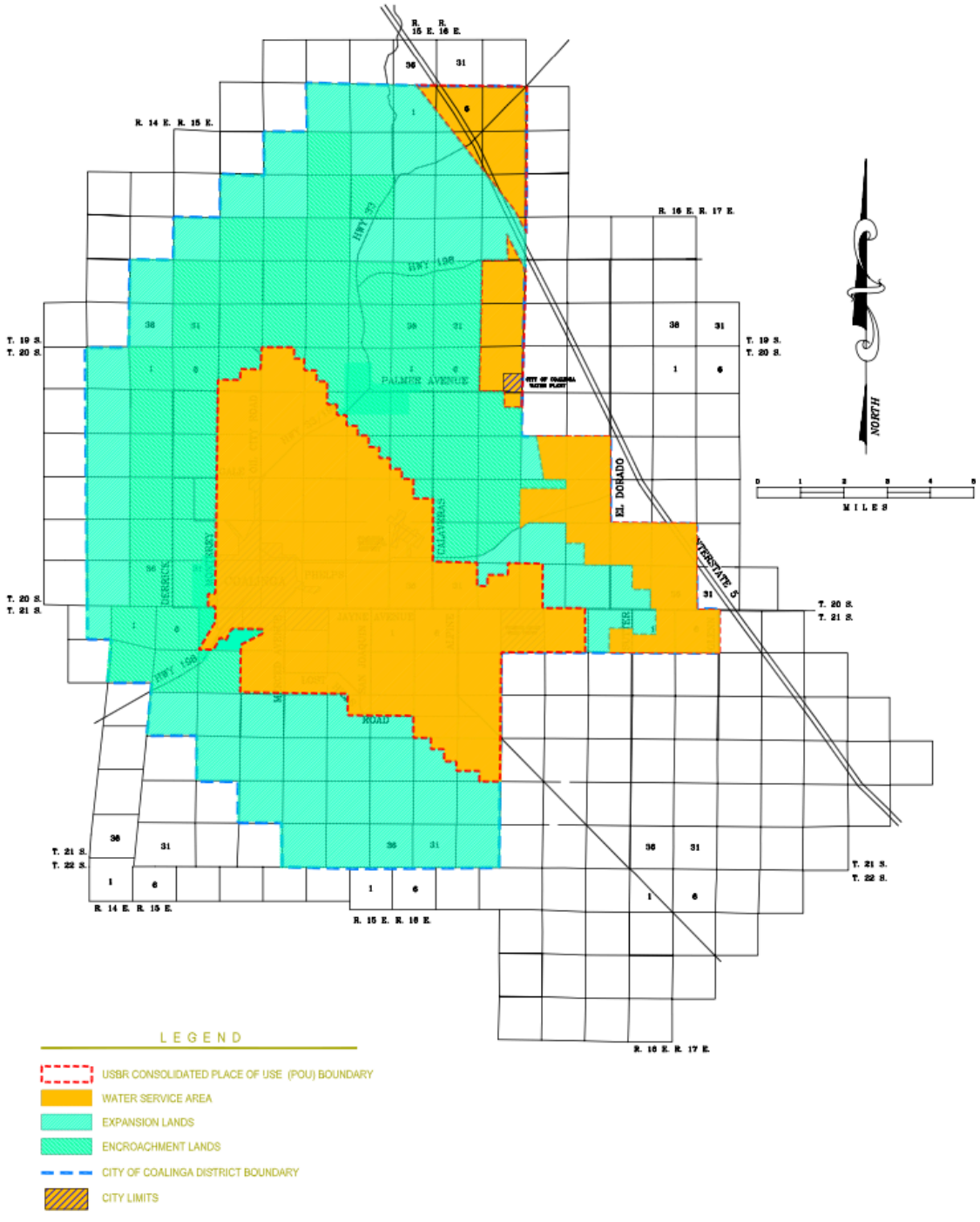
Topography of the Water System's service area consists of flat to gently rolling hills, with perennial streambeds bisecting the area, which originate on the eastern side of the inner Coast Range and drain from west to east. Elevations in the area range from 660 to 680 feet above sea level. The average annual precipitation in the City is approximately 7.61 inches.

Future Growth in the Service Area. The City estimates vey slight future growth within the Water System's service area. The City has experienced some population growth over the last decade. This increase in population is primarily a reflection of the regional growth pressures that are affecting the Central Valley region as people living in more expensive regions look for affordable housing in the Central Valley region.

A future projects and developments planned or currently under construction within the Water System's service is an assisted care facility with approximately 60 beds and 84 individual living units.

Service Area Map. A map of the Water System's water service area and the City's boundaries is provided below.

WATER SYSTEM SERVICE AREA MAP



Water Supply

Overview. The City's water supply is exclusively surface water, supplied from the USBR via the Central Valley Project. Raw water is conveyed from the Central Valley Project's California Aqueduct to the Coalinga Canal and subsequently to the City's water treatment plant.

The City currently does not use recycled water to meet any of their water demands. Currently, the City's wastewater is not treated to tertiary effluent quality and there is no infrastructure in place to deliver recycled water for the irrigation of landscape areas such as school, parks, and along roadways.

Current and Historical Water Purchase Contracts with USBR. On October 28, 1968, the City entered into a 40-year contract with USBR for up to 10,000 acre-feet of Central Valley Project water on an annual basis. This contract expired on December 31, 2008 and has been succeeded by a series of interim renewal contracts pending completion of site-specific environmental analysis for the long-term contract renewal. The most recent was the sixth interim renewal contract (Contract No. 14-06- 200-4173A-IR6) was issued March 1, 2019 and remained in effect until January 31, 2021.

The "Water Infrastructure Improvement for the Nation Act of 2016" ("WIIN Act") directed USBR to convert water service contracts to repayment contracts upon a contractors request. The WIIN Act allowed the City to enter a new agreement with USBR (the "USBR Contract") into "perpetuity," meaning the new agreement has no termination date. On January 7, 2021 the City Council adopted Resolution No. 3999 that authorized the City's Mayor to execute the USBR Contract to secure the City's long-term water supply. The Mayor, on behalf of the City, signed the USBR Contract which became effective as of February 1, 2021.

The USBR Contract stipulates that USBR will furnish the City with up to 10,000 acre-feet of raw water per year. The USBR Contract has no termination. Execution of the USBR Contract did not require environmental approval. Under the USBR Contract the rates for the City's water purchases are determined by the United States Secretary of the Interior's rate-setting policy as consistent with the WIIN Act as such policies are amended, modified, or superseded only through a public notice and comment procedure.

The raw water the Water System purchases from USBR under the USBR Contract flows from the Sacramento-San Joaquin Delta to the south into either the Delta-Mendota Canal or the California Aqueduct, which discharges in the O'Neil Forebay. From the O'Neil Forebay, water continues to flow south into the California Aqueduct to the point of origination of the Coalinga Canal, approximately 15 miles northeast of the City where Highway 145 crosses over the California Aqueduct. After leaving the California Aqueduct, water is carried in the Coalinga Canal approximately 9 miles south to the Water System's intake. A raw water pump station then lifts the water from the Coalinga Canal to the City's water treatment plant.

Central Valley Project. The Central Valley Project is a federal power and water management project in the state of California under the supervision of USBR. The Central Valley Project was devised in 1933 in order to provide irrigation and municipal water to much of California's Central Valley region by regulating and storing water in reservoirs in the northern half of California and transporting it to the water-poor San Joaquin Valley and its surroundings by means of a series of canals, aqueducts and pump plants, some shared with the California State Water Project ("SWP").

In addition to water storage and regulation, the Central Valley Project has a hydroelectric capacity of over 2,000 megawatts, and provides recreation and flood control with its twenty dams and reservoirs.

The Central Valley Project has contributed to the growth of cities to grow along the flood-controlled rivers which previously would flood each spring and has transformed the semi-arid desert environment of the San Joaquin Valley into productive farmland. Freshwater stored in Sacramento River reservoirs and released downriver during dry periods prevents salt water from intruding into the Sacramento-San Joaquin Delta during high tide. A map of major Central Valley Project facilities is included on the following page.

USBR
CENTRAL VALLEY PROJECT



Supply Constraints. The City's water contract with USBR is the City's main source of water. This supply is subject to shortages due to climate and environmental regulations. In normal years, there are no specific rules on how much of the Central Valley Project water must be allocated, but, during dry periods allocations of water supplies are subject to rules in the USBR's Shortage Policy. In a severe water supply shortage (including a "Water Shortage Emergency" declared by the governor of the state of California), the USBR could reduce Central Valley Project water deliveries to the City to a public health and safety water supply level, providing Central Valley Project water is available. During such events, the City implements water conservation measures in order to satisfy human consumption, sanitation, and fire protection requirements.

No Groundwater Use. The City is located in the Pleasant Valley Subbasin in the Tulare Lake hydrologic region of the San Joaquin Groundwater Basin. The Pleasant Valley Subbasin covers approximately 227 square miles, and its perimeter is surrounded by tertiary continental and marine sediments of the Costal Ranges and the west flack of the Kettleman Hills. The Pleasant Valley Subbasin is bordered on the west by the Costal Ranges, on the south by the San Emigdio and Tehachapi Mountains, and on the north by the Sacramento-San Joaquin Delta and Sacramento Valley. The eastern boundary of the Pleasant Valley Subbasin is the alluvium-granite rock of the Sierra Nevada. The eastern boundary also borders the Westside and Tulare Lake Subbasins.

The estimated total dissolved solids ("TDS") of groundwater within the Pleasant Valley Subbasin ranges from 1,000 to 3,000 milligrams per liter ("mg/L"), with an average of 1,500 mg/L. Constituents in the groundwater include calcium, magnesium, sodium, bicarbonates, chlorides, sulfates, and boron. The high TDS concentrations limits the usability of groundwater in the Pleasant Valley Subbasin for most uses.

The City does not currently use groundwater as part of its water supply as groundwater in the area is unsuitable for drinking without treatment or blending. The City's groundwater is of poor quality due to the high concentrations of sodium, sulfates and TDS. This condition occurs at depths between 500 and 1,500 feet; therefore, groundwater has historically not been considered a viable source of potable water for the City. Even for crop irrigation, groundwater in the area is considered only of "marginal acceptability" because the groundwater tends to increase the concentrations of salts in the soil, further decreasing its agricultural suitability.

No Recycled Water. The City does not currently recycle effluent discharged from their wastewater treatment facilities; however, the City will coordinate any future recycled water plans with local water, wastewater, groundwater, and planning agencies within and near the City's service area.

Water Purchases

Historical Water Purchases. As described under "Water Supply," the City purchases water from the USBR's Central Valley Project. Raw water purchased from USBR is then treated in the Water System's treatment plant before being distributed to water system customers. All distributed water meets State and Federal drinking water quality standards.

Historical Water System raw water purchases for Fiscal Years 2014-15 through 2023-24 are described in the table below.

Table 1
WATER SYSTEM
HISTORICAL WATER PURCHASES[1]
(Amounts in Acre-feet)

Fiscal Year Ending June 30,	Water Purchased From USBR *(in AF)*[2]	Million Gallons *(MG)*
2015	4,096	1,335
2016	4,299	1,401
2017	4,207	1,371
2018	7,812	2,546
2019	7,922	2,581
2020	7,929	2,584
2021	5,375	1,751
2022	3,911	1,274
2023	4,710	1,535
2024	9,335	3,042

Source: City of Coalinga as compiled by IGService.
(1) Includes purchases for wholesale customers that were not processed through the City's water treatment plant.
(2) One acre-foot ("AF") equals 325,851 gallons, approximately equal to 436 billing units (hundred cubic feet).

Contingency Supplies Available. The City has utilized dry year water transfers from other agencies locally and statewide. For example, in 2022, the City purchased 600 acre feet of supply from Patterson Irrigation District. The City continues to actively pursue relationships with other potential suppliers of water.

It is also possible that the City could, as an emergency measure, drill sufficient new groundwater wells to provide an estimated additional 2,000 acre-feet of emergency water to meet health and safety needs in critically dry years. However, the groundwater under the City is generally unsuitable for drinking due to its high total dissolved solids concentration but could be suitable if blended with the treated surface water to meet health and safety needs in critically dry years.

Water Use

During fiscal year 2023-24, the Water System served a total population of approximately 17,200 through 3,823 active service connections. The Water System's average daily demand during the 2023-24 fiscal year was approximately 3.45 million gallons. The highest recent daily demand during the 2023-24 fiscal year was 7.35 million gallons, which occurred on _____, 20___.

Water use varies due to changes in weather patterns, temperatures, and rainfall. Water demand increases during summer months and decreases during winter months. In the aftermath of recent drought conditions throughout the state of California, the Water System's customers have become more "water wise" with their selection of gardens and indoor water use units. Water conservation mandates such as the Governor's executive orders in 2014 and 2015 and the City's drought prevention measures have been effective in reducing water usage. Other recent initiatives that have contributed to declining water use have

included new standards for plumbing fixtures, new landscape ordinances, and new green building standards. See "Water Conservation and Supply Shortage Contingency Measures."

Daily, monthly, weekly, and hourly water system demand and peaking factor for the 2023-24 fiscal year are described in the table below.

Table 2
WATER SYSTEM
DEMAND and PEAKING FACTORS
Fiscal Year 2023-24

Demand Description	Demand *(in MG)*	Peaking Factor[5]
Average Day[1]	3.30	n/a
Max Month[2]	142	n/a
Max Day[3]	7.59	2.30
Peak Hour[4]	11.55	3.50

Source: City of Coalinga as compiled by IGService.
Note: Peaking factor measures the ratio of the maximum flow to the average daily flow in the Water System.
(1) Based on 1,203 MG processed through the treatment plant, divided by 365 days.
(2) September 2023
(3) July 31, 2023
(4) Based on average daily demand times 3.5 from 2005 Water Master Plan.

Historical Water Production and Consumption. The table below is a five-year history of the Water System's total treated water supply and billed consumption. Water consumption is not equal to the water production. This is due to water meter inaccuracy, water loss during system maintenance, and leakage throughout the water distribution system. Water meter inaccuracies can be linked to the calibration, maintenance, and age of the device. The on-going operation and maintenance of the infrastructure is also a source of water loss due to water main flushing and fire hydrant testing. Continuous water leakage can also occur at pipe joints and fittings from several factors.

Table 3
WATER SYSTEM
TREATED WATER SUPPLY and CONSUMPTION

Fiscal Year Ending June 30,	Treated Water Supply *(in AF)*	Billed Consumption *(in AF)*	Unaccounted *(in AF)*	% Unaccounted
2020	3,861	3,512	349	9%
2021	4,312	3,766	546	13%
2022	3,911	3,201	710	18%
2023	3,294	2,693	601	18%
2024	3,693	2,902	791	21%

Source: City of Coalinga as compiled by IGService.

The unaccounted water was equal to approximately 21 percent of the total water produced in fiscal year 2023-24. The City is in the process of a system-wide meter replacement project for the purpose of reducing unaccounted water. The project is fully funded by a State grant.

Water System Customers

Water Consumption by Customer Type. The following table shows the sources of water consumed by customers by customer type during the most recent five fiscal years.

Table 4
WATER SYSTEM
CONSUMPTION BY CUSTOMER TYPE
(*Amounts in thousands of gallons unless otherwise specified*)

	Fiscal Year Ending June 30,				
Customer Type	2020	2021	2022	2023	2024
Urban – Single Family Residential	480,721	512,425	386,192	349,343	392,801
Urban – Multi Family Residential	44,034	57,626	82,403	70,835	79,115
Urban - Nonresidential	267,850	*358,484*	*265,000*	169,940	199,781
Rural	113,142	53,016	88,850	66,293	67,019
Pleasant Valley State Prison	172,667	177,423	150,187	143,288	141,490
Coalinga State Hospital	65,862	68,274	70,391	77,818	65,414
Total Water Use (*in TG*)	1,144,276	1,227,248	1,043,023	877,517	945,620
Total Water Use (*in AF*)	3,512	3,766	3,201	2,693	2,693

Source: City of Coalinga as compiled by IGService.

The Water System's urban customers are located in the centrally populated area of Coalinga and constitute approximately 98% of the Water System's customer accounts.

Rural customers consist of oil companies, a feed lot, and several homes outside of the City center. Historically, from a cost-of-service standpoint, rural customers have paid a lower volumetric rate, but a higher fixed monthly rate. Rural customers do not have costs assigned for the local distribution system but are more burdensome because of the additional distances traveled for service calls and meter reading.

The Coalinga State Hospital ("CSH") is a state mental hospital that has a capacity of approximately 1,260 beds. The Pleasant Valley State Prison ("PVSP") is a 640-acre minimum-to-maximum security state prison that houses approximately 3,000 inmates.

Customer Accounts. All City water service is metered. The table below contains a breakdown of the Water System's accounts by customer classes for the past five fiscal years. Over 88% of the Water System's accounts in fiscal year 2023-24 were for residential customers.

Table 5
WATER SYSTEM
METERED ACCOUNTS BY CUSTOMER TYPE

	Fiscal Year Ending June 30,				
Customer Type	2020	2021	2022	2023	2024
Urban – Single Family Residential	3,236	3,269	3,271	3,253	3,253
Urban – Multi Family Residential	141	159	165	164	165
Urban - Nonresidential	365	383	361	374	385
Rural	77	80	80	79	78
Pleasant Valley State Prison	2	2	2	2	2
Coalinga State Hospital	2	2	2	2	2
Total Accounts	3,823	3,895	3,881	3,874	3,885

Source: City of Coalinga as compiled by IGService.

Top 10 Water System Customers. The ten largest water users for the 2023-24 fiscal year, accounted for approximately 388,000 thousand gallons ("TG") or approximately 41% of the Water System's total annual water consumption. The following table shows the top ten water customers by consumption and the associated revenues for the 2023-24 fiscal year.

Table 6
WATER SYSTEM
TEN LARGEST CUSTOMERS
For Fiscal Year 2023-24

	Customer	Customer Type	FY2023-24 Consumption (in *TG*)	% of Total Consumption	FY2019-20 Revenues	% of Total Revenues
1.	Pleasant Valley State Prison	Government	141,490	15%	$634,920	11%
2.	Coalinga State Hospital	Government	65,414	7%	260,544	5%
3.	City of Coalinga	Government	33,376	4%	183,076	3%
4.	Coalinga-Huron Schools	Schools	31,518	3%	403,630	7%
5.	West Hills College	Schools	28,834	3%	162,855	3%
6.	Fairview Amandako	Mobil Home Park	26,566	3%	75,136	1%
7.	Coalinga-Huron Parks	Government	18,255	2%	140,401	2%
8.	Chevron USA, Inc.	Oil Production	17,814	2%	97,963	2%
9.	AERA Energy, LLC	Oil Production	14,353	2%	79,539	1%
10.	Coalinga Station B	Apartments	10,205	1%	43,813	1%
	Total Top 10		387,825	41%	2,081,877	37%
	Total System		945,620		5,683,000	

Source: City of Coalinga as compiled by IGService.

Water System Rates

City staff collects monthly meter readings and bills customers for water monthly in a bill combined with wastewater service, refuse service and other City-provided utilities.

The Water System's rate structure includes two components: 1) a monthly fixed service charge based upon the size of the customer's meter and 2) a volumetric or commodity charge based upon the total volume of water consumed by the customer during the billing period.

Rate Setting Process and Current Water System Rates. A Proposition 218-compliant notice was sent to all Water System customers as a billing insert with bills at the end of August, 2020. The notice explained the need for rate increases and provided the opportunity for customers to protest and attend the rate hearing on October 15, 2020. Resolution No. 3989, raising water and wastewater rates, was adopted by the City Council at the City Council's October 15, 2020 meeting by 5-0 vote and became effective as of November 1, 2020. The current rates for service in the Water System, as well as planned increases, are detailed in the table below together with the prior rates that were effective before the new rate structure went in to effect on November 1, 2020. A new rate study will be conducted during the next few years as needed to recalculate rates for the next five-year period to cover operating expenses.

Table 7
WATER SYSTEM
RATES

Volumetric Charge (*per TG*)

	Prior	Rates Effective November 1,				
Customer Type	*Rate*	2020	2021	2022	2023	2024
Urban – Residential	*$2.02*	$2.28	$2.46	$2.66	$2.74	$2.82
Urban – Commercial	*1.91*	2.28	2.47	2.67	2.75	2.83
Rural	*1.86*	2.23	2.41	2.60	2.68	2.76
CDC – PVSP and CSH	*2.32*	2.69	2.91	3.14	3.23	3.33

Fixed Monthly Charge

Customer Type &	*Prior*	Rates Effective November 1,				
Meter Size	*Rate*	2020	2021	2022	2023	2024
Urban						
Residential & Commercial						
1"	*$ 23.81*	$ 27.62	29.83	$ 32.22	$ 33.19	$ 34.19
1.5"	*95.20*	110.43	119.29	128.80	132.66	136.64
2"	*360.41*	418.08	451.53	487.65	502.28	517.35
3"	*809.27*	938.75	1,013.85	1,094.96	1,127.81	1,161.64
4"	*1,438.98*	1,669.22	1,802.76	1,946.98	2,005.39	2,065.55
6"	*3,239.70*	3,758.05	4,058.69	4,383.39	4,514.89	4,650.34
8"	*5,759.92*	6,681.51	7,216.03	7,793.31	8,027.11	8,267.92
10"	*6,398.89*	7,422.71	8,016.53	8,657.85	8,917.59	9,185.12
Rural						
1"	*32.92*	39.50	42.66	46.07	47.45	48.87
2"	*131.77*	158.12	170.77	184.43	189.96	195.66
1.5"	*592.86*	711.43	768.34	829.81	854.70	880.34
3"	*1,333.57*	1,600.28	1,728.30	1,866.56	1,922.56	1,980.24
4"	*2,370.02*	2,844.02	3,071.54	3,317.26	3,416.78	3,519.28
6"	*5,335.79*	6,402.95	6,915.19	7,468.41	7,692.46	7,923.23

8"	*9,485.85*	11,383.02	12,293.66	13,227.15	13,675.46	14,085.72
10"	*10,539.67*	12,647.60	13,659.41	14,752.16	15,194.72	15,650.56
Department of Corrections						
PVSP	*11,156.00*	12,940.96	13,976.24	15,094.34	15,547.17	16,013.59
CSH	*3,152.78*	3,657.22	3,949.80	4,265.78	4,393.75	4,525.56

Source: City of Coalinga.

Billing Procedures. Payment for water, wastewater and other City provided utilities and services is due and payable on or before the 25th day following each applicable billing month. All bills that remain unpaid at 5:30 p.m. on the 25th of said month are be deemed delinquent. Delinquent accounts are subject to late fees and/or disconnection of services. The City does not discontinue utilities services for non-payment until payment by the customer has been delinquent for at least 30 days, after which period delinquent accounts are turned over to a collection agency. The City makes reasonable, good faith efforts to contact the account holder or other responsible party by USPS mail delivery once per week regarding the outstanding charges. Additionally, the City must provide notice to the customer of delinquency and pending termination at least seven (7) business days prior to the disconnection of services date.

SB 998. The City is in compliance with SB 998, the Water Shutoff Protection Act, regarding policies relating to the discontinuation of water service, which became effective on February 1, 2020. The City does not believe that the restriction imposed on residential water service for delinquent payments under SB 998, and as adopted by the City, will have a material adverse effect on the Water System's ability to make the scheduled Installment Payments.

Water System Financial Statements

The Water System's audited financial statements for the 2022-23 fiscal year are included in the City's Audited Financial Statements, attached hereto as APPENDIX B—AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023.

Water System Net Position. The following table presents the audited Statements of Net Position of the Water System for the four most recent fiscal years and unaudited actuals for fiscal year 2023-24.

Table 8
WATER SYSTEM
STATEMENT OF NET POSITION

	Fiscal Year Ended June 30,				
	2020 Audited	2021 Audited	2022 Audited	2023 Audited	2024 Unaudited
ASSETS					
Current Assets:					
Cash and investments	860,515	562,150	462,320	1,234,499	2,588,911
Cash and investments with fiscal agent	1,402,380	8,417,464	8,428,744	7,528,405	6,073,348
Accounts receivable	425,096	538,035	473,796	819,448	789,407
Interest receivable	1,318	95	516	3,146	—
Prepaids	—	—	—	2,889	18,675
Due from other governments	7,305	—	—	175,803	—
Due from other funds	—	—	—	—	—
Total Current Assets	2,696,614	9,517,744	9,365,376	9,764,190	9,470,341
Non-Current Assets:					
Net pension asset	—	—	96,002	—	
Property, plant and equipment	10,379,610	10,741,748	11,426,674	11,282,355	11,282,355
Total Non-Current Assets	10,379,610	10,741,748	11,522,676	11,282,355	11,282,355
Total Assets	13,676,224	20,259,492	20,888,052	21,046,545	20,752,696
Deferred flows related to pensions	125,664	123,330	214,640	131,530	
LIABILITIES					
Current Liabilities:					
Accounts payable	780,669	464,238	433,238	467,472	16,696
Accrued liabilities	13,989	—	—	—	—
Deposits	38,900	38,900	47,300	60,500	61,850
Due to other funds	—	—	—	—	—
Current long-term debt	—	—	—	—	—
Total Current Liabilities	833,558	503,138	519,343	527,972	78,546
Non-Current Liabilities:					
Advances from other funds	9,260,000	16,475,000	16,475,000	16,235,000	16,235,000
Compensated absences	65,867	82,474	78,766	77,540	77,540
Net pension liabilities	72,047	108,660	—	188,799	188,799
Total Non-Current Liabilities	9,397,914	16,666,134	16,553,766	16,501,339	16,501,339
Total Liabilities	10,231,472	17,169,272	17,073,109	17,029,311	16,579,885
Deferred inflows related to pensions	7,313	8,956	15,612	16,209	16,209
Net Position					
Net investment in capital assets	1,719,610	2,684,212	3,380,418	2,575,760	
Unrestricted/(deficit)	1,843,493	520,382	633,553	1,525,553	
Total Net Position	3,563,103	3,204,594	4,013,971	4,101,313	

Source: City of Coalinga FY2020-23 Audited Financial Statements and City of Coalinga.

Water System Revenues, Expenses, and Changes in Net Position. The following table presents the audited Statement of Revenues, Expenses and Changes in Net Position for the Water System for the three most recent fiscal years, unaudited actuals for fiscal year 2023-24, and budgeted projections for the 2024-25 fiscal year taken from the City's fiscal year 2024-25 budget, adopted _____, 2024. See "Water System Historical and Projected Operating Results" for a five-year historical comparison of revenues and expenses of the Water System and a projection of the revenues and expenses, including projected debt service coverage.

Table 9
WATER SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Fiscal Year Ending June 30,				
	2021 Audited	2022 Audited	2023 Audited	2024 Unaudited	2025 Budgeted
OPERATING REVENUES					
Charges for services	5,559,813	5,452,036	5,695,463	7,672,700	7,767,000
Connection charges	700	49,388	1,400	8,000	1,000
Total Operating Revenue	5,560,513	5,501,424	5,696,863	7,680,700	7,768,000
OPERATING EXPENSES					
Personnel	1,305,684	1,255,173	1,564,620	1,345,000	1,853,607
Contractual services and utilities	1,279,263	1,405,485	1,261,033	1,998,000	2,194,341
Supplies and materials	640,949	716,272	1,060,22	750,000	823,702
Cost of sales	1,709,371	751,811	1,103,412	1,417,000	1,496,000
Bad debt	61,446	56,035	22,083	25,000	20,000
Depreciation[(1)]	513,243	537,109	547,488	547,488	547,488
Total Operating Expense	5,509,956	4,721,885	5,558,658	6,082,488	6,935,138
OPERATING INCOME/(LOSS)	50,557	779,539	138,205	1,598,212	832,862
NONOPERATING REVENUES/(EXPENSE)					
Intergovernmental	—	121,639	—	—	—=
Development impact fees	—	117,488	16,149	162,714	10,000
Interest income	2,096	12,200	297,029	385,000	1,000
Miscellaneous	17,000	17,794	45,021	—	700
Gain (loss) on sale of assets	(730)	7,382	(3,124)	—	—
Interest expense	(227,278)	(246,665)	(509,224)	-507,928	-500,726
Total Nonoperating Revenue	(208,912)	29,838	(154,149)	39,786	-489,026
OPERATING TRANSFERS IN/(OUT)	(200,154)	—	103,286	—	—
CHANGE IN NET POSITION	(358,609)	809,377	87,342	1,637,998	343,836
NET POSITION - Beginning of Year	3,563,103	3,204,594	4,013,971	4,101,313	5,739,311
NET POSITION - End of Year	3,204,594	4,013,971	4,101,313	5,739,311	6,083,147

Source: City of Coalinga FY2021-2023 Audited Financial Statements and City of Coalinga.

(1) Depreciation is preliminary for FY2023-24 and not budgeted for FY2024-25; therefore, for comparison purposes, an estimated value is used based on FY2022-23.

Water System Historical and Planned Capital Improvements

In recent years the City has completed two significant capital improvement projects for the Water System that were financed using the proceeds from the 2012 Bonds. First, the construction of the new Palmer water tank was completed in 2014 at a cost of approximately $2,900,000. Second, the looping of the Jayne Avenue transmission main was completed in 2018 at a cost of approximately $800,000. The remaining balance from the 2012 Bonds, approximately $1,400,000 (which includes interest earned), is presently being used for the upgrade of the Supervisory Control and Data Acquisition ("SCADA") system at the water treatment plant.

The City currently forecasts that $1,500,000 in additional pay-go financing will be required to complete Phase 2 of the upgrade of the SCADA system at the water treatment plant. The City has also forecasted $1,000,000 in expenses related repairs and other capital expenses related to the Oil King and Northwest reservoirs, however these amounts are expected to be separately allocated to the Water System's oil company customers. The City does not currently anticipate any other material capital improvement projects that would be funded using pay-go financing.

For a summary of planned capital improvements to be financed with the proceeds of the Bonds, see "THE FINANCING PLAN—The Water Improvement Project."

Water System Historical and Projected Operating Results and Debt Service Coverage

The following table presents the Historical Summary of Gross Revenues, Maintenance and Operation Costs and debt service coverage for the Water System for the five most recent fiscal years. The data is based on figures from the City's audited financial statements and unaudited actuals for fiscal year 2023-24.

Table 10
WATER SYSTEM
HISTORICAL OPERATING RESULTS AND DEBT SERVICE COVERAGE

	Fiscal Year Ended June 30,				
	Audited 2020	Audited 2021	Audited 2022	Audited 2023	Unaudited 2024
REVENUES					
Rate-Based Revenues	$4,409,679	$5,136,780	$5,319,766	$5,178,007	$5,683,000
Untreated Water Sales	1,124,696	420,479	71,006	307,178	1,769,000
Acct Services & Miscellaneous	85,870	2,554	93,736	236,608	220,000
Impact Fee Revenue	12,883	-	-	-	-
Miscellaneous Revenue	8,413	17,000	121,639	45,021	700
Interest Income	33,150	2,096	12,200	297,029	385,000
Installation Charges	1,575	700	49,388	1,400	8,000
Total Revenues	5,676,266	5,579,609	5,667,735	6,065,243	8,065,700
OPERATION & MAINTENANCE EXPENSES (1)					
Personnel (2)	1,184,393	1,305,684	1,255,173	1,341,899	1,345,000
Contractual Services	798,238	546,155	452,464	596,531	600,000
PG&E Electricity	711,377	733,108	757,272	664,502	958,000
Westlands Canal Fees (3)	185,400	-	195,749	354,455	440,000
Supplies and Material	684,638	640,949	716,272	1,060,022	750,000
Cost of Wholesale Water (4), (5)	1,578,783	1,709,371	751,811	748,957	1,417,000
Bad Debt	38,920	61,446	56,035	22,083	25,000
Total Operating Expenses	5,181,749	4,996,713	4,184,776	4,788,449	5,535,000
NET REVENUES AVAILABLE FOR DEBT SERVICE	$494,517	$582,896	$1,482,959	$1,276,794	$2,530,700
DEBT SERVICE					
2012 Bonds	625,330	227,278	-	-	-
2021 Bonds	-	-	246,665	819,224	877,930
Total Debt Service	625,330	227,278	246,665	819,224	877,930
DEBT SERVICE COVERAGE RATIO (6)	0.79x	2.56x	6.01x	1.56x	2.88x
NET REVENUES AFTER DEBT SERVICE	(130,813)	355,618	1,236,294	457,570	1,652,770

Source: City of Coalinga Audited Financial Statements and City of Coalinga.
(1) Excludes depreciation and amortization
(2) Personnel cost presented based on cash flow to filter out non-cash CalPERS expense.
(3) For fiscal years 2021 and 2023, Wesdtlands Water District did not bill the City for services. For fiscal year 2022, the City paid Westlands an estimated amount.
(4) Wholesale water cost is shifted from fiscal year 2010 to fiscal year 2019 in the amount of $226,969 to. More accurately show the cost of water when it was used.
(5) For fiscal year 2021, wholesale water cost is increased by $619,482 for a one-time cost to enter into a new "WIIN"

(6) The City did not meet its 1.25x debt service coverage requirement in fiscal year 2020 because (a) there was an usually high cost for contractual services required for sludge removal at the Water Treatment Plant and (b) several large motors were rebuilt for continued-long term operation not classified as a capital expense, and other deferred maintenance items. The Cost of Wholesale Water for fiscal year 2020 has been reduced from the amount that will be shown in the 2020 audited financial statements ($1,805,752) which will include amounts that should be allocated to fiscal years 2018 and 2019. To remedy the debt service coverage requirement shortfall, the City raised water rates in October 2020 (effective in November 2020). The rate-based revenues for fiscal year 2020 did not benefit from the rate increases.

The following table presents the Projected Summary of Gross Revenues, Maintenance and Operation Costs and debt service coverage for the next five most recent fiscal years. Projections for fiscal year 2024-25 are based on projected revenues for the Water System from the City's 2024-25 Budget, adopted _____, 2024.

While the City believes that these assumptions are reasonable, the City cannot guarantee that the Water System's actual results will not differ. The projections in the following table do not include any capital projects planned by the Water System.

Table 11
WATER SYSTEM
PROJECTED OPERATING RESULTS AND DEBT SERVICE COVERAGE

	Fiscal Year Ending June 30,				
	2025 Projected	2026 Projected	2027 Projected	2028 Projected	2029 Projected
REVENUES:					
Rate-Based Revenues	5,843,000	5,843,000	5,843,000	5,843,000	5,843,000
Untreated Water Sales	1,466,000	593,000	593,000	593,000	593,000
Acct Services & Miscellaneous	369,000	246,000	246,000	246,000	246,000
Impact Fee Revenue	175,000	175,000	175,000	175,000	175,000
Miscellaneous Revenue	1,500	1,500	1,500	1,500	1,500
Interest Income	250,000	200,000	100,000	100,000	100,000
Installation Charges	1,500	1,500	1,500	1,500	1,500
Total Revenues	8,106,000	7,060,000	6,960,000	6,960,000	6,960,000
OPERATION & MAINTENANCE EXPENSES:					
PG&E Electricity	994,000	1,044,000	1,096,000	1,151,000	1,209,000
Solar Contribution	-	(678,951)	(709,335)	(741,059)	(774,182)
Westlands Canal Fees	225,000	157,000	145,000	145,000	145,000
Contractual Services	618,000	637,000	656,000	676,000	696,000
Personnel	1,492,000	1,537,000	1,583,000	1,630,000	1,679,000
Chemicals	440,000	453,000	467,000	481,000	495,000
Other Supplies and Material	464,000	478,000	492,000	507,000	522,000
Cost of Wholesale Water	1,375,000	1,007,000	1,007,000	1,007,000	1,007,000
Bad Debt	25,000	25,000	25,000	25,000	25,000
Total Operating Expenses	5,633,000	4,659,049	4,761,665	4,880,941	5,003,818
NET REVENUE AVAILABLE FOR DEBT SERVICE	**2,473,000**	**2,400,951**	**2,198,335**	**2,079,059**	**1,956,182**
DEBT SERVICE					
2021 Bonds	875,726	877,525	878,437	873,275	877,658
2024 Bonds [(1)]	-	531,000	531,000	531,000	531,000
Total Debt Service [(1)]	875,726	1,408,525	1,409,437	1,404,275	1,408,658
DEBT SERVICE COVERAGE RATIO [(1)]	2.82x	1.70x	1.56x	1.48x	1.39x
NET REVENUE AFTER DEBT SERVICE [(1)]	**1,597,274**	**1,007,861**	**777,198**	**663,084**	**535,824**

Source: City of Coalinga
(1) Preliminary, subject to change.

City staff has been authorized by resolution of the City Council to adjust water rates to insure that Water System revenues are sufficient to cover the total expenses of providing water, including depreciation,

administration, debt service coverage levels, and required capital outlay. For additional information, see "WATER RATES" above.

Water Conservation and Supply Shortage Contingency Measures

City Drought Prevention Measures. California Water Code Section 375 et. seq. permits public entities that supply water for retail purposes to adopt and enforce a water conservation program, with the intent of reducing the quantity of water used by people and to conserve the water supplies of the public entity. In March 2009, the City Council adopted Ordinance No. 746, which established a Water Conservation Plan. Title 6, Chapter 4C of the Coalinga Municipal Code implements mandatory restrictions related to the conservation of water. The City's Water Conservation Plan is a three-stage plan with stage one consisting of standard conservation measures always in effect, stage two consisting of high conservation measures to be implemented upon a significant reduction or interruption in water supply or delivery that necessitates increased water conservation efforts and stage three which consists of emergency conservation measures to be implemented in the event of a major earthquake, large-scale fire, or other "act of nature" which seriously impacts the City's total available water storage or delivery capacity.

California 2011-17 Drought; State Emergency Measures and Continuing Efforts. California has a highly variable climate, and often experiences very wet years followed by extremely dry ones. During the last thirty-five years, the State experienced drought periods between 1986 and 1992, between 2007 and 2009, and between 2011 and 2017, and between 2020 and 2022.

The drought from December 2011 to March 2017 was considered one of the worst in the State's recorded history, with 2012 through 2015 having the driest four-year statewide precipitation on record. Between 2014 and 2015, the Governor issued two emergency proclamations (on January 14, 2014 and April 25, 2014) and four executive orders (Executive Orders B-26-14, B-28-14, B-29-15 and B-36-15). During this period, the SWRCB adopted and implemented regulations for water use reductions and restrictions. Among such actions, the SWRCB adopted emergency regulations in 2015 to achieve a 25% reduction in the overall potable urban production statewide in accordance with directives set forth in Executive Order B-29-15. It was reported that, overall, the State saved an average of more than 24% during the twelve months that the mandate was in place. In addition, the Sustainable Groundwater Management Act of 2014 was enacted. The State developed a five-year California Water Action Plan, with the stated goals of more reliable water supplies, the restoration of important species and habitat, and a more resilient, sustainably managed water resources system (water supply, water quality, flood protection, and environment). The Sustainable Groundwater Management Act of 2014 applies to unregulated areas.

On May 16, 2016, the Governor issued Executive Order B-37-16, which among other things, directed: (i) the State Department of Water Resources to work with the SWRCB to develop new water use targets as part of a permanent framework for urban water agencies, (ii) the permanent requirement of urban water suppliers to issue monthly reports of their water usage, conservation amounts and enforcement efforts, (iii) the prohibition of wasteful potable water practices (such as hosing of sidewalks, watering lawns in a manner that causes runoff); (iv) California Energy Commission's certification of innovative water conservation and water loss detection and control technologies that also increase energy efficiency; and (v) consultation by the State Department of Water Resources with urban water suppliers, local governments, environmental groups and other partners to update requirements for water shortage contingency plans.

On April 7, 2017, Governor Brown issued Executive Order B-10- 17, rescinding the two emergency proclamations from January and April 2014 and the four drought related Executive Orders issued in 2014 and 2015. However, Executive Order B-37-16 was largely left in place.

Executive Order B-10-17 terminated the drought state of emergency for all counties in the State, except for the County and the counties of Kings and Tuolumne with directives for those particular counties. The Water System is located in the County.

The City cannot predict if and when California will experience another drought, and the actions that the State will have to take in response. The State is continuing to implement the directives of Executive Order B-37-16, dubbed "Making Water Conservation a California Way of Life." The implementation of the Sustainable Groundwater Management Act of 2014 and the additional directives under Executive Order B-10-17 for the County and the counties of Kings and Tuolumne also continues.

PFAS

The City is monitoring and responding to developing legislation, laws and regulations regarding per- and poly-fluoroalkyl substances ("PFAS"). PFAS are substances widely used in consumer and industrial products such as fabrics, carpets, firefighting foams, food packaging and nonstick cookware and are known for their nonstick, waterproof and heat and stain resistant properties. Starting in the early 2000s, manufacturers began phasing out the use of PFAS chemicals, most of which are no longer manufactured in the United States. PFAS chemicals have been linked to cancer, liver and kidney damage, low birth weight and other health problems.

California's current response level for the combined values of perfluorooctane sulfonate ("PFOS") and perfluorooctanoic acid ("PFOA") (the two most common synthetic organic chemicals in the group of compounds referred to as PFAS) is 70 parts per trillion ("ppt"), but the California Division of Drinking Water ("DDW") is expected to lower the response level to 10 ppt in 2020. Response levels are thresholds at which the DDW recommends water systems remove a water source from use. If an agency does not remove the source, the DDW requires the agency notify its local governing body, notify all customers directly explaining the reasons for the continued use of the source, issue a press release, and conduct regular sampling.

In August 2019, the DDW lowered the notification levels for PFOS from 13 ppt to 6.5 ppt and for PFOA from 14 ppt to 5.1 ppt. Notification levels are non-regulatory, precautionary health-based measures for concentrations of chemicals in drinking water that warrant notification and further monitoring and assessment. On July 31, 2019, Governor Newsom signed Assembly Bill 756 into law which increased PFAS notification and now imposes additional reporting requirements on public water systems, including the Water System.

The City is assessing whether PFOA and PFOS are present in its purchased water, and, if so, to what extent. The City's purchased water may be impacted based on its source, raw surface water from the Sacramento-San Joaquin Delta delivered by the Central Velley Project. The water quality of the City's purchased water is also vulnerable to activities that are not associated with any detected contaminants such as concentrated aquatic animal production facilities, historic waste dumps/landfills, landfills/dumps, historic mining operations, and wastewater treatment plants and disposal facilities.

Due to uncertainty of future PFOA and PFOS-related impacts to the Water System's water sources it is difficult to estimate the impact on the Water System's finances as a result of the costs of PFOA and

PFOS-related mitigation measures. This type of impact on its water supply could prompt the City to revisit its current costs of service and consider, if needed, an increase to the water rates to cover the additional expense. Any water rate increases will be subject to Proposition 218 process, including City Council approval.

GENERAL CITY INFORMATION APPLICABLE TO THE WATER SYSTEM

Reserve Policies

On January 21, 2021, the City Council of the City approved a reserve policy that provides for the establishment of a reserve target of six months of average monthly operating expenditures for its general fund. On August 1, 2024, the reserve policy was amended to reduce the reserve target of average monthly general fund operating expenditures to three months and to establish a reserve target of three months of average monthly operating expenditures for the Water Fund and the City's wastewater fund. These reserve policies are intended to assure adequate reserves for ongoing needs and provide a back-up for revenue shortfalls due to economic uncertainties.

Risk Management

The City is a member of the Public Agency Risk Sharing Authority for California ("PARSAC"), a public entity risk pool in which there is a transferring (sharing) of risk among the pool participants. The City pays an annual premium to PARSAC for its general liability coverage. PARSAC is self-sustaining through member premiums. The City is insured under a retrospectively rated policy in which the initial premium is adjusted based on actual experience during the period of coverage. The City is responsible for all claims up to $25,000 per occurrence for general and auto liability with a coverage limit at June 30, _____ of $_____.

The City's risk management program also includes fire, property and automobile insurance. The coverage includes an all risk-replacement cost blanket. Additionally, the City has property insurance coverage up to $_____ per occurrence.

The City provides worker's compensation and employer's liability coverage on all employees through PARSAC. This insurance is paid entirely by the City. All premiums are paid by the appropriate fund designation for each employee's salary and benefits. In the risk management program for the City, a proactive approach is taken toward work safety for employees. Various training sessions and inspections are conducted throughout the year. The result has been a continued reduction of work-related injury claims.

See APPENDIX B— AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023, Note 12.

Employee Pension Plans

The Water System pays an allocable portion of the City's administrative expenses, including employee compensation and benefits from their respective Net Revenues. The table below shows the City's contribution to the CalPERS Miscellaneous plans (discussed below), and the amounts allocated to the Water System for the years shown:

CONTRIBUTION TO CALPERS MISCELLANEOUS PLANS AND ALLOCATION TO WATER SYSTEM

Fiscal Year Ended June 30,	City Contribution To CalPERS Misc Plans	Amount Allocated To Water System	Water System Allocation
2020	239,528		
2021	224,127		
2022	270,401		
2023	291,740		
2024[(1)]			

Source: City of Coalinga.
(1) Estimated

General Information about the City's CalPERS Plans. All qualified permanent and probationary employees are eligible to participate in either (1) the City's Miscellaneous Plan, an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System ("CalPERS"), which acts as a common investment and administrative agent for its participating member employers, or (2) the City's Safety Plan, a cost-sharing multiple employer defined benefit pension plan administered by CalPERS. They may be collectively referred to as the "Plans" or individually as a "Plan". Benefit provisions under the Plans are established by State statute and City resolutions. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 to 62 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five (5) years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Contributions. Section 20814(c) of the California Public Employees' Retirement Law ("PERL") requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

Net Pension Liability. The City's net pension liability for both Plans is measured as the total pension liability, less the plan's fiduciary net position. As of June 30, 2023, the City reported an estimated net pension liability for its Miscellaneous Plans of $761,592 and an estimated net pension liability for its Safety Plans of $1,212,113. The Water System's portion of the City's total net pension liability as of June 30, 2023, is an estimated $188,799.

For more information, including actuarial assumptions, a discussion of the discount rate used, and schedules of funding progress for the Water System's various pension plans, see APPENDIX B—AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023, NOTE 11.

Recent Actions Taken by CalPERS. At its April 17, 2013, meeting, CalPERS' Board of Administration (the "Board of Administration") approved a recommendation to change the CalPERS amortization and smoothing policies. Prior to this change, CalPERS employed an amortization and smoothing policy that spread investment returns over a 15-year period with experience gains and losses paid for over a rolling 30-year period. As a result, CalPERS now employs an amortization and smoothing policy that will pay for all gains and losses over a 20-year period with a five-year ramp-up, and five-year ramp-down, period. The new amortization and smoothing policy was used for the first time in the June 30, 2013 actuarial valuations in setting employer contribution rates for fiscal year 2015-16.

On February 18, 2014, the Board of Administration approved new demographic actuarial assumptions based on a 2013 study of recent experience. The largest impact, applying to all benefit groups, is a new 20-year mortality projection reflecting longer life expectancies and that longevity will continue to increase. Because retirement benefits will be paid out for more years, the cost of those benefits will increase as a result. The Board of Administration also assumed earlier retirements for Police 3%@50, Fire 3%@55, and Miscellaneous 2.7%@55 and 3%@60, which will increase costs for those groups. As a result of these changes, rates increased beginning in fiscal year 2016-17 (based on the June 30, 2014 valuation) with full impact in fiscal year 2020-21.

On November 18, 2015, the Board of Administration adopted a funding risk mitigation policy intended to incrementally lower its discount rate – its assumed rate of investment return – in years of good investment returns, help pay down the pension fund's unfunded liability, and provide greater predictability and less volatility in contribution rates for employers. The policy establishes a mechanism to reduce the discount rate by a minimum of 0.05 percentage points to a maximum of 0.25 percentage points in years when investment returns outperform the existing discount rate, currently 7.5%, by at least four percentage points. CalPERS staff modeling anticipates the policy will result in a lowering of the discount rate to 6.5% in about 21 years, improve funding levels gradually over time and cut risk in the pension system by lowering the volatility of investment returns. More information about the funding risk mitigation policy can be accessed through CalPERS' web site at the following website address: https://www.calpers.ca.gov/page/newsroom/calpers-news/2015/adopts-funding-risk-mitigation-policy. *The reference to this Internet website is provided for reference and convenience only. The information contained within the website may not be current, has not been reviewed by the City or the Underwriter and is not incorporated in this Official Statement by reference.*

On December 21, 2016, the Board of Administration voted to lower its discount rate from the current 7.5% to 7.0% over the next three years according to the following schedule.

Fiscal Year	Discount Rate
2017-18	7.375%
2018-19	7.250
2019-20	7.000

For public agencies like the City, the new discount rate took effect on July 1, 2019. As the discount rate is decreased employers that contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013, under

the Public Employees' Pension Reform Act will also see their contribution rates rise. The three-year reduction of the discount rate will result in average employer rate increases of about 1% to 3% of normal cost as a percent of payroll for most miscellaneous retirement plans, and a 2% to 5% increase for most safety plans. Additionally, many CalPERS employers will see a 30 to 40% increase in their current unfunded accrued liability payments. These payments are made to amortize unfunded liabilities over 20 years to bring the pension fund to a fully funded status over the long-term.

PERS Amortization Period Reform. On February 13, 2018 the CalPERS Board voted to shorten the period over which actuarial gains and losses are amortized from 30 years to 20 years for new pension liabilities. The new 20-year amortization period begins with new gains or losses accrued starting with the June 30, 2019 actuarial valuations. The first payments on the new 20-year amortization schedule will take place in 2021.

A shorter amortization period will increase annual Unfunded Accrued Liability ("UAL") contributions for cities that participate in CalPERS so long as CalPERS remains underfunded. The shortened amortization period will also lead to reductions of periods of negative amortization of the UAL, interest cost savings, and faster recoveries of funded status after market downturns.

Cities that participate in CalPERS will also see additional volatility in their future UAL contributions due to market performance as gains or losses will be amortized faster under the new amortization period.

The City cannot currently estimate the impact the shorter amortization period will have on its required contributions to CalPERS.

COVID-19 Impacts on CalPERS Contributions. The outbreak of COVID-19 has caused volatility in the financial markets in the United States and globally resulting in significant declines and speculation of a national and global recession. The City expects that the impacts of COVID-19 will cause its required CalPERS contributions to increase in future years.

Other Post-Employment Benefits

Plan Description. The City offers medical, dental, vision, chiropractic and prescription insurance coverage, as well as group life insurance coverage, to employees and their dependents. Additionally, the City offers an employee assistance program to assist employees and their families with problem assessment and short-term counseling needs. The City pays a portion of premiums in connection with the insurance coverage offered by the City.

The Water System pays an allocable portion of any City OPEB expenses from Net Revenues.

For additional information about the City's OPEB, see APPENDIX B— AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023, NOTE 10.

INVESTMENT OF CITY FUNDS

Revenues collected by the City will be held and invested by the City in accordance with the provisions of the Indenture.

Funds held by the City, including Water System moneys, are invested in accordance with the City's Statement of Investment Policy (the "Investment Policy") prepared by the Financial Services Director as authorized by section 53601 of the Government Code of California. The Investment Policy is submitted to the City Council annually. The Investment Policy allows for the purchase of a variety of securities and provides for limitations as to exposure, maturity and rating which vary with each security type. The composition of the portfolio will change over time as old investments mature, or are sold, and as new investments are made. Invested funds are managed to insure preservation of capital through high quality investments, maintenance of liquidity and then yield. Further, operating funds may not be invested in any investment with a maturity greater than five years. The City has never invested in derivatives or reverse repurchase agreements and such investments and instruments are not allowed by City policy.

For more information about the City's investment policy, see APPENDIX C—CITY INVESTMENT POLICY.

CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND FEES

Under the California Constitution, the power of initiative is reserved to the voters for the purpose of enacting statutes and constitutional amendments. In the past, the voters have exercised this power from time to time, including through the adoption of Propositions 13 and 218.

From time to time other State and local initiative measures could be adopted, affecting the ability of the City to increase revenues and to increase appropriations.

Article XIIIA

On June 6, 1978, California voters approved Proposition 13, which added Article XIIIA to the California Constitution ("Article XIIIA"). Article XIIIA limits the maximum ad valorem tax on real property to 1% of full cash value thereof, except that additional ad valorem taxes may be levied to pay debt service on indebtedness approved by voters prior to July 1, 1978 and (as a result of an amendment to Article XIIIA approved by California voters on June 3, 1986) on bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters voting on such indebtedness. Article XIIIA defines full cash value to mean "the County Assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value," or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIIIA has subsequently been amended to permit reduction of the full cash value based in the event of declining property values caused by damage, destruction, or other factors and to provide that there would be no increase in the full cash value base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

Article XIIIB

Article XIIIB of the California State Constitution limits the annual appropriations of the State and of any city, county, school district, authority or other political subdivision of the State to the level of appropriations of the particular governmental entity for the prior fiscal year, as adjusted for changes in the cost of living and population. The "base year" for establishing such appropriations limit is the 1978-79 fiscal year and the limit is to be adjusted annually to reflect changes in population and consumer prices. Adjustments in the appropriations limit of an entity may also be made if (i) the financial responsibility for a service is transferred to another public entity or to a private entity, (ii) the financial sources for the provision of services is transferred from taxes to other revenues, or (iii) the voters of the entity approve a change in the limit for a period of time not to exceed four years.

Appropriations subject to Article XIIIB generally include the proceeds of taxes levied by the State or other entity of local government, exclusive of certain State subventions and refunds of taxes. "Proceeds of taxes" include, but are not limited to, all tax revenues and the proceeds to an entity of government from (i) regulatory licenses, user charges, and user fees (but only to the extent such proceeds exceed the cost of providing the service or regulation), and (ii) the investment of tax revenues. Article XIIIB includes a requirement that if an entity's revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years. Certain expenditures are excluded from the appropriations limit including payments of indebtedness existing or legally authorized as of January 1, 1979, or of bonded indebtedness thereafter approved by the voters and payments required to comply with court or federal mandates which without discretion require an expenditure for additional services or which unavoidably make the providing of existing services more costly.

Proposition 218

General. On November 5, 1996, California voters approved Proposition 218, the so-called "Right to Vote on Taxes Act." Proposition 218 added Articles XIIIC and XIIID to the State Constitution, which affect the ability of local governments to levy and collect both existing and future taxes, assessments, and property-related fees and charges. Proposition 218, which generally became effective on November 6, 1996, changed, among other things, the procedure for the imposition of any new or increased property-related "fee" or "charge," which is defined as "any levy other than an *ad valorem* tax, a special tax or an assessment, imposed by a [local government] upon a parcel or upon a person as an incident of property ownership, including user fees or charges for a property related service" (and referred to in this section as a "property-related fee or charge").

Specifically, under Article XIIID, before a municipality may impose or increase any property-related fee or charge, the entity must give written notice to the record owner of each parcel of land affected by that fee or charge. The municipality must then hold a hearing upon the proposed imposition or increase at least 45 days after the written notice is mailed, and, if a majority of the property owners of the identified parcels present written protests against the proposal, the municipality may not impose or increase the property-related fee or charge.

Further, under Article XIIID, revenues derived from a property-related fee or charge may not exceed the funds required to provide the "property-related service" and the entity may not use such fee or charge for any purpose other than that for which it imposed the fee or charge. The amount of a property-related fee or charge may not exceed the proportional cost of the service attributable to the parcel, and no

property-related fee or charge may be imposed for a service unless that service is actually used by, or is immediately available to, the owner of the property in question.

In addition, Article XIIIC provides that "the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge. The power of initiative to affect local taxes, assessments, fees and charges shall be applicable to all local governments and neither the Legislature nor any local government charter shall impose a signature requirement higher than that applicable to statewide statutory initiatives."

Judicial Interpretation of Proposition 218. After Proposition 218 was enacted in 1996, appellate court cases and an Attorney General opinion initially indicated that fees and charges levied for water and sewer services would not be considered property-related fees and charges, and thus not subject to the requirements of Article XIIID regarding notice, hearing and protests in connection with any increase in the fees and charges being imposed. However, three recent cases have held that certain types of water and sewer charges could be subject to the requirements of Proposition 218 under certain circumstances.

In *Richmond v. Shasta Community Services District* (9 Cal. Rptr. 3rd 121), the California Supreme Court addressed the applicability of the notice, hearing and protest provisions of Article XIIID to certain charges related to water service. In *Richmond*, the Court held that connection charges are not subject to Proposition 218. The Court also indicated in dictum that a fee for ongoing water service through an existing connection could, under certain circumstances, constitute a property-related fee and charge, with the result that a local government imposing such a fee and charge must comply with the notice, hearing and protest requirements of Article XIIID.

In *Howard Jarvis Taxpayers Association v. City of Fresno* (March 23, 2005), the California Court of Appeal, Fifth District, concluded that water, sewer and trash fees are property-related fees subject to Proposition 218 and a municipality must comply with Article XIIID before imposing or increasing such fees. The California Supreme Court denied the City of Fresno's petition for review of the Court of Appeal's decision on June 15, 2005.

In July 2006 the California Supreme Court, in *Bighorn-Desert View Water Agency v. Verjil* (39 Cal. 4th 205), addressed the validity of a local voter initiative measure that would have (a) reduced a water agency's rates for water consumption (and other water charges), and (b) required the water agency to obtain voter approval before increasing any existing water rate, fee, or charge, or imposing any new water rate, fee, or charge. The court adopted the position indicated by its statement in *Richmond* that a public water agency's charges for ongoing water delivery are "fees and charges" within the meaning of Article XIIID, and went on to hold that charges for ongoing water delivery are also "fees" within the meaning of Article XIIIC's mandate that the initiative power of the electorate cannot be prohibited or limited in matters of reducing or repealing any local tax, assessment, fee or charge. Therefore, the court held, Article XIIIC authorizes local voters to adopt an initiative measure that would reduce or repeal a public agency's water rates and other water charges. (However, the court ultimately ruled in favor of the water agency and held that the entire initiative measure was invalid on the grounds that the second part of the initiative measure, which would have subjected future water rate increases to prior voter approval, was not supported by Article XIIIC and was therefore invalid.)

The court in *Bighorn* specifically noted that it was not holding that the initiative power is free of all limitations; the court stated that it was not determining whether the electorate's initiative power is subject to the statutory provision requiring that water service charges be set at a level that will pay for operating

expenses, provide for repairs and depreciation of works, provide a reasonable surplus for improvements, extensions, and enlargements, pay the interest on any bonded debt, and provide a sinking or other fund for the payment of the principal of such debt as it may become due.

Current Practice Regarding Rates and Charges. The City's practice has been to provide public notice of proposed water rate increases through means that include, among others, holding informational presentations at community group meetings, mailings to residential and commercial customers of public hearings on rate increases, and press releases and media campaigns regarding rate increases, followed by public hearings conducted by the City Council. The most recent rate increase was enacted by the City in strict compliance with the procedures mandated by Proposition 218 and *Bighorn*.

Conclusion. It is not possible to predict how courts will further interpret Article XIIIC and Article XIIID in future judicial decisions, and what, if any, further implementing legislation will be enacted. Under the *Bighorn* case, local voters could adopt an initiative measure that reduces or repeals the City's rates and charges, though it is not clear whether (and California courts have not decided whether) any such reduction or repeal by initiative would be enforceable in a situation in which such rates and charges are pledged to the repayment of bonds or other indebtedness. There can be no assurance that the courts will not further interpret, or the voters will not amend, Article XIIIC and Article XIIID to limit the ability of local agencies to impose, levy, charge and collect increased fees and charges for sewer, or to call into question previously adopted sewer rate increases.

Effect of Proposition 218 on the City; Possible Limitations on Enforcement Remedies.

The general financial condition of the City may be affected by provisions of Article XIIIC and Article XIIID. In particular, provisions of Article XIIIC (i) require taxes for general governmental purposes to be approved by a majority vote and taxes for specific purposes, even if deposited into the General Fund, to be approved by two-thirds vote, (ii) require any general purpose tax which the City imposed, extended or increased, without voter approval, after December 31, 1994, to be approved by majority vote on November 5, 1998 and (iii) provide that all taxes, assessments, fees and charges are subject to reduction or repeal at any time through the initiative process, subject to overriding constitutional principles relating to the impairment of contracts. Provisions of Article XIIID that affect the ability of the City to fund certain services or programs that it may be required or choose to fund include (i) adding notice, hearing, protest and, in some cases, voter approval requirements to impose, increase or extend certain assessments, fees and charges and (ii) adding stricter requirements for finding individualized benefits associated with such levies.

The ability of the City to comply with its covenants under the Installment Sale Agreement and to generate Net Revenues sufficient to pay the Installment Payments and, therefore, the principal of and interest on the Bonds may be adversely affected by actions and events outside of the control of the City and may be adversely affected by actions taken (or not taken) under Article XIIIC or Article XIIID by voters, property owners, taxpayers or payers of assessments, fees and charges. Furthermore, any remedies available to the owners of the Bonds upon the occurrence of an event of default under the Installment Sale Agreement are in many respects dependent upon judicial actions which are often subject to discretion and delay and could prove both expensive and time consuming to obtain. In addition to the possible limitations on the ability of the City to comply with its covenants under the Installment Sale Agreement, the rights and obligations under the Bonds and the Indenture may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against cities in the State of California.

Based on the foregoing, in the event the City fails to comply with its covenants under the Installment Sale Agreement, including its covenants to generate sufficient Net Revenues, as a consequence of the application of Article XIIIC and Article XIIID, or to pay principal of or interest on the Bonds, there can be no assurance that available remedies will be adequate to fully protect the interests of the holders of the Bonds.

Proposition 26

On November 2, 2010, State voters approved Proposition 26 which amended certain sections of Article XIIIC. The proposition attempts to define "tax" as used within Article XIIIC as "any levy, charge, or exaction of any kind imposed by a local government, *except* the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIII D." The local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.

The foregoing discussion of Proposition 218 and Proposition 26 should not be considered an exhaustive or authoritative treatment of the provisions of such propositions or the possible effects of Proposition 218 and Proposition 26. Interim rulings, final decisions, legislative proposals and legislative enactments affecting Proposition 218 and Proposition 26 may impact the City's ability to make debt service payments on the Bonds. The City does not expect to be in a position to control the consideration or disposition of these issues and cannot predict the timing or outcome of any judicial or legislative activity related to these issues.

Future Initiatives

Articles XIIIC, XIIID and Proposition 26 were adopted as measures that qualified for the ballot pursuant to California's initiative process. From time to time other initiatives could be proposed and adopted affecting Net Revenues or the City's ability to increase its rates for water service. See "Proposition 218" above. The California constitution, Article XIIID, Section 5(c), specifically recognizes that any assessment existing on the effective date (of Article XIIID) shall be exempt from the procedures and approval process set forth in Article 4, to wit: "….(c) Any assessment the proceeds of which are exclusively used to repay bonded indebtedness of which the failure to pay would violate the Contract Impairment Clause of the Constitution of the United States."

RISK FACTORS RELATING TO THE BONDS

Payment by the City of the Installment Payments and, therefore, of principal of and interest on the Bonds, depends primarily upon the Net Revenues derived from operation of the Water System. Some of the events which could affect the revenues received by the Water System are set forth below. The following discussion of risks is not meant to be an exhaustive list of the risks associated with the purchase of the Bonds and the order in which the risks are discussed does not necessarily reflect the relative importance of the various risks.

Limited Obligations

The Installment Payments are limited obligations of the City and are not secured by a legal or equitable pledge or charge or lien upon any property of the City or any of its income or receipts, except the Net Revenues. The obligation of the City to pay debt service on the Bonds from Net Revenues does not constitute an obligation of the City to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation.

The City is obligated under the Installment Sale Agreement to make Installment Payments solely from Net Revenues. There is no assurance that the City can succeed in operating the Water System such that the Net Revenues in the future will be sufficient for that purpose.

Maintenance and Operation Costs

There can be no assurance that the City's expenses for the Water System will be consistent with the descriptions in this Official Statement. Changes in technology, changes in quality standards, loss of large customers, increased or decreased development, increases in the cost of operation, or other expenses could require increases in rates or charges in order to comply with the City's rate covenants in the Installment Sale Agreement.

Limited Recourse on Default

Failure by the City to make Installment Payments constitutes an event of default under the Installment Sale Agreement and the Trustee is permitted to pursue remedies at law or in equity to enforce the City's obligation to make such payments. Although the Trustee has the right to accelerate the total unpaid principal amount of the Installment Payments, there is no assurance that the City would have sufficient funds to pay the accelerated amounts.

Limitations on Remedies

The ability of the City to comply with its covenants under the Installment Sale Agreement and to generate Net Revenues sufficient to pay the Installment Payments and, therefore, of principal of and interest on the Bonds, may be adversely affected by actions and events outside of the control of the City and may be adversely affected by actions taken (or not taken) by voters, property owners, taxpayers or persons obligated to pay assessments, fees and charges. Furthermore, the remedies available to the owners of the Bonds upon the occurrence of an event of default under the Installment Sale Agreement are in many respects dependent upon judicial actions which are often subject to discretion and delay and could prove both expensive and time consuming to obtain.

Initiatives

In recent years several initiative measures have been proposed or adopted which affect the ability of local governments to increase taxes and rates. There is no assurance that the electorate or the State legislature will not at some future time approve additional limitations which could affect the ability of the City to implement rate increases which could reduce Net Revenues and adversely affect the security for the Bonds. See CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND FEES—Proposition 218."

Bankruptcy

The rights and remedies provided in the Installment Sale Agreement and the Indenture may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of California. The various opinions of counsel to be delivered with respect to the Bonds, the Installment Sale Agreement and the Indenture, including the opinions of Bond Counsel, will be similarly qualified. If the City were to file a petition under Chapter 9 of the Bankruptcy Code, the Owners of the Bonds and the City could be prohibited from taking any steps to enforce their rights under the Indenture.

Additional Obligations

The Installment Sale Agreement permits the incurrence of obligations by the City secured by Net Revenues on a parity basis or a subordinate basis to the Installment Sale Agreement. Such additional obligations would increase debt service payable from Net Revenues and could adversely affect debt service coverage with respect to the Bonds. In such event, however, the rate covenant in the Installment Sale Agreement will remain in effect. See "SECURITY FOR THE BONDS—Rates, Fees and Charges."

Seismic Considerations

The City, like much of California, is subject to seismic activity that could result in interference with operation of the Water System. There are several major active fault zones transecting the County that could cause "strong ground motion" at the site of the various facilities constituting the Water System during their useful life. If there were to be an occurrence of severe seismic activity in the area of the City, there could be an interruption in the service provided by the Water System resulting in a temporary reduction in the amount of Net Revenues available to pay the Installment Payments and, therefore, the principal of and interest on the Bonds when due.

Drought and Climate Change

Indications of climate change have been observed over the last several decades throughout California. Statewide average temperatures have increased by about 1.7°F from 1895 to 2011, with the greatest warming in the Sierra Nevada. Although the State's weather has followed the expected pattern of a largely Mediterranean climate throughout the past century, no consistent trend in the overall amount of precipitation has been detected, except that a larger proportion of total precipitation is falling as rain instead of snow.

With regards to climate, the Water System's revenues vary depending on the amount of precipitation and subsequently on stage of water conservation that they City is in. In dry years, local demands will decrease as a consequence of prohibitions on certain water uses, and the Water System may receive lower than anticipated revenues due to reduced sales volumes. In contrast, in wet years, demands increase as prohibitions are lifted, and revenues increase due to higher sales volumes.

Such revenue surpluses and shortages could cause instability in Water System rates. To mitigate this risk, the City maintains financial reserves, with a minimum and target balance, to stabilize water rates during times of reduced water sales. The reserves hold revenues collected during times of high-water sales and are used to offset the need for revenues during times of low sales.

Water agencies that rely solely on surface water, such as the Water System, are more likely to experience water shortages than those agencies relying primarily on groundwater. The amount of Central Valley Project water available each year for the Water System is based, among other factors, on the storage of winter precipitation and the control of spring runoff in the Sacramento and San Joaquin River basins. The schedule of Central Valley Project water conveyed to and diverted from these rivers is determined by state water right permits, judicial decisions, and state and federal obligations to maintain water quality, enhance environmental conditions, and prevent flooding. As a result, the Water System's surface water allocation may be decreased due to conditions outside of the City's control. In addition to water allocation reductions, water supply shortages or interruptions can occur due to extended periods of drought, unexpected system failures, canal maintenance, regional power outages, earthquakes, etc.

While additional water sources are available to the Water System, the acquisition of additional water supplies would carry additional costs that could affect the Water System's ability to make the Installment Payments.

Cybersecurity

The City relies on computers and technology to conduct its operations, including the operation of the Water System. The City and its departments face cyber threats from time to time including, but not limited to, hacking, viruses, malware and other forms of technology attacks. While no network is completely immune from all possible compromise, the City exercises its due diligence in protecting the data it possesses and the systems it operates. To date, there have been no significant cyber-attacks on the City's computers and technologies.

While the City is routinely maintaining its technology systems and continuously implementing new information security controls, no assurances can be given that the City's security and operational control measures will be successful in guarding against all cyber threats and attacks. The results of any attack on the City's computer and technology could negatively impact the City's operations and the operation of the Water System, and the costs related to such attacks could be substantial.

Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that any Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices

of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

Risks Relating to the Municipal Bond Insurance Policy

In the event of default of the payment of principal of interest on the Bonds when all or some becomes due, any owner of the Bonds shall have a claim under the Municipal Bond Insurance Policy for such payments. The Municipal Bond Insurance Policy do not insure against redemption premium, if any. The payment of principal of interest in connection with mandatory sinking fund or optional prepayment of the Bonds by the Authority which is recovered by the Authority from the Owner as a voidable preference under applicable bankruptcy law is covered by the Municipal Bond Insurance Policy, however, such payments will be made by the Municipal Bond Insurer at such time and in such amounts as would have been due absence such prepayment by the Authority unless the Municipal Bond Insurer chooses to pay such amounts at an earlier date.

The Municipal Bond Insurer may direct and must consent to any remedies and the Municipal Bond Insurer's consent may be required in connection with amendments to any applicable legal documents.

In the event the Municipal Bond Insurer is unable to make payment of principal and interest as such payments become due under the Municipal Bond Insurance Policy, the Bonds are payable solely from the moneys received pursuant to the applicable legal documents. In the event the Municipal Bond Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Municipal Bond Insurer and its claim paying ability. The financial strength and claims paying ability of the Municipal Bond Insurer are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Municipal Bond Insurer and of the ratings on the Bonds will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See "RATINGS."

The obligations of the Municipal Bond Insurer are general obligations of the Municipal Bond Insurer and in an event of default by the Municipal Bond Insurer, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

None of the Authority, the City or the Underwriter has made independent investigation into the claims paying ability of the Municipal Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Municipal Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the City to make the Installment Payments and the claims paying ability of the Municipal Bond Insurer, particularly over the life of the investment.

LEGAL MATTERS

All legal matters in connection with the issuance, sale and delivery of the Bonds are subject to the approval of Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Bond Counsel. Bond Counsel's opinion with respect to the Bonds will be substantially in the form set forth in APPENDIX E—FORM OF FINAL OPINION OF BOND COUNSEL. Certain legal matters will also be passed on for the

Authority and the City by Stradling Yocca Carlson & Rauth LLP, Newport Beach, as Disclosure Counsel, and for the Authority and the City by Giswold, LaSalle, Cobb, Dowd & Gin, LLP, Hanford, California, Authority Counsel and City Attorney. Certain matters will be passed upon for the Underwriter by Kutak Rock LLP, Irvine, California. The fees and expenses of Special Counsel, Disclosure Counsel and counsel to the Underwriter are contingent upon the issuance and delivery of the Bonds.

ABSENCE OF LITIGATION

At the time of delivery of and payment for the Bonds, the City and the Authority will certify that there is no action, suit, proceedings, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, pending or, to the knowledge of the City and the Authority, threatened against the City or the Authority affecting the existence of the City or the Authority or the titles of its officers to their respective offices or seeking to restrain or to enjoin the sale or delivery of the Bonds, the application of the proceeds thereof in accordance with the Indenture, or in any way contesting or affecting the validity or enforceability of the Bonds, the Indenture, the Installment Sale Agreement, or the pledge of Net Revenues thereunder, or any action of the City or the Authority contemplated by any of said documents, or in any way contesting the completeness or accuracy of this Official Statement or any amendment or supplement thereto, or contesting the powers of the City or the Authority with respect to the Bonds or any action of the City or the Authority contemplated by any of said documents, nor to the knowledge of the City or the Authority, is there any basis therefor.

RATINGS

SMoody's Investors Service ("Moody's") is expected to assign the rating of "AA" (stable outlook) to the Bonds based on the issuance of the Municipal Bond Insurance Policy by the Municipal Bond Insurer at the time of delivery of the Bonds. See "MUNICIPAL BOND INSURANCE." In addition, Moody's has assigned the underlying rating of "___" to the Bonds without regard to the issuance of the Municipal Bond Insurance Policy. These ratings reflect only the views of Moody's and an explanation of the significance of such rating may be obtained from Moody's. There is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by Moody's, if in the judgment of the Moody's, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

CONTINUING DISCLOSURE

The City has covenanted for the benefit of Bond Owners and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Water System by not later than nine months following the end of the City's fiscal year (currently ending June 30) (the "Annual Report"), commencing with the report for the fiscal year ended June 30, 2024, and to provide notices of the occurrence of certain enumerated events. The Annual Report and the notices of enumerated events will be filed by the City with the Municipal Securities Rulemaking Board through the Electronic Municipal Access (EMMA) System. The specific nature of the information to be contained in the Annual Report or the notices of material events is summarized below under the caption APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE. These covenants have been made in order to assist the Underwriter in complying with the Rule.

In the last five years, the City was obligated to file financial information and operating data with respect to the following issues:

TAX MATTERS

Federal tax law contains a number of requirements and restrictions which apply to the Certificates, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The City has covenanted to comply with all requirements that must be satisfied in order for the interest with respect to the Certificates to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest with respect to the Certificates to become includible in gross income for federal income tax purposes retroactively to the date of delivery of the Certificates.

Subject to compliance by the City with certain covenants, in the opinion of Special Counsel, under present law, interest with respect to the Certificates is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax under the Internal Revenue Code of 1986, as amended (the "Code"). Interest with respect to the Certificates may affect the corporate alternative minimum tax for certain corporations.

In rendering its opinion, Special Counsel will rely upon certifications of the City with respect to certain material facts within the City's knowledge. Special Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Certificates may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Certificates should consult their tax advisors as to applicability of any such collateral consequences.

The issue price for original issue discount (as further discussed below) and market discount purposes (the "OID Issue Price") for each maturity of the Certificates is the price at which a substantial amount of such maturity of the Certificates is first sold to the public (excluding bond houses and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the Certificates may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

If the OID Issue Price of a maturity of the Certificates is less than the principal amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the Certificates (the "OID Certificates") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Certificate in the initial public offering at the OID Issue Price for such maturity and who holds such OID Certificate to its stated maturity, subject to the condition that the City complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Certificate constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Certificate at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals under the Code; and (d) the accretion of original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Owners of OID Certificates should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Certificates.

Owners of Certificates who dispose of Certificates prior to the stated maturity (whether by sale, redemption or otherwise), purchase Certificates in the initial public offering, but at a price different from the OID Issue Price or purchase Certificates subsequent to the initial public offering should consult their own tax advisors.

If a Certificate is purchased at any time for a price that is less than the Certificate's stated redemption price at maturity or, in the case of an OID Certificate, its OID Issue Price plus accreted original issue discount reduced by payments of interest included in the computation of original issue discount and previously paid (the "Revised Issue Price"), the purchaser will be treated as having purchased a Certificate with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Certificate is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Certificate for a price that is less than its Revised Issue Price even if the purchase price exceeds par. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Certificate. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Certificates.

An investor may purchase a Certificate at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Certificate in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Certificate. Investors who purchase a Certificate at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Certificate's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Certificate.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Certificates. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to Certificates delivered prior to enactment. Prospective purchasers of the Certificates should consult their own tax advisors regarding any pending or proposed federal tax legislation. Special Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Certificates. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the Owners may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Certificates until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Certificates, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Certificate owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Certificate owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

In the further opinion of Special Counsel, interest with respect to the Certificates is exempt from California personal income taxes.

Ownership of the Certificates may result in other State and local tax consequences to certain taxpayers. Special Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Certificates. Prospective purchasers of the Certificates should consult their tax advisors regarding the applicability of any such State and local taxes.

The complete text of the final opinion that Special Counsel expects to deliver upon the delivery of the Certificates is set forth in APPENDIX E—FORM OF OPINION OF SPECIAL COUNSEL.

UNDERWRITING

The Bonds are being purchased by Oppenheimer & Co. Inc. (the "Underwriter") at a price of $_____ (consisting of the $_____ principal amount of the Bonds, plus a net original issue premium of $_____, and less $_____ of Underwriter's discount). The Underwriter may offer and sell the Bonds to certain dealers and others at prices different from the prices stated on the inside cover page of this Official Statement. The offering prices may be changed from time to time by the Underwriter.

MUNICIPAL ADVISOR

The City has entered into an agreement with Wulff Hansen & Co. (the "Municipal Advisor"), whereunder the Municipal Advisor is providing municipal advisory services to the City with respect to preparation and sale of the Bonds. The Municipal Advisor has read and participated in the drafting of certain portions of this Official Statement. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the City with respect to accuracy and completeness of disclosure of such information, and the Municipal Advisor makes no guaranty, warranty or other representation respecting accuracy and completeness of the

Official Statement or any other matter related to the Official Statement. The compensation of the Municipal Advisor is contingent upon the sale of the Bonds.

FINANCIAL STATEMENTS

The City's financial statements for the fiscal year ended June 30, 2023, included in APPENDIX B—AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023, have been audited by the City's Auditor, as stated in its reports appearing in such appendix. The City's auditor has not undertaken to update its reports or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the City's Auditor with respect to any event subsequent to its report.

OTHER INFORMATION

All summaries and explanations of the Act, the Indenture, the Installment Sale Agreement and the other documents referred to herein are qualified in their entirety by reference to the Act and such documents and references herein to the Bonds are qualified in their entirety by reference to the form thereof included in the Indenture.

Any statements in this Official Statement involving matters of opinion are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority and the purchasers or owners of the Bonds.

Copies of the Indenture and the Installment Sale Agreement are available for inspection at the Principal Corporate Trust Office of the Trustee.

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion, assumptions, projections, anticipated events or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and actual results may differ substantially from those set forth herein. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the owners of the Bonds.

The summaries of certain provisions of the Bonds, statutes and other documents or agreements referred to in this Official Statement do not purport to be complete, and reference is made to each of them for a complete statement of their provisions. Copies are available for review by making requests to the City.

The Appendices are an integral part of this Official Statement and must be read together with all other parts of this Official Statement. The audited financial statements of the City, including a summary of significant accounting policies, for the fiscal year ended June 30, 2023, are contained in Appendix B.

The execution and delivery of this Official Statement have been duly authorized by the Authority and the City.

COALINGA PUBLIC FINANCING AUTHORITY

By _____
Executive Director

CITY OF COALINGA

By _____
City Manager

APPENDIX A

GENERAL, ECONOMIC AND DEMOGRAPHIC INFOMRATION RELATING TO THE CITY AND THE COUNTY

The information in this section of the Official Statement is presented as general background data. The Installment Payments are payable solely from the net revenues of the Water System and other sources as described in the Official Statement. The taxing power of the City of Coalinga (the "City"), the State of California (the "State"), or any political subdivision thereof is not pledged to the payment of the Bonds.

Although reasonable efforts have been made to include up-to-date information in this Appendix A, some of the information is not current due to delays in reporting of information by various sources. It should not be assumed that the trends indicated by the following data would continue beyond the specific periods reflected herein.

Introduction

The City. The City, incorporated on April 3, 1906, is located in Fresno County (the "County") and the western San Joaquin Valley, in central California. The City is located 52 miles (84 km) southwest of Fresno and sits at an elevation of 673 feet (205 m). The City currently occupies a land area of 6.61 square miles and serves a population of approximately 17,235. The City serves as a gateway to Sequoia National Forest, Giant Sequoia National Monument and Kings Canyon National Park.

The City's main industries are agriculture, oil and incarceration. The City is home to the Coalinga Oil Field, operated by Chevron and Aera Energy, the Guijarral Hills Oil Field, Pleasant Valley State Prison and Coalinga State Hospital. The City is also home to Harris Ranch, a major local cattle ranch that features a hotel, several restaurants and a gift shop for travelers.

The County. The county seat of the County is the city of Fresno, the fifth-largest city in California. The County covers an area of over 6,011 square miles. The County serves as a financial, trade, commercial and educational center for central California. The County is one of eight counties in California's central valley that account for one-half of California's agricultural production. In addition to an extensive highway and road system, several motor freight carriers and a railway network, the County is also home to Fresno Yosemite International Airport which provides both passenger and cargo services.

The County remained one of the leading agricultural counties in California and the nation. The number one crop in value was almonds followed by grapes. Fruit and nut crops provide approximately half of the gross agricultural production value followed by livestock. Major watercourses in the County are the San Joaquin, Kings River, Delta-Mendota Canal, Big Creek, Friant Kern Canal, Helm Canal and Madera Canal. It is bordered on the west by the Coast Range and on the east by the Sierra Nevada.

Population

The table below summarizes population of the City, the County, and the State of California for the last eight years.

CITY OF COALINGA, FRESNO COUNTY, and CALIFORNIA
Population

Year	City of Coalinga[(1)]	Fresno County	State of California
2016	16,541	984,202	39,131,307
2017	16,793	993,773	39,398,702
2018	16,527	1,003,012	39,519,535
2019	16,946	1,013,007	39,648,938
2020	17,177	1,020,292	39,782,870
2021	17,558	1,007,359	39,286,510
2022	17,327	1,009,790	39,078,674
2023	17,237	1,011,499	38,940,231

Source: California Department of Finance, E-4 Population Estimate for Cities, Counties, and the State, 2015-16 through 2022-23 with 2020 Census Benchmark.

(1) City of Coalinga population includes the population at the Pleasant Valley State Prison.

Employment

The following table summarizes historical employment and unemployment for the County, the State of California and the United States for the years 2015 through 2022:

FRESNO COUNTY, CALIFORNIA, and UNITED STATES
Civilian Labor Force, Employment, and Unemployment
(Annual Averages)

Year	Area	Labor Force	Employment	Unemployment	Unemployment Rate [1]
2015	Fresno County	444,200	398,900	45,300	10.2%
	California	18,981,800	17,798,600	1,183,200	6.2
	United States	157,130,000	148,834,000	8,296,000	5.3
2016	Fresno County	446,200	404,100	42,100	9.4
	California	19,102,700	18,065,000	1,037,700	5.4
	United States	159,187,000	151,436,000	7,751,000	4.9
2017	Fresno County	449,700	411,600	38,100	8.5
	California	19,312,000	18,393,100	918,900	4.8
	United States	160,320,000	153,337,000	6,982,000	4.4
2018	Fresno County	448,400	414,900	33,400	7.5
	California	19,398,200	18,582,800	815,400	4.2
	United States	162,075,000	155,761,000	6,314,000	3.9
2019	Fresno County	450,800	418,100	32,700	7.2
	California	19,411,600	18,627,400	784,200	4.0
	United States	163,539,000	157,538,000	6,001,000	3.7
2020	Fresno County	445,500	395,300	50,300	11.3
	California	18,821,200	16,913,100	1,908,100	10.1
	United States	160,742,000	147,795,000	12,947,000	8.1
2021	Fresno County	443,400	402,600	40,700	9.2
	California	18,923,200	17,541,900	1,381,200	7.3
	United States	161,204,000	152,581,000	8,623,000	5.3
2022[2]	Fresno County	453,200	424,300	28,900	6.4
	California	19,252,000	18,440,900	811,100	4.2
	United States	164,287,000	158,291,000	5,996,000	3.6

Source: California Employment Development Department, Monthly Labor Force Data for Counties, Annual Average 2015-22, and US Department of Labor.

(1) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures available in this table.

(2) Latest available full-year data.

Principal Employers in the County

The table below sets forth the ten largest principal employers in the County in 2023.

FRESNO COUNTY
Top 10 Industries
as of June 30, 2019

Employer	Employees	% of Total County Employment
Fresno Unified School District	14,593	3.18%
Community Medical Centers	10,300	2.25
Fresno County	8,980	1.96
Clovis Unified School District	7,945	1.73
California State University Fresno	5,233	1.14
City of Fresno	5,015	1.09
State Center Community College District	4,469	0.97
Children's Hospital of Central CA	4,170	0.91
Saint Agnes Medical	3,075	0.67
Kaiser Permanente Medical	2,950	0.51
Total Top 10	66,730	14.56%

Source: Fresno County 2022-23 ACFR.

Construction Activity

The following tables reflect the five-year history of building permit valuation for the City and the County:

CITY OF COALINGA
Building Permits and Valuation
(Dollars in Thousands)

	2018	2019	2020	2021	2022[(1)]
Permit Valuation:					
New Single-family	$ 9,696	$ 17,159	—	—	—
New Multi-family	—	—	—	—	$16,080
Res. Alterations/Additions	78	1,899	$410	$402	207
Total Residential	9,775	19,059	410	402	16,287
Total Nonresidential	19,749	2,830	429	5,817	2,218
Total All Building	29,524	21,890	839	6,219	18,506
New Dwelling Units:					
Single Family	42	70	—	—	—
Multiple Family	—	—	—	—	156
Total	42	70	0	0	156

FRESNO COUNTY
Building Permits and Valuation
(Dollars in Thousands)

	2018	2019	2020	2021)	2022[(1)]
Permit Valuation:					
New Single-family	$ 703,307	$ 770,423	$769,338	$889,657	$542,870
New Multi-family	67,589	87,818	183,382	53,429	171,092
Res. Alterations/Additions	47,115	41,033	30,839	57,187	39,525
Total Residential	818,012	899,275	983,560	1,000,273	753,488
Total Nonresidential	497,051	499,336	577,313	398,033	473,835
Total All Building	1,315,064	1,398,612	1,560,873	1,398,306	1,227,322
New Dwelling Units:					
Single Family	2,560	2,732	2,747	3,337	1,865
Multiple Family	290	689	653	398	1,235
Total	2,850	3,421	3,400	3,735	3,100

Source: Construction Industry Research Board: "Building Permit Summary."
Note: Columns may not sum to totals due to independent rounding.
(1) Latest available full year data.

Median Household Income

The following table summarizes the median household effective buying income for the City, the County, the State of California and the nation for the past five years.

CITY OF COALINGA, FRESNO COUNTY,
STATE OF CALIFORNIA AND UNITED STATES
Median Household Effective Buying Income

	2018	2019	2020	2021	2022
City of Coalinga	$ 47,528	$ 50,815	$ 53,279	$60,745	$58,875
Fresno County	46,028	48,980	48,681	57,777	58,117
California	62,637	65,870	67,956	77,058	77,175
United States	52,841	55,303	56,790	64,448	65,326

Source: Nielsen, Inc.

APPENDIX B

AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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APPENDIX C

CITY INVESTMENT POLICY

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APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS

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APPENDIX E

FORM OF FINAL OPINION OF BOND COUNSEL

[Letterhead of Stradling Yocca Carlson & Rauth LLP]

[Closing Date]

Board of Directors of the
Coalinga Public Financing Authority
155 West Durian
Coalinga, California 93210

OPINION: $_____Coalinga Public Financing Authority Water Revenue Bonds, Series 2024 (Solar Project)

Members of the Board of Directors:

We have acted as bond counsel in connection with the delivery by the Coalinga Public Financing Authority (the "Authority") of $_____ aggregate principal amount of the bonds of the Authority designated the "Coalinga Public Financing Authority (Fresno County, California) Water Revenue Bonds, Series 2024 (Solar Project)" (the "Bonds"), pursuant to the provisions of Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Law"), and pursuant to an indenture of trust, dated as of August 1, 2024 (the "Indenture"), by and between the Authority and Computershare Trust Company, N.A., as trustee, and a resolution of the governing body of the Authority adopted on August 1, 2024. The Bonds are secured by Revenues as defined in the Indenture, including installment payments (the "Installment Payments") made by the City of Coalinga (the "City") under an installment sale agreement, dated as of August 1, 2024 (the "Installment Sale Agreement"), by and between the Authority, as seller, and the City, as purchaser. We have examined the Law and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Authority and the City contained in the Indenture and the Installment Sale Agreement and in the certified proceedings, and upon other certifications furnished to us, without undertaking to verify the same by independent investigation.

Based upon our examination we are of the opinion, under existing law, that:

1. The Authority is a joint exercise of powers entity and public entity duly organized and existing under the laws of the State of California, with power to enter into the Indenture, to perform the agreements on its part contained therein and to issue the Bonds.

2. The Bonds constitute legal, valid and binding special obligations of the Authority enforceable in accordance with their terms and payable solely from the sources provided therefor in the Indenture.

3. The Indenture has been duly authorized, executed and delivered by the Authority and constitutes a legal, valid and binding obligation of the Authority enforceable against the Authority in accordance with its terms.

4. The Indenture establishes a valid first and exclusive lien on and pledge of the Revenues (as such term is defined in the Indenture) and other funds pledged thereby for the security of the Bonds, in accordance with the terms of the Indenture.

5. The Installment Sale Agreement has been duly approved by the Authority and constitutes the legal, valid and binding obligation of the Authority enforceable against the Authority in accordance with its terms.

6. The City is a municipal corporation duly organized and existing under the laws of the State of California, with power to enter into the Installment Sale Agreement and to perform the agreements on its part contained therein.

7. The Installment Sale Agreement has been duly authorized, executed and delivered by the City and constitutes the legal, valid and binding obligation of the City enforceable against the City in accordance with its terms.

8. The Installment Sale Agreement establishes a valid first and exclusive lien on and pledge of the Water Net Revenues (as such term is defined in the Indenture) and other funds pledged thereby for the security of the Installment Sale Agreement, in accordance with the terms of the Installment Sale Agreement.

9. Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, it should be noted that with respect to applicable corporations as defined in section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), interest (and original issue discount) with respect to the Bonds might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed on such corporations.

10. Interest (and original issue discount) on the Bonds is exempt from State personal income tax.

11. The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Bond (to the extent the redemption price at maturity is more than the issue price) constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bond owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bond owner will increase the Bond owner's basis in the applicable Bond. Original issue discount that accrues for the Bond owner is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and is exempt from State personal income tax.

12. The amount by which a Bond owner's original basis for determining loss on sale or exchange in the applicable Bond (generally the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium which must be amortized under section 171 of the Code;

such amortizable bond premium reduces the bond owner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of bond premium may result in a Bond owner realizing a taxable gain when a Bond is sold by the owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the owner.

The opinions expressed in paragraphs 9 and 11 above as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the Bonds are subject to the condition that the District complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to assure that such interest (and original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District has covenanted to comply with all such requirements. Except as set forth in paragraphs 9, 10, 11 and 12 above, we express no opinion as to any tax consequences related to the Bonds.

Certain agreements, requirements and procedures contained or referred to in the Bond Resolution and the Tax Certificate executed by the District with respect to the Bonds may be changed and certain actions may be taken or omitted, under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of counsel nationally recognized in the area of tax exempt obligations. We express no opinion as to the effect on exclusion from gross income for federal income tax purposes of the interest (and original issue discount) on any Bond if any such change occurs or action is taken or omitted upon advice or approval of bond counsel other than Stradling Yocca Carlson & Rauth LLP

The opinions expressed herein and the exclusion of interest on the Bonds from gross income for federal income tax purposes may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. Our engagement as bond counsel to the District terminates upon the issuance of the Bonds.

With respect to the opinions expressed herein, the enforceability of the Installment Sale Agreement is subject to the limitations on the imposition of certain fees and charges by the City related to its municipal water systems under Articles XIIIC and XIIID of the California Constitution. In addition, the rights of the owners of the Bonds and the enforceability of the Bonds and the Indenture may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and also may be subject to the exercise of judicial discretion in accordance with general principles of equity.

In rendering this opinion, we have relied upon certifications of the Authority, the City and others with respect to certain material facts. Our opinion represents our legal judgment based upon such review of the law and the facts that we deem relevant to render our opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

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APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This CONTINUING DISCLOSURE CERTIFICATE (the "Disclosure Certificate") is executed and delivered by the CITY OF COALINGA (the "City") in connection with the issuance by the Coalinga Public Financing Authority (the "Authority") of $_____ aggregate principal amount of Coalinga Public Financing Authority Water Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"). The Bonds are being issued pursuant to an indenture of trust, dated as of August 1, 2024 (the "Indenture"), by and between the Authority and Computershare Trust Company, N.A., as trustee (the "Trustee"). The City covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth above and, in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 1, the following capitalized terms shall have the following meanings:

"*Annual Report*" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Annual Report Date*" means the March 31 after the end of the City's fiscal year.

"*Dissemination Agent*" shall mean, initially, IGService, or any successor Dissemination Agent designed in writing by the City and which has been filed with the then current Dissemination Agent a written acceptance of such designation.

"*Fiscal Year*" means any twelve–month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve–month period selected and designated by the City as its official fiscal year period under a Certificate of the City filed with the Trustee.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the final official statement executed by the City in connection with the issuance of the Bonds.

"*Participating Underwriter*" means Oppenheimer & Co., Inc., the original underwriter of the Bonds.

"*Rule*" means Rule 15c2–12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

"*Significant Events*" means any of the events listed in Section 5(a) of this Disclosure Certificate.

Section 2. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2025, with the report for fiscal year 2023-24 provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure

Certificate. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Significant Event under Section 5(b). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City in a timely manner shall provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following:

(a) The City's audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or prior to the annual filing deadline for Annual Reports provided for in Section 3 above, financial information and operating data with respect to the City for preceding fiscal year, substantially similar to that provided in the indicated tables in the Official Statement, as follows:

(i) Water System Water Purchases (Table 1);
(ii) Water System Treated Water Supply and Consumption (Table 3);
(iii) Water System Consumption by Customer Type (Table 4);
(iv) Water System Metered Accounts by Customer Type (Table 5);
(v) Water System Ten Largest Users (Table 6); and
(vi) Water System Historical Operating Results and Debt Service Coverage (Table 10).

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the City shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's

Internet web site or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Significant Events with respect to the Bonds:

(i) Principal and interest payment delinquencies;

(ii) Non–payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

(vii) Modifications to rights of security holders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property securing repayment of the securities, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person;

(xiii) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) The incurrence of a financial obligation of the City or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City or other obligated person, any of which affect security holders, if material; or

(xvi) A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City or other obligated person, any of which reflect financial difficulties.

(b) Whenever the City obtains knowledge of the occurrence of a Significant Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Significant Event. Notwithstanding the foregoing, notice of Significant Events described in subsection (a)(viii) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The City acknowledges that the events described in subparagraphs (a)(ii), (a)(vii), (a)(viii) (if the event is a bond call), (a)(x), (a)(xiii), (a)(xiv) and (a) (xv) of this Section 5 contain the qualifier "if material." The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the City determines the event's occurrence is material for purposes of U.S. federal securities law. The City intends that

the words used in paragraphs (xv) and (xvi) and the definition of "financial obligation" to have the meanings ascribed thereto in SEC Release No. 34-83885 (August 20, 2018).

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental City has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental City, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental City having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Significant Event under Section 5(b).

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the City.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Bond Indenture for amendments to the Bond Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on

the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

The Dissemination Agent shall not be obligated to enter into any amendment increasing or affecting its duties or obligations hereunder.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Significant Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Significant Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Significant Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Significant Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Bond Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) Section 27 of the Bond Indenture is hereby made applicable to this Disclosure Certificate as if this Disclosure Certificate were (solely for this purpose) contained in the Bond Indenture. The Dissemination Agent shall be entitled to the protections and limitations from liability afforded to the Trustee thereunder. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Bond holders or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: [Closing Date]

CITY OF COALINGA

By _____
City Manager

ACKNOWLEDGED:

IGSERVICE, as Dissemination Agent

By _____
Title _____

EXHIBIT A

NOTICE TO EMMA OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	Coalinga Public Financing Authority
Name of Obligor:	City of Coalinga, California
Name of Issues:	Coalinga Public Financing Authority Water Revenue Bonds, Series 2024 (Solar Project)
Date of Issuance:	[Closing Date]

NOTICE IS HEREBY GIVEN that the Obligor has not provided an Annual Report with respect to the above-named Issues as required by the Continuing Disclosure Certificate dated [Closing Date], furnished by the Obligor in connection with the Issues. The Obligor anticipates that the Annual Report will be filed by _____.

Dated: _____

IGSERVICE, as Dissemination Agent

By _____
Name _____
Title _____

cc: Trustee

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APPENDIX G

BOOK-ENTRY ONLY SYSTEM

The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, redemption premium, if any, and interest with respect to the Bonds to The Depository Trust Company ("DTC"), New York, NY, its Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Bonds and other related transactions by and between DTC, its Participants and the Beneficial Owners is based solely on the understanding of the Authority of such procedures and record keeping from information provided by DTC. Accordingly, no representations can be made concerning these matters and neither DTC, its Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or its Participants, as the case may be. The City, the Authority, the Trustee and the Underwriter understand that the current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and that the current "Procedures" of DTC to be followed in dealing with Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTTC is owned by users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized

representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Trust Agreement. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC, if less than all of the Bonds within a maturity are being redeemed. DTC's practice is to determine by lot the amount of the interest of each Direct Participant in each issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of, premium, if any, and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City, the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, the City or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments of principal of, premium, if any, and interest on the Bonds by Cede & Co (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City, the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City, the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The foregoing information concerning DTC and DTC's book-entry system has been provided by DTC, and neither the Authority nor the Trustee takes any responsibility for the accuracy thereof.

NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO THE PAYMENTS OR THE PROVIDING OF NOTICE TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS OR THE SELECTION OF BONDS FOR REDEMPTION.

Neither the Authority nor the Trustee can give any assurances that DTC, DTC Participants, Indirect Participants or others will distribute payments of principal of, premium, if any, and interest on the Bonds paid to DTC or its nominee, as the registered Owner, or any redemption or other notice, to the Beneficial Owners or that they will do so on a timely basis or that DTC will serve and act in a manner described in this Official Statement.

In the event that the book-entry system is discontinued as described above, the requirements of the Trust Agreement will apply.

The City, the Authority and the Trustee cannot and do not give any assurances that DTC, the Participants or others will distribute payments of principal, interest or premium, if any, evidenced by the Bonds paid to DTC or its nominee as the registered owner, or will distribute any redemption notices or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. Neither the Authority nor the Trustee are responsible or liable for the failure of DTC or any Participant to make any payment or give any notice to a Beneficial Owner with respect to the Bonds or an error or delay relating thereto.

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APPENDIX H

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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CONTINUING DISCLOSURE CERTIFICATE

This CONTINUING DISCLOSURE CERTIFICATE (the "Disclosure Certificate") is executed and delivered by the CITY OF COALINGA, CALIFORNIA (the "City") in connection with the issuance by the Coalinga Public Financing Authority (the "Authority") of its $_____ Coalinga Public Financing Authority (Fresno County, California) Water Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"). The Bonds are being issued pursuant to an Indenture of Trust, dated as of August 1, 2024 (the "Indenture"), by and between the Authority and Computershare Trust Company, N.A., as trustee (the "Trustee"). Pursuant to Section 5.6 of that certain Installment Sale Agreement, dated as of August 1, 2024, by and between the Authority and the City, the City covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth above and, in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 1, the following capitalized terms shall have the following meanings:

"*Annual Report*" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Annual Report Date*" means the date that is nine months after the end of the City's fiscal year (currently March 31 based on the City's fiscal year end of June 30).

"*Dissemination Agent*" shall mean, initially, IGService, or any successor Dissemination Agent designated in writing by the City and which has been filed with the then current Dissemination Agent a written acceptance of such designation.

"*EMMA*" or "*Electronic Municipal Market Access*" means the centralized on-line repository for documents to be filed with the MSRB, such as official statements and disclosure information relating to municipal bonds, notes and other securities as issued by state and local governments.

"*Fiscal Year*" means any twelve–month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve–month period selected and designated by the City as its official fiscal year period under a certificate of the City filed with the Trustee.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the final official statement executed by the City in connection with the issuance of the Bonds.

"*Participating Underwriter*" means Oppenheimer & Co. Inc., the original underwriter of the Bonds.

"*Rule*" means Rule 15c2–12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

"*Significant Events*" means any of the events listed in Section 5(a) of this Disclosure Certificate.

Section 2. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2–12(b)(5).

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2025, with the report for fiscal year 2023-24 provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Significant Event under Section 5(b). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City in a timely manner shall provide notice (or cause the Dissemination Agent to provide notice) to the MSRB, in an electronic format as prescribed by the MSRB.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then–applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following:

(a) *Financial Statements*. Audited financial statements of the City for the preceding fiscal year, prepared in accordance with generally accepted accounting principles. If the City's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the

audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) *Other Annual Information*. To the extent not included in the audited financial statements of the City, the Annual Report shall also include financial and operating data with respect to the City for the preceding fiscal year, as follows:

(i) Water System Water Purchases (Table 1);
(ii) Water System Treated Water Supply and Consumption (Table 3);
(iii) Water System Consumption by Customer Type (Table 4);
(iv) Water System Metered Accounts by Customer Type (Table 5);
(v) Water System Ten Largest Users (Table 6); and
(vi) Water System Historical Operating Results and Debt Service Coverage (Table 10).

(c) *Cross References*. Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on EMMA. The City shall clearly identify each such other document so included by reference.

If the document included by reference is a final official statement, it must be available from EMMA.

Section 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Significant Events with respect to the Bonds:

(i) Principal and interest payment delinquencies;

(ii) Non–payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

(vii) Modifications to rights of security holders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property securing repayment of the securities, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person;

(xiii) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) The incurrence of a financial obligation of the City or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City or other obligated person, any of which affect security holders, if material; or

(xvi) A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City or other obligated person, any of which reflect financial difficulties.

(b) Whenever the City obtains knowledge of the occurrence of a Significant Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Significant Event. Notwithstanding the foregoing, notice of Significant Events described in subsection (a)(viii) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The City acknowledges that the events described in subparagraphs (a)(ii), (a)(vii), (a)(viii) (if the event is a bond call), (a)(x), (a)(xiii), (a)(xiv) and (a) (xv) of this Section 5 contain the qualifier "if material." The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the City determines the event's occurrence is material for purposes of U.S. federal securities law. The City intends that the words used in paragraphs (xv) and (xvi) and the definition of "financial obligation" shall have the meanings ascribed thereto in SEC Release No. 34-83885 (August 20, 2018) or any further guidance or release provided by the SEC.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the City.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

The Dissemination Agent shall not be obligated to enter into any amendment increasing or affecting its duties or obligations hereunder.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Significant Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination

set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Significant Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Significant Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Significant Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) Article VIII of the Indenture is hereby made applicable to this Disclosure Certificate as if this Disclosure Certificate were (solely for this purpose) contained in the Indenture. The Dissemination Agent shall be entitled to the protections and limitations from liability afforded to the Trustee thereunder. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Bond holders or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the Owners and Beneficial Owners from time to time of the Bonds and shall create no rights in any other person or entity.

Date: August 29, 2024

CITY OF COALINGA

By _____
City Manager

ACKNOWLEDGED:

IGSERVICE, as Dissemination Agent

By _____
Director

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Adopt Resolution No.4219 and Coalinga Public Financing Authority Resolution No. PFA 24-03 Approving Proceedings to Finance Improvements to the City's Municipal WasteWater System, Approving the Issuance of Revenue Bonds by the Coalinga Public Financing Authority for such Purposes and Approving related Documents and Official Actions
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Sean Brewer, Assistant City Manager

I. RECOMMENDATION:

Adopt City Council Resolution No. 4219 and Coalinga Public Financing Authority Resolution No. PFA 24-03 approving proceedings to finance improvements to the City's municipal wastewater system, approving the issuance of revenue bonds by the Coalinga Public Financing Authority for such purposes and approving related documents and official actions.

II. BACKGROUND:

On June 20, 2024, the City Council authorized the City Manager to execute an Energy Services Contract with Johnson Controls, Inc. ("JCI") to install photovoltaic solar panels at the Wastewater Treatment Plant (the "2024 Wastewater Project"). As part of such approval, the City Council approved the following actions relating the 2024 Wastewater Project, the wastewater enterprise fund, and City's municipal wastewater system ("Wastewater System"):

- Authorized City Manager to sign Agreement with JCI;
- Authorized the contribution of $500,000 from the wastewater enterprise fund (cash reserve);
- Authorized execution of the initial notice to proceed with JCI; and
- Consideration of using bond financing to pay for a portion of the 2024 Wastewater Project at a future City Council meeting subject to related financing documents being brought back to the City Council for approval.

Per the City Council's action on June 20, 2024, the City Staff and its financing team have prepared the requisite documents needed for the City to finance a portion of the 2024 Wastewater Project and such documents are attached hereto.

If approved, the 2024 Wastewater Project will be financed from the proceeds of revenue bonds to be issued by the Coalinga Public Financing Authority (the "2024 Wastewater Bonds").

The Authority previously issued its $10,610,000 Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Projects) (Federally Taxable) and $8,200,000 Revenue Bonds, Series 2021B (Water Project) (Tax-Exempt) (collectively, the "2021 Bonds"). The Series 2021A Bonds refinanced prior Coalinga Public Financing Authority obligations and the Series 2021B Bonds provided project funds certain improvements and facilities constituting part of the City's municipal water enterprise.

This action, if approved by the Authority Board and City Council, will allow the Authority to issue the 2024 Wastewater Bonds to finance the 2024 Wastewater Project. The 2024 Wastewater Bonds will be on parity with a portion of the Series 2021A Bonds. The 2024 Wastewater Bonds will be payable from and secured by payments to be made by the City under an installment sale agreement, similar to the agreement executed in 2021 from the net revenues of the Wastewater System.

III. DISCUSSION:

The financing documents are being presented to the Authority Board and the City Council in near final form. The documents will be completed when the interest rates and debt service payments are determined at the time the 2024 Wastewater Bonds are sold to Oppenheimer & Co., Inc., the Underwriter. The approval by the City Council and the Authority provide not-to-exceed parameters for the issuance of the 2024 Wastewater Bonds. This method of approval is the normal method of approving a bond issue in California. The individual financing documents needed to complete the financing are included as attachments and are each briefly described on the following page.

Installment Sale Agreement- In order to provide for the repayment of the 2024 Wastewater Bonds, (a) the City will sell the Wastewater System to the Authority and the Authority will sell the Wastewater System and the 2024 Wastewater Project to the City pursuant to an installment sale agreement (the "Wastewater Installment Sale Agreement"), under which the City will agree to make installment payments to the Authority payable from the net revenues of the Wastewater System. The payments to be made under the Wastewater Installment Sale Agreement will be calculated to be sufficient, in time and amount, to enable the Authority to pay the principal of and interest on the 2024 Wastewater Bonds when due.

Indenture - Between the Authority and Computershare Trust Company, N.A., the Trustee, under which the 2024 Wastewater Bonds will be issued, funds and accounts will be established by the Trustee and payments to be made by the City under the Wastewater Installment Sale Agreement will be received by the Trustee and applied to pay the principal of and interest on the 2024 Wastewater Bonds when due. The Trustee will also pay project costs from the project fund when requested by the City.

Preliminary Official Statement - As a necessary prerequisite to the public marketing and selling of the 2024 Wastewater Bonds, a Preliminary Official Statement has been prepared, with the assistance of the City's financing team (bond counsel, disclosure counsel, the municipal advisor and the Underwriter). This document describes the Authority, the City, the 2024 Wastewater Project, the Wastewater System, the 2024 Wastewater Bonds and the financing documents. Once the 2024 Wastewater Bonds are priced and the sale is executed, the final details will be used to fill in the blanks of the Preliminary Official Statement, which will then be used as the basis for a final Official Statement.

Bond Purchase Agreement - Contains the obligation of the Underwriter to accept and pay for the 2024 Wastewater Bonds, provided that all of the covenants and representations of the Authority and the City are met and certain other conditions excusing performance by the underwriter do not exist.

Continuing Disclosure Certificate - Contains the obligation of the City to provide annual financial statements and certain operating data to 2024 Wastewater Bond investors, via the City's appointed Dissemination Agent, IGService.

IV. ALTERNATIVES:

Determine not to adopt the resolutions and to not authorize the issuance of the 2024 Wastewater Bonds. Explore alternative sources of funds available to make payment to JCI under the executed Agreement.

V. FISCAL IMPACT:

Through fiscal year ending June 30, 2050, the 2024 Wastewater Project is estimated to generate cost avoidance (gross of related debt service) in the approximate amount of $7.78 million. The 2024 Wastewater Bonds are estimated to produce a total net debt service obligation of approximately $5.83 million. Net of debt service, the 2024 Water Project is estimated to generate cost savings of approximately $1.95 million. Additionally, via completion of the 2024 Wastewater Project, the City is eligible to receive an Investment Tax Credit direct pay subsidy provided in the Inflation Reduction Act in the estimated amount of 1.09 million, which shall be partially offset by the $500,000 contribution from wastewater enterprise fund (cash reserve).

The City's municipal advisor and Underwriter have provided good faith estimates for the 2024 Wastewater Bonds which are included in exhibits attached to the Resolutions.

ATTACHMENTS:

File Name	Description
WW_City_Res_4219_(2).pdf	City Resolution No. 4219
WW_Auth_Res_PFA_24-03_(1).pdf	WW Auth Res No. PFA 24-03
BPA_(Draft).pdf	BPA (Draft)
ContDisclCert_(Draft).pdf	ContDisclCert (Draft)
Indenture_(Draft).pdf	Indenture (Draft)
Wastewater_ISA_(Draft).pdf	WWISA (Draft)
WastewaterPOS_(Draft).pdf	WWPOS (Draft)

CITY OF COALINGA

RESOLUTION NO. 4219

RESOLUTION APPROVING PROCEEDINGS TO FINANCE IMPROVEMENTS TO THE CITY'S MUNICIPAL WASTEWATER SYSTEM, APPROVING THE ISSUANCE OF REVENUE BONDS BY THE COALINGA PUBLIC FINANCING AUTHORITY FOR SUCH PURPOSES AND APPROVING RELATED DOCUMENTS AND OFFICIAL ACTIONS

RESOLVED, by the City Council (the "Council") of the City of Coalinga (the "City"), as follows:

WHEREAS, the City, the Redevelopment Agency of the City of Coalinga and the Coalinga-Huron Unified School District have heretofore entered into a joint exercise of powers agreement establishing the Coalinga Public Financing Authority (the "Authority") for the purpose, among others, of issuing its bonds to be used to provide financial assistance to the City;

WHEREAS, the City has determined that, due to prevailing financial market conditions and for other reasons, it is in the best interests of the City to finance the acquisition and construction of improvements and facilities including, but not limited to the installation of a solar photovoltaic (PV) system which will generate electricity through the conversion of solar energy (the "2024 Wastewater Project"), to the City's municipal wastewater enterprise (the "Wastewater System");

WHEREAS, for the purpose of raising funds necessary to provide such financial assistance to the City, the Authority proposes to authorize the issuance of its revenue bonds under the provisions of Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code, designated as the Coalinga Public Financing Authority Wastewater Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"), all pursuant to and secured by an indenture of trust, by and between the Authority and Computershare Trust Company, N.A., as trustee;

WHEREAS, in order to provide for the repayment of the Bonds, the Authority will sell the 2024 Wastewater Project to the City pursuant to an installment sale agreement (the "Installment Sale Agreement"), under which the City will agree to make installment payments to the Authority payable from the net revenues of the Wastewater System, which payments will be calculated to be sufficient, in time and amount, to enable the Authority to pay the principal of and interest and premium (if any) on the Bonds when due and payable;

WHEREAS such payments by the City under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments under a wastewater installment sale agreement, dated as of March 1, 2021, which provides for the payment of a portion of the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable);

WHEREAS, the form of a preliminary official statement (the "Preliminary Official Statement") describing the Authority, the City, the Wastewater System, the Bonds and other matters, to be used in connection with the marketing of the Bonds, has been prepared and presented to the City;

WHEREAS, the firm of Oppenheimer & Co. Inc. (the "Underwriter") has proposed to purchase and underwrite the Bonds and has presented to the City a form of bond purchase agreement for the Bonds, to be entered into among the Authority, the City and the Underwriter (the "Bond Purchase Agreement");

WHEREAS, the Council approves all of said transactions in furtherance of the public purposes of the City, and wishes at this time to take its action approving the issuance and sale of the Bonds and the financing to be accomplished thereby; and

WHEREAS, pursuant to section 5852.1 of the Government Code, which became effective on January 1, 2018, by the enactment of Senate Bill 450, certain information relating to the Bonds is set forth in Appendix A attached to this Resolution, and such information is hereby disclosed and made public;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Approval of Bonds. The Council hereby approves the issuance of the Bonds by the Authority for the purpose, among others, of providing funds to finance the 2024 Wastewater Project, so long as (a) the principal amount of Bonds does not exceed $3,750,000, (b) the final maturity date of the Bonds is not later than April 1, 2051, and (c) the true interest cost of the Bonds does not exceed 5.75%.

Section 2. Approval of Installment Sale Agreement. The Council hereby approves the Installment Sale Agreement in the form on file with the City Clerk, together with such additions thereto and changes therein as the Mayor, the City Manager, the Assistant City Manager or the Financial Services Director, or their assignees (the "Designated Officers") shall deem necessary, desirable or appropriate, the execution of which by the City shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Installment Sale Agreement for and in the name and on behalf of the City. The Council hereby authorizes the delivery and performance of the Installment Sale Agreement.

Section 3. Continuing Disclosure Certificate. The Council hereby approves a continuing disclosure certificate (the "Continuing Disclosure Certificate"), in the form on file with the City Clerk, together with any changes therein or additions thereto deemed advisable by any Designated Officer, the execution of which by the City shall be conclusive evidence of the approval of any such non-material additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Continuing Disclosure Certificate for and in the name and on behalf of the City. The City hereby authorizes the delivery and performance of the Continuing Disclosure Certificate.

Section 4. Sale of Bonds. The Council hereby approves the sale of the Bonds by the Authority by negotiation with the Underwriter pursuant to the Bond Purchase Agreement, in the form on file with the City Clerk, together with such additions thereto and changes therein as any Designated Officer shall deem necessary, desirable or appropriate, the execution of which by the City shall be conclusive evidence of the approval of such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Bond Purchase Agreement for and in the name and on behalf of the City upon the submission of an offer by the Underwriter to purchase the Bonds, which offer is acceptable to any Designated Officer and consistent with the requirements of this Resolution. The amount of Underwriter's discount for the Bonds shall be not more than 1.65% of the par amount thereof (not taking into account any original issue discount on the sale thereof).

Section 5. Official Statement. The Council hereby approves the Preliminary Official Statement in the form on file with the City Clerk, together with such additions thereto and changes therein as any Designated Officer shall deem necessary, desirable or appropriate. The Designated Officers, each acting alone, are hereby authorized and directed to deem final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 except for permitted omissions, the Preliminary Official Statement. Distribution of the Preliminary Official Statement is hereby approved. The Designated Officers, each acting alone, are hereby authorized to execute the final form of a final official statement, including as it may be modified by such additions thereto and changes therein as any Designated Officer shall deem necessary, desirable or appropriate, and the execution of the final official statement by the City shall be conclusive evidence of the approval of any such additions and changes. The Council hereby authorizes the distribution of the final official statement. The final official statement shall be executed in the name and on behalf of the City by any designated Officer.

Section 6. Official Actions. The Mayor, the City Manager, the Assistant City Manager. the Financial Services Director, the City Clerk and any and all other officers of the City are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, including the application to providers of municipal bond insurance for the Bonds, which they, or any of them, may deem necessary or advisable in order to consummate the

lawful issuance and sale of the Bonds and the consummation of the transactions as described herein.

Section 7. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

* * * * * *

The foregoing resolution was dully adopted by the Coalinga Coalinga City Council at a regular meeting held on the **1st day of August, 2024**, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

_____
James Horn, Mayor

I, the undersigned City Clerk of the Coalinga City Council, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted by the Coalinga City Council at a meeting thereof on the 1st day of August, 2024.

_____
Shannon Jensen, City Clerk

APPENDIX A

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by the Authority's municipal advisor and the Underwriter which has been represented to have been provided in good faith:

(A) True Interest Cost of the Bonds: 4.94%

(B) Finance Charges (Costs of Issuance): $114,147.68

(C) Net Proceeds to be Received for the Bonds: $2,823,664.62
(net of finance charges)

(D) Total Payment Amount through Maturity: $5,832,017

The foregoing estimates constitute good faith estimates only.

The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the Authority's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates with respect to the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Authority.

COALINGA PUBLIC FINANCING AUTHORITY

RESOLUTION NO. PFA 24-03

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF REVENUE BONDS TO FINANCE IMPROVEMENTS TO THE CITY OF COALINGA'S MUNICIPAL WASTEWATER SYSTEM, APPROVING RELATED DOCUMENTS AND OFFICIAL ACTIONS

RESOLVED, by the Board of Directors (the "Board") of the Coalinga Public Financing Authority (the "Authority"), as follows:

WHEREAS, the City of Coalinga (the "City"), the Redevelopment Agency of the City of Coalinga and the Coalinga-Huron Unified School District have heretofore entered into a joint exercise of powers agreement establishing the Authority for the purpose, among others, of issuing its bonds to be used to provide financial assistance to the City;

WHEREAS, the City has determined that, due to prevailing financial market conditions and for other reasons, it is in the best interests of the City to finance the acquisition and construction of improvements and facilities including, but not limited to the installation of a solar photovoltaic (PV) system which will generate electricity through the conversion of solar energy (the "2024 Wastewater Project"), to the City's municipal wastewater enterprise (the "Wastewater System");

WHEREAS, for the purpose of raising funds necessary to provide such financial assistance to the City, the Authority proposes to authorize the issuance of its revenue bonds under the provisions of Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Bond Law"), designated as the Coalinga Public Financing Authority Wastewater Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"), all pursuant to and secured by an indenture of trust, by and between the Authority and Computershare Trust Company, N.A., as trustee;

WHEREAS, in order to provide for the repayment of the Bonds, the Authority will sell the 2024 Wastewater Project to the City pursuant to an installment sale agreement (the "Installment Sale Agreement"), under which the City will agree to make installment payments to the Authority payable from the net revenues of the Wastewater System, which payments will be calculated to be sufficient, in time and amount, to enable the Authority to pay the principal of and interest and premium (if any) on the Bonds when due and payable;

WHEREAS such payments by the City under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments under a wastewater installment sale agreement, dated as of March 1, 2021, which provides for the payment of a portion of the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable);

WHEREAS, the form of a preliminary official statement (the "Preliminary Official Statement") describing the Authority, the City, the Wastewater System, the Bonds and other matters, to be used in connection with the marketing of the Bonds, has been prepared and presented to the Authority;

WHEREAS, the firm of Oppenheimer & Co. Inc. (the "Underwriter") has proposed to purchase and underwrite the Bonds and has presented to the Authority a form of bond purchase agreement for the Bonds, to be entered into among the Authority, the City and the Underwriter (the "Bond Purchase Agreement");

WHEREAS, the Board has duly considered such transactions and wishes at this time to approve said transactions in the public interests of the Authority; and

WHEREAS, pursuant to section 5852.1 of the Government Code, which became effective on January 1, 2018, by the enactment of Senate Bill 450, certain information relating to the Bonds is set forth in Appendix A attached to this Resolution, and such information is hereby disclosed and made public;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Issuance of Bonds; Approval of Indenture. The Board hereby authorizes the issuance of the Bonds under and pursuant to the Bond Law and the Indenture in the aggregate principal amount of not to exceed $3,750,000 for the purpose of providing funds to enable the City to finance the 2024 Wastewater Project. The Board hereby approves the Indenture in the form on file with the Secretary, together with such additions thereto and changes therein as the Chairperson, the Executive Director or the Treasurer, or any designee thereof (the "Designated Officers") shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Indenture for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Indenture.

Section 2. Approval of Installment Sale Agreement. The Board hereby approves the Installment Sale Agreement in the form on file with the Secretary, together with such additions thereto and changes therein as the Designated Officers shall deem necessary, desirable or

appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Installment Sale Agreement for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Installment Sale Agreement.

Section 3. Sale of Bonds. The Board hereby approves the sale of the Bonds by the Authority by negotiation with the Underwriter, pursuant to the Bond Purchase Agreement in the form on file with the Secretary, together with such additions thereto and changes therein as any designated Officer shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Bond Purchase Agreement for and in the name and on behalf of the Authority upon the submission of an offer by the Underwriter to purchase the Bonds, which offer is acceptable to any designated Officer and consistent with the requirements of this Resolution. The amount of Underwriter's discount for the Bonds shall be not more than 1.65% of the par amount thereof (not taking into account any original issue discount on the sale thereof).

Section 4. Official Statement. The Board hereby approves the Preliminary Official Statement in the form on file with the Secretary, together with such additions thereto and changes therein as any Designated Officer shall deem necessary, desirable or appropriate. The Designated Officers, each acting alone, are hereby authorized and directed to deem final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 except for permitted omissions, the Preliminary Official Statement. Distribution of the Preliminary Official Statement is hereby approved. The Designated Officers, each acting alone, are hereby authorized to execute the final form of a final official statement, including as it may be modified by such additions thereto and changes therein as any Designated Officer shall deem necessary, desirable or appropriate, and the execution of the final official statement by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Board hereby authorizes the distribution of the final official statement. The final official statement shall be executed in the name and on behalf of the Authority by any Designated Officer.

Section 5. Official Actions. The Chairperson, the Executive Director, the Treasurer, the Secretary and any and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, including the application to providers of municipal bond insurance for the Bonds, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the Bonds and the consummation of the transactions as described herein.

Section 6. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

* * * * * *

The foregoing resolution was dully adopted by the Coalinga Public Financing Authority Board of Directors at a regular meeting held on the **1st day of August, 2024**, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

_____
James Horn, Director

I, the undersigned Secretary of the Coalinga Public Financing Authority, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted by the Board of Directors of the Coalinga Public Financing Authority at a meeting thereof on the 1st day of August, 2024.

_____
Shannon Jensen, Secretary

APPENDIX A

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by the Authority's municipal advisor and the Underwriter which has been represented to have been provided in good faith:

(A) True Interest Cost of the Bonds: 4.94%

(B) Finance Charges (Costs of Issuance): $114,147.68

(C) Net Proceeds to be Received for the Bonds: $2,823,664.62
(net of finance charges)

(D) Total Payment Amount through Maturity: $5,832,017

The foregoing estimates constitute good faith estimates only.

The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the Authority's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates with respect to the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Authority.

$_____
COALINGA PUBLIC FINANCING AUTHORITY
(Fresno County, California)
Wastewater Revenue Bonds, Series 2024
(Solar Project)

BOND PURCHASE AGREEMENT

August 20, 2024

Coalinga Public Financing Authority
155 West Durian
Coalinga, CA 93210

City of Coalinga
155 West Durian
Coalinga, CA 93210

Ladies and Gentlemen:

The undersigned, Oppenheimer & Co. Inc. (the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (the "Bond Purchase Agreement") with the Coalinga Public Financing Authority (the "Authority") and the City of Coalinga (the "City"), which, upon the Authority's and City's acceptance hereof, will be binding upon the Authority, the City and the Underwriter. This offer is made subject to written acceptance by the Authority and the City and the delivery of such acceptance to the Underwriter at or prior to 9:00 P.M., California time, on the date hereof. If this offer is not so accepted, this offer will be subject to withdrawal by the Underwriter upon notice delivered to the Authority and the City at any time prior to acceptance by the Authority and the City. All capitalized terms used herein and not otherwise defined herein shall have the respective meanings ascribed thereto in the Official Statement (as defined herein).

1. **Purchase, Sale and Delivery of the Bonds**.

(a) Subject to the terms and conditions, and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase, and the Authority agrees to sell and deliver to the Underwriter, all (but not less than all) of the $_____ Coalinga Public Financing Authority (Fresno County, California) Wastewater Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"). The Bonds shall be dated the date of delivery thereof and shall mature on such dates and shall bear interest at such rates set forth in Exhibit A attached hereto. Interest on the Bonds shall be payable semiannually on April 1 and October 1 of each year, commencing April 1, 2025.

(b) The purchase price for the Bonds shall be $_____ (consisting of the $_____ aggregate principal amount of the Bonds, plus $_____ of net original issue premium, less

$_____ of Underwriter's discount). As an accommodation to the Authority, the Underwriter will transfer the sum of $_____ to _____ (the "Municipal Bond Insurer") in payment of the premium for the municipal bond insurance policy issued for the Bonds (the "Municipal Bond Insurance Policy") and will transfer the sum of $_____ to the Municipal Bond Insurer in payment of the premium for the reserve fund municipal bond insurance policy issued for the Bonds in lieu of cash funding a reserve fund for the Bonds (the "Reserve Policy"). The net purchase price of the Bonds of $_____ will be transferred to the Trustee.

All capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in Section 1.01 of the Indenture.

(c) The Bonds shall be issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985, consisting of Article 4, Chapter 5, Division 7, Title 1 of the California Government Code (commencing with Section 6584) (the "Bond Law"), and an Indenture of Trust, dated as of August 1, 2024 (the "Indenture"), by and between the Authority and Computershare Trust Company, N.A., as trustee (the "Trustee"), a resolution of the governing body of the Authority adopted on August 1, 2024 (the "Authority Resolution"), and a resolution of the City, adopted on August 1, 2024 (the "City Resolution").

(e) The Bonds shall be substantially in the form described in, and shall be issued and secured under the provisions of, the Indenture. The Bonds shall be secured by a pledge, charge and lien upon Revenues", which consist primarily of installment payments to be made by the City to the Authority pursuant to an installment sale agreement, dated as of August 1, 2024 (the "Installment Sale Agreement"), by and between the City and the Authority.

The Bonds are being issued by the Authority to (a) finance the acquisition and construction of certain improvements, including but not limited to, the installation of a solar photovoltaic (PV) system which will generate electricity through the conversion of solar energy and facilities, constituting part of the City's municipal water enterprise (the "Wastewater System"), (b) to purchase the Municipal Bond Insurance Policy and the Reserve Policy, , (c) fund capitalized interest on the Bonds through April 1, 2026, and (d) to pay costs of issuance of the Bonds.

The City will undertake, pursuant to a continuing disclosure certificate (the "Continuing Disclosure Certificate") to provide certain annual financial information, specified other information data and notices of the occurrence of certain events, if material, to IGService, the initial Dissemination Agent, or any successor Dissemination Agent. A description of this undertaking is set forth in the Preliminary Official Statement (as defined herein) and will also be set forth in the Official Statement (as defined herein).

The Indenture, the Installment Sale Agreement, the Continuing Disclosure Certificate and this Bond Purchase Agreement, are herein referred to as the "Financing Documents."

(c) At 8:00 o'clock A.M., Pacific Standard time, on August 29, 2024, or at such other time or on such other date as mutually agreed upon by the Authority, the City and the Underwriter (such time and date herein referred to as the "Closing Date"), the Authority will, subject to the terms and conditions hereof, sell and deliver, or cause to be delivered, the Bonds to the Underwriter, in definitive form, duly executed and authenticated, together with the other documents mentioned herein, and subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in subparagraph (a) above in immediately available funds (such delivery and payment being herein referred to as the "Closing") to the order of the Trustee. Sale, delivery and payment as aforesaid shall be made at the offices of Stradling Yocca Carlson & Rauth LLP ("Bond

Counsel"), 660 Newport Center Drive, Suite 1600, Newport Beach, CA, or such other place as shall have been mutually agreed upon by the Authority, the City and the Underwriter, except that the Bonds shall be delivered through the Trustee via the F.A.S.T. delivery book-entry system of The Depository Trust Company ("DTC") in New York, New York, or at such other place as shall have been mutually agreed upon by the Authority and the Underwriter, in fully registered book-entry eligible form (which may be typewritten) and registered in the name of Cede & Co. as nominee of DTC.

2. **Use and Preparation of Official Statement**. The Authority and the City hereby ratify, confirm and approve of the use and distribution by the Underwriter prior to the date hereof of an official statement in preliminary form dated August 13, 2024, relating to the Bonds (which, together with all appendices thereto, is referred to herein as the "Preliminary Official Statement"). The Authority and the City have deemed final the Preliminary Official Statement as of its date for purposes of Rule 15c2-12 promulgated by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), except for information permitted to be omitted therefrom by Rule 15c2-12. The Authority and the City hereby agree to deliver or cause to be delivered to the Underwriter, within seven (7) business days of the date hereof and at least in sufficient time to accompany any orders or confirmations that request payment from any customer, copies of the final official statement, dated the date hereof (which, together with all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements to such official statement as have been approved by the Authority, the City and the Underwriter is referred to herein as the "Official Statement") in sufficient quantity to enable the Underwriter to comply with the rules of the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Authority and the City hereby approve of the use and distribution by the Underwriter of the Official Statement in connection with the offer and sale of the Bonds. At the time of or prior to the Closing Date, the Underwriter shall file a copy of the Official Statement with the Municipal Securities Rulemaking Board and with a nationally recognized securities information repository. The Underwriter shall advise the Authority and the City of the date and repository of such filing.

3. **Bona Fide Public Offering**. The Underwriter agrees to make a bona fide public offering of all of the Bonds, at prices not in excess of the initial public offering yields or prices set forth on the cover page of the Official Statement. Subject to Section 4(c), the Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices; provided, however, that the Underwriter may offer a portion of the Bonds for sale to selected dealers who are members of the Financial Industry Regulatory Authority and who agree to resell the Bonds to the public on terms consistent with this Bond Purchase Agreement, and the Underwriter reserves the right to change such offering prices or yields as the Underwriter shall deem necessary in connection with the marketing of the Bonds and to offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial offering prices or at yields higher than the initial yields set forth on Exhibit A attached hereto. The Underwriter also reserves the right to over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market and to discontinue such stabilizing, if commenced, at any time. None of such activities shall affect the principal amounts, maturity dates, interest rates, redemption or other provision of the Bonds or the amount to be paid by the Underwriter to the Authority for the Bonds.

4. **Establishment of Issue Price**.

660 Newport Center Drive, Suite 1600, Newport Beach, CA,

5. **Representations, Warranties and Agreements of the Authority and the City**.

(a) The Authority hereby represents, warrants and agrees with the Underwriter as follows:

(1) The Authority is, and will be on the Closing Date, a joint powers entity of the State of California organized and operating pursuant to the laws of the State of California with the full power and authority to issue the Bonds pursuant to the Bond Law, to execute and deliver the Official Statement and to enter into the Financing Documents to which the Authority is a party;

(2) By all necessary official action of the Authority prior to or concurrently with the acceptance hereof, the Authority has duly approved the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in, the Financing Documents to which the Authority is a party and the consummation by it of all other transactions contemplated by the Official Statement and the Financing Documents to which the Authority is a party;

(3) The Financing Documents to which the Authority is a party, when duly executed by the other party thereto, will constitute the legal, valid and binding agreements of the Authority enforceable against the Authority in accordance with their respective terms; except as enforcement of each of the Financing Documents may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance laws, laws affecting the enforcement of creditors rights, the application of equitable principles and judicial discretion, by the covenant of good faith and fair dealing which may be implied by law into contracts, and by the limitations on legal remedies against public agencies in the State of California;

(4) The Authority is not in breach of or default under any applicable constitutional provision, law or administrative regulation to which it is subject or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or to which the Authority or any of its property or assets is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default in any material respect under any such instrument; and the issuance of the Bonds and the execution and delivery of the Official Statement and the Financing Documents to which the Authority is a party and compliance with the provisions on the Authority's part contained herein and therein, will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Authority under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided in the Indenture and the Installment Sale Agreement;

(5) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the best knowledge of the Authority, threatened against the Authority affecting the

corporate existence of the Authority or affecting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds or contesting or affecting the execution and delivery of the Financing Documents or the Bonds or the lien or pledge or application of any moneys or security provided thereby, or in any way contesting or affecting the validity or enforceability of the Financing Documents, the Bonds or the Authority Resolution, or the compliance by the Authority with the covenants contained in the Financing Documents, or contesting in any way the completeness or accuracy of the Preliminary Official Statement and the Official Statement relating to the Bonds, or contesting the power of the Authority to execute and deliver the Financing Documents to which the Authority is a party or the Bonds, nor to the best of the Authority's knowledge, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Financing Documents or materially impair the investment quality or value of the Bonds;

(6) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Authority of its obligations in connection with the issuance of the Bonds under the Indenture have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds; and, except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Authority of its obligations under the Financing Documents to which the Authority is a party have been duly obtained;

(7) The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification in effect so long as required for distribution of the Bonds; provided, however, that in no event shall the Authority be required to take any action which would subject it to service of process in any jurisdiction in which it is not now so subject;

(8) As of the date thereof, the Preliminary Official Statement (excluding information concerning DTC and the book-entry system as to which no representation is made) did not, except as revised by the Official Statement, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(9) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the Bonds, the Official Statement (excluding information concerning DTC and the book-entry system as to which no representation is made) did not and will not contain any untrue statement of a material fact or omit to state a

material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(10) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs which might or would cause the information contained in the Official Statement (other than information concerning DTC and the book-entry system), as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in light of the circumstances under which it was presented, not misleading, the Authority will notify the Underwriter, and, if in the opinion of the Authority, the Underwriter or their respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will forthwith prepare and furnish to the Underwriter (at the expense of the Authority) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, the Authority will furnish such information with respect to itself as the Underwriter may from time to time reasonably request;

(11) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (9) of this Section 5(a), at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (other than information concerning DTC and the book-entry system) will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading;

(12) After the Closing Date, the Authority will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing; and

(13) Any certificate signed by any authorized official of the Authority, and delivered to the Underwriter in connection with the delivery of the Bonds, shall be deemed a representation and warranty by the Authority to the Underwriter as to the statements made therein.

(b) The City represents, warrants and covenants to the Underwriter that:

(1) The City is and on the Closing Date will be a municipal corporation of the State of California, with the legal right, power and authority to approve the issuance of the Bonds, approve the Official Statement, execute, deliver and perform its obligations under this Bond Purchase Agreement and the Financing Documents to which it is a party, and to carry out its obligations as described therein;

(2) The City has duly approved this Bond Purchase Agreement and the distribution of the Preliminary Official Statement, the execution and delivery of, and the performance by the City of the obligations on its part contained in the Bonds and the Financing Documents to which it is a party, and the consummation by it of all other transactions contemplated by the Official Statement and this Bond Purchase Agreement;

(3) The Financing Documents to which the City is a party, when duly executed by the other party thereto, will constitute the legal, valid and binding agreements of the City enforceable against the City in accordance with their respective terms; except as enforcement of each of the Financing Documents may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance laws, laws affecting the enforcement of creditors rights, the application of equitable principles and judicial discretion, by the covenant of good faith and fair dealing which may be implied by law into contracts, and by the limitations on legal remedies against public agencies in the State of California;

(4) Except as otherwise disclosed in the Official Statement, the City is not in any material respect, in breach of or default under (i) any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or (ii) any material loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute an event of default under any such instrument;

(5) The approval of the Official Statement, the execution and delivery of this Bond Purchase Agreement, the Bonds and the Financing Documents to which the City is a party, the consummation of the transactions herein and therein contemplated, and the fulfillment of or compliance with the terms and conditions hereof and thereof will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or, to the knowledge of the City, any indenture, mortgage, deed of trust, installment purchase agreement, lease, contract or other agreement or instrument to which it is a party, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the City's assets, which conflict, violation, breach, default, lien, charge or encumbrance might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Bond Purchase Agreement, the Official Statement, the Financing Documents to which the City is a party, or the financial condition, assets, properties or operations of the City;

(6) No consent or approval of any trustee or holder of any indebtedness of the City, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority (except in connection with Blue Sky proceedings, if any) is necessary in connection with the execution and delivery of the Bonds, this Bond Purchase Agreement or the Financing Documents to which the City is a party, or the consummation of any transaction therein or herein contemplated on the part of the City, except as have been obtained or made and as are in full force and effect or, as appropriate, will be in full force and effect at the Closing;

(7) Except as otherwise disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the City, threatened against or affecting the City which, if determined adversely to the City or the interests

thereof, would (a) affect the creation, organization, existence or powers of the City or the titles of its officers or officials to their respective offices; (b) in any way question or affect the validity or enforceability of any of the Financing Documents or the City Resolution; (c) find illegal, invalid or unenforceable any of the Financing Documents or the transactions contemplated thereby, or any other agreement or instrument related to the issuance of the Bonds; (d) affect the issuance or delivery of any of the Bonds, the payment or collection of any revenues or charges of the Wastewater System, the validity of the pledge of or lien on such revenues or charges for the payment of the Installment Payments payable by the City under the Installment Sale Agreement; or (e) contest the completeness or accuracy of the Official Statement;

(8) Except as otherwise disclosed in the Official Statement, the City does not and will not have outstanding any indebtedness or obligation which is secured by a pledge of or lien on the Wastewater System Net Revenues superior to or on a parity with the lien of the Installment Payments on the Wastewater System Net Revenues.

(9) As of the date thereof, the Preliminary Official Statement (excluding information concerning DTC and the book-entry system as to which no representation is made) did not, except as revised by the Official Statement, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(10) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the Bonds, the Official Statement (excluding information concerning DTC and the book-entry system as to which no representation is made) did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(11) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs which might or would cause the information contained in the Official Statement (other than information concerning DTC and the book-entry system), as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in light of the circumstances under which it was presented, not misleading, the City will notify the Underwriter, and, if in the opinion of the City, the Underwriter or their respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will forthwith prepare and furnish to the Underwriter (at the expense of the City) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, the City will furnish such information with respect to itself as the Underwriter may from time to time reasonably request;

(12) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (11) of this Section 5(b), at the time of each supplement or amendment thereto and (unless subsequently again supplemented or

amended pursuant to such paragraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (other than information concerning DTC and the book-entry system) will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading;

(13) After the Closing Date, the City will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing;

(14) Between the date of this Bond Purchase Agreement and the Closing Date, except as disclosed in the Official Statement, the City will not, without the prior written consent of the Underwriter, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities direct or contingent, payable from Gross Revenues of the Wastewater System, other than in the ordinary course of its business, nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the City;

(15) No current study undertaken by or on behalf of the City regarding the feasibility of the 2024 Wastewater Project (as defined in the Official Statement) has been excluded from mention in the Official Statement;

(16) Except as otherwise disclosed in the Official Statement, the City has not in the previous five years failed to comply in any material respect, and is as of the date hereof in compliance in all material respects, with its disclosure obligations under any prior undertaking related to the Securities and Exchange Commission Rule 15c2-12 to provide annual reports or notices of enumerated events; and

(17) Any certificate signed by any authorized official of the City, and delivered to the Underwriter in connection with the delivery of the Bonds, shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein.

(c) As used herein and for the purposes of the foregoing, the term "End of the Underwriting Period" for the Bonds shall mean the earlier of (i) the Closing Date unless the Authority and the City shall have been notified in writing to the contrary by the Underwriter on or prior to the Closing Date, or (ii) the date on which the End of the Underwriting Period for the Bonds has occurred under Rule 15c2-12; provided, however, that the Authority and the City may treat as the End of the Underwriting Period for the Bonds the date specified as such in a notice from the Underwriter stating the date which is the End of the Underwriting Period.

(d) The representations, warranties and agreements herein shall survive the Closing Date and any investigation made on behalf of the Authority (with respect to subsection (a) of this Section 3), the City (with respect to subsection (b) of this Section 3) and the Underwriter of any matters described in or related the transactions hereby and by this Bond Purchase Agreement, the Official Statement, the Bonds and the Financing Documents to which the Authority or the City, as the case may be, is a party.

6. **Conditions to the Obligations of the Underwriter**. The Underwriter hereby enters into this Bond Purchase Agreement in reliance upon the representations and warranties of the Authority and the City contained herein and the representations and warranties of the

Authority and the City to be contained in the documents and instruments to be delivered on or prior to the Closing Date and upon the performance by the Authority and the City of their obligations both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Bond Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations and warranties of the Authority and the City contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Authority and the City made in any certificate or other document furnished pursuant to the provisions hereof, to the performance by the Authority and the City of their obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, and also shall be subject to the following additional conditions:

(a) The Underwriter shall receive, within seven (7) business days of the date hereof and at least in sufficient time to accompany any orders or confirmations that request payment from any customer, copies of the Official Statement (including all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriter), in such quantity as the Underwriter shall have requested pursuant to Section 2 hereof;

(b) The representations and warranties of the Authority and the City contained herein shall be true and correct on the date hereof and on the Closing Date, as if made on and at the Closing Date;

(c) As of the Closing Date, the Financing Documents shall have been duly authorized, executed and delivered by the respective parties thereto, and the Official Statement shall have been duly authorized, executed and delivered by the Authority, all in substantially the forms heretofore submitted to the Underwriter, with only such changes as shall have been agreed to in writing by the Underwriter, and such Financing Documents shall be in full force and effect and shall not have been amended, modified or supplemented and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriter; and there shall be in full force and effect such resolution or resolutions of the Authority and the City as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;

(d) Between the date hereof and the Closing Date, the market price or marketability, at the initial public offering prices set forth in the Official Statement, of the Bonds shall not have been materially adversely affected, in the judgment of the Underwriter (evidenced by a written notice to the Authority terminating the obligation of the Underwriter to accept delivery of and make any payment for the Bonds), by reason of any of the following:

(1) an amendment to the Constitution of the United States or the State of California shall have been passed or legislation shall have been introduced in or enacted by the Congress of the United States or the legislature of any state having jurisdiction of the subject matter or legislation pending in the Congress of the United States shall have been amended or legislation shall have been recommended to the Congress of the United States or to any state having jurisdiction of the subject matter or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such Committee by any member thereof or presented as an

option for consideration by either such Committee by the staff of such Committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or of the State of California or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States, the Internal Revenue Service or other federal or State of California authority, with respect to federal or State of California taxation upon revenues or other income of the general character to be derived by the Authority or upon interest received on obligations of the general character of the Bonds which may have the purpose or effect, directly or indirectly, of affecting the tax status of the Authority, its property or income, its securities (including the Bonds) or the interest thereon, or any tax exemption granted or authorized by State of California legislation or materially and adversely affecting the market for the Bonds or the market price generally of obligations of the general character of the Bonds;

(2) legislation enacted, introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter shall have been made or issued to the effect that obligations of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(3) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State of California, or a decision by any court of competent jurisdiction within the State of California or any court of the United States of America shall be rendered which, in the reasonable opinion of the Underwriter, materially adversely affects the market price of the Bonds;

(4) the escalation in military hostilities or declaration by the United States of a national emergency or war, or other calamity or crisis or escalation thereof;

(5) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(6) the imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(7) an order, decree or injunction of any court of competent jurisdiction, or order, ruling, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, issued or made to the effect that the issuance, offering or sale of obligations of the general character of

the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws as amended and then in effect;

(8) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance or sale of the Bonds or in any way contesting the validity of the Bonds or the Financing Documents, or the existence or powers of the Authority or the City;

(9) any event occurring, or information becoming known that, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(10) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State, or the amendment of legislation pending as of the date of the Bond Purchase Agreement in the Congress of the United States, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any federal or state court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or state authority affecting the federal or state tax status of the City or the Authority, or the interest on bonds or notes (including the Bonds);

(11) the withdrawal or downgrading of any rating of the Bonds by a national rating agency; or

(12) any other event shall have occurred since the date of hereof that in the reasonable judgment of the Underwriter materially adversely affects the marketability or market price of the Bonds.

(e) At or prior to the Closing Date, the Underwriter shall have received the following documents, in each case satisfactory in form and substance to the Underwriter:

(1) The Official Statement and each supplement or amendment, if any, thereto, executed by the Authority and approved by the City;

(2) Copies of each of the Financing Documents, each duly executed and delivered by the respective parties thereto;

(3) The approving opinions of Bond Counsel, dated the Closing Date and addressed to the Authority, in substantially the forms attached to the Official Statement as Appendix E thereto, together with reliance letters addressed to the Underwriter permitting the Underwriter to rely on such opinions;

(4) The supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Underwriter, to the effect that the statements in the Official Statement under the captions "INTRODUCTION," "THE BONDS" (excluding the information relating to DTC and the book-entry only system), "SECURITY FOR THE BONDS," "TAX MATTERS," APPENDIX D—SUMMARY OF PRINCIPAL LEGAL DOCUMENTS, and APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE insofar as such statements purport to summarize certain provisions of the Financing Documents or the Bonds and such counsel's final legal opinion concerning certain federal tax matters, are accurate in all material respects;

(5) The letter of Stradling Yocca Carlson & Rauth LLP, in its capacity as Disclosure Counsel, dated the Closing Date and addressed to the Authority and the Underwriter, substantially in the form attached hereto as Exhibit C.

(6) An opinion, dated the Closing Date and addressed to the Underwriter and the Authority, of the City Attorney, to the effect that:

(i) the City is a municipal corporation and general law city duly organized and validly existing under the Constitution and laws of the State of California;

(ii) the Financing Documents to which it is a party have been duly approved by resolutions of the City adopted at meetings duly called and held in accordance with the requirements of all applicable laws, with all public notice required by law, and at which a quorum of the members of the City Council of the City was continuously present and such resolutions have not been modified, amended or rescinded since the date of its adoption;

(iii) except as described in the Official Statement, to such counsel's best knowledge, there is no litigation, inquiry, or investigation pending or threatened, which: (A) challenges the right or title of any member of the City Council of the City or officer of the City to hold his or her office or exercise or perform the powers and duties pertaining thereto; (B) challenges the validity or enforceability of the Bonds or the Financing Documents; (C) seeks to restrain or enjoin the sale of the Bonds or the execution and delivery by the City of, or the performance by the City of its legal obligations under, the Financing Documents to which it is a party or in which a final adverse decision could materially adversely affect the operations of the City; or (D) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement;

(iv) to such counsel's best knowledge, the execution and delivery by the City of, and the performance by the City of its obligations under, the Financing Documents to which it is a party, do not conflict with, violate or constitute a default under any provision of any law, court order or decree or any contract, instrument or agreement to which the City is a party or by which it is bound and of which such counsel has knowledge;

(v) the Financing Documents to which it is a party have been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery of the Financing Documents by the parties thereto other than the City, the Financing Documents constitute legal, valid and binding agreements of the City, enforceable against the City in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights and remedies in general, or by the application of equitable principles if equitable remedies are sought; and

(vi) except as may be required under the "blue sky" or securities laws of the United States or any state, there is no authorization, approval, consent or other order of, or filing with, or certification by, the State or any other governmental authority or agency within the State having jurisdiction over the City required for the issuance of the Bonds or the consummation by the City of the other financial transactions contemplated by the Official Statement and the City Documents;

As used in such opinion, the phrase "current actual knowledge" may mean knowledge as such counsel shall have obtained from (i) the incumbency and signature certificate of the City, (ii) the representations and warranties contained in each closing certificate of the City, and (iii) knowledge of facts or other information currently known to lawyers in its firm who have performed legal services for the City.

(7) An opinion or opinions, dated the Closing Date and addressed to the Underwriter, of counsel for the Authority, to the effect that:

(i) the Authority is a joint exercise of powers entity duly organized and validly existing under the laws of the State of California pursuant to the Agreement;

(ii) the Financing Documents to which it is a party have been duly approved by a resolution of the Authority adopted at a regular meeting duly called and held in accordance with the requirements of all applicable laws, with all public notice required by law, and at which a quorum of the members of the Board of Directors of the Authority was continuously present and such resolution has not been modified, amended or rescinded since the date of its adoption;

(iii) except as described in the Official Statement, to such counsel's best knowledge, there is no litigation, inquiry, or investigation pending or threatened, which: (A) challenges the right or title of any member of the Board of Directors of the Authority or officer of the Authority to hold his or her office or exercise or perform the powers and duties pertaining thereto; (B) challenges the validity or enforceability of the Bonds or the Financing Documents; (C) seeks to restrain or enjoin the sale of the Bonds or the execution and delivery by the Authority of, or the performance by the Authority of its legal obligations under, the Financing Documents to which it is a party or in which a final adverse decision could materially adversely affect the operations of the Authority; or (D) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement;

(iv) to such counsel's best knowledge, the execution and delivery by the Authority of, and the performance by the Authority of its obligations under, the Financing Documents to which it is a party, do not conflict with, violate or constitute a default under any provision of any law, court order or decree or any contract, instrument or agreement to which the Authority is a party or by which it is bound and of which such counsel has knowledge;

(v) the Financing Documents to which it is a party have been duly authorized, executed and delivered by the Authority and, assuming due authorization, execution and delivery of the Financing Documents by the parties thereto other than the Authority, the Financing Documents constitute legal, valid and binding agreements of the Authority, enforceable against the Authority in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights and remedies in general, or by the application of equitable principles if equitable remedies are sought; and

(vi) except as may be required under the "blue sky" or securities laws of the United States or any state, there is no authorization, approval, consent or other order of, or filing with, or certification by, the State or any other governmental authority or agency having jurisdiction over the Authority required for the issuance of the Bonds or the consummation by the Authority of the other financial transactions contemplated by the Official Statement and the Authority Documents;

As used in such opinion, the phrase "current actual knowledge" may mean knowledge as such counsel shall have obtained from (i) the incumbency and signature certificate of the Authority, (ii) the representations and warranties contained in each closing certificate of the Authority, and (iii) knowledge of facts or other information currently known to lawyers in its firm who have performed legal services for the Authority.

(8) The opinion of counsel to the Trustee, dated the Closing Date and addressed to the Authority, the City and the Underwriter, to the effect that (i) the Trustee has duly authorized, executed and delivered the Indenture and duly authenticated and delivered the Bonds on the Closing Date; and (ii) the Indenture constitutes the legally valid and binding obligation of the Trustee, enforceable against the Trustee in accordance with it terms, except that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting the rights of creditors generally and except to the extent that the enforceability thereof may be limited by the application of general principles of equity;

(9) A certificate or certificates, dated the Closing Date, signed by a duly authorized official of the Authority to the effect that (i) the representations and warranties of the Authority contained in this Bond Purchase Agreement are true, complete and correct on and as of the Closing Date; (ii) there is no action, suit, proceeding, inquiry or investigation pending or, to the best knowledge of such official, threatened (a) to restrain or enjoin the execution and delivery of any of the Bonds, (b) in any way affecting the validity of the Bonds or the Financing Documents to which the Authority is a party, (c) in any way contesting the corporate existence or powers of the Authority to execute and deliver the Financing Documents to which the Authority is a party or the Bonds, or (d) asserting that the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the

statements therein, in light of the circumstances under which they were made, not misleading; and (iii) since the date of the Official Statement, no event has occurred which should have been set forth in an amendment or supplement to the Official Statement which has not been set forth in such amendment or supplement;

(10) A certificate or certificates, dated the Closing Date, signed by a duly authorized official of the City to the effect that (i) the representations and warranties of the City contained in this Bond Purchase Agreement and the Financing Documents to which the City is a party are true, complete and correct on and as of the Closing Date; (ii) there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, government agency, public board or body, pending or, to the best knowledge of such official, threatened (a) to restrain or enjoin the execution and delivery of the Financing Documents to which the City is a party; (b) in any way contesting or affecting the validity of the Financing Documents to which the City is a party; (c) in any way contesting the power of the City to execute and deliver the Financing Documents to which the City is a party; (d) asserting that the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; or (e) seeking to prohibit, restrain or enjoin the collection of moneys from the Wastewater System to pay the Installment Payments securing the Bonds, or the compliance by the City of the covenants contained in the Financing Documents to which the City is a party, or questioning the authority of the City to fix, charge and collect rates for the services provided by the Wastewater System as provided in the Installment Sale Agreement or the authority of the City to fix, charge and collect rates for the services provided by the Wastewater System as provided in the Installment Sale Agreement, nor to the best knowledge of such official, is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Financing Documents to which the City is a party or materially adversely impair the City's ability to perform its obligations the Financing Documents to which the City is a party; (iii) to the best of such official's knowledge and belief, after reasonable investigation, the Official Statement (excluding therefrom the information concerning DTC and the book-entry system included therein and Appendix G thereto), as of the date thereof and the Closing Date, did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (iv) (a) since the date of the Official Statement, no event has occurred which should have been set forth in an amendment or supplement to the Official Statement which has not been set forth in such amendment or supplement, and (b) there has not been any material adverse change in the operations or financial affairs of the City, the Wastewater System since the date of the Official Statement;

(11) A certificate, dated the Closing Date, signed by a duly authorized official of the Trustee, satisfactory in form and substance to the Underwriter, to the effect that: (i) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the Indenture; (ii) the Trustee is duly authorized to enter into the Indenture and to authenticate and deliver the Bonds to the Underwriter pursuant to the terms of the Indenture; (iii) the execution and delivery of the Indenture and compliance with the provisions on the Trustee's part contained therein, and the authentication and delivery of the Bonds will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other

instrument to which the Trustee is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or Blue Sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture; and (iv) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, served on, or, to the best knowledge of such officer, threatened against, the Trustee, affecting the existence of the Trustee or the titles of its officers to their respective offices, or in any way contesting or affecting the validity or enforceability of the Indenture against the Trustee, or contesting the power of the Trustee or its authority to enter into, adopt or perform its obligations under the Indenture, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Indenture against the Trustee or the authentication and delivery of the Bonds;

(12) A certified copy of the general resolution of the Trustee authorizing the execution and delivery of the Indenture;

(13) A certified copy of the Authority Resolution;

(14) A certified copy of the City Resolution;

(15) A copy of the Municipal Bond Insurance Policy;

(16) A copy of the Reserve Policy;

(17) An opinion of counsel to the Municipal Bond Insurer, addressed to the Authority and the Underwriter to the effect that:

(i) the descriptions of the Municipal Bond Insurer, the Municipal Bond Insurance Policy and the Reserve Policy included in the Official Statement are accurate;

(ii) the Municipal Bond Insurance Policy and the Reserve Policy constitute legal, valid and binding obligations of the Municipal Bond Insurer, enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditor's rights generally and by the application of equitable principles if equitable remedies are sought, and

(iii) as to such other matters as the Authority or the Underwriter may reasonably request;

(18) a certificate of the Municipal Bond Insurer, signed by an authorized officer of the Municipal Bond Insurer, to the effect that:

(i) the information contained in the Official Statement relating to the Municipal Bond Insurer, the Municipal Bond Insurance Policy and the Reserve Policy is true and accurate; and

(ii) as to such other matters as the City or the Underwriter may reasonably request;

(19) a letter from S&P Global Ratings, a Standard & Poor's Financial Services LLC business, indicating that the Bonds have been assigned an insured rating of "AA" and a letter from Moody's Investors Service indicating that the Bonds have been assigned an underlying rating of "___."

(20) evidence required filings with the California Debt and Investment Advisory Commission;

(21) a Tax Certificate relating to the Bonds in a form satisfactory to Bond Counsel;

(22) an issue price certificate relating to the Bonds substantially in the form attached to this Bond Purchase Agreement as Exhibit B;

(23) the opinion of Kutak Rock LLP, as Underwriter's counsel, satisfactory to Underwriter;

(24) 15c2-12 certificates of the Authority and the City;

(25) The Blanket Letter of Representations of the Authority to DTC, relating to the book-entry only system;

(26) evidence required filings with the California Debt and Investment Advisory Commission;

(27) transcripts of all proceedings relating to the authorization, issuance, execution and delivery of the Bonds; and

(28) Such additional legal opinions, certificates, proceedings, instruments, insurance policies or evidences thereof and other documents as the Underwriter, Underwriter's Counsel or Bond Counsel may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the representations of the Authority herein and of the statements and information contained in the Official Statement, and the due performance or satisfaction by the Authority and the City on or prior to the Closing Date of all agreements then to be performed and all conditions then to be satisfied by the Authority and the City in connection with the transactions contemplated hereby and by the Official Statement and the Financing Documents.

If the Authority and/or the City shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Bond Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted herein, all obligations of the Underwriter hereunder may be terminated by the Underwriter at, or at any time prior to, the Closing Date by written notice to the Authority and neither the Underwriter nor the Authority shall have any further obligations hereunder.

7. **Expenses**.

(a) The Authority or the City shall pay the expenses incident to the performance of their obligations hereunder including, but not limited to: (i) the cost of preparation, printing and distribution of the Financing Documents, the Preliminary Official Statement, the Official Statement and any supplements or amendments thereto, including a reasonable number of certified or conformed copies thereof; (ii) the cost of preparation and printing of the Bonds; (iii) the fees and disbursements of Bond Counsel; (iv) the fees and disbursements of any

engineers, accountants and other experts, consultants or advisors retained by the Authority or the City; (v) fees for bond ratings (which include fees of rating agencies and travel expenses of the Authority or the City); and (vi) fees, if any, payable to the California Debt and Investment Advisory Commission, the Municipal Securities Rulemaking Board, the fees associated with obtaining CUSIP numbers for the Bonds, and fees of the Public Securities Association and the California Public Securities Association in connection with the execution and delivery of the Bonds.

(b) The Underwriter shall pay (which amounts shall be included as an expense component of the Underwriter's discount): (i) fees and disbursements of any underwriter's counsel, (ii) the Underwriter's expenses related to attending working group meetings, such as parking, meals and transportation, (iii) all advertising expenses and Blue Sky filing fees, if any, in connection with the public offering of the Bonds; and (iv) all other expenses incurred by them in connection with the public offering of the Bonds not outlined above.

8. **Notices**. Any notice or other communication to be given to the Authority, the City or the Underwriter under this Bond Purchase Agreement may be given by delivering the same in writing to

Authority:	Coalinga Public Financing Authority c/o City of Coalinga 155 West Durian Coalinga, CA 93210 Attention: Financial Services Director
City:	City of Coalinga 155 West Durian Coalinga, CA 93210 Attention: Financial Services Director
Underwriter:	Oppenheimer & Co. Inc. 135 Main Street, Suite 1700 San Francisco, CA 94105 Attention: Managing Director

9. **Effectiveness and Counterpart Signatures**. This Bond Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by duly authorized officers of the Authority and approval by duly authorized officers of the City and shall be valid and enforceable as of the time of such acceptance and approval. This Bond Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

10. **Parties in Interest**. This Bond Purchase Agreement is made solely for the benefit of the Authority, the City and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.

11. **Headings**. The headings of the sections of this Bond Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

12. **Governing Law**. This Bond Purchase Agreement shall be construed in accordance with the laws of the State of California.

Very truly yours,

OPPENHEIMER & CO. INC., as Underwriter

By _____
Managing Director

ACCEPTED AND AGREED at:

Time: _____, August 22, 2024

COALINGA PUBLIC FINANCING AUTHORITY

By _____
Executive Director

ACCEPTED AND AGREED at:

Time: _____, August 22, 2024

CITY OF COALINGA

By _____
City Manager

EXHIBIT A

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES AND YIELDS

$_____
COALINGA PUBLIC FINANCING AUTHORITY
(Fresno County, California)
Wastewater Revenue Bonds, Series 2024
(Solar Project)

Maturity Date (April 1)	Principal Amount	Interest Rate	Yield	Price

T Term maturity
c Priced to the April 1, ____, par call date

REDEMPTION PROVISIONS

Optional Redemption. The Bonds maturing on or before April 1, ____, are not subject to optional redemption prior to maturity. The Bonds maturing on or after April 1, ____, shall be subject to redemption, at the option of the City on any date on or after April 1, ____, as a whole or in part, by such maturities as shall be determined by the City, and at random within a maturity, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

Sinking Fund Redemption.

The Bonds maturing on April 1, ____, are also subject to mandatory redemption from sinking account payments made by the Authority, in part at random, on April 1, ____, and on April 1 in each year thereafter to and including April 1, ____, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount

† Maturity.

The Bonds maturing on April 1, ____, are also subject to mandatory redemption from sinking account payments made by the Authority, in part at random, on April 1, ____, and on April 1 in each year thereafter to and including April 1, ____, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount

† Maturity.

EXHIBIT B

ISSUE PRICE CERTIFICATE

$_____
COALINGA PUBLIC FINANCING AUTHORITY
(Fresno County, California)
Wastewater Revenue Bonds, Series 2024
(Solar Project)

The undersigned, on behalf of Oppenheimer & Co. Inc. ("Oppenheimer"), based on the information available to Oppenheimer, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (collectively, the "Bonds").

1. Sale of the General Rule Maturities. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. Initial Offering Price of the Hold-the-Offering-Price Maturities.

(a) Oppenheimer offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, dated the Sale Date, between the Underwriter and the Issuer, Oppenheimer has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, the Underwriter has not offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. Defined Terms.

(a) "*General Rule Maturities*" means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) "*Hold-the-Offering-Price Maturities*" means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) "*Holding Period*" means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) "*Issuer*" means the Coalinga Public Financing Authority.

(e) "*Maturity*" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(f) "*Public*" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than the Underwriter or a related party to the Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

(g) "*Sale Date*" means August 22, 2024.

(h) "*Underwriter*" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

4. Credit.

Oppenheimer has calculated that the present value of the amounts paid to obtain the _____ (the "Municipal Bond Insurer") municipal bond insurance and reserve fund municipal bond insurance policies (the "Policies") is less than the present value of the debt service reasonably expected to be saved as a result of having the Policies, using as the discount factor for this purpose the expected Yield with respect to the Bonds treating the fees paid as interest with respect to the Bonds.

To the best of Oppenheimer's knowledge, the fees paid to obtain the Policies were determined in arm's-length negotiations and were required as a condition to the issuance by the Municipal Bond Insurer of the Policies.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the interpretation of Oppenheimer of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the tax certificate for the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Stradling Yocca Carlson & Rauth LLP, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose. Notwithstanding anything set forth herein, the Underwriter is not engaged in the practice of law. Accordingly, the Underwriter makes no representation as to the legal sufficiency of the factual matters set forth herein.

OPPENHEIMER & CO. INC., as Underwriter

By _____
Managing Director

Dated: August 29, 2024

SCHEDULE A TO ISSUE PRICE CERTIFICATE

SALE PRICES OF THE GENERAL RULE MATURITIES AND

INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

$_____
COALINGA PUBLIC FINANCING AUTHORITY
(Fresno County, California)
Wastewater Revenue Bonds, Series 2024
(Solar Project)

Hold-the-Offering Price Maturities	General Rule Maturities	Maturity Date (April 1)	Principal Amount	Interest Rate	Price

T Term maturity
c Priced to the April 1, ____, par call date

SCHEDULE B TO ISSUE PRICE CERTIFICATE

PRICING WIRE OR EQUIVALENT COMMUNICATION

EXHIBIT C

FORM OF DISCLOSURE COUNSEL LETTER

[Letterhead of Stradling Yocca Carlson & Rauth LLP]

CONTINUING DISCLOSURE CERTIFICATE

This CONTINUING DISCLOSURE CERTIFICATE (the "Disclosure Certificate") is executed and delivered by the CITY OF COALINGA, CALIFORNIA (the "City") in connection with the issuance by the Coalinga Public Financing Authority (the "Authority") of its $_____ Coalinga Public Financing Authority (Fresno County, California) Wastewater Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"). The Bonds are being issued pursuant to an Indenture of Trust, dated as of August 1, 2024 (the "Indenture"), by and between the Authority and Computershare Trust Company, N.A., as trustee (the "Trustee"). Pursuant to Section 5.6 of that certain Installment Sale Agreement, dated as of August 1, 2024, by and between the Authority and the City, the City covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth above and, in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 1, the following capitalized terms shall have the following meanings:

"*Annual Report*" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Annual Report Date*" means the date that is nine months after the end of the City's fiscal year (currently March 31 based on the City's fiscal year end of June 30).

"*Dissemination Agent*" shall mean, initially, IGService, or any successor Dissemination Agent designated in writing by the City and which has been filed with the then current Dissemination Agent a written acceptance of such designation.

"*EMMA*" or "*Electronic Municipal Market Access*" means the centralized on-line repository for documents to be filed with the MSRB, such as official statements and disclosure information relating to municipal bonds, notes and other securities as issued by state and local governments.

"*Fiscal Year*" means any twelve–month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve–month period selected and designated by the City as its official fiscal year period under a certificate of the City filed with the Trustee.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the final official statement executed by the City in connection with the issuance of the Bonds.

"*Participating Underwriter*" means Oppenheimer & Co. Inc., the original underwriter of the Bonds.

"*Rule*" means Rule 15c2–12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

"*Significant Events*" means any of the events listed in Section 5(a) of this Disclosure Certificate.

Section 2. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2–12(b)(5).

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2025, with the report for fiscal year 2023-24 provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Significant Event under Section 5(b). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City in a timely manner shall provide notice (or cause the Dissemination Agent to provide notice) to the MSRB, in an electronic format as prescribed by the MSRB.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then–applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following:

(a) *Financial Statements*. Audited financial statements of the City for the preceding fiscal year, prepared in accordance with generally accepted accounting principles. If the City's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the

audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) *Other Annual Information*. To the extent not included in the audited financial statements of the City, the Annual Report shall also include financial and operating data with respect to the City for the preceding fiscal year, as follows:

](c) *Cross References*. Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on EMMA. The City shall clearly identify each such other document so included by reference.

If the document included by reference is a final official statement, it must be available from EMMA.

Section 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Significant Events with respect to the Bonds:

(i) Principal and interest payment delinquencies;

(ii) Non–payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

(vii) Modifications to rights of security holders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property securing repayment of the securities, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person;

(xiii) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) The incurrence of a financial obligation of the City or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City or other obligated person, any of which affect security holders, if material; or

(xvi) A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City or other obligated person, any of which reflect financial difficulties.

(b) Whenever the City obtains knowledge of the occurrence of a Significant Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Significant Event. Notwithstanding the foregoing, notice of Significant Events described in subsection (a)(viii) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The City acknowledges that the events described in subparagraphs (a)(ii), (a)(vii), (a)(viii) (if the event is a bond call), (a)(x), (a)(xiii), (a)(xiv) and (a) (xv) of this Section 5 contain the qualifier "if material." The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the City determines the event's occurrence is material for purposes of U.S. federal securities law. The City intends that the words used in paragraphs (xv) and (xvi) and the definition of "financial obligation" shall have the meanings ascribed thereto in SEC Release No. 34-83885 (August 20, 2018) or any further guidance or release provided by the SEC.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the City.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

The Dissemination Agent shall not be obligated to enter into any amendment increasing or affecting its duties or obligations hereunder.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Significant Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Significant Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any

information in any Annual Report or notice of occurrence of a Significant Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Significant Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) Article VIII of the Indenture is hereby made applicable to this Disclosure Certificate as if this Disclosure Certificate were (solely for this purpose) contained in the Indenture. The Dissemination Agent shall be entitled to the protections and limitations from liability afforded to the Trustee thereunder. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Bond holders or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the Owners and Beneficial Owners from time to time of the Bonds and shall create no rights in any other person or entity.

Date: August 29, 2024

CITY OF COALINGA

By _____
City Manager

ACKNOWLEDGED:

IGSERVICE, as Dissemination Agent

By _____
Director

INDENTURE OF TRUST

Dated as of August 1, 2024

by and between the

COALINGA PUBLIC FINANCING AUTHORITY

and

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

Authorizing the Issuance of
$_____
Coalinga Public Financing Authority
(Fresno County, California)
Wastewater Revenue Bonds, Series 2024
(Solar Project)

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EXHIBIT A FORM OF BOND

INDENTURE OF TRUST

THIS INDENTURE OF TRUST, made and entered into and dated as of August 1, 2024, is by and between the COALINGA PUBLIC FINANCING AUTHORITY, a joint exercise of powers entity duly organized and existing under and by virtue of the laws of the State of California (the "Authority"), and COMPUTERSHARE TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, being qualified to accept and administer the trusts hereby created (the "Trustee");

W I T N E S S E T H :

WHEREAS, the Authority is a joint powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated March 17, 1991, by and among the City of Coalinga (the "City"), the former Redevelopment Agency of the City of Coalinga and the Coalinga-Huron Unified School District;

WHEREAS, under Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Bond Law") the Authority is authorized to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, public entities including the City, and to provide financing for public capital improvements of public entities including the City;

WHEREAS, the City has determined that, due to prevailing financial market conditions and for other reasons, it is in the best interests of the City to finance the acquisition and construction of improvements and facilities (the "2024 Wastewater Project") to the City's municipal wastewater enterprise (the "Wastewater System");

WHEREAS, for the purpose of raising funds necessary to provide such financial assistance to the City, the Authority proposes to authorize the issuance of its revenue bonds under the provisions of the Bond Law, designated as the Coalinga Public Financing Authority (Fresno County, California) Wastewater Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"), all pursuant to and secured by an indenture of trust, by and between the Authority and the Trustee;

WHEREAS, in order to provide for the repayment of the Bonds, (a) the Authority will sell the 2024 Wastewater Project to the City pursuant to an installment sale agreement (the " Installment Sale Agreement"), under which the City will agree to make installment payments to the Authority payable from the net revenues of the Wastewater System which payments will be calculated to be sufficient, in time and amount, to enable the Authority to pay the principal of and interest and premium (if any) on the Bonds when due and payable;

WHEREAS, such payments by the City under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments under a wastewater installment sale agreement, dated as of March 1, 2021, which provides for the payment of a portion of the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable);

WHEREAS, the Authority has determined that in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof and interest

and premium (if any) thereon, the Authority has authorized the execution and delivery of this Indenture; and

WHEREAS, the Authority hereby certifies that all acts and proceedings required by law necessary to make the Bonds, when executed by the Authority, authenticated and delivered by the Trustee, and duly issued, the valid, binding and legal special obligations of the Authority, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Indenture have been in all respects duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest and premium (if any) on all Bonds at any time issued and outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the owners thereof, and for other valuable considerations, the receipt whereof is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the respective owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS; CONTENT OF CERTIFICATES AND OPINIONS

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes of this Indenture and of any indenture supplemental hereto and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined. In addition, all capitalized terms used herein and not otherwise defined in this Section 1.01 shall have the respective meanings given such terms in the Installment Sale Agreement.

"*Acquisition and Construction*" means, with respect to any portion of the 2024 Wastewater Project, the acquisition, construction, improvement, equipping, renovation, remodeling or reconstruction thereof.

"*Additional Payments*" means the payments so designated and required to be paid by the City pursuant to Sections 4.9, 4.10 and 4.11 of the Installment Sale Agreement.

"*Agency*" means the former Redevelopment Agency of the City of Coalinga, a public body corporate and politic organized under the laws of the State, and any successor thereto.

"*Agreement*" means that certain Joint Exercise of Powers Agreement, dated March 17, 1991, by and among the City, the Agency and the District, creating the Authority, together with any amendments thereof and supplements thereto.

"*Authority*" means the Coalinga Public Financing Authority, a joint powers entity duly organized and existing under the laws of the State.

"*Authorized Representative*" means: (a) with respect to the Authority, its Chairman, Vice Chairman, Executive Director, Assistant Executive Director, Treasurer or any other person designated as an Authorized Representative of the Authority by a Written Certificate of the Authority signed by its Chairman and filed with the City and the Trustee; and (b) with respect to the City, its Mayor, City Manager, Treasurer, Financial Services Director or any other person designated as an Authorized Representative of the City by a Written Certificate of the City signed by its Mayor and filed with the Trustee.

"*Board of Directors*" means the governing body of the Authority.

"*Bond Counsel*" means (a) Stradling Yocca Carlson & Rauth LLP, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Authority of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

"*Bond Fund*" means the fund by that name established and held by the Trustee pursuant to Section 5.01.

"*Bond Law*" means the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code, as in existence on the Closing Date or as thereafter amended from time to time.

"*Bond Year*" means each twelve-month period extending from April 2 in one calendar year to April 1 of the succeeding calendar year, both dates inclusive; provided that the first Bond Year shall begin on the Closing Date and shall end on April 1, 2025.

"*Bonds*" means the $_____ aggregate principal amount of Coalinga Public Financing Authority (Fresno County, California) Wastewater Revenue Bonds, Series 2024 (Solar Project), authorized by and at any time Outstanding pursuant to the Bond Law and this Indenture.

"*Business Day*" means any day, other than a Saturday or Sunday or a day on which commercial banks in New York, New York, Los Angeles, California, or San Francisco, California, are required or authorized by law to close or a day on which the New York Stock Exchange is closed.

"*City*" means the City of Coalinga, a municipal corporation organized under the laws of the State.

"*Closing Date*" means August 29, 2024, being the date of delivery of the Bonds to the Underwriter.

"*Code*" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable proposed, temporary and final regulations promulgated under the Code.

"*Completion Date*" means, with respect to any component of the 2024 Wastewater Project, the date on which the Authority files a Written Certificate with the City and the Trustee stating that the Acquisition and Construction of such component of the 2024 Wastewater Project has been completed pursuant to Article III.

"*Continuing Disclosure Certificate*" means that certain Continuing Disclosure Certificate executed by the City and dated the Closing Date, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"*Costs of Issuance*" means all expenses incurred in connection with the authorization, issuance, sale and delivery of the Bonds and the application of the proceeds of the Bonds, including but not limited to all compensation, fees and expenses (including but not limited to fees and expenses for legal counsel) of the Authority, initial fees and expenses of the Trustee and its counsel, title insurance premiums, appraisal fees, compensation to any financial consultants or underwriters, legal fees and expenses, filing and recording costs, rating agency fees, the premiums for the Municipal Bond Insurance Policy and the Reserve Policy, costs of preparation and reproduction of documents and costs of printing.

"*Costs of Issuance Fund*" means the fund by that name established and held by the Trustee pursuant to Section 3.03.

"*County*" means the County of Fresno, a public body corporate and politic organized under the laws of the State.

"*Debt Service*" means, during any period of computation, the amount obtained for such period by totaling the following amounts: (a) the principal amount of all Outstanding Serial Bonds coming due and payable by their terms in such period; (b) the minimum principal amount of all Outstanding Term Bonds scheduled to be redeemed by operation of mandatory sinking fund deposits in such period; and (c) the interest which would be due during such period on the

aggregate principal amount of Bonds which would be Outstanding in such period if the Bonds are retired as scheduled, but deducting and excluding from such aggregate amount the amount of Bonds no longer Outstanding and any interest on deposit in the Interest Account and available for the payment of interest on the Bonds.

"*Defeasance Obligations*" means (a) cash, (b) non-callable direct obligations of the United States of America ("Treasuries"), (c) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (d) subject to the prior written consent of the Municipal Bond Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (e) subject to the prior written consent of the Municipal Bond Insurer, securities eligible for "AAA" defeasance under then existing criteria of S&P.

"*District*" means the Coalinga-Huron Unified School District, a school district organized under the laws of the State, and any successor thereto.

"*Engineer's Report*" means a report prepared and signed by an Independent Engineer.

"*Event of Default*" means, (a) with respect to the Bonds, any of the events described in Section 7.01 of this Indenture, and (b) with respect to the Installment Sale Agreement, any of the events described in Section 8.1 of the Installment Sale Agreement.

"*Fair Market Value*" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) the investment is the Local Agency Investment Fund of the State but only if at all times during which the investment is held its yield is reasonably expected to be equal to or greater than the yield on a reasonably comparable direct obligation of the United States.

"*Fiscal Year*" means any twelve-month period extending from July 1 in one calendar year to June 30 of the succeeding calendar year, both dates inclusive, or any other twelve-month period selected and designated by the Authority as its official fiscal year period.

"*Gross Revenues*" means all user fee charges derived by the City from, the ownership and operation of the Wastewater System, including but not limited to investment earnings thereon.

"*Indenture*" means this Indenture of Trust, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture pursuant to the provisions hereof.

"*Independent Accountant*" means any certified public accountant or firm of certified public accountants appointed and paid by the Authority or the City, and who, or each of whom (a) is in fact independent and not under domination of the Authority or the City; (b) does not have any substantial interest, direct or indirect, in the Authority or the City; and (c) is not connected with the Authority or the City as an officer or employee of the Authority or the City but who may be regularly retained to make annual or other audits of the books of or reports to the Authority or the City.

"*Independent Counsel*" means an attorney duly admitted to the practice of law before the highest court of the state in which such attorney maintains an office and who is not an employee of the Authority, the Trustee or the City.

"*Information Services*" means the Electronic Municipal Market Access System (referred to as "EMMA"), a facility of the Municipal Securities Rulemaking Board (at http://emma.msrb.org) or, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other national information services providing information with respect to called bonds as the Authority may designate in a Written Certificate of the Authority delivered to the Trustee.

"*Installment Payment Date*" means the fifteenth (15th) day of each March and September during the Term of the Installment Sale Agreement, commencing March 15, 2025.

"*Installment Payments*" means the amounts payable by the City pursuant to Section 4.4 of the Installment Sale Agreement, including any prepayments thereof pursuant to Article IX of the Installment Sale Agreement.

"*Installment Sale Agreement*" means that certain Installment Sale Agreement, dated as of August 1, 2024, by and between the Authority, as seller, and the City, as purchaser, of the 2024 Wastewater Project, as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms thereof and of this Indenture.

"*Interest Account*" means the account by that name established in the Bond Fund pursuant to Section 5.02.

"*Interest Payment Date*" means each April 1 and October 1, commencing April 1, 2025.

"*Late Payment Rate*" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds, and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Reserve Policy Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Municipal Bond Insurer in its sole and absolute discretion shall specify.

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

"*Municipal Bond Insurance Policy*" means the municipal bond insurance policy issued by the Municipal Bond Insurer guaranteeing the payment, when due, of the principal and interest with respect to the Bonds.

"*Municipal Bond Insurer*" means _____, or any successor thereto or assigns thereof.

"*Net Revenues*" means, for any period, an amount equal to all of the Gross Revenues received during such period minus the amount required to pay all Operation and Maintenance Costs becoming payable during such period.

"*Operation and Maintenance Costs*" means the reasonable and necessary costs and expenses paid by the City for maintaining and operating the Wastewater System, including but not limited to (a) costs of electricity and other forms of energy supplied to the Wastewater System, (b) the reasonable expenses of management and repair and other costs and expenses necessary to maintain and preserve the Wastewater System in good repair and working order, and (c) the reasonable administrative costs of the City attributable to the operation and maintenance of the Wastewater System; but in all cases excluding (i) debt service payable on obligations incurred by the City with respect to the Wastewater System including but not limited to the Installment Payments and any Parity Obligations, (ii) depreciation, replacement and obsolescence charges or reserves therefor, and (iii) amortization of intangibles or other bookkeeping entries of a similar nature.

"*Outstanding*," when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 12.10) all Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under this Indenture except: (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Bonds with respect to which all liability of the Authority shall have been discharged in accordance with Section 10.02, including Bonds (or portions thereof) described in Section 12.10; and (c) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to this Indenture.

"*Owner*," whenever used herein with respect to a Bond, means the person in whose name the ownership of such Bond is registered on the Registration Books.

"*Parity Obligations*" means any leases, loan agreements, installment sale agreements, bonds, notes, interest rate swap agreements, currency swap agreements, forward payment agreements, futures, or contracts providing for payments based on levels of, or changes in, interest rates, currency exchange rates, stock or other indices, or contracts to exchange cash flows or a series of payments, or contracts, including, without limitation, interest rate floors or caps, options, puts or calls to hedge payment, currency, rate, spread, or similar exposure (except termination payments relating thereto which shall be payable on a subordinate basis) or other obligations of the City payable from and secured by a pledge of and lien upon any of the Net Revenues on a parity with the Installment Payments, entered into or issued pursuant to and in accordance with Section 4.8 of the Installment Sale Agreement. For all purposes, the 2021 Installment Sale Agreement and the payments thereunder constitutes existing Parity Obligations.

"*Permitted Investments*" means any of the following which at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein, but only to the extent that the same are acquired at Fair Market Value (provided the Trustee may rely upon the Request of the Authority directing investment under this Indenture as a determination that such investment is a Permitted Investment):

(a) Treasuries;

(b) Federal Housing Administration debentures;

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

(i) Federal Home Loan Mortgage Corporation (FHLMC) senior debt obligations and participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts),

(ii) Farm Credit System (formerly Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) consolidated system-wide bonds and notes,

(iii) Federal Home Loan Banks (FHL Banks) consolidated debt obligations,

(iv) Federal National Mortgage Association (FNMA) senior debt obligations and mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts),

(v) Financing Corporation (FICO) debt obligations, and

(vi) Resolution Funding Corporation (REFCORP) debt obligations;

(d) U.S. dollar denominated deposit accounts, federal funds or bankers acceptances with domestic commercial banks having a rating on their short term certificates of deposit on the date of purchase of "P-1" by Moody's and "A-1" or "A-1+" by S&P and maturing not more than 360 calendar days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

(e) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least $5 million;

(f) Commercial paper (having original maturities of not more than 30 days) rated "A-1+" by S&P and "Prime-1" by Moody's;

(g) Money market funds rated in the highest rating category by S&P and Moody's including such funds for which the Trustee or an affiliate provides investment advice or other services;

(h) "State Obligations," which means:

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

(ii) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (i) above and rated "A-1+" by S&P and "MIG-1" by Moody's, and

(iii) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state or state agency described in (i) above and rated "AA" or better by S&P and "Aa" or better by Moody's;

(i) Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:

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

(ii) the municipal obligations are secured by cash or U.S. Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations,

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

(iv) the cash or U.S. Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations

(v) no substitution of a U.S. Treasury Obligation shall be permitted except with another U.S. Treasury Obligation and upon delivery of a new Verification, and

(vi) the cash or U.S. Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent;

(j) Repurchase agreements with

(i) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "AA" by S&P and Moody's, or

(ii) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "AA" by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation, or

(iii) any other entity rated "AA" or better by S&P and Moody's and acceptable to the Municipal Bond Insurer, provided that:

(A) The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach),

(B) The Trustee or a third party acting solely as agent therefor or for the City (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books),

(C) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral

has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession),

(D) All other requirements of S&P in respect of repurchase agreements shall be met, and

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

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (A) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively.

(k) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt is rated at least "AA" (stable) by S&P and "Aa" (stable) by Moody's, or, in the case of a monoline municipal bond insurance company, claims paying ability of the guarantor is rated at least "AAA" (stable) by S&P and "Aaa" (stable) by Moody's; provided that, by the terms of the investment agreement:

(i) interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service with respect to the Bonds;

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

(iii) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

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

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

(A) the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws

(other than by means of entries on the provider's books) to the City, the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and

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

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

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

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

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

(l) The Local Agency Investment Fund of the State, created pursuant to section 16429.1 of the California Education Code, to the extent the Trustee is authorized to register such investment in its name.

(m) other forms of investments approved in writing by the Municipal Bond Insurer.

The Trustee shall be entitled to assume that any investment which at the time of purchase is a Permitted Investment remains a Permitted Investment thereafter, absent actual receipt of written notice or actual knowledge of a responsible officer in the corporate trust department of the Trustee to the contrary. The Trustee shall have no responsibility to monitor the ratings of Permitted Investments after the initial purchase of or investment in such Permitted Investments.

"*Plans and Specifications*" means, with respect to the 2024 Wastewater Project or any component thereof, the plans and specifications relating thereto filed by the City with the Authority pursuant to Section 3.2 of the Installment Sale Agreement, as such plans and specifications may be revised from time to time by the City pursuant to Section 3.2 of the Installment Sale Agreement.

"*Principal Account*" means the account by that name established in the Bond Fund pursuant to Section 5.02.

"*Project Costs*" means all costs of payment of, or reimbursement for, the 2024 Wastewater Project.

"*Project Fund*" means the fund by that name established and held by the Trustee pursuant to Section 3.04.

"*Rate Stabilization Fund*" means the fund by that name established pursuant to Section 4.7 of the Installment Sale Agreement.

"*Record Date*" means, with respect to any Interest Payment Date, the fifteenth (15th) calendar day of the month preceding such Interest Payment Date.

"*Redemption Fund*" means the fund by that name established pursuant to Section 5.07.

"*Registration Books*" means the records maintained by the Trustee pursuant to Section 2.05 for the registration and transfer of ownership of the Bonds.

"*Reserve Account*" means the account by that name in the Bond Fund established pursuant to Section 5.02.

"*Reserve Fund Agreement*" means that certain Reserve Fund Agreement, dated as of August 1, 2024, by and among the Authority, the City and the Municipal Bond Insurer, relating to the Reserve Policy, as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms thereof.

"*Reserve Policy*" means the municipal bond insurance policy issued by the Municipal Bond Insurer for deposit in the Reserve Account in an amount equal to the Reserve Requirement.

"*Reserve Policy Late Payment Rate*" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 5%, and (ii) the then applicable highest rate of interest on the Bonds, and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Reserve Policy Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Municipal Bond Insurer in its sole and absolute discretion shall specify. If the interest provisions of this paragraph shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created in this Indenture, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party to this Indenture, be applied as additional interest for any later periods of time when amounts are outstanding under this Indenture to the extent that interest otherwise due under this Indenture for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the Municipal Bond Insurer, with the same force and effect as if the City had specifically designated such extra sums to be so applied and the Municipal Bond Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created in this

Indenture exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

"*Reserve Requirement*" means, as of the Closing Date, with respect to the Bonds, an amount equal to the least of (a) maximum amount of annual Debt Service coming due and payable in the current or any future Bond Year, (b) 125% of average annual Debt Service, and (c) 10% of the par amount of the Bonds. As of the Closing date, the Reserve Requirement is $_____.

"*Revenues*" means (a) all amounts received by the Authority or the Trustee pursuant or with respect to the Installment Sale Agreement, including, without limiting the generality of the foregoing, all of the Installment Payments (including both timely and delinquent payments, any late charges, and whether paid from any source) and prepayments, and (b) all interest, profits or other income derived from the investment of amounts in any fund or account established pursuant to this Indenture; but excluding any Additional Payments.

"*S&P*" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, and its successors.

"*Securities Depositories*" means The Depository Trust Company, 55 Wastewater Street, 50th Floor, New York, NY 10041-0099, Attention: Call Notification Department, Fax (212) 855-7232; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Authority may designate in a Written Certificate of the Authority delivered to the Trustee.

"*Serial Bonds*" means the Bonds maturing on April 1 in each of the years ____ through ____, inclusive.

"*Sinking Account*" means the account by that name established in the Bond Fund pursuant to Section 5.02.

"*State*" means the State of California.

"*Subordinate Debt*" means any obligations of the City payable from and secured by a pledge of and lien upon any of the Net Revenues subordinate to the Installment Payments and any Parity Obligations, entered into or issued pursuant to and in accordance with Section 4.8 of the Installment Sale Agreement.

"*Supplemental Indenture*" means any indenture hereafter duly authorized and entered into between the Authority and the Trustee, supplementing, modifying or amending this Indenture; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

"*Term Bonds*" means the Bonds maturing on April 1, ____, and April 1, ____.

"*Term of the Installment Sale Agreement*" means the time during which the Installment Sale Agreement is in effect, as provided in Section 4.2 of the Installment Sale Agreement.

"*Trust Office*" means the corporate trust office of the Trustee at 1505 Energy Park Drive, St. Paul, MN 5108, or at such other or additional offices as may be specified in writing to the Authority and the City, except that with respect to presentation of Bonds for payment or for registration of transfer and exchange such term shall mean the office or agency of the Trustee at which, at any particular time, its corporate trust agency business shall be conducted.

"*Trustee*" means Computershare Trust Company, N.A., a national banking association organized and existing under the laws of the United States of America, or its successor, as Trustee hereunder as provided in Section 8.01.

"*2021A Bonds*" means the Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable).

"*2021 Installment Sale Agreement*" means that certain water installment sale agreement, dated as of March 1, 2021, by and between the Authority and the City, which provides for the payment of a portion of the debt service due by the Authority under 2021A Bonds.

"*2024 Wastewater Project*" means the acquisition and construction of improvements and facilities of the Wastewater System financed from the proceeds of the Bonds including, but not limited to, the installation of a solar photovoltaic (PV) system which will generate electricity through the conversion of solar energy.

"*Underwriter*" means Oppenheimer & Co. Inc., the original purchaser of the Bonds upon their delivery by the Trustee on the Closing Date.

"*Wastewater Fund*" means the City's existing water enterprise fund, established and held by the City with respect to the Wastewater System.

"*Wastewater System*" means the entire municipal wastewater system of the City comprising any and all properties and assets, real and personal, tangible and intangible, of the City, now or hereafter existing, used or pertaining to the disposal or reuse of sewer, including sewage treatment plants, intercepting and collecting sewers, outfall sewers, force mains, pumping stations, ejector stations, pipes, valves, machinery and all other appurtenances necessary, useful or convenient for the collection, treatment, purification or disposal of sewage, and any necessary lands, rights of way and other real or personal property useful in connection therewith, including all additions, extensions, expansions, improvements and betterments thereto and equippings thereof.

"*Written Certificate*," "*Written Request*" and "*Written Requisition*" of the Authority or the City mean, respectively, a written certificate, request or requisition signed in the name of the Authority or the City by its Authorized Representative. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

Section 1.02. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; the words "herein," "hereof,"

"hereby," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

THE BONDS

Section 2.01. Authorization of Bonds.

(a) The Authority hereby authorizes the issuance hereunder of the Bonds, which shall constitute special obligations of the Authority, for the purpose of providing funds to enable the City to finance the 2024 Wastewater Project.

(b) The Bonds are hereby designated the "Coalinga Public Financing Authority (Fresno County, California) Wastewater Revenue Bonds, Series 2024 (Solar Project)." The aggregate principal amount of Bonds initially issued and Outstanding under this Indenture shall equal _____ dollars ($_____).

(c) This Indenture constitutes a continuing agreement with the Trustee and the Owners from time to time of the Bonds to secure the full payment of the principal of and interest and premium (if any) on all the Bonds, subject to the covenants, provisions and conditions herein contained.

Section 2.02. Terms of the Bonds.

(a) The Bonds shall be issued in fully registered form without coupons in denominations of $5,000 or any integral multiple thereof.

(b) The Bonds shall mature on April 1 in each of the years and in the amounts set forth below and shall bear interest on each Interest Payment Date at the rates set forth below:

Maturity Date (April 1)	Principal Amount	Interest Rate

T Term maturity

(c) Interest on the Bonds shall be payable semi-annually calculated based on a 360-day year of twelve (12) thirty-day months on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee mailed on the applicable Interest Payment Date by first class mail to the Owner at the address of such Owner as it appears on the Registration Books; provided however, that payment of interest

may be by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of $1,000,000 or more who shall furnish written wire instructions to the Trustee at least five (5) days before the applicable Record Date. Subject to Section 2.10, principal of any Bond and any premium upon redemption shall be paid by check of the Trustee upon presentation and surrender thereof at the Trust Office. Principal of and interest and premium (if any) on the Bonds shall be payable in lawful money of the United States of America.

Each Bond shall be dated the Closing Date and shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (b) unless it is authenticated on or before March 15, 2025, in which event it shall bear interest from the Closing Date; *provided, however*, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Section 2.03. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred on the Registration Books by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Trustee. Transfer of any Bond shall not be permitted by the Trustee during the period established by the Trustee for selection of Bonds for redemption or if such Bond has been selected for redemption pursuant to Article IV. Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and shall deliver a new Bond or Bonds for a like aggregate principal amount and of like maturity. The Trustee may require the Bond Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. The transferor shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 2.04. Exchange of Bonds. Any Bond may be exchanged at the Trust Office for a like aggregate principal amount of Bonds of other authorized denominations and of like maturity. Exchange of any Bond shall not be permitted during the period established by the Trustee for selection of Bonds for redemption or if such Bond has been selected for redemption pursuant to Article IV. The Trustee shall require the Bond Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange.

Section 2.05. Registration Books. The Trustee will keep or cause to be kept, at the Trust Office, sufficient records for the registration and transfer of ownership of the Bonds, which shall at all reasonable times with reasonable prior notice be open to inspection during regular business hours by the Authority, the City and the Owners; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such records, the ownership of the Bonds as hereinbefore provided.

Section 2.06. Form and Execution of Bonds. The Bonds shall be signed in the name and on behalf of the Authority with the manual or facsimile signatures of its Chairman or its Executive Director and attested with the manual or facsimile signature of its Secretary or any assistant duly appointed by the Board of Directors, under the printed seal of the Authority, and shall be delivered to the Trustee for authentication by it. In case any officer of the Authority who shall

have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been authenticated or delivered by the Trustee or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Authority as though the individual who signed the same had continued to be such officer of the Authority. Also, any Bond may be signed on behalf of the Authority by any individual who on the actual date of the execution of such Bond shall be the proper officer although on the nominal date of such Bond such individual shall not have been such officer.

Only such of the Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, manually executed by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

Section 2.07. Temporary Bonds. The Bonds may be issued in temporary form exchangeable for definitive Bonds when ready for delivery. Any temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Authority, shall be in fully registered form without coupons and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Authority and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the Authority issues temporary Bonds it will execute and deliver definitive Bonds as promptly thereafter as practicable, and thereupon the temporary Bonds may be surrendered, for cancellation, at the Trust Office and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.08. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Authority, at the expense of the Owner of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it and held and destroyed pursuant to its retention policy then in effect. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the Authority, at the expense of the Owner of such lost, destroyed or stolen Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof). The Authority may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.08 and of the expenses which may be incurred by the City, the Authority and the Trustee in the premises. Any Bond issued under the provisions of this Section 2.08 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Authority whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

Section 2.09. CUSIP Numbers. The Trustee and the Authority shall not be liable for any defect or inaccuracy in the CUSIP number that appears on any Bond or in any redemption notice. The Trustee may, in its discretion, include in any redemption notice a statement to the effect that

the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Owners and that neither the Trustee nor the Authority shall be liable for any inaccuracies in such numbers.

Section 2.10. Book-Entry System. Notwithstanding any provision of this Indenture to the contrary:

(a) The Bonds shall be initially issued registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, and shall be evidenced by one securities certificate maturing on each of the maturity dates set forth in Section 2.02 hereof to be in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except:

(i) to any successor of The Depository Trust Company or its nominee, or of any substitute depository designated pursuant to paragraph (ii) of this subsection (a) ("substitute depository"); provided that any successor of The Depository Trust Company or substitute depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(ii) to any substitute depository designated in a written request of the Authority, upon (A) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository or (B) a determination by the Authority that The Depository Trust Company or its successor is no longer able to carry out its functions as depository; provided that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) to any person as provided below, upon (A) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository or (B) a determination by the Authority that The Depository Trust Company or its successor is no longer able to carry out its functions as depository; provided that no substitute depository which is not objected to by the Authority or the Trustee can be obtained.

(b) In the case of any transfer pursuant to paragraph (i) or paragraph (ii) of subsection (a) of this Section 2.10, upon receipt of all Outstanding Bonds by the Trustee, together with a written request of an Authorized Representative of the Authority to the Trustee, a single new Bond shall be issued, authenticated and delivered for each maturity of such Bond then outstanding, registered in the name of such successor or such substitute depository or their nominees, as the case may be, all as specified in such written request of an Authorized Representative of the Authority. In the case of any transfer pursuant to paragraph (iii) of subsection (a) of this Section 2.10, upon receipt of all Outstanding Bonds by the Trustee together with a written request of an Authorized Representative of the Authority, new Bonds shall be issued, authenticated and delivered in such denominations and registered in the names of such persons as are requested in a written request of the Authority provided the Trustee shall not be required to deliver such new Bonds within a period less than sixty (60) days from the date of receipt of such a written request of an Authorized Representative of the Authority. In connection with any proposed transfer outside the book-entry only system as described in the prior sentence, the Authority or DTC shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(c) In the case of partial redemption or an advance refunding of any Bonds evidencing all of the principal maturing in a particular year, The Depository Trust Company shall, at the Authority's expense, deliver the Bonds to the Trustee for cancellation and re-registration to reflect the amounts of such reduction in principal.

(d) The Authority and the Trustee shall be entitled to treat the person in whose name any Bond is registered as the absolute Owner thereof for all purposes of this Indenture and any applicable laws, notwithstanding any notice to the contrary received by the Trustee or the Authority; and the Authority and the Trustee shall have no responsibility for transmitting payments to, communication with, notifying or otherwise dealing with any beneficial owners of the Bonds. Neither the Authority nor the Trustee will have any responsibility or obligations, legal or otherwise, to the beneficial owners or to any other party including The Depository Trust Company or its successor (or substitute depository or its successor), except for the registered owner of any Bond.

(e) So long as all outstanding Bonds are registered in the name of Cede & Co. or its registered assign, the Authority and the Trustee shall reasonably cooperate with Cede & Co., as sole registered Owner, or its registered assign in effecting payment of the principal and redemption premium, if any, and interest due with respect to the Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

(f) So long as all Outstanding Bonds are registered in the name of Cede & Co. or its registered assigns (hereinafter, for purposes of this paragraph (f), the "Owner"):

(i) All notices and payments addressed to the Owners shall contain the Bonds' CUSIP number.

(ii) Notices to the Owner shall be forwarded in the manner set forth in the form of blanket issuer letter of representations (prepared by The Depository Trust Company) executed by the Authority and received and accepted by The Depository Trust Company.

ARTICLE III

ISSUANCE OF BONDS; APPLICATION OF PROCEEDS; ADDITIONAL BONDS

Section 3.01. Issuance of the Bonds. At any time after the execution of this Indenture, the Authority may execute and the Trustee shall authenticate and, upon the Written Request of the Authority, deliver Bonds in the aggregate principal amount of _____ dollars ($_____).

Section 3.02. Application of Proceeds of the Bonds. The proceeds received from the sale of the Bonds ($_____), being the principal amount of the Bonds of $_____, less an Underwriter's discount of $_____, plus a net original issue premium of $_____, less $_____ paid to the Municipal Bond Insurer being the premium for the Municipal Bond Insurance Policy and less $_____ paid to the Municipal Bond Insurer being the premium for the Reserve Policy, shall be deposited by the Trustee as follows:

(i) The Trustee shall deposit the amount of $_____ in the Interest Account representing capitalized interest with respect to a portion of the Bonds through April 1, 2026;

(ii) The Trustee shall deposit the amount of $_____ in the Costs of Issuance Fund; and

(iii) The Trustee shall deposit the amount of $_____ in the Project Fund to be applied as provided in Section 3.04.

(c) The Trustee may, in its discretion, establish a temporary fund, or account or subaccount to facilitate the foregoing transfers.

Section 3.03. Establishment and Application of Costs of Issuance Fund.

(a) The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Costs of Issuance Fund."

(b) There shall be deposited in the Costs of Issuance Fund the amounts indicated in Sections 3.02(a)(ii) of this Indenture. The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay the Costs of Issuance of the Bonds upon submission of Written Requisitions of the Authority stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said account. On December 4, 2024, or upon the earlier Written Request of the Authority, all amounts remaining in the Costs of Issuance Fund shall be transferred by the Trustee to the Project Fund and the Costs of Issuance Fund shall be closed.

Section 3.04. Project Fund.

(a) The Trustee shall establish, maintain and hold in trust a separate fund to be known as the "Project Fund." There shall be deposited in the Project Fund the amounts indicated in Section 3.02(a)(iii) of this Indenture.

(b) Except as otherwise provided herein, moneys in the Project Fund shall be used solely for the payment of the Project Costs. The Trustee shall disburse moneys in the Project Fund from time to time to pay Project Costs (or to reimburse the Authority or the City for payment of Project

Costs) upon receipt by the Trustee of a Written Requisition of the Authority or the City which: (A) states with respect to each disbursement to be made (i) the requisition number, (ii) the name and address of the person, firm or corporation to whom payment will be made, (iii) the amount to be disbursed, (iv) that each obligation mentioned therein is a proper charge against the Project Fund and has not previously been disbursed by the Trustee from amounts in the Project Fund, (v) that all conditions precedent set forth in the Installment Sale Agreement with respect to such disbursement have been satisfied, and (vi) that the amount of such disbursement is for a Project Cost; (B) specifies in reasonable detail the nature of the obligation; and (C) is accompanied by a bill or statement of account (if any) for each obligation. The Trustee may conclusively rely on the information contained in any Written Requisition and shall have no responsibility with respect to the application of any funds disbursed in accordance with such Written Requisitions. Upon the filing with the Trustee of a Written Certificate of the Authority stating that the 2024 Wastewater Project has been completed or that all Written Requisitions intended to be filed by the Authority and the City have been filed, the Trustee shall withdraw all amounts then on deposit in the Project Fund and transfer such amounts to the Bond Fund and the Project Fund shall be closed.

(c) Notwithstanding the foregoing provisions of this Section 3.05, upon the occurrence and continuation of an Event of Default under and as defined in Section 7.01(a) or (b), the Trustee shall immediately withdraw all amounts then on deposit in the Project Fund and apply such amounts in accordance with the provisions of Section 7.03.

Section 3.05. Validity of Bonds. The validity of the authorization and issuance of the Bonds is not dependent on and shall not be affected in any way by any proceedings taken by the Authority or the Trustee with respect to or in connection with the Installment Sale Agreement. The recital contained in the Bonds that the same are issued pursuant to the Constitution and laws of the State shall be conclusive evidence of their validity and of compliance with the provisions of law in their issuance.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.01. Terms of Redemption.

(a) *Sinking Account Redemption*.

(i) The Term Bonds maturing on April 1, ____ (the "____ Term Bonds") are subject to mandatory redemption, in part at random, from Sinking Account payments set forth in the following schedule on April 1, ____, and on April 1 in each year thereafter to and including April 1, ____, at a redemption price equal to the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption; *provided, however*, that if some but not all of the ____ Term Bonds have been redeemed pursuant to subsection (b) below, the total amount of Sinking Account payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the ____ Term Bonds so redeemed by reducing each such future Sinking Account payment as shall be determined by the City and, in lieu of such determination, on a *pro rata* basis (as nearly as practicable given authorized denominations) in integral multiples of $5,000, as shall be designated pursuant to written notice filed by the Authority with the Trustee.

Redemption Date (April 1)	Principal Amount

† Maturity.

(ii) The Term Bonds maturing on April 1, ____ (the "____ Term Bonds") are subject to mandatory redemption, in part at random, from Sinking Account payments set forth in the following schedule on April 1, ____, and on April 1 in each year thereafter to and including April 1, ____, at a redemption price equal to the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption; *provided, however*, that if some but not all of the ____ Term Bonds have been redeemed pursuant to subsection (b) below, the total amount of Sinking Account payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the ____ Term Bonds so redeemed by reducing each such future Sinking Account payment as shall be determined by the City and, in lieu of such determination, on a *pro rata* basis (as nearly as practicable given authorized denominations) in integral multiples of $5,000, as shall be designated pursuant to written notice filed by the Authority with the Trustee.

Redemption Date (April 1)	Principal Amount

† Maturity.

(b) *Optional Redemption*. The Bonds maturing on or before April 1, ____, shall not be subject to optional redemption prior to maturity. The Bonds maturing on or after April 1, ____, shall be subject to redemption, at the option of the City on any date on or after April 1, ____, as a whole or in part, by such maturities as shall be determined by the City, and at random within a maturity, from any available source of funds, from prepayments of the Installment Payments made at the option of the City pursuant to Section 9.2 of the Installment Sale Agreement, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

(c) *Purchase of Bonds In Lieu of Redemption*. In lieu of redemption of Bonds as provided in paragraphs (a) and (b) of this Section 4.01, amounts held by the Trustee for such redemption may also be used on any Interest Payment Date, upon receipt by the Trustee at least ninety (90) days prior to the next scheduled Interest Payment Date of the written request of an Authorized Representative of the City, for the purchase of Bonds at public or private sale as and when and at such prices (including brokerage, accrued interest and other charges) as the City may in its discretion direct, but not to exceed the redemption price which would be payable if such Bonds were redeemed; *provided, however*, that no Bonds shall be purchased in lieu of redemption with a trade settlement date less than seventy-five (75) days prior to the relevant redemption date. Such purchases may be affected through the investment department of the Trustee or of an affiliate of the Trustee. The aggregate principal amount of Bonds of the same maturity purchased in lieu of redemption pursuant to this paragraph shall not exceed the aggregate principal amount of Bonds of such maturity which would otherwise be subject to such redemption. The exercise of any provision of this Indenture which permits the purchase of Bonds in lieu of redemption shall require prior written approval of the Municipal Bond Insurer wherein any Bond so purchased is not extinguished.

Section 4.02. Selection of Bonds for Redemption. Whenever provision is made in this Indenture for the redemption of less than all of the Bonds of a particular maturity, the Trustee shall select the Bonds to be redeemed from all Bonds of such maturity or such given portion thereof not previously called for redemption, at random in any manner which the Trustee in its sole discretion shall deem appropriate. For purposes of such selection, the Trustee shall treat each Bond as consisting of separate $5,000 portions and each such portion shall be subject to redemption as if such portion were a separate Bond. If less than all the Outstanding Bonds are called for redemption from proceeds of eminent domain or insurance at any one time, the Authority shall specify to the Trustee a principal amount in each maturity to be redeemed which, to the extent practicable, results in approximately equal annual debt service on the Bonds Outstanding following such redemption. If less than all Outstanding Bonds are called for redemption from proceeds of eminent domain or insurance at any one time, the Authority shall designate the maturity or maturities of the Bonds to be redeemed. Upon the occurrence of a redemption in part, the maturities to be redeemed shall be subject to the approval of the Municipal Bond Insurer.

Section 4.03. Notice of Redemption. Notice of redemption shall be mailed by first class mail, postage prepaid, not less than thirty (30) nor more than sixty (60) days before any redemption date, to the respective Owners of any Bonds designated for redemption at their addresses appearing on the Registration Books, to the Securities Depositories and to the Information Services. Each notice of redemption shall state the date of the notice, the redemption date, the place or places of redemption, whether less than all of the Bonds (or all Bonds of a single maturity) are to be redeemed, the CUSIP numbers and Bond numbers of the Bonds to be redeemed, the maturity or maturities of the Bonds to be redeemed and in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the redemption date there will become due and payable

on each of said Bonds the redemption price thereof, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered. Neither the failure to receive any notice nor any defect therein shall affect the proceedings for such redemption or the cessation of accrual of interest from and after the redemption date. Notice of redemption of Bonds shall be given by the Trustee, at the expense of the Authority, for and on behalf of the Authority.

Notice of any redemption of Bonds (other than redemptions pursuant to Section 4.01(a)) shall either (i) explicitly state that the proposed redemption is conditioned on there being on deposit in the applicable fund or account on the redemption date sufficient money to pay the full redemption price of the Bonds to be redeemed, or (ii) be sent only if sufficient money to pay the full redemption price of the Bonds to be redeemed is on deposit in the applicable fund or account.

Section 4.04. Partial Redemption of Bonds. Upon surrender of any Bonds redeemed in part only, the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered.

Section 4.05. Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the redemption price of, together with interest accrued to the date fixed for redemption on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

All Bonds redeemed pursuant to the provisions of this Article shall be canceled by the Trustee upon surrender thereof and destroyed.

ARTICLE V

REVENUES; FUNDS AND ACCOUNTS; PAYMENT OF PRINCIPAL AND INTEREST

Section 5.01. Pledge and Assignment; Bond Fund.

(a) Subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, all of the Revenues and any other amounts (including proceeds of the sale of the Bonds) held in any fund or account established pursuant to this Indenture are hereby pledged to secure the payment of the principal of and interest on the Bonds in accordance with their terms and the provisions of this Indenture. Said pledge shall constitute a lien on and security interest in such assets and shall attach, be perfected and be valid and binding from and after the Closing Date, without any physical delivery thereof or further act.

(b) The Authority hereby transfers in trust, grants a security interest in and assigns to the Trustee, for the benefit of the Owners from time to time of the Bonds, all of the Revenues and all of the rights of the Authority in the Installment Sale Agreement (other than the rights of the Authority under Sections 4.9, 6.3 and 8.4 thereof). The Trustee shall be entitled to and shall collect and receive all of the Revenues, and any Revenues collected or received by the Authority shall be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and shall forthwith be paid by the Authority to the Trustee. The Trustee also shall be entitled to and shall, subject to the provisions of Article VIII, take all steps, actions and proceedings which the Trustee determines to be reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority and all of the obligations of the City under the Installment Sale Agreement.

The assignment of the Installment Sale Agreement to the Trustee is solely in its capacity as Trustee under this Indenture and the duties, powers and liabilities of the Trustee in acting thereunder shall be subject to the provisions of this Indenture, including, without limitation, the provisions of Article VIII hereof. The Trustee shall not be responsible for any representations, warranties, covenants or obligations of the Authority.

(c) Subject to Section 5.08, all Revenues shall be promptly deposited by the Trustee upon receipt thereof in a special fund designated as the "Bond Fund" which the Trustee shall establish, maintain and hold in trust; except that all moneys received by the Trustee and required hereunder, under the Installment Sale Agreement to be deposited in the Redemption Fund shall be promptly deposited in such Fund. All Revenues deposited with the Trustee shall be held, disbursed, allocated and applied by the Trustee only as provided in this Indenture.

(d) The Trustee shall provide written notice to the City, at least ten Business Days preceding each Interest Payment Date, of the amount of Revenues, derived from Installment Payments as required by the Installment Sale Agreement, due to the Trustee on such Interest Payment Date, taking into account any investment earnings which shall be applied as a credit against such required payment. If, on the 5th Business Day preceding each Interest Payment Date, the Trustee is not in receipt of the total amount due to the Trustee on such Interest Payment Date, the Trustee shall provide a second similar notice to the City and promptly notify the Financial Services Director by telephone. Notwithstanding the foregoing, the failure of the Trustee to provide either of such notices shall in no way relieve the City of its obligation to make all Installment Payments as required by the Installment Sale Agreement.

Section 5.02. Allocation of Revenues. On each date on which principal of or interest on the Bonds becomes due and payable, the Trustee shall transfer from the Bond Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Bond Fund), the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) The Trustee shall deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to be at least equal to the amount of interest becoming due and payable on such date on all Bonds then Outstanding.

(b) The Trustee shall deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of the Bonds coming due and payable on such date.

(c) The Trustee shall deposit in the Sinking Account an amount equal to the aggregate principal amount of the Term Bonds required to be redeemed on such date, if any, pursuant to Section 4.01(a).

(d) Subject to the provisions of Section 5.06, the Trustee shall deposit in the Reserve Account an amount, if any, required to cause the amount on deposit in the Reserve Account to be equal to the Reserve Requirement, but shall only be required to do so if the Reserve Policy is no longer in effect.

(e) If the then applicable Interest Payment Date is October 1, all remaining moneys shall be held by the Trustee in the Bond Fund and applied for the next succeeding April 1 Interest Payment Date deposits. If the then applicable Interest Payment Date is April 1, and payment of any applicable fees and expenses to the Trustee and payment of any amounts owed to the Municipal Bond Insurer, or provision for such redemption or payment having been made to the satisfaction of the Trustee, all remaining moneys may be treated as surplus and applied for any lawful purpose.

Section 5.03. Application of Interest Account. All amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity pursuant to this Indenture). hereof. Amounts deposited in the Interest Account from Bond proceeds, representing capitalized interest, shall be applied to pay the interest on the Bonds on the following dates and in the following amounts:

Interest Payment Date	Amount
April 1, 2025	
October 1, 2025	
April 1, 2026	

Section 5.04. Application of Principal Account. All amounts in the Principal Account shall be used and withdrawn by the Trustee solely to pay the principal amount of the Bonds at their respective maturity dates.

Section 5.05. Application of Sinking Account. All moneys on deposit in the Sinking Account shall be used and withdrawn by the Trustee for the sole purpose of redeeming or purchasing (in lieu of redemption) Term Bonds pursuant to Section 4.01.

Section 5.06. Application of Reserve Account.

(a) All moneys, equal to the Reserve Requirement, at any time on deposit in the Reserve Account shall be held by the Trustee in trust for the benefit of the Owners of the Bonds and applied solely as provided in this Indenture.

(b) On the Closing Date, the Reserve Policy shall be delivered to the Trustee by the Municipal Bond Insurer. The prior written consent of the Municipal Bond Insurer shall be a condition precedent to the deposit of any credit instrument (other than the Reserve Policy) provided in lieu of a cash deposit into the Reserve Account. Notwithstanding anything to the contrary set forth in this Indenture, amounts on deposit in the Reserve Account shall be applied solely to the payment of principal and interest due with respect to the Bonds.

(c) If, on any Interest Payment Date, the moneys available in the Bond Fund do not equal the amount of the principal, sinking fund installment or interest with respect to the Bonds then coming due and payable, the Trustee shall apply the moneys available in the Reserve Account to make the delinquent principal, sinking fund installment or interest payment by transferring the amount necessary for this purpose to the Bond Fund or shall draw on the Reserve Policy and apply amounts received from such draw to make the delinquent principal, sinking fund installment or interest payment by transferring the amount necessary for this purpose to the Bond Fund. To the extent there is cash or investments on deposit in the Reserve Account, such cash or investments shall be applied first before there is any draw on the Reserve Policy or any other credit facility credited to the Reserve Account in lieu of cash (a "Credit Facility"). Payment of any Reserve Policy Costs (hereinafter defined) shall be made prior to replenishment of any such cash amounts. Draws on all Credit Facilities (including the Reserve Policy) on which there is available coverage shall be made on a *pro rata* basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Reserve Account. Payment of Reserve Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a *pro rata* basis prior to replenishment of any cash drawn from the Reserve Account.

For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw. Upon receipt of any delinquent principal, sinking fund installment or interest payment with respect to which moneys have been advanced from the Reserve Account or there has been a draw on the Reserve Policy, such delinquent principal, sinking fund installment or interest payment shall be deposited in the Reserve Account to the extent of such advance and first applied to reimburse a draw on the Reserve Policy and then to replenish any cash drawn therefrom.

The Trustee shall ascertain the necessity for a claim upon the Reserve Policy and to provide notice to the Municipal Bond Insurer in accordance with the terms of the Reserve Policy at least five (5) business days prior to each date upon which interest or principal is due with respect to the Bonds.

(e) The City agrees to repay any draws under the Reserve Policy and pay all related reasonable expenses incurred by the Municipal Bond Insurer. Interest shall accrue and be payable

on such draws and expenses from the date of payment by the Municipal Bond Insurer at the Reserve Policy Late Payment Rate.

Repayment of draws and payment of expenses and accrued interest thereon at the Reserve Policy Late Payment Rate (collectively, "Reserve Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Reserve Policy Costs related to such draw.

Amounts in respect of Reserve Policy Costs paid to the Municipal Bond Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Municipal Bond Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

If the City shall fail to pay any Reserve Policy Costs in accordance with the requirements of this Indenture, the Municipal Bond Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Indenture, other than (i) acceleration of the maturity of the Bonds, or (ii) remedies which would adversely affect Owners. The City shall also include any Reserve Policy Costs then due and owing the Municipal Bond Insurer in the calculation of the additional bonds/obligations test and the rate covenant set forth in the Installment Sale Agreement.

(f) Neither this Indenture nor the Installment Sale Agreement shall be discharged until all amounts due to the Municipal Bond Insurer shall have been paid in full. The City's obligation to pay such amounts shall expressly survive payment in full of the Bonds.

(g) The Trustee shall, on or before each March 15 and September 15, value investments in the Reserve Account at market value and transfer any moneys in the Reserve Account then in excess of the Reserve Requirement in accordance with this Indenture; *provided, however*, that the Trustee shall not liquidate an investment to make such transfer of excess unless so directed in writing by a City Representative. The Trustee shall transfer any amount in excess of such sum to the Bond Fund to be applied as a credit against amounts owed by the City for the payment of Installment Payments on each Installment Payment Date thereafter, until depleted.

(h) If, on any Interest Payment Date, the moneys on deposit in the Reserve Account and the Bond Fund (excluding amounts required for payment of principal and interest with respect to Bonds not presented for payment) are sufficient to pay all Outstanding Bonds, including all principal and interest, the Trustee shall transfer all amounts then on deposit in the Reserve Account to the Bond Fund to be applied to the payment of the Installment Payments, and such moneys shall be distributed to the Owners of Bonds in accordance with this Indenture. Any amounts remaining in the Reserve Account upon payment in full of all Outstanding Bonds and all amounts due the Municipal Bond Insurer and the Trustee under this Indenture, or upon provision for such payment as provided in this Indenture, shall be withdrawn by the Trustee and paid to the City.

Section 5.07. Application of Redemption Fund. The Trustee shall establish and maintain the Redemption Fund, amounts in which shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds to be redeemed pursuant to Section 4.01(b); *provided, however*, that at any time prior to giving notice of redemption of any such Bonds, the Trustee may apply such amounts to the purchase of Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as shall be directed pursuant to a Written Request of the

Authority, except that the purchase price (exclusive of accrued interest) may not exceed the redemption price then applicable to the Bonds.

Section 5.08. Investments. All moneys in any of the funds or accounts established with the Trustee pursuant to this Indenture shall be invested by the Trustee solely in Permitted Investments maturing or available on or before the date on which they are anticipated to be used. Such investments shall be directed by the Authority pursuant to a Written Request of the Authority filed with the Trustee at least two (2) Business Days in advance of the making of such investments (which directions shall be promptly confirmed in writing). In the absence of any such directions from the Authority, the Trustee shall invest any such moneys in the money market fund set forth in the letter of authorization and direction executed by the Authority and delivered to the Trustee. If no specific fall-back investment has been specified by the Authority, the Trustee shall make a request to the Authority for investment directions and, if no investment directions are provided, such amount shall be held in cash, uninvested until specific investment directions are provided by the Authority to the Trustee. Permitted Investments purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. To the extent investments are registrable, such investments shall be registered in the name of the Trustee.

All interest or gain derived from the investment of amounts in Project Fund shall be retained therein. All interest or gain derived from the investment of amounts in Costs of Issuance Fund shall be retained therein. All interest or gain derived from the investment of the amount in the Reserve Account shall be retained therein to the extent required to maintain the Reserve Requirement. Reserve Account investments may not have maturities extending beyond five years, except for the Reserve Policy and investment agreements or repurchase agreements approved by the Municipal Bond Insurer. To the extent that any investment agreement requires the payment of fees, such fees shall be paid from available moneys in the Bond Fund after the deposit of moneys described in Section 5.02 (a) through (c) above. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder. The Trustee or any of its affiliates may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee or its affiliates may act as sponsor or depository with respect to any Permitted Investment. To the extent that any Permitted Investment purchased by the Trustee are registrable securities such Permitted Investment shall be registered in the name of the Trustee on behalf of the Owners. The Trustee shall incur no liability for losses arising from any investments made pursuant to this Section 5.08.

The Trustee shall furnish the Authority periodic cash transaction statements which include detail for all investment transactions effected by the Trustee or brokers selected by the Authority. Upon the Authority's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request. The Authority waives the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, to the extent permitted by law. The Authority further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

Such investments shall be valued by the Trustee not less often than quarterly, at the market value thereof, exclusive of accrued interest. Deficiencies in the amount on deposit in any fund or account resulting from a decline in market value shall be restored no later than the succeeding valuation date.

The Trustee may utilize securities pricing services that may be available to it making such valuations, including those within its accounting system with respect to the Bonds, and conclusively rely thereon.

Section 5.09. Valuation and Disposition of Investments. All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by this Indenture. Except as specifically provided in this Indenture, the Trustee shall not be liable to pay interest on any moneys received by it, but shall be liable only to account to the Authority for earnings derived from funds that have been invested.

The Authority covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Indenture, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Indenture or the Code) at Fair Market Value.

Investments in the Reserve Account shall be valued at fair market value and the Trustee shall be deemed to have complied with such valuation to the extent it utilized an automated pricing service through its trust accounting system. Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code and (unless valuation is undertaken at least annually) investments in the Reserve Account shall be valued by the Authority at their present value (within the meaning of section 148 of the Code).

ARTICLE VI

PARTICULAR COVENANTS

Section 6.01. Punctual Payment. The Authority shall punctually pay or cause to be paid the principal of and interest and premium (if any) on all the Bonds in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof, but only out of Revenues and other assets pledged for such payment as provided in this Indenture.

Section 6.02. Extension of Payment of Bonds. The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section 6.02 shall be deemed to limit the right of the Authority to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

Section 6.03. Against Encumbrances. The Authority shall not create, or permit the creation of, any pledge, lien, charge or other encumbrance upon the Revenues and other assets pledged or assigned under this Indenture while any of the Bonds are Outstanding, except the pledge and assignment created by this Indenture. Subject to this limitation, the Authority expressly reserves the right to enter into one or more other indentures for any of its corporate purposes, and reserves the right to issue other obligations for such purposes.

Section 6.04. Power to Issue Bonds and Make Pledge and Assignment. The Authority is duly authorized pursuant to law to issue the Bonds and to enter into this Indenture and to pledge and assign the Revenues and other assets purported to be pledged and assigned, respectively, under this Indenture in the manner and to the extent provided in this Indenture. The Bonds and the provisions of this Indenture are and will be the legal, valid and binding special obligations of the Authority in accordance with their terms, and the Authority and the Trustee shall at all times, subject to the provisions of Article VIII and to the extent permitted by law, defend, preserve and protect said pledge and assignment of Revenues and other assets and all the rights of the Bond Owners under this Indenture against all claims and demands of all persons whomsoever.

Section 6.05. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which complete and accurate entries shall be made of all transactions made by it relating to the proceeds of Bonds, the Revenues, the Installment Sale Agreement and all funds and accounts established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Authority and the City, during business hours and under reasonable circumstances. The Trustee shall deliver a monthly accounting of all funds and accounts except for any fund or account which has a balance of $0.00 and has not had any activity since the last reporting date. The Trustee shall establish such other funds and accounts as it deems necessary to carry out its duties under this Indenture.

Section 6.06. No Additional Obligations. The Authority covenants that no additional bonds, notes or other indebtedness shall be issued or incurred which are payable out of the Revenues in whole or in part.

Section 6.07. Tax Covenants.

(a) *No Arbitrage*. The Authority shall not take, or permit to be taken by the Trustee, the City or otherwise, any action with respect to the proceeds of the Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Bonds would have caused the Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code.

(b) *Rebate Requirement*. The Authority shall cause the City to take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investments earnings, if any, to the federal government, to the extent that such section is applicable to the Bonds.

(c) *Private Activity Bond Limitation*. The Authority shall assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private business tests of section 141(c) of the Code or the private loan financing test of section 141(b) of the Code.

(d) *Federal Guarantee Prohibition*. The Authority shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

(e) *Maintenance of Tax Exemption*. The Authority shall take any and all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Bonds.

Section 6.08. Installment Sale Agreement. The Trustee shall promptly collect all amounts due from the City pursuant to the Installment Sale Agreement. Subject to the provisions of Article VIII, the Trustee shall enforce, and take all steps, actions and proceedings which the Trustee determines to be reasonably necessary for the enforcement of all of its rights thereunder as assignee of the Authority and for the enforcement of all of the obligations of the City under the Installment Sale Agreement.

Section 6.09. Waiver of Laws. The Authority shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Indenture or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the Authority to the extent permitted by law.

Section 6.10. Continuing Disclosure. Pursuant to Section 5.6 of the Installment Sale Agreement, the City has undertaken all responsibility for compliance with continuing disclosure requirements and the Authority shall have no liability to the holders of the Bonds or any other person with respect to such disclosure matters. Notwithstanding any other provision of this Indenture, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default, however, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 6.11. Further Assurances. The Authority will make, execute and deliver any and all such further indentures, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture and for the better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Indenture.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.01. Events of Default. The following events shall be Events of Default hereunder:

(a) Default in the due and punctual payment of the principal of any Bonds when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by acceleration, or otherwise.

(b) Default in the due and punctual payment of any installment of interest on any Bonds when and as the same shall become due and payable.

(c) Default by the Authority in the observance of any of the other covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, if such default shall have continued for a period of thirty (30) days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the Authority by the Trustee; *provided, however*, that if in the reasonable opinion of the Authority the default stated in the notice can be corrected, but not within such thirty (30) day period, such default shall not constitute an Event of Default hereunder if the Authority shall commence to cure such default within such thirty (30) day period and thereafter diligently and in good faith cure such failure in a reasonable period of time.

(d) The occurrence and continuation of an event of default under and as defined in the Installment Sale Agreement.

Section 7.02. Remedies Upon Event of Default. If any Event of Default shall occur, then, and in each and every such case during the continuance of such Event of Default, the Trustee may, and shall at the written direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding, upon notice in writing to the Authority and the City, declare the principal of all of the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this Indenture or in the Bonds contained to the contrary notwithstanding.

Any such declaration is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Authority or the City shall deposit with the Trustee a sum sufficient to pay all the principal of and installments of interest on the Bonds payment of which is overdue, with interest on such overdue principal at the rate borne by the respective Bonds to the extent permitted by law, and the reasonable fees, charges and expenses (including those of its attorneys) of the Trustee, and any and all other Events of Default known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Authority, the City and the Trustee, or the Trustee if such declaration was made by the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences and waive such Event of Default; but no such rescission and annulment shall extend to or shall affect any subsequent Event of Default, or shall impair or exhaust any right or power consequent thereon.

Section 7.03. Application of Revenues and Other Funds After Default. If an Event of Default shall occur and be continuing, all Revenues and any other funds then held or thereafter received by the Trustee under any of the provisions of this Indenture shall be applied by the Trustee as follows and in the following order:

(a) To the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Owners of the Bonds and payment of reasonable fees, charges and expenses of the Trustee (including reasonable fees and disbursements of its counsel) incurred in and about the performance of its powers and duties under this Indenture;

(b) To the payment of the principal of and interest then due on the Bonds (upon presentation of the Bonds to be paid, and stamping or otherwise noting thereon of the payment if only partially paid, or surrender thereof if fully paid) in accordance with the provisions of this Indenture, as follows:

First: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal of any Bonds which shall have become due, whether at maturity or by acceleration or redemption, with interest on the overdue principal at the rate borne by the respective Bonds (to the extent permitted by law), and, if the amount available shall not be sufficient to pay in full all the Bonds, together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference.

Third: To the payment of amounts due to the Municipal Bond Insurer not payable pursuant to *First* or *Second* above.

Section 7.04. Trustee to Represent Bond Owners. The Trustee is hereby irrevocably appointed (and the successive respective Owners of the Bonds, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney-in-fact of the Owners of the Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Owners under the provisions of the Bonds, this Indenture and applicable provisions of any law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Trustee to represent the Bond Owners, the Trustee in its discretion may, and upon the written request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of such Owners by such appropriate action, suit, mandamus or other proceedings as it shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Trustee or in such Owners under the Bonds, this Indenture or any other law; and upon instituting such proceeding, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the Revenues and other assets pledged under this Indenture, pending such proceedings. All rights of action under this Indenture or the Bonds or otherwise may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding

instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of all the Owners of such Bonds, subject to the provisions of this Indenture.

Section 7.05. Bond Owners' Direction of Proceedings. Anything in this Indenture to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, and upon indemnification of the Trustee to its reasonable satisfaction, to direct the method of conducting all remedial proceedings taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would expose it to liability.

Section 7.06. Limitation on Bond Owners' Right to Sue. Notwithstanding any other provision hereof, no Owner of any Bonds shall have the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under this Indenture, the Installment Sale Agreement or any other applicable law with respect to such Bonds, unless (a) such Owner shall have given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (c) such Owner or Owners shall have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; (d) the Trustee shall have failed to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee; and (e) no direction inconsistent with such written request shall have been given to the Trustee during such sixty (60) day period by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds of any remedy hereunder or under law; it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture or the rights of any other Owners of Bonds, or to enforce any right under the Bonds, this Indenture, the Installment Sale Agreement or other applicable law with respect to the Bonds, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the benefit and protection of all Owners of the Outstanding Bonds, subject to the provisions of this Indenture.

Section 7.07. Absolute Obligation of Authority. Nothing in Section 7.06 or in any other provision of this Indenture or in the Bonds contained shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay the principal of and interest and premium (if any) on the Bonds to the respective Owners of the Bonds at their respective dates of maturity, or upon call for redemption, as herein provided, but only out of the Revenues and other assets herein pledged therefor, or affect or impair the right of such Owners, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the Bonds.

Section 7.08. Termination of Proceedings. In case any proceedings taken by the Trustee or any one or more Bond Owners on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or the Bond Owners, then in every such case the Authority, the Trustee and the Bond Owners, subject to any determination in such proceedings, shall be restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers and duties of the

Authority, the Trustee and the Bond Owners shall continue as though no such proceedings had been taken.

Section 7.09. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Owners of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

Section 7.10. No Waiver of Default. No delay or omission of the Trustee or of any Owner of the Bonds to exercise any right or power arising upon the occurrence of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or the Owners of the Bonds may be exercised from time to time and as often as may be deemed expedient.

Section 7.11. Parties Interested Herein. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Authority, the Municipal Bond Insurer or the Trustee, their officers, employees and agents, and the Owners any right, remedy or claim under or by reason of this Indenture, or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the City, the Authority, the Municipal Bond Insurer or the Trustee, their officers, employees and agents, and the Owners.

ARTICLE VIII

THE TRUSTEE

Section 8.01. Appointment of Trustee. Computershare Trust Company, N.A., a national banking association organized and existing under and by virtue of the laws of the United States of America, is hereby appointed Trustee by the Authority for the purpose of receiving all moneys required to be deposited with the Trustee hereunder and to allocate, use and apply the same as provided in this Indenture. The Authority agrees that it will maintain a Trustee having a combined capital and surplus of at least fifty million dollars ($50,000,000), and subject to supervision or examination by federal or State authority, so long as any Bonds are Outstanding. If such national banking association, bank or trust company publishes a report of condition at least annually pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this Section 8.01 the combined capital and surplus of such national banking association, bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee is hereby authorized to pay the principal of and interest and maturity amount and redemption premium (if any) on the Bonds when duly presented for payment at maturity, or on redemption or purchase prior to maturity, and to cancel all Bonds upon payment thereof. The Trustee shall keep accurate records of all funds administered by it and of all Bonds paid and discharged.

Section 8.02. Acceptance of Trustee. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an Event of Default and after curing or waiving of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default hereunder has occurred (which has not been cured or waived), the Trustee may exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill and diligence in their exercise, as a prudent person would use in the conduct of such person's own affairs.

(b) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder. The Trustee shall not be responsible for any misconduct or negligence on the part of any agent, receiver or attorney appointed with due care by it hereunder. The Trustee may conclusively rely upon an opinion of counsel as full and complete protection for any action taken or suffered by it hereunder.

(c) The Trustee shall not be responsible for any recital herein, or in the Bonds, or for any of the supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby and the Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, conditions or agreements on the part of the Authority hereunder.

(d) Except as provided in Section 3.02, the Trustee shall not be accountable for the use of any proceeds of sale of the Bonds delivered hereunder. The Trustee may become the Owner of Bonds secured hereby with the same rights which it would have if not the Trustee; may acquire and dispose of other bonds or evidences of indebtedness of the Authority with the same rights it

would have if it were not the Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of Bonds, whether or not such committee shall represent the Owners of the majority of the Bonds.

(e) The Trustee shall be protected in acting, in good faith and without negligence, upon any notice, request, consent, certificate, order, affidavit, letter, telegram, requisition, facsimile transmission, electronic mail or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken or omitted to be taken by the Trustee in good faith and without negligence pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof. The Trustee shall not be bound to recognize any person as an Owner of any Bond or to take any action at his request unless the ownership of such Bond by such person shall be reflected on the Registration Books.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a Written Certificate of the Authority as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default hereunder of which the Trustee has been given notice or is deemed to have notice, as provided in Section 8.02(h) hereof, shall also be at liberty to accept a Written Certificate of the Authority to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed by it to be necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and it shall not be answerable for other than its negligence or willful misconduct. The immunities and exceptions from liability of the Trustee shall extend to its officers, directors, employees and agents.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder or under the Installment Sale Agreement, except failure by the Authority to make any of the payments to the Trustee required to be made by the Authority pursuant hereto or failure by the Authority to file with the Trustee any document required by this Indenture to be so filed subsequent to the issuance of the Bonds, unless the Trustee shall be specifically notified in writing of such default by the Authority, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the Trust Office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default hereunder except as aforesaid.

(i) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, accountants and representatives, shall have the right (but not any duty) fully to inspect all books, papers and records of the Authority pertaining to the Bonds, and to make copies of any of such books, papers and records such as may be desired but which is not privileged by statute or by law.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises hereof.

(k) Notwithstanding anything elsewhere in this Indenture with respect to the execution of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever

within the purview of this Indenture, the Trustee shall have the right, but shall not be required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, as may be deemed desirable for the purpose of establishing the right of the Authority to the execution of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(l) Before taking any action under Article VII hereof or this Article VIII at the request or direction of the Owners, the Trustee may require payment or reimbursement of its fees and expenses, including fees and expenses of counsel and receipt of indemnity satisfactory to it from the Owners to protect it against all liability, except liability which is adjudicated to have resulted from its own negligence or willful misconduct in connection with any action so taken. Before being required to take any action, the Trustee may require an opinion of Independent Counsel acceptable to the Trustee, which opinion shall be made available to the other parties hereto upon request, which counsel may be counsel to any of the parties hereto, or a verified certificate of any party hereto, or both, concerning the proposed action. If it does so in good faith, the Trustee shall be absolutely protected in relying thereon.

(m) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law.

(n) The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

Whether or not therein expressly so provided, every provision of this Indenture and the Installment Sale Agreement relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article.

The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, coupon or other paper or document.

(o) The Trustee shall have no responsibility for or liability in connection with assuring that all of the procedures or conditions to closing set forth in the contract for purchase of the Bonds have been met on the closing date or, that all documents required to be delivered on the Closing Date to the parties are actually delivered, except its own responsibility to receive the proceeds of the sale, deliver the Bonds or other certificates expressly required to be delivered by it and its counsel.

The Trustee may assume that parties to the contract for purchase of the Bonds have waived their rights to receive documents or to require the performance of procedures if the parties to whom such documents are to be delivered or for whom such procedures are to be performed do not require delivery or performance on or prior to the Closing Date.

(p) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds.

(q) The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or

terrorists, acts of a government, acts of the other party, fires, floods, epidemics, pandemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the 2024 Wastewater Project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar even and/or occurrences beyond the control of the Trustee.

(r) Whenever in the administration of the trusts imposed upon it by this Trust Agreement the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of the Authority or City, and such certificate shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

Section 8.03. Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and reimbursement for, and the City shall pay, reasonable fees for its services rendered hereunder and all advances, counsel fees (including expenses) and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. Upon the occurrence of an Event of Default hereunder, but only upon an Event of Default, the Trustee shall have a first lien with right of payment prior to payment of any Bond upon the amounts held hereunder for the foregoing fees, charges and expenses incurred by it respectively.

Section 8.04. Notice to Bond Owners of Default. If an Event of Default hereunder occurs with respect to any Bonds of which the Trustee has been given or is deemed to have notice, as provided in Section 8.02(h) hereof, then the Trustee shall immediately give written notice thereof, by first-class mail to the Owner of each such Bond, unless such Event of Default shall have been cured before the giving of such notice; *provided, however*, that unless such Event of Default consists of the failure by the Authority to make any payment when due, the Trustee shall, within thirty (30) days of the Trustee's knowledge thereof, give such notice to the Bond Owners unless the Trustee in good faith determines that it is in the best interests of the Bond Owners not to give such notice.

Section 8.05. Intervention by Trustee. In any judicial proceeding to which the Authority is a party which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of the Owners of any of the Bonds, the Trustee may intervene on behalf of such Bond Owners, and subject to Section 8.02(l) hereof, shall do so if requested in writing by the Owners of at least twenty-five percent (25%) of the Bonds.

Section 8.06. Removal of Trustee. The Owners of a majority of the Bonds may at any time, and the Authority may, so long as no Event of Default shall have occurred and then be continuing, remove the Trustee initially appointed, and any successor thereto, by an instrument or concurrent instruments in writing delivered to the Trustee, whereupon the Authority (with the written consent of the City) or such Owners, as the case may be, shall appoint a successor or successors thereto; provided that any such successor shall be a bank or trust company meeting the requirements set forth in Section 8.01.

Section 8.07. Resignation by Trustee. The Trustee and any successor Trustee may at any time give written notice of its intention to resign as Trustee hereunder, such notice to be given to the Authority and the City by first class mail. Upon receiving such notice of resignation, the

Authority (with the written approval of the City) shall promptly appoint a successor Trustee. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. Upon such acceptance, the Authority shall cause notice thereof to be given by first class mail, postage prepaid, to the Bond Owners at their respective addresses set forth on the Registration Books.

Section 8.08. Appointment of Successor Trustee. In the event of the removal or resignation of the Trustee pursuant to Sections 8.06 or 8.07, respectively, and if the Owners shall not have approved a successor Trustee, then, with the prior written consent of the City, the Authority shall promptly appoint a successor Trustee. In the event the Authority shall for any reason whatsoever fail to appoint a successor Trustee within sixty (60) days following the delivery to the Trustee of the instrument described in Section 8.06 or within sixty (60) days following the receipt of notice by the Authority pursuant to Section 8.07, the Trustee may, at the expense of the Authority, apply to a court of competent jurisdiction for the appointment of a successor Trustee meeting the requirements of Section 8.01 hereof. Any such successor Trustee appointed by such court shall become the successor Trustee hereunder notwithstanding any action by the Authority purporting to appoint a successor Trustee following the expiration of such ninety-day period.

Within sixty (60) days following the appointment of a successor Trustee hereunder, the former Trustee shall deliver to such successor Trustee (a) all funds and accounts held by the former Trustee hereunder, and (b) any and all information and documentation as may be required or reasonably requested by the Authority or such successor Trustee in connection with the transfer to such successor Trustee of all the duties and functions of the Trustee hereunder. The Authority shall pay the reasonable costs and expenses of such former Trustee incurred in connection with such transfer.

Section 8.09. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of it corporate trust business, provided that such company shall meet the requirements set forth in Section 8.01, shall be the successor to the Trustee and vested with all of the title to the trust estate and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 8.10. Concerning any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Authority an instrument in writing accepting such appointment hereunder and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the Request of the Authority, or of the Trustee's successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as the Trustee hereunder to its successor. Should any instrument in writing from the Authority be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor Trustee, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority.

Section 8.11. Appointment of Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in the case of litigation under this Indenture, and

in particular in case of the enforcement of the rights of the Trustee on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate co-trustee. The following provisions of this Section 8.11 are adopted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Should any instrument in writing from the Authority be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority. In case any separate trustee or co-trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

Section 8.12. Indemnification; Limited Liability of Trustee. The Authority further covenants and agrees to indemnify and save the Trustee and its officers, directors, agents and employees, harmless against any loss, expense, including legal fees and expenses, and liabilities which it may incur arising out of or in the exercise and performance of its powers and duties hereunder, including the reasonable costs and expenses of defending against any claim of liability or arising out of any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading in any official statement or other disclosure utilized in connection with the sale of the Bonds, but excluding any and all losses, expenses and liabilities which are due to the negligence or misconduct of the Trustee, its officers, directors, agents or employees. No provision in this Indenture shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability hereunder if repayment of such funds or adequate indemnity against such liability or risk is not assured to it. The Trustee shall not be liable for any action taken or omitted to be taken by it in accordance with the direction of the Owners of at least a majority of the principal amount of the Bonds relating to the time, method and place of exercising any trust or power or conducting any proceeding or remedy available to the Trustee under this Indenture of for any special, indirect, consequential or punitive damages. The obligations of the Authority hereunder shall survive the resignation or removal of the Trustee, or the discharge of this Indenture.

ARTICLE IX

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 9.01. Amendments Permitted.

(a) This Indenture and the rights and obligations of the Authority and of the Owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time by an indenture or indentures supplemental thereto, which the Authority and the Trustee may enter into with the consent of the Owners of a majority in principal amount of the Bonds. No such modification or amendment shall (i) extend the fixed maturity of any Bonds, or reduce the amount of principal thereof or extend the time of payment, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, without the consent of the Owner of each Bond so affected, or (ii) reduce the aforesaid percentage of Bonds the consent of the Owners of which is required to effect any such modification or amendment, or permit the creation of any lien on the Revenues and other assets pledged under this Indenture prior to or on a parity with the lien created by this Indenture except as permitted herein, or deprive the Owners of the Bonds of the lien created by this Indenture on such Revenues and other assets (except as expressly provided in this Indenture), without the consent of the Owners of all of the Bonds then Outstanding. It shall not be necessary for the consent of the Bond Owners to approve the particular form of any Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof.

(b) This Indenture and the rights and obligations of the Authority, of the Trustee and the Owners of the Bonds may also be modified or amended from time to time and at any time by a Supplemental Indenture, which the Authority and the Trustee may enter into without the consent of any Bond Owners, if the Trustee has been furnished an opinion of counsel that the provisions of such Supplemental Indenture shall not materially adversely affect the interests of the Owners of the Bonds, including, without limitation, for any one or more of the following purposes:

(i) to add to the covenants and agreements of the Authority in this Indenture contained other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the Authority;

(ii) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Indenture, or in regard to matters or questions arising under this Indenture, as the Authority may deem necessary or desirable;

(iii) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute;

(iv) to modify, amend or supplement this Indenture in such manner as to cause interest on the Bonds to remain excludable from gross income under the Code; or

(v) to facilitate the issuance of Parity Obligations by the City pursuant to the Installment Sale Agreement.

(c) The Trustee may in its discretion, but shall not be obligated to, enter into any such Supplemental Indenture authorized by subsections (a) or (b) of this Section 9.01 which materially adversely affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

(d) Prior to the Trustee entering into any Supplemental Indenture hereunder, there shall be delivered to the Trustee an opinion of Bond Counsel stating, in substance, that such Supplemental Indenture has been adopted in compliance with the requirements of this Indenture and that the adoption of such Supplemental Indenture will not, in and of itself, adversely affect the exclusion from gross income for purposes of federal income taxes of interest on the Bonds.

(e) Notice of any modification hereof or amendment hereto shall be given by the Authority to each rating agency which then maintains a rating on the Bonds, at least fifteen (15) days prior to the effective date of the related Supplemental Indenture.

Section 9.02. Effect of Supplemental Indenture. Upon the execution of any Supplemental Indenture pursuant to this Article IX, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Authority, the Trustee and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 9.03. Endorsement of Bonds; Preparation of New Bonds. Bonds delivered after the execution of any Supplemental Indenture pursuant to this Article may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, upon demand on the Owner of any Bonds Outstanding at the time of such execution and presentation of his Bonds for the purpose at the Trust Office or at such additional offices as the Trustee may select and designate for that purpose, a suitable notation shall be made on such Bonds. If the Supplemental Indenture shall so provide, new Bonds so modified as to conform, in the opinion of the Authority and the Trustee, to any modification or amendment contained in such Supplemental Indenture, shall be prepared and executed by the Authority and authenticated by the Trustee, and upon demand on the Owners of any Bonds then Outstanding shall be exchanged at the Trust Office, without cost to any Bond Owner, for Bonds then Outstanding, upon surrender for cancellation of such Bonds, in equal aggregate principal amount of the same Bond and maturity.

Section 9.04. Amendment of Particular Bonds. The provisions of this Article IX shall not prevent any Bond Owner from accepting any amendment as to the particular Bonds held by them.

ARTICLE X

DEFEASANCE

Section 10.01. Discharge of Indenture. Any or all of the Outstanding Bonds may be paid by the Authority in any of the following ways, provided that the Authority also pays or causes to be paid any other sums payable hereunder by the Authority:

(a) by paying or causing to be paid the principal of and interest and premium (if any) on such Bonds, as and when the same become due and payable;

(b) by depositing with the Trustee, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem such Bonds; or

(c) by delivering to the Trustee, for cancellation by it, all of such Bonds.

If the Authority shall also pay or cause to be paid all other sums payable hereunder by the Authority, then and in that case, at the election of the Authority (evidenced by a Written Certificate of the Authority, filed with the Trustee, signifying the intention of the Authority to discharge all such indebtedness and this Indenture), and notwithstanding that any of such Bonds shall not have been surrendered for payment, this Indenture and the pledge of Revenues and other assets made under this Indenture with respect to such Bonds and all covenants, agreements and other obligations of the Authority under this Indenture with respect to such Bonds shall cease, terminate, become void and be completely discharged and satisfied. In such event, upon the Written Request of the Authority, the Trustee shall execute and deliver to the Authority all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over, transfer, assign or deliver to the City all moneys or securities or other property held by it pursuant to this Indenture which are not required for the payment or redemption of any of such Bonds not theretofore surrendered for such payment or redemption.

Section 10.02. Discharge of Liability on Bonds. Upon the deposit with the Trustee, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem any Outstanding Bonds (whether upon or prior to the maturity or the redemption date of such Bonds), provided that, if such Bonds are to be redeemed prior to maturity, notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice, then all liability of the Authority in respect of such Bonds shall cease, terminate and be completely discharged, and the Owners thereof shall thereafter be entitled only to payment out of such money or securities deposited with the Trustee as aforesaid for their payment, subject, however, to the provisions of Section 10.04.

The Authority may at any time surrender to the Trustee for cancellation by it any Bonds previously issued and delivered, which the Authority may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

Section 10.03. Deposit of Money or Securities with Trustee. Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by the Trustee in the funds and accounts established pursuant to this Indenture and shall be:

(a) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount of such Bonds and all unpaid interest thereon to the redemption date; or

(b) Defeasance Obligations, the principal of and interest on which when due will, in the written opinion of an Independent Accountant filed with the City, the Authority and the Trustee, provide money sufficient to pay the principal of and interest and premium (if any) on the Bonds to be paid or redeemed, as such principal, interest and premium become due, provided that in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice;

provided, in each case, that (i) the Trustee shall have been irrevocably instructed (by the terms of this Indenture or by Written Request of the Authority) to apply such money to the payment of such principal, interest and premium (if any) with respect to such Bonds, and (ii) the Authority shall have delivered to the Trustee an opinion of Bond Counsel to the effect that such Bonds have been discharged in accordance with this Indenture (which opinion may rely upon and assume the accuracy of the Independent Accountant's opinion referred to above).

Section 10.04. Unclaimed Funds. Notwithstanding any provisions of this Indenture, and subject to applicable provisions of State law, any moneys held by the Trustee in trust for the payment of the principal of, or interest on, any Bonds and remaining unclaimed for a period ending on the earlier of 10 days prior to the date unclaimed funds would escheat to the state or (a) two (2) years after the principal of all of the Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in this Indenture), if such moneys were so held at such date, or (b) two (2) years after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall be repaid to the City free from the trusts created by this Indenture, and all liability of the Trustee with respect to such moneys shall thereupon cease; *provided, however*, that before the repayment of such moneys to the City as aforesaid, the Trustee may (at the cost and direction of the City) first mail to the Owners of Bonds which have not yet been paid, at the addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Trustee with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to the Authority of the moneys held for the payment thereof.

ARTICLE XI

PROVISIONS RELATING TO THE MUNICIPAL BOND INSURER AND THE MUNICIPAL BOND INSURANCE POLICY

Section 11.01. Notices and Other Information.

(a) The Authority (or the City at the direction of the Authority) will provide the Municipal Bond Insurer with all notices and other information it is obligated to provide (i) under the City's Continuing Disclosure Certificate and (ii) to the Owners or the Trustee under this Indenture or the Installment Sale Agreement (the "Related Documents").

The notice address of the Municipal Bond Insurer is: _____, Attention: Managing Director—Surveillance, Re: Municipal Bond Insurance Policy No. ____ and Reserve Policy No. _____. If such communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel of the Municipal Bond Insurer and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(b) The Municipal Bond Insurer shall be provided with the following information by the Authority, the City or Trustee, as the case may be: (i) notice of any draw upon the Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of Bonds; (ii) notice of any default known to the Trustee, the City or Authority within five Business Days after knowledge thereof; (iii) prior notice of the advance refunding or redemption of any of the Bonds, including the principal amount, maturities and CUSIP numbers thereof; (iv) notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto; (v) notice of the commencement of any proceeding by or against the Authority or the City commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding"); (vi) notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Bonds; (vii) a full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents; (viii) all reports, notices and correspondence to be delivered to holders of Bonds under the terms of the Related Documents.

(c) The Municipal Bond Insurer shall have the right to receive such additional information as it may reasonably request.

(d) The Authority (or the City at the direction of the Authority) will permit the Municipal Bond Insurer to discuss the affairs, finances and accounts of the City or any information the Municipal Bond Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the City, and the Authority (or the City at the direction of the Authority) will use best efforts to enable the Municipal Bond Insurer to have access to the facilities, books and records of the City on any Business Day upon reasonable prior notice.

(e) The Trustee shall notify the Municipal Bond Insurer of any failure of the Authority (or the City at the direction of the Authority) to provide notices, certificates and other information required to be provided under this Indenture or the Installment Sale Agreement.

Section 11.02. Defeasance.

(a) The investments in any defeasance escrow relating to the Bonds shall be limited to non-callable, direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, or as otherwise may be authorized under State law and approved by the Municipal Bond Insurer.

At least five (5) Business Days prior to any defeasance with respect to the Bonds, the Authority (or the City at the direction of the Authority) shall deliver to the Municipal Bond Insurer and the Trustee draft copies of an escrow agreement, an opinion of bond counsel regarding the validity and enforceability of the escrow agreement and the defeasance of the Bonds, and a verification report (a "Verification Report") prepared by a nationally recognized independent financial analyst or firm of certified public accountants regarding the sufficiency of the escrow fund. Such opinion and Verification Report shall be addressed to the Municipal Bond Insurer and shall be in form and substance satisfactory to the Municipal Bond Insurer. In addition, the escrow agreement shall provide that any substitution of securities following the execution and delivery of the escrow agreement shall require the delivery of a Verification Report and the prior written consent of the Municipal Bond Insurer, which consent will not be unreasonably withheld. Bonds shall be deemed "Outstanding" under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

(b) The Authority (and the City at the direction of the Authority) will not exercise any optional redemption of the Bonds secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding bonds, and (ii) as a condition to any such redemption there shall be provided to the Municipal Bond Insurer a Verification Report as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following any such redemption.

(c) The Authority (or the City at the direction of the Authority) shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of the Municipal Bond Insurer.

(d) Amounts paid by the Municipal Bond Insurer under the Municipal Bond Insurance Policy shall not be deemed paid for purposes of this Indenture and the Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Authority in accordance with this Indenture. This Indenture shall not be discharged unless all amounts due or to become due to the Municipal Bond Insurer have been paid in full or duly provided for.

Section 11.03. Trustee-Related Provisions.

(a) The Municipal Bond Insurer shall receive written notice of any name change of the Trustee or the resignation or removal of the Trustee. Any successor trustee must be (i) a national banking association that is supervised by the Office of the Comptroller of the Currency and has at least $250 million of assets, (ii) a state-chartered commercial bank that is a member of the Federal Reserve System and has at least $1 billion of assets, or (c) otherwise approved by the Municipal Bond Insurer in writing.

(b) No removal, resignation or termination of the Trustee shall take effect until a successor, acceptable to the Municipal Bond Insurer, shall be qualified and appointed.

(c) The Trustee may be removed at any time at the request of the Municipal Bond Insurer for any breach of its obligations under this Indenture.

Section 11.04. Amendments and Supplements. The Municipal Bond Insurer's prior written consent is required for all amendments and supplements to the Installment Sale Agreement and this Indenture, with the exceptions noted below. The Authority (or the City at the direction of the Authority) shall send copies of any such amendments or supplements to the Municipal Bond Insurer and the rating agencies which have assigned a rating to the Bonds. In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Indenture would adversely affect the security for the Bonds or the rights of the Owners of Bonds, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Municipal Bond Insurance Policy.

(a) *Consent of the Municipal Bond Insurer*. Any amendments or supplements to the Installment Sale Agreement or this Indenture shall require the prior written consent of the Municipal Bond Insurer with the exception of amendments or supplements:

(i) to cure any ambiguity or formal defect or omissions or to correct any inconsistent provisions in the therein or in any supplement thereto, or

(ii) to grant or confer upon the Owners any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners, or

(iii) to add to the covenants and agreements of the City in the Installment Sale Agreement other covenants and agreements thereafter to be observed by the City or to surrender any right or power therein reserved to or conferred upon the City.

(b) *Consent of the Municipal Bond Insurer in Addition to Owner Consent*. Any amendment, supplement, modification to, or waiver of the Installment Sale Agreement or this Indenture that requires the consent of Owners or adversely affects the rights or interests of the Municipal Bond Insurer shall be subject to the prior written consent of the Municipal Bond Insurer.

Section 11.05. Consent of the Municipal Bond Insurer in the Event of Insolvency. Any reorganization or liquidation plan with respect to the City must be acceptable to the Municipal Bond Insurer. In the event of any reorganization or liquidation of the City, the Municipal Bond Insurer shall have the right to vote on behalf of all Owners absent a continuing failure by the Municipal Bond Insurer to make a payment under the Municipal Bond Insurance Policy.

Section 11.06. Consent of the Municipal Bond Insurer Upon Default. Anything in the Installment Sale Agreement or this Indenture to the contrary notwithstanding, upon the occurrence and continuance of a default or an Event of Default, the Municipal Bond Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Owners or the Trustee for the benefit of the Owners under the Installment Sale Agreement and this Indenture. No default or Event of Default may be waived without the Municipal Bond Insurer's written consent. The maturity of Bonds shall not be accelerated without the consent of the Municipal Bond Insurer and in the event the maturity of the Bonds is accelerated, the Municipal Bond Insurer may elect, in its sole discretion, to pay accelerated principal, and interest accrued on such principal, to the date of acceleration (to the extent unpaid by the City) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the Municipal Bond Insurer's obligations under the Municipal Bond Insurance Policy with respect to such Bonds shall be fully discharged.

Section 11.07. The Municipal Bond Insurer as Owner. The Municipal Bond Insurer shall be deemed to be the sole holder of the Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Bonds are entitled to take pursuant to this Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of this Indenture and Bond, each holder of Bond appoints the Municipal Bond Insurer as its agent and attorney-in-fact and agrees that the Municipal Bond Insurer may at any time during the continuation of any proceeding by or against the Authority under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each holder of a Bond delegates and assigns to the Municipal Bond Insurer, to the fullest extent permitted by law, its rights in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each holder of Bond for the Municipal Bond Insurer's benefit, and agrees to cooperate with the Municipal Bond Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the holders of Bonds shall expressly include mandamus.

Upon the occurrence and continuance of a default or an Event of Default, the Municipal Bond Insurer shall be deemed to be the sole owner of the Bonds for all purposes, including, without limitations, for purposes of exercising remedies and approving amendments.

Section 11.08. Grace Periods for Payment Defaults. No grace period shall be permitted for payment defaults under the Installment Sale Agreement. No grace period for a covenant default shall exceed 30 days without the prior written consent of the Municipal Bond Insurer.

Section 11.09. Special Provisions for Municipal Bond Insurer Default. If an Insurer Default (hereinafter defined) shall occur and be continuing, then, notwithstanding anything in paragraphs (a)-(e) above to the contrary, (i) if at any time prior to or following an Insurer Default, the Municipal Bond Insurer has made payment under the Municipal Bond Insurance Policy, to the extent of such payment the Municipal Bond Insurer shall be treated like any other Owner for all purposes, including giving of consents, and (ii) if the Municipal Bond Insurer has not made any payment under the Municipal Bond Insurance Policy, the Municipal Bond Insurer shall have no further consent rights until the particular Insurer Default is no longer continuing or the Municipal Bond Insurer makes a payment under of the Municipal Bond Insurance Policy, in which event, the foregoing clause (i) shall control. For purposes of this paragraph, "Insurer Default" means: (1) the Municipal Bond Insurer has failed to make any payment under the Municipal Bond Insurance Policy when due and owing in accordance with its terms; or (2) the Municipal Bond Insurer shall (A) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (B) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (C) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (D) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (E) make a general assignment for the benefit of creditors, or (F) take action for the purpose of effecting any of the foregoing; or (3) any state or federal agency or instrumentality shall order the suspension of payments on the

Municipal Bond Insurance Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of the Municipal Bond Insurer (including without limitation under the New York Insurance Law).

Section 11.10. Reserve Fund.

(i) The prior written consent of the Municipal Bond Insurer shall be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Reserve Account, if any. Amounts on deposit in the Reserve Account shall be applied solely to the payment of principal and interest due with respect to the Bonds.

(ii) Unless the Municipal Bond Insurer otherwise directs, upon the occurrence and continuance of an Event of Default or an event which with notice or lapse of time would constitute an Event of Default, amounts on deposit in the Project Fund shall not be disbursed, but shall instead be applied to the payment of payment of the principal, interest or redemption price due with respect to the Bonds.

Section 11.11. Exercise of Rights of the Municipal Bond Insurer. The rights granted to the Municipal Bond Insurer under the Installment Sale Agreement and/or this Indenture to request, consent to or direct any action are rights granted to the Municipal Bond Insurer in consideration of its issuance of the Municipal Bond Insurance Policy. Any exercise by the Municipal Bond Insurer of such rights is merely an exercise of the Municipal Bond Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the Bonds and such action does not evidence any position of the Municipal Bond Insurer, affirmative or negative, as to whether the consent of the Owners of the Bonds or any other person is required in addition to the consent of the Municipal Bond Insurer.

The Municipal Bond Insurer shall be entitled to pay principal or interest with respect to the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Municipal Bond Insurance Policy), and any amounts due on the Bonds as a result of acceleration of the maturity thereof, whether or not the Municipal Bond Insurer has received a claim upon the Municipal Bond Insurance Policy.

Section 11.12. Municipal Bond Insurer as Third Party Beneficiary. The Municipal Bond Insurer is explicitly recognized as being a third party beneficiary hereunder and may enforce such right, remedy or claim conferred, given or granted hereunder.

Section 11.13. Payment Procedure Under the Municipal Bond Insurance Policy.

(a) In the event that principal and/or interest due with respect to the Bonds shall be paid by the Municipal Bond Insurer pursuant to the Municipal Bond Insurance Policy, the Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the City, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the City to the Owners shall continue to exist and shall run to the benefit of the Municipal Bond Insurer, and the Municipal Bond Insurer shall be subrogated to the rights of such registered owners including, without limitation, any rights that such owners may have in respect of securities law violations arising from the offer and sale of the Bonds.

(b) If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Trustee, after making all transfers and deposits required under this Indenture, moneys sufficient to pay the principal of and interest on the Bonds due on such Payment Date, the Trustee shall give notice to the Municipal Bond Insurer and to its designated agent (if any) (the "Municipal Bond Insurer's Fiscal

Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Bonds due on such Payment Date, the Trustee shall make a claim under the Municipal Bond Insurance Policy and give notice to the Municipal Bond Insurer and the Municipal Bond Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Bonds and the amount required to pay principal of the Bonds, confirmed in writing to the Municipal Bond Insurer and the Municipal Bond Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Municipal Bond Insurance Policy.

The Trustee shall designate any portion of payment of principal on Bonds paid by the Municipal Bond Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Bonds registered to the then current holder of Bond, whether DTC or its nominee or otherwise, and shall issue a replacement Bond to the Municipal Bond Insurer, registered in the name of the Municipal Bond Insurer, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Bond shall have no effect on the amount of principal or interest payable by the Authority on any Bond or the subrogation rights of the Municipal Bond Insurer.

The Trustee shall keep a complete and accurate record of all funds deposited by the Municipal Bond Insurer into the Municipal Bond Insurance Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Bond. The Municipal Bond Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Municipal Bond Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of holders of Bonds referred to herein as the "Municipal Bond Insurance Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Municipal Bond Insurance Policy in trust on behalf of holders of Bonds and shall deposit any such amount in the Municipal Bond Insurance Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to holders of Bonds in the same manner as principal and interest payments are to be made with respect to the Bonds under the sections hereof regarding payment of Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Authority (or the City at the direction of the Authority) agrees to pay to the Municipal Bond Insurer (i) a sum equal to the total of all amounts paid by the Municipal Bond Insurer under the Municipal Bond Insurance Policy (the "Municipal Bond Insurer Advances"); and (ii) interest on such Municipal Bond Insurer Advances from the date paid by the Municipal Bond Insurer until payment thereof in full, payable to the Municipal Bond Insurer at the Late Payment Rate per annum (collectively, the "Municipal Bond Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The Issuer of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Authority (or the City at the direction of the

Authority) hereby covenants and agrees that the Municipal Bond Insurer Reimbursement Amounts are payable from and secured by a lien on and pledge of the same revenues and other collateral pledged to payment of Installment Payments on a parity with the Installment Payments.

Funds held in the Municipal Bond Insurance Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Municipal Bond Insurance Policy Payments Account following a Bond payment date shall promptly be remitted to the Municipal Bond Insurer.

The Municipal Bond Insurer shall, to the extent it makes any payment of principal of or interest on the Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Municipal Bond Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Authority to the Municipal Bond Insurer under the Related Documents shall survive discharge or termination of such Related Documents.

Section 11.14. Additional Payments. The City agrees unconditionally that it will pay or reimburse the Municipal Bond Insurer, any and all charges, fees, costs and expenses that the Municipal Bond Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Related Documents; (ii) the pursuit of any remedies under this Indenture or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Indenture or any other Related Document whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the Municipal Bond Insurer to honor its obligations under the Municipal Bond Insurance Policy. The Municipal Bond Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture or any other Related Document.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Liability of Authority Limited to Revenues. Notwithstanding anything in this Indenture or in the Bonds contained, the Authority shall not be required to advance any moneys derived from any source other than the Revenues and other assets pledged under this Indenture for any of the purposes in this Indenture mentioned, whether for the payment of the principal of or interest on the Bonds or for any other purpose of this Indenture. Nevertheless, the Authority may, but shall not be required to, advance for any of the purposes hereof any funds of the Authority which may be made available to it for such purposes.

Section 12.02. Limitation of Rights to Parties and Bond Owners. Nothing in this Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any person other than the Authority, the Trustee, the City and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Authority, the Trustee, the City and the Owners of the Bonds.

Section 12.03. Funds and Accounts. Any fund or account required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee, either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with corporate trust industry standards to the extent practicable, and with due regard for the requirements of Section 6.05 and for the protection of the security of the Bonds and the rights of every Owner thereof.

Section 12.04. Waiver of Notice; Requirement of Mailed Notice. Whenever in this Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. Whenever in this Indenture any notice shall be required to be given by mail, such requirement shall be satisfied by the deposit of such notice in the United States mail, postage prepaid, by first class mail.

Section 12.05. Destruction of Bonds. Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to the Authority of any Bonds, the Trustee may in lieu of such cancellation and delivery, destroy such Bonds and deliver a certificate of such destruction to the Authority.

Section 12.06. Severability of Invalid Provisions. If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority hereby declares that it would have entered into this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Indenture may be held illegal, invalid or unenforceable.

Section 12.07. Notices. All written notices to be given under this Indenture shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Authority, the City or the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the Authority:	Coalinga Public Financing Authority c/o City of Coalinga 155 West Durian Coalinga, CA 93210 Attention: Financial Services Director Phone: (559) 935-1533 x129
If to the City:	City of Coalinga 155 West Durian Coalinga, CA 93210 Attention: Financial Services Director Phone: (559) 935-1533 x129
If to the Trustee:	Computershare Trust Company, N.A. CTO Mail Operations 1505 Energy Park Drive St. Paul, MN 55108 Attention: Mataka Mposa Phone: (612) 448-7816
If to the Municipal Bond Insurer:	See Section 11.01

The City, the Authority, the Municipal Bond Insurer and the Trustee, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 12.08. Evidence of Rights of Bond Owners. Any request, consent or other instrument required or permitted by this Indenture to be signed and executed by Bond Owners may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Bond Owners in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the holding by any person of Bonds transferable by delivery, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and the Authority if made in the manner provided in this Section 12.08.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer.

The ownership of Bonds shall be proved by the Registration Books.

Any request, consent, or other instrument or writing of the Owner of any Bond shall bind every future Owner of the same Bond and the Owner of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Authority in accordance therewith or reliance thereon.

Section 12.09. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are known by the Trustee to be owned or held by or for the account of the Authority or the City, or by any other obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or the City or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section 11.09 if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or the City or any other obligor on the Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee. Upon request of the Trustee, the Authority and the City shall specify in a certificate to the Trustee those Bonds disqualified pursuant to this Section 11.09 and the Trustee may conclusively rely on such certificate.

Section 12.10. Money Held for Particular Bonds. The money held by the Trustee for the payment of the interest or principal due on any date with respect to particular Bonds (or portions of Bonds in the case of Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Bonds entitled thereto, subject, however, to the provisions of Section 10.04 hereof but without any liability for interest thereon.

Section 12.11. Waiver of Personal Liability. No member, officer, agent or employee of the Authority shall be individually or personally liable for the payment of the principal of or interest or premium (if any) on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by this Indenture.

Section 12.12. Successor Is Deemed Included in All References to Predecessor. Whenever in this Indenture either the Authority or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Authority or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 12.13. Execution in Several Counterparts. This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 12.14. Governing Law. This Indenture shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the COALINGA PUBLIC FINANCING AUTHORITY has caused this Indenture to be signed in its name by its Executive Director and COMPUTERSHARE TRUST COMPANY, N.A., in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its office thereunto duly authorized, all as of the day and year first above written.

COALINGA PUBLIC FINANCING AUTHORITY

By _____
Marissa Trejo,
Executive Director

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

By _____
Authorized Officer

EXHIBIT A

FORM OF SERIES A BOND

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
FRESNO COUNTY

COALINGA PUBLIC FINANCING AUTHORITY
Wastewater Revenue Bond, Series 2024
(Solar Project)

INTEREST RATE	MATURITY DATE	ORIGINAL ISSUE DATE	CUSIP
_____%	April 1, ____	August 29, 2024	19021E ___

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The COALINGA PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority, duly organized and existing under the laws of the State of California (the "Authority"), for value received, hereby promises to pay to the Registered Owner specified above or registered assigns (the "Registered Owner"), on the Maturity Date specified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount specified above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth day of the month preceding such interest payment date, in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before March 15, 2025, in which event it shall bear interest from the Original Issue Date specified above; provided, however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, at the Interest Rate per annum specified above, payable semiannually on April 1 and October 1 in each year, commencing April 1, 2025 (collectively, the "Interest Payment Dates"), calculated on the basis of a 360-day year composed of twelve 30-day months. Principal hereof and premium, if any, upon early redemption hereof are payable upon presentation and surrender hereof at the corporate trust office (the "Trust Office") of Computershare Trust Company, N.A., as trustee (the "Trustee"), in Los Angeles, California, or such other place as designated by the Trustee. Interest hereon is payable by check of the Trustee mailed on the applicable Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books of the Trustee as of the close of business on the fifteenth day of the month preceding each Interest Payment Date (a "Record Date"), or, upon written request filed with the Trustee at least five days prior to such Record Date by a Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to an account in the United States designated by such Registered Owner in such written request.

This Bond is not a debt of the City of Coalinga (the "City"), Fresno County, the State of California, or any of its political subdivisions, and neither the City, said County, said State, nor any of its political subdivisions, is liable hereon nor in any event shall this Bond be payable out of any funds or properties of the Authority other than the Revenues.

This Bond is one of a duly authorized issue of bonds of the Authority designated as the "Coalinga Public Financing Authority (Fresno County, California) Wastewater Revenue Bonds, Series 2024 (Solar Project)" (the "Bonds"), in an aggregate principal amount of _____ dollars ($_____), all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or redemption provisions) and all issued pursuant to the provisions of Article 4 of Chapter 5 of Division 7 of Title 1 (commencing with section 6584) of the California Government Code (the "Bond Law"), and pursuant to an Indenture of Trust, dated as of August 1, 2024, by and between the Authority and the Trustee (the "Indenture"), and a resolution of the Board of Directors of the Authority adopted on August 1, 2024, authorizing the issuance of the Bonds. Reference is hereby made to the Indenture (copies of which are on file at the office of the Authority) and all supplements thereto for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Revenues, and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Authority thereunder, to all of the provisions of which the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Authority to finance the acquisition and construction of certain improvements and facilities (the "2024 Wastewater Project") constituting part of the City's municipal wastewater enterprise (the "Wastewater System").

In order to provide for the repayment of the Bonds, the Authority will sell the 2024 Wastewater Project to the City pursuant to an installment sale agreement (the "Installment Sale Agreement"), under which the City will agree to make installment payments to the Authority payable from the net revenues of the Wastewater System which payments will be calculated to be sufficient, in time and amount, to enable the Authority to pay the principal of and interest and premium (if any) on the Bonds when due and payable.

Such payments by the City under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments under that a wastewater installment sale agreement, dated as of March 1, 2021, which provides for the payment of a portion of the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable).

This Bond and the interest and premium, if any, hereon and all other Bonds and the interest and premium, if any, thereon (to the extent set forth in the Indenture) are special obligations of the Authority, and are payable from, and are secured by a charge and lien on the Revenues as defined in the Indenture, consisting primarily of installment payments to be made by the City under the Installment Sale Agreement. As and to the extent set forth in the Indenture, all of the Revenues are exclusively and irrevocably pledged in accordance with the terms hereof and the provisions of the Indenture, to the payment of the principal of and interest and premium (if any) on the Bonds.

The rights and obligations of the Authority and the owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall extend the fixed maturity of any

Bonds, or reduce the amount of principal thereof or premium (if any) thereon, or extend the time of payment, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, without the consent of the owner of each Bond so affected.

The Bonds maturing on or before April 1, ____, are not subject to optional redemption prior to maturity. The Bonds maturing on or after April 1, ____, shall be subject to redemption, at the option of the City on any date on or after April 1, ____, as a whole or in part, by such maturities as shall be determined by the City, and at random within a maturity, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

The Bonds maturing on April 1, ____, are also subject to mandatory redemption from sinking account payments made by the Authority, in part at random, on April 1, ____, and on April 1 in each year thereafter to and including April 1, ____, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount

† Maturity.

The Bonds maturing on April 1, ____, are also subject to mandatory redemption from sinking account payments made by the Authority, in part at random, on April 1, ____, and on April 1 in each year thereafter to and including April 1, ____, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount

† Maturity.

As provided in the Indenture, notice of redemption shall be mailed by the Trustee by first class mail not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective owners of any Bonds designated for redemption at their addresses appearing on the registration books of the Trustee, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption or the cessation of accrual of interest thereon from and after the date fixed for redemption.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Trust Office of the Trustee or such other place as designated by the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer, a new Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. This Bond may be exchanged at the Trust Office of the Trustee for Bonds of the same tenor, aggregate principal amount, interest rate and maturity, of other authorized denominations.

The Authority and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Authority and the Trustee shall not be affected by any notice to the contrary.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time, form and manner as required by the Bond Law and the laws of the State of California and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Bond Law or any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been signed by the Trustee.

IN WITNESS WHEREOF, the Coalinga Public Financing Authority, has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Executive Director and attested to by the facsimile signature of its Secretary, all as of the Original Issue Date.

COALINGA PUBLIC FINANCING AUTHORITY

By _____
Executive Director

Attest:

By _____
Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Dated: _____

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

By _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

_____

_____

_____

(Name, Address and Tax Identification or Social Security Number of Assignee)

_____

_____

_____

the within Bond and do(es) hereby irrevocably constitute(s) and appoint(s)

_____

_____

attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

_____

Notice: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

_____

Notice: The signature on this assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever."

STATEMENT OF INSURANCE

[TO COME]

INSTALLMENT SALE AGREEMENT

Dated as of August 1, 2024

by and between

COALINGA PUBLIC FINANCING AUTHORITY, as Seller

and the

CITY OF COALINGA, as Purchaser

Relating to
$_____
Coalinga Public Financing Authority
(Fresno County, California)
Wastewater Revenue Bonds, Series 2024
(Solar Project)

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INSTALLMENT SALE AGREEMENT

THIS INSTALLMENT SALE AGREEMENT, dated as of August 1, 2024 (this "Installment Sale Agreement"), is by and between the COALINGA PUBLIC FINANCING AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California (the "Authority"), and the CITY OF COALINGA, a general law city and municipal corporation duly organized and existing under the laws of the State of California (the "City"),

W I T N E S S E T H :

WHEREAS, under Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Bond Law") the Authority is authorized to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, public entities including the City, and to provide financing for public capital improvements of public entities including the City;

WHEREAS, the City has determined that, due to prevailing financial market conditions and for other reasons, it is in the best interests of the City to finance the acquisition and construction of improvements and facilities (the "2024 Wastewater Project") to the City's municipal wastewater enterprise (the "Wastewater System");

WHEREAS, for the purpose of raising funds necessary to provide such financial assistance to the City, the Authority proposes to authorize the issuance of its revenue bonds under the provisions of the Bond Law, designated as the Coalinga Public Financing Authority Wastewater Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"), all pursuant to and secured by an indenture of trust, by and between the Authority and Computershare Trust Company, N.A., as trustee;

WHEREAS, in order to provide for the repayment of the Bonds, the Authority will sell the 2024 Wastewater Project to the City pursuant to this Installment Sale Agreement, under which the City will agree to make installment payments to the Authority payable from the net revenues of the Wastewater System which payments will be calculated to be sufficient, in time and amount, to enable the Authority to pay the principal of and interest and premium (if any) on the Bonds when due and payable;

WHEREAS, such payments by the City under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments under that a wastewater installment sale agreement, dated as of March 1, 2021, which provides for the payment of a portion of the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable); and

WHEREAS, the Authority and the City have duly authorized the execution and delivery of this Installment Sale Agreement;

NOW, THEREFORE, for and in consideration of the premises and the material covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Installment Sale Agreement shall have the respective meanings specified in the Indenture.

ARTICLE II

COVENANTS AND REPRESENTATIONS

Section 2.1. Covenants and Representations of the City. The City makes the following covenants and representations to the Authority that as of the Closing Date:

(a) The City is a general law city and municipal corporation duly organized and validly existing under the laws of the State, has full legal right, power and authority to enter into this Installment Sale Agreement and to carry out and consummate all transactions contemplated hereby, and by proper action has duly authorized the execution and delivery of this Installment Sale Agreement.

(b) The representatives of the City executing this Installment Sale Agreement are fully authorized to execute the same.

(c) This Installment Sale Agreement has been duly authorized, executed and delivered by the City, and constitutes the legal, valid and binding agreement of the City, enforceable against the City in accordance with its terms.

(d) The execution and delivery of this Installment Sale Agreement, the consummation of the transactions herein contemplated and the fulfillment of or compliance with the terms and conditions hereof, will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the City is a party or by which it, the Wastewater System or the 2024 Wastewater Project are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the City, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Installment Sale Agreement, or the financial condition, assets, improvements or operations of the Wastewater System.

(e) No consent or approval of any trustee or holder of any indebtedness of the City or of the voters of the City, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority, is necessary in connection with the execution and delivery of this Installment Sale Agreement or the consummation of any transaction herein contemplated, except as have been obtained or made and as are in full force and effect.

(f) There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or threatened against or affecting the City or the Wastewater System which, if determined adversely to the City or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Installment Sale Agreement or upon the financial condition or operation of the Wastewater System, and the City is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Installment Sale Agreement, or the financial conditions or operations of the Wastewater System.

(g) The City has heretofore established the Wastewater Fund into which the City deposits and will continue to deposit all Gross Revenues, and which the City will maintain throughout the Term of this Installment Sale Agreement.

(h) There are no outstanding bonds, notes, loans, leases, installment sale agreements or other obligations which have any security interest in or claim upon the Net Revenues, which security interest or claim is superior to or on a parity with the Installment Payments other than the 2021 Installment Sale Agreement.

Section 2.2. Covenants and Representations of the Authority. The Authority makes the following covenants and representations to the City that as of the Closing Date:

(a) The Authority is a joint powers entity, duly organized and existing under the laws of the State. The Authority has the power to enter into the transactions contemplated by this Installment Sale Agreement and to carry out its obligations hereunder. By proper action of its governing body, the Authority has been duly authorized to execute, deliver and duly perform this Installment Sale Agreement and the Indenture.

(b) To finance the 2024 Wastewater Project and the Costs of Issuance, the Authority will issue the Bonds, which will mature, bear interest and be subject to redemption as set forth in the Indenture.

(c) The Bonds will be issued under and secured by the Indenture, and pursuant thereto, certain of the Authority's interests in this Installment Sale Agreement have been assigned to the Trustee as security for payment of a portion of the principal of, premium, if any, and interest on the Bonds.

(d) The Authority is not in default under any of the provisions of the laws of the State, which default would affect its existence or its powers referred to in subsection (a) of this Section 2.2.

ARTICLE III

ISSUANCE OF BONDS; ACQUISITION AND CONSTRUCTION OF 2024 WASTEWATER PROJECT

Section 3.1. The Bonds. The Authority has authorized the issuance of the Bonds pursuant to the Indenture in the aggregate principal amount of _____ dollars ($_____). The Authority agrees that the proceeds of sale of the Bonds shall be paid to the Trustee on the Closing Date for deposit pursuant to the terms and conditions of the Indenture. The City hereby approves the Indenture, the assignment to the Trustee of the rights of the Authority assigned under and pursuant to the Indenture, and the issuance of the Bonds by the Authority under and pursuant to the Indenture.

Section 3.2. Plans and Specifications for the 2024 Wastewater Project. Before any payment is made for the 2024 Wastewater Project or any component thereof from amounts on deposit in the Project Fund, the City shall have filed with the Authority detailed Plans and Specifications relating thereto. The City may from time to time file amendments to such Plans and Specifications with the Authority, and may thereby change or modify the description of the 2024 Wastewater Project or any component thereof.

Section 3.3. Acquisition and Construction of the 2024 Wastewater Project. The Authority hereby agrees with due diligence to supervise and provide for, or cause to be supervised and provided for, the Acquisition and Construction of the 2024 Wastewater Project in accordance with Plans and Specifications, purchase orders, construction contracts and other documents relating thereto and approved by the City pursuant to all applicable requirements of law. Direct payment of the costs of the 2024 Wastewater Project shall be made from amounts on deposit in the Project Fund, pursuant to Section 3.04 of the Indenture. All contracts for, and all work relating to, the Acquisition and Construction of the 2024 Wastewater Project shall be subject to all applicable provisions of law relating to the acquisition and construction of public works by the City. The Authority expects that the Acquisition and Construction of the 2024 Wastewater Project will be completed on or before August 1, 2027; *provided, however*, that the failure to complete the 2024 Wastewater Project by the estimated Completion Date thereof shall not constitute an Event of Default hereunder or a grounds for termination hereof, nor shall such failure result in the diminution, abatement or extinguishment of the obligations of the City hereunder to pay the Installment Payments allocable to such 2024 Wastewater Project.

The City shall have the right from time to time in its sole discretion to amend the description of the 2024 Wastewater Project to be financed and sold by the Authority hereunder.

Upon the completion of the Acquisition and Construction of the 2024 Wastewater Project, but in any event not later than thirty (30) days following such completion, the Authorized Representative of the City shall execute and deliver to the Trustee a Written Certificate which (a) states that the Acquisition and Construction of such 2024 Wastewater Project have been substantially completed; (b) identifies the total cost of the 2024 Wastewater Project; and (c) identifies (i) the amounts, if any, to remain on deposit in the Project Fund for payment of costs of the 2024 Wastewater Project thereafter intended to be requisitioned by the Authority and (ii) the amounts to be transferred to the Bond Fund. Upon the filing with the Trustee of the final Written Requisition for payment of costs of the 2024 Wastewater Project, the Authority shall direct the Trustee to close the Project Fund.

Section 3.4. Grant of Easements. The City hereby grants to the Authority all necessary easements, rights of way and rights of access in and to all real property or interests therein now

or hereafter acquired and owned by the City, as may be necessary or convenient to enable the Authority to acquire, construct and install the 2024 Wastewater Project thereon or thereabouts. The City covenants that it will execute, deliver and record any and all additional documents as may be required to be executed, delivered and recorded to establish such easements, rights of way and rights of access.

Section 3.5. Appointment of City as Agent of Authority. The Authority hereby appoints the City as its agent to carry out all phases of the Acquisition and Construction of the 2024 Wastewater Project pursuant to and in accordance with the provisions hereof. The City hereby accepts such appointment and assumes all rights, liabilities, duties and responsibilities of the Authority regarding the Acquisition and Construction of the 2024 Wastewater Project. The Authority, or the City as agent of the Authority hereunder, shall enter into, administer and enforce all purchase orders or other contracts relating to the Acquisition and Construction of the 2024 Wastewater Project. The City shall submit Written Requisitions of the City to the Trustee from time to time pursuant to and in accordance with the provisions of Section 3.04 of the Indenture for payment, or for reimbursement to the City for payment, of all Project Costs. All contracts for, and all work relating to, the Acquisition and Construction of the 2024 Wastewater Project shall be subject to all applicable provisions of law relating to the acquisition, construction, improvement, and equipping of like property by joint powers entities and by municipal corporations.

ARTICLE IV

SALE; INSTALLMENT PAYMENTS

Section 4.1. Sale. The Authority hereby agrees to sell the 2024 Wastewater Project to the City, and the City hereby agrees to purchase the 2024 Wastewater Project from the Authority, upon the terms and conditions set forth in this Installment Sale Agreement.

Section 4.2. Term. The Term of this Installment Sale Agreement shall commence on the Closing Date, and shall end on the date on which the City shall have paid all of the Installment Payments and all other amounts due and payable hereunder and under the Indenture. The provisions of this Section 4.2 are subject in all respects to any other provisions of this Installment Sale Agreement relating to the termination hereof with respect to the 2024 Wastewater Project or any portion thereof.

Section 4.3. Title. Upon the Completion Date of each component of the 2024 Wastewater Project, title to such component shall be deemed conveyed to and vested in the City. The Authority and the City shall execute, deliver and cause to be recorded any and all documents necessary to convey such title to the City.

Section 4.4. Installment Payments.

(a) *Obligation to Pay*. The City agrees to pay to the Authority, its successors and assigns, but solely from the Net Revenues and other funds pledged hereunder, as the purchase price of the 2024 Wastewater Project the aggregate principal amount of _____ dollars ($_____), together with interest on the unpaid principal balance, payable in Installment Payments coming due and payable in the respective amounts and on each Installment Payment Date specified in Exhibit A. The Installment Payments shall be paid by the City to the Trustee, as assignee of the Authority pursuant to the Indenture, in the amounts and at the times as set forth in Section 4.5(b).

(b) *Effect of Prepayment*. In the event that the City prepays all remaining Installment Payments in full pursuant to Article IX, the City's obligations under this Installment Sale Agreement shall thereupon cease and terminate, including but not limited to the City's obligation to pay Installment Payments therefor under this Section 4.4; *provided, however*, that the City's obligations to compensate and indemnify the Trustee pursuant to Sections 4.9 and 6.3 shall survive such prepayment. In the event that the City prepays the Installment Payments in part but not in whole pursuant to Section 9.2, the principal component of each succeeding Installment Payment shall be reduced as provided in such Sections, and the interest component of each remaining Installment Payment shall be reduced by the aggregate corresponding amount of interest which would otherwise be payable on the Bonds thereby redeemed pursuant to the applicable provisions of Section 4.01 of the Indenture.

(c) *Rate on Overdue Payments*. In the event the City should fail to make any of the payments required in this Section 4.4 and Section 4.10, the payment in default shall continue as an obligation of the City until the amount in default shall have been fully paid, and the City agrees to pay the same with interest thereon, from the date of default to the date of payment, at the rate of ten percent (10%) per annum.

(d) *Assignment*. The City understands and agrees that all Installment Payments have been assigned by the Authority to the Trustee in trust, pursuant to the Indenture, for the benefit of the Owners of the Bonds, and the City hereby assents to such assignment. The Authority

hereby directs the City, and the City hereby agrees, to pay to the Trustee at its Trust Office, all amounts payable by the City pursuant to this Section 4.4 and all amounts payable by the City pursuant to Article IX.

Section 4.5. Application of Gross Revenues; Pledge and Application of Net Revenues.

(a) *Deposits Into Wastewater Fund; Transfers to Make Installment Payments*. All of the Gross Revenues shall be deposited by the City immediately upon receipt in the Wastewater Fund.

Upon receipt of Gross Revenues, the City shall segregate such amounts as shall be estimated to be required to pay all Operation and Maintenance Costs for the period beginning on such date and ending on the next anticipated date of receipt of Gross Revenues. Amounts remaining on deposit in the Wastewater Fund shall be the Net Revenues.

The City covenants and agrees that all Net Revenues will be held by the City in the Wastewater Fund in trust for the benefit of the Trustee (as assignee of the rights of the Authority hereunder) and the Bond Owners, and for the benefit of the owners of any Parity Obligations.

(b) *Pledge of Net Revenues; Transfers*. All of the Net Revenues are hereby irrevocably pledged, charged and assigned to the punctual payment of the Installment Payments and all Parity Obligations and, except as otherwise provided herein, the Net Revenues shall not be used for any other purpose so long as any of the Installment Payments remain unpaid. Such pledge, charge and assignment shall constitute a first lien on the Net Revenues for the payment of the Installment Payments and all Parity Obligations in accordance with the terms hereof.

On or before each Installment Payment Date, commencing March 15, 2025, the City shall withdraw from the Wastewater Fund:

(i) and transfer to the Trustee for deposit in the Bond Fund (and transfer on a parity to such similar funds or accounts established for the payment of Parity Obligations such amounts as are required for the payment thereof), an amount (other than amounts resulting from the prepayment of the Installment Payments pursuant to Article IX and other than amounts required for payment of principal of or interest on any Bonds which have matured or been called for redemption but which have not been presented for payment), equal to the interest component of the Installment Payment coming due and payable on the next succeeding Interest Payment Date, and the principal component of the Installment Payment coming due and payable on the next succeeding principal payment date, if any, provided that any amounts on deposit in the Bond Fund representing capitalized interest or on deposit in a similar fund created with respect to Parity Obligations, shall be credited against the City's obligation to make such deposits or transfers therein,

(ii) and transfer to the Trustee for deposit in the Reserve Fund (and transfer on a parity to such similar funds or accounts established as reserve funds with respect to Parity Obligations such amounts as are required for the replenishment thereof), the amount, if any, required to increase the amount on deposit in the Reserve Fund to the Reserve Requirement and (including amounts due under the Reserve Policy),

(iii) and pay all other amounts, including Additional Payments, when and as due and payable under this Installment Sale Agreement and under any agreements relating to Parity Obligations, and

(iv) and pay all amounts when and as due and payable with respect to any Subordinate Debt.

(c) *Release from Lien*. Following the transfers described in paragraph (b) of this Section 4.5, excess Net Revenues shall be released from the lien of this Installment Sale Agreement and shall be available for any lawful purpose of the City.

Section 4.6. Special Obligation of the City; Obligations Absolute. The City's obligation to pay the Installment Payments, the Additional Payments, any other amounts coming due and payable hereunder and payments with respect to Parity Obligations shall be a special obligation of the City limited solely to the Net Revenues. Under no circumstances shall the City be required to advance moneys derived from any source of income other than the Net Revenues and other sources specifically identified herein for the payment of the Installment Payments, the Additional Payments or payments with respect to Parity Obligations, nor shall any other funds or property of the City be liable for the payment of the Installment Payments, the Additional Payments or payments with respect to Parity Obligations and any other amounts coming due and payable hereunder.

The obligations of the City to make the Installment Payments, the Additional Payments and payments with respect to Parity Obligations from the Net Revenues and to perform and observe the other agreements contained herein and under agreements with respect to Parity Obligations shall be absolute and unconditional and shall not be subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach of the City, the Authority or the Trustee of any obligation to the City or otherwise with respect to the Wastewater System, whether hereunder or otherwise, or out of indebtedness or liability at any time owing to the City by the Authority or the Trustee. Until such time as all of the Installment Payments, all of the Additional Payments and all other amounts coming due and payable hereunder shall have been fully paid or prepaid, the City (a) will not suspend or discontinue payment of any Installment Payments, Additional Payments, payments with respect to Parity Obligations or such other amounts, (b) will perform and observe all other agreements contained in this Installment Sale Agreement and under any agreements with respect to Parity Obligations, and (c) will not terminate the Term of this Installment Sale Agreement or such agreements with respect to Parity Obligations for any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Wastewater System, failure to complete the Acquisition and Construction of the 2024 Wastewater Project by the estimated Completion Date thereof, sale of the Wastewater System, the taking by eminent domain of title to or temporary use of any component of the Wastewater System, commercial frustration of purpose, any change in the tax law or other laws of the United States of America or the State or any political subdivision of either thereof or any failure of the Authority or the Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Indenture, this Installment Sale Agreement or agreements with respect to Parity Obligations.

Nothing contained in this Section 4.6 shall be construed to release the Authority or the Trustee from the performance of any of the agreements on its part contained herein or in the Indenture, and in the event the Authority or the Trustee shall fail to perform any such agreements, the City may institute such action against the Authority or the Trustee as the City may deem necessary to compel performance so long as such action does not abrogate the obligations of the City contained in the preceding paragraph. The City may, however, at the City's own cost and expense and in the City's own name or in the name of the Authority prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to secure or protect the City's rights

hereunder, and in such event the Authority hereby agrees to cooperate fully with the City and to take such action necessary to effect the substitution of the City for the Authority in such action or proceeding if the City shall so request.

Section 4.7. Rate Covenant.

(a) The City hereby covenants that it shall fix, prescribe and collect rates, fees and charges for the services and facilities of the Wastewater System for each Fiscal Year, which after allowances for contingencies and error in the estimates, shall produce Gross Revenues at least sufficient to pay the following amounts during such Fiscal Year:

(i) All current Operation and Maintenance Costs;

(ii) The Installment Payments and all payments required with respect to other Parity Obligations;

(iii) All payments required with respect to all Subordinate Debt;

(iv) All payments required for compliance with the terms of the Indenture and hereof, including amounts required to replenish the Reserve Account;

(v) All payments to meet any other obligations of the City which are charges, liens or encumbrances upon, or payable from, the Gross Revenues; and

(vi) any other lawful purposes of the Authority, including, but not limited to, deposits to the Rate Stabilization Fund in accordance with paragraph (c) of this Section 4.7.

(b) In addition to the requirements of the foregoing subsection (a) of this Section 4.7, the City hereby covenants that it shall fix, prescribe and collect rates, fees and charges for the services and facilities of the Wastewater System for each Fiscal Year so as to yield Net Revenues during such Fiscal Year equal to at least 1.25 times the Installment Payments and all payments required with respect to all Parity Obligations in such Fiscal Year.

The City may make or permit to be made adjustments from time to time in such rates, fees and charges and may make or permit to be made such classification thereof as it deems necessary, but shall not reduce or permit to be reduced such rates, fees and charges below those then in effect unless the Gross Revenues from such reduced rates, fees and charges will at all times be sufficient to meet the requirements of this Section 4.7.

(c) The "Rate Stabilization Fund," previously held and maintained by the City is hereby continued. The Rate Stabilization Fund is not pledged to secure payment of the Installment Payments. Amounts in the Rate Stabilization Fund shall be applied solely for the uses and purposes set forth in this subsection (c). The City shall have the right to deposit into the Rate Stabilization Fund from time to time any amount of funds which are legally available therefor; provided that deposits for each Fiscal Year may be made until (but not after) one hundred eighty (180) days following the end of such Fiscal Year.

For the purpose of computing the amount of Net Revenues for any Fiscal Year for purposes of the preceding subsection (b), the City shall be permitted to transfer amounts on deposit in the Rate Stabilization Fund to the Wastewater Fund, such transfers to be made until (but not after) one hundred eighty (180) days after the end of such Fiscal Year. In addition, the

City shall be permitted to withdraw amounts on deposit in the Rate Stabilization Fund for any other lawful purpose.

Notwithstanding the foregoing, amounts on deposit in the Rate Stabilization Fund and transferred to the Wastewater Fund shall be accounted separately from all other amounts deposited in the Wastewater Fund and, if such amounts shall become available to the City in accordance with subparagraph (vi) of paragraph (a) of this Section 4.7, such amounts may not again be deposited in the Rate Stabilization Fund.

Section 4.8. Limitations on Future Obligations Secured by Net Revenues.

(a) *No Obligations Superior to Installment Payments*. In order to protect further the availability of the Net Revenues and the security for the Installment Payments and any Parity Obligations, the City hereby agrees that the City shall not, so long as the Installment Payments are not fully paid or any Parity Obligations are outstanding, issue or incur any obligations payable from Net Revenues superior to the Installment Payments or such Parity Obligations.

(b) *Parity Obligations*. The City further covenants that it will not issue or incur any Parity Obligations unless:

(i) The City is not in default under the terms of this Installment Sale Agreement or any agreements relating to then existing Parity Obligations;

(ii) (A) Net Revenues, calculated on sound accounting principles, as shown by the books of the City for the latest Fiscal Year or any twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, as shown by the books of the City, shall have amounted to at least 1.25 times the maximum amount of Installment Payments and debt service on all Parity Obligations outstanding immediately subsequent to the incurring of such additional obligations coming due and payable in any future Fiscal Year.

Either or both of the following items may be added to such Net Revenues for the purpose of applying the restriction contained in this subsection (b)(ii)(A):

(1) An allowance for revenues to be derived from any additions to or improvements or extensions of the Wastewater System which, during all or any part of such Fiscal Year or the twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, were not in service, in an amount equal to 100% of the estimated additional average annual Net Revenues to be derived from such additions, improvements and extensions, all as shown by the certificate or opinion of a qualified independent consultant employed by the City.

(2) An allowance for any increase in the charges made for service from the Wastewater System which has become effective prior to the incurring of such Parity Obligations but which, during all or any part of such Fiscal Year or the twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such

Parity Obligations are authorized to be issued or incurred, was not in effect, in an amount equal to 100% of the amount by which the Net Revenues would have been increased if such increase in charges had been in effect during the whole of such Fiscal Year or the twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, as shown by the certificate or opinion of a qualified independent consultant employed by the City;

or

(B) Estimated Net Revenues, based on a report of a qualified independent engineer employed by the City or a report of a qualified independent consultant employed by the City, for each of the five (5) Fiscal Years next following the earlier of (i) the end of the period during which interest on the Parity Obligations proposed to be executed is to be capitalized or, if no interest is capitalized the Fiscal Year in which the proposed Parity Obligations are to be issued, or (ii) the date on which substantially all projects financed with the proposed Parity Obligations are expected to commence operations, shall have amounted to at least 1.25 times the maximum amount of Installment Payments and debt service on all Parity Obligations outstanding immediately subsequent to the incurring of such additional obligations coming due and payable in any future Fiscal Year. If employing this option, the City must demonstrate that, at the time of such incurrence, Net Revenues for the most recent Fiscal Year, or other more recent twelve month period, were at least equal to 1.25 times the maximum amount of Installment Payments and the maximum amount of debt service on any then outstanding Parity Obligations.

Any or all of the following items may be added to such Net Revenues for the purpose of applying the restriction contained in this subsection (b)(ii)(B):

(1) An allowance for revenues that are estimated to be derived from any increase in the rates, fees and charges in effect and being charged or from any increase in the rates, fees and charges that have been approved but are not yet in place; and

(2) An allowance for revenues that are estimated to be derived from customers of the Wastewater System anticipated to be served by the additions, betterments or improvements to the Wastewater System to be financed by the proposed Parity Obligation during such five year period; and

(3) An allowance for a reduction in expenses that are estimated to be realized by the City pursuant to a contractual guarantee from the provider of energy efficiency improvements during such five year period.

(iii) A reserve fund may, but shall not be required to be, funded for such Parity Obligations.

(iv) Interest with respect to such Parity Obligations shall be paid on the Installment Payment Dates.

(v) Principal with respect to such Parity Obligations shall be paid on March 15.

Notwithstanding the foregoing provisions, there shall be no limitations on the ability of the City to issue or incur Parity Obligations at any time to refund the Installment Payments or Parity Obligations for debt service savings.

(c) *Subordinate Debt*. There shall be no limitations on the ability of the City to issue or incur Subordinate Debt so long as the City is not in default under the terms of this Installment Sale Agreement, any agreements relating to then existing Parity Obligations or any agreement relating to then existing Subordinate Debt; provided, that, Subordinate Debt shall not be accelerated without the prior written consent of the Municipal Bond Insurer.

(d) *Calculating Debt Service on Variable Rate Debt*. For all purposes of Sections 4.7 and 4.8, variable rate indebtedness shall be assumed to bear interest at the highest of: (i) the actual rate on the date of calculation, or if the indebtedness is not yet outstanding, the initial rate (if established and binding); (ii) if the indebtedness has been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation; or (iii) (A) if interest on the indebtedness is excludable from gross income under the applicable provisions of the Code, the most recently published *Bond Buyer* "Revenue Bond Index" (or comparable index if no longer published), or (B) if interest is not so excludable, the interest rate on direct U.S. Treasury Obligations with comparable maturities plus 50 basis points; *provided, however*, that for purposes of any rate covenant measuring actual debt service coverage during a test period, variable rate indebtedness shall be deemed to bear interest at the actual rate per annum applicable during the test period; provided, further that, so long as any Bonds remain outstanding or any amounts are owed to the Municipal Bond Insurer, the City shall not issue or incur indebtedness payable from or secured in whole or in part by the Net Revenues that (i) bears interest at other than fixed rates or (ii) permits the holder to tender such indebtedness for purchase prior to the stated maturity thereof, in either case without the prior written consent of the Municipal Bond Insurer.

(e) *Calculating Debt Service on Swaps.* If any interest rate swap agreement under which the City is obligated to make payments based on a fixed interest rate is in place with respect to variable rate Parity Obligations, the amount payable by the City with respect to such variable rate Parity Obligations shall be assumed to be the fixed rate payable under such interest rate swap agreement; provided, that, so long as any Bonds insured by the Municipal Bond Insurer remain outstanding or any amounts are owed to the Municipal Bond Insurer, the City shall not enter into any interest rate exchange agreement, cap, collar, floor ceiling or other agreement or instrument involving reciprocal payment obligations between the City and a counterparty based on interest rates applied to a notional amount of principal, without the prior written consent of the Municipal Bond Insurer.

Section 4.9. Additional Payments. In addition to the Installment Payments, the City shall pay when due all costs and expenses incurred by the Authority to comply with the provisions of the Indenture, including without limitation all Costs of Issuance (to the extent not paid from amounts on deposit in the Costs of Issuance Fund or the Project Fund), and shall pay to the Trustee upon request therefor all compensation for fees due to the Trustee and all of its costs and expenses payable as a result of the performance of and compliance with its duties hereunder or under the Indenture or any related documents, together with all amounts required to indemnify the Trustee pursuant to Section 6.3 hereof or Section 8.12 of the Indenture, and all costs and expenses of attorneys, auditors, engineers and accountants. The City shall also pay to the Municipal Bond Insurer as Additional Payments (i) all Reserve Policy Costs not paid as an Installment Payment pursuant to Section 5.06 of the Indenture, all interest on Municipal Bond Insurer Advances pursuant to Section 11.06 of the Indenture and (iii) all amounts required to

indemnify the Municipal Bond Insurer pursuant to Section 11.07 of the Indenture. The rights of the Trustee and the obligations of the City under this Section 4.9 shall survive the termination of this Installment Sale Agreement and any resignation or removal of the Trustee.

Section 4.10. Payments to Reserve Account. In addition to the Installment Payments, the City shall pay to the Trustee, from Net Revenues, such amounts as shall be required to replenish the Reserve Account in the event of a draw therefrom or a valuation determines that a deficiency exists therein, all in accordance with the Indenture.

Section 4.11. Payment of Rebatable Amounts. The City agrees to furnish all information to, and cooperate fully with, the Authority and its officers, employees, agents and attorneys, in order to assure compliance with the provisions of Section 6.07(b) of the Indenture. In the event that the Authority shall determine, pursuant to Section 6.07(b) of the Indenture, that any amounts are due and payable to the United States of America thereunder and that neither the Authority nor the Trustee has on deposit an amount of available moneys (excluding moneys on deposit in the funds and accounts established for the payment of the principal of or interest or redemption premium, if any, on the Bonds) to make such payment, the Authority shall promptly notify the City of such fact. Upon receipt of any such notice, the City shall promptly pay to the Trustee from any source of legally available funds, the amounts determined by the Authority to be due and payable to the United States of America under such Section 6.07(b).

ARTICLE V

MAINTENANCE, TAXES, INSURANCE AND OTHER MATTERS

Section 5.1. Maintenance, Utilities, Taxes and Assessments. Throughout the Term of this Installment Sale Agreement, all improvement, repair and maintenance of the Wastewater System shall be the responsibility of the City, and the City shall pay for or otherwise arrange for the payment of all utility services supplied to the Wastewater System, which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, water and all other utility services, and shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Wastewater System resulting from ordinary wear and tear.

The City shall also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Authority or the City affecting the Wastewater System or the respective interests or estates therein; *provided, however*, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are required to be paid during the Term of this Installment Sale Agreement as and when the same become due.

The City may, at the City's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Authority shall notify the City that, in its opinion, by nonpayment of any such items, the interest of the Authority hereunder or under the Indenture will be materially adversely affected, in which event the City shall promptly pay such taxes, assessments or charges or provide the Authority with full security against any loss which may result from nonpayment, in form satisfactory to the Authority.

Section 5.2. Operation of Wastewater System. The City covenants and agrees to operate or cause to be operated the Wastewater System in an efficient and economical manner and to operate, maintain and preserve or caused to be operated, maintained and preserved the Wastewater System in good repair and working order. The City covenants that, in order to fully preserve and protect the priority and security of the Bonds, the City shall pay from the Gross Revenues and discharge all lawful claims for labor, materials and supplies furnished for or in connection with the Wastewater System which, if unpaid, may become a lien or charge upon the Gross Revenues or the Net Revenues prior or superior to the lien granted hereunder, or which may otherwise impair the ability of the City to pay the Installment Payments in accordance herewith.

Section 5.3. Insurance. The City shall maintain or cause to be maintained, throughout the Term of this Installment Sale Agreement, but only if and to the extent available at reasonable cost from reputable insurers, liability and casualty insurance in such amounts and against such risks as shall be appropriate for water systems of like size and with similar facilities as the Wastewater System. Such insurance may be maintained as part of or in conjunction with any other insurance carried by the City and may be maintained in whole or in part in the form of self-insurance by the City or in the form of the participation by the City in a joint powers agency or other program providing pooled insurance. All amounts collected from insurance against accident to or destruction of any portion of the Wastewater System shall be used to repair, rebuild or replace such damaged or destroyed portion of the Wastewater System. The proceeds of liability insurance shall be applied toward the extinguishment or satisfaction of the liability with respect to which such proceeds shall have been paid.

Section 5.4. Eminent Domain. Any amounts received as awards as a result of the taking of all or any part of the Wastewater System by the lawful exercise of eminent domain, at the election of the City (evidenced by a Written Certificate of the City filed with the Trustee and the Authority) shall either (a) be used for the acquisition or construction of improvements and extension of the Wastewater System in replacement of the condemned portions thereof, or (b) applied as a credit against the City's obligation to make the Installment Payments and payments with respect to any Parity Obligations in accordance with written instructions of the City filed with the Trustee.

Section 5.5. Records and Accounts. The City shall keep proper books of record and accounts of the Wastewater System, separate from all other records and accounts, in which complete and correct entries shall be made of all transactions relating to the Wastewater System. Said books shall, upon prior request, be subject to the reasonable inspection by the Owners of not less than ten percent (10%) in aggregate principal amount of the Outstanding Bonds, or their representatives authorized in writing. The City shall cause the books and accounts of the Wastewater System to be audited annually by an Independent Accountant, not more than two hundred seventy (270) days after the close of each Fiscal Year, and shall make a copy of such report available for inspection by the Bond Owners at the office of the City and the Municipal Bond Insurer. Simultaneously with the delivery of the audited financial statements, the City shall also provide the Municipal Bond Insurer with (i) a certification of the City stating that it is not aware of any default or Event of Default under this Installment Sale Agreement, and (ii) the Wastewater System's annual budget.

Section 5.6. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Installment Sale Agreement, failure of the City to comply with the Continuing Disclosure Certificate shall not constitute an Event of Default hereunder; *provided, however*, that any Participating Underwriter or any Owner or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance by the City of its obligations under this Section 5.6, including seeking mandate or specific performance by court order.

Section 5.7. Incorporation by Reference. The City hereby covenants and agrees that it shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the Municipal Bond Insurer) of the Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section 5.7 by reference solely for the benefit of the Municipal Bond Insurer as if set forth directly herein.

ARTICLE VI

DISCLAIMER OF WARRANTIES; ACCESS

Section 6.1. Disclaimer of Warranties. The Authority and the Trustee make no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the City of the Wastewater System and the 2024 Wastewater Project, or any other representation or warranty with respect to the 2024 Wastewater Project. In no event shall the Authority or the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising out of this Installment Sale Agreement or the Indenture for the existence, furnishing, functioning or City's use of the Wastewater System and the 2024 Wastewater Project.

Section 6.2. Access to the Wastewater System. The City agrees that the Authority and the Trustee, and any duly authorized representative thereof, shall have the right at all reasonable times to enter upon and to examine and inspect the Wastewater System. The City further agrees that the Authority and the Trustee, and any duly authorized representative thereof, shall have such rights of access to the Wastewater System as may be reasonably necessary to cause the proper maintenance of the Wastewater System in the event of failure by the City to perform its obligations hereunder.

Section 6.3. Release and Indemnification Covenants. The City shall and hereby agrees to indemnify and save the Authority and the Trustee and their respective officers, agents, successors and assigns harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of (a) the use, maintenance, condition or management of, or from any work or thing done on the Wastewater System by the City, (b) any breach or default on the part of the City in the performance of any of its obligations under this Installment Sale Agreement, (c) any negligence or willful misconduct of the City or of any of its agents, contractors, servants, employees or licensees with respect to the Wastewater System, (d) any act or negligence of any sublessee of the City with respect to the Wastewater System, (e) the Acquisition and Construction of the 2024 Wastewater Project or the authorization of payment of the 2024 Wastewater Project Costs, (f) the performance by the Trustee of its duties and obligations hereunder and under the Indenture, including any duties referred to in Section 8.12 of the Indenture, (g) the presence on, under or about, or release from, the Wastewater System of any substance, material or waste which is, or which becomes, regulated or classified as hazardous or toxic under State, federal or local law, or (h) the offer, sale and issuance of the Bonds. No indemnification is made under this Section 6.3 or elsewhere in this Installment Sale Agreement for adjudicated willful misconduct or negligence by the Authority or the Trustee, or their respective officers, employees, successors or assigns. The rights of the Trustee and the obligations of the City under this Section 6.3 shall survive the termination of this Installment Sale Agreement and the resignation or removal of the Trustee.

Section 6.4. Non-Liability of Authority for Wastewater System Obligations. The Authority and its successor and assigns shall have no obligation and shall incur no liabilities or debts whatsoever for the obligations, liabilities and debts of the City incurred in connection with the Wastewater System.

ARTICLE VII

ASSIGNMENT, SALE AND AMENDMENT

Section 7.1. Assignment by the City. The obligations of the City under this Installment Sale Agreement may not be assigned by the City.

Section 7.2. Sale or Other Disposition of Wastewater System. Except as provided herein, the City covenants that the Wastewater System shall not be encumbered, sold, leased, pledged, any charge placed thereon, or otherwise disposed of, as a whole or substantially as a whole; *provided, however*, the City may lease the Wastewater System to a related public entity that (a) assumes all liabilities of the City with respect to the Wastewater System, and (b) covenants to maintain Gross Revenues sufficient to operate and maintain the Wastewater System and duly provide for the punctual payment of all obligations assumed by such related public entity in connection with such lease including, but not limited to, the Installment Payments hereunder. Neither the Net Revenues nor any other funds pledged or otherwise made available to secure payment of the Installment Payments shall be mortgaged, encumbered, sold, leased, pledged, any charge placed thereon, or disposed or used except as authorized by the terms of this Installment Sale Agreement. The City shall not enter into any agreement which impairs the operation of the Wastewater System or any part of it necessary to secure adequate Net Revenues to pay the Installment Payments, or which otherwise would impair the rights of the Bond Owners and the owners of any Parity Obligations with respect to the Net Revenues. If any substantial part of the Wastewater System shall be sold, the payment therefor shall either (a) be used for the acquisition or construction of improvements, extensions or replacements of Wastewater System, or (b) to the extent not so used, be paid to the Trustee to be applied to prepay the Installment Payments or any Parity Obligations, in accordance with written instructions of the City filed with the Trustee.

Section 7.3. Amendment of Installment Sale Agreement. The City and the Authority shall have the right to modify or amend this Installment Sale Agreement, with the prior written consent of the Municipal Bond Insurer, but without the consent of any of the Bond Owners or any of the owners of Parity Obligations, but only if such amendment or modification does not cause interest represented by the Bonds to be includable in gross income for federal income tax purposes in the opinion of Bond Counsel, and only if such amendment or modification does not materially adversely affect the interests of the Owners of the Bonds or the owners of any Parity Obligations in the opinion of Bond Counsel, and only if such amendment or modification is for any one or more of the following purposes:

(a) to provide for the issuance of Parity Obligations pursuant to Section 4.8;

(b) to add to the covenants and agreements of the City contained in this Installment Sale Agreement, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the City;

(c) to cure any ambiguity, or to cure, correct or supplement any defective provision contained herein, or in any other respect whatsoever as the Authority and the City may deem necessary or desirable; or

(d) to amend any provision thereof for the purpose of complying with the applicable requirements of the Tax Code.

ARTICLE VIII

EVENTS OF DEFAULT

Section 8.1. Events of Default Defined. The following events shall be Events of Default hereunder:

(a) Failure by the City to pay any Installment Payment when and as the same become due and payable hereunder.

(b) Failure by the City to pay any Additional Payment when due and payable hereunder, and the continuation of such failure for a period of ten (10) days.

(c) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in the preceding clauses (a) or (b), for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Authority or the Trustee; *provided, however*, that if the City shall notify the Authority and the Trustee that in its reasonable opinion the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure shall not constitute an Event of Default hereunder if the City shall commence to cure such failure within such thirty (30) day period and thereafter diligently and in good faith cure such failure in a reasonable period of time.

(d) The filing by the City of a voluntary petition in bankruptcy, or failure by the City promptly to lift any execution, garnishment or attachment, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

(e) The occurrence and continuation of any payment event of default under and as defined in the instruments authorizing the issuance of any Parity Obligations.

Section 8.2. Remedies on Default. Whenever any Event of Default shall have happened and be continuing, the Trustee as assignee of the Authority shall have the right, at its option and without any further demand or notice, but subject in all respects to the provisions of Article VII of the Indenture, to:

(a) declare all principal components of the unpaid Installment Payments, together with accrued interest thereon at the net effective rate of interest per annum then borne by the Outstanding Bonds from the immediately preceding Interest Payment Date on which payment was made, to be immediately due and payable, whereupon the same shall immediately become due and payable;

(b) take whatever action at law or in equity may appear necessary or desirable to collect the Installment Payments then due or thereafter to become due during the Term of this Installment Sale Agreement, or enforce performance and observance of any obligation, agreement or covenant of the City under this Installment Sale Agreement; and

(c) as a matter of right, in connection with the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and the Bond Owners hereunder, cause

the appointment of a receiver or receivers of the Gross Revenues and other amounts pledged hereunder, with such powers as the court making such appointment shall confer.

The provisions of the preceding clause (a), however, are subject to the condition that if, at any time after the principal components of the unpaid Installment Payments shall have been so declared due and payable pursuant to the preceding clause (a), and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the City shall deposit with the Trustee a sum sufficient to pay all principal components of the Installment Payments coming due prior to such declaration and all matured interest components (if any) of the Installment Payments, with interest on such overdue principal and interest components calculated at the net effective rate of interest per annum then borne by the Outstanding Bonds, and the reasonable expenses of the Trustee (including any fees and expenses of its attorneys), and any and all other defaults known to the Trustee (other than in the payment of the principal and interest components of the Installment Payments due and payable solely by reason of such declaration) shall have been made good, then, and in every such case, the Authority, with the written consent of the Trustee, shall rescind and annul such declaration and its consequences. However, 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. As provided in Section 8.6, the Trustee shall be required to exercise the remedies provided herein in accordance with the Indenture.

Section 8.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Installment Sale Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it in this Article VIII it shall not be necessary to give any notice, other than such notice as may be required in this Article VIII or by law.

Section 8.4. Agreement to Pay Attorneys' Fees and Expenses. In the event either party to this Installment Sale Agreement shall default under any of the provisions hereof and the nondefaulting party, the Trustee or the Owner of any Bonds should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the nondefaulting party, the Trustee or such Owner, as the case may be, the reasonable fees of such attorneys and such other expenses so incurred.

Section 8.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Installment Sale Agreement shall be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 8.6. Trustee and Bond Owners to Exercise Rights. Such rights and remedies as are given to the Authority under this Article VIII have been assigned by the Authority to the Trustee under the Indenture, to which assignment the City hereby consents. Such rights and remedies shall be exercised by the Trustee and the Owners of the Bonds as provided in the Indenture.

Section 8.7. Rights of the Owners of Parity Obligations. Notwithstanding anything in this Article VIII to the contrary, it is hereby acknowledged and agreed that the rights of the

Trustee and the Bond Owners hereunder in and to the Net Revenues and the Wastewater System shall be exercised on a parity and proportionate basis with the rights of the owners of any Parity Obligations and any fiduciary acting for the benefit of such owners. The provisions of this Article VIII, and the provisions of any instruments authorizing the issuance of any Parity Obligations, shall be construed in accordance with the foregoing sentence.

ARTICLE IX

PREPAYMENT OF INSTALLMENT PAYMENTS

Section 9.1. Security Deposit. Notwithstanding any other provision of this Installment Sale Agreement, the City may on any date secure the payment of Installment Payments in whole or in part by irrevocably depositing with the Trustee or any other fiduciary an amount of cash which, together with amounts on deposit in the Bond Fund, the accounts therein and the cash on deposit in the Reserve Account, is either (a) sufficient to pay all such Installment Payments, including the principal and interest components thereof, in accordance with the Installment Payment schedule set forth in Exhibit A, or (b) invested in whole or in part in Federal Securities in such amount as will, in the written opinion of an Independent Accountant, together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay all such Installment Payments when due pursuant to Section 4.4(a) or when due on any optional prepayment date pursuant to Section 9.2, as the City shall instruct at the time of said deposit. In the event of a security deposit pursuant to this Section 9.1 with respect to all of the Installment Payments, all obligations of the City under this Installment Sale Agreement, and all security provided by this Installment Sale Agreement for said obligations, shall cease and terminate, excepting only the obligation of the City to make, or cause to be made, all of such Installment Payments from such security deposit, and the obligation of the City to compensate and indemnify the Trustee pursuant to Sections 4.9 and 6.3. Said security deposit shall be deemed to be and shall constitute a special fund for the payment of Installment Payments in accordance with the provisions of this Installment Sale Agreement.

Section 9.2. Optional Prepayment. The City may exercise its option to prepay the principal components of the Installment Payments in whole, or in part in integral multiples of $5,000, on any date on or after March 15, ____, by paying a prepayment price equal to the aggregate principal components of the Installment Payments to be prepaid, together with the interest component of the Installment Payment required to be paid on or accrued to such date. Such prepayment price shall be deposited by the Trustee in the Redemption Fund or in another trustee-held fund to be applied to the redemption of Bonds pursuant to Section 4.01(b) of the Indenture. The City shall give the Trustee written notice of its intention to exercise its option not less than forty-five (45) days in advance of the date of exercise.

Section 9.3. Credit for Amounts on Deposit. In the event of prepayment of the principal components of the Installment Payments in full under this Article IX, such that the Indenture shall be discharged by its terms as a result of such prepayment, and upon payment in full of all Additional Payments and other amounts then due and payable hereunder, all available amounts then on deposit in the funds and accounts established under the Indenture shall be credited towards the amounts then required to be so prepaid.

ARTICLE X

MISCELLANEOUS

Section 10.1. Further Assurances. The City agrees that it will execute and deliver any and all such further agreements, instruments, financing statements or other assurances as may be reasonably necessary or requested by the Authority or the Trustee to carry out the intention or to facilitate the performance of this Installment Sale Agreement, including, without limitation, to perfect and continue the security interests herein intended to be created.

Section 10.2. Notices. Any notice, request, complaint, demand or other communication under this Installment Sale Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by telecopy, telex or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by telecopy, telex or other form of telecommunication, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt.

If to the Authority:	Coalinga Public Financing Authority c/o City of Coalinga 155 West Durian Coalinga, CA 93210 Attention: Financial Services Director Phone: (559) 935-1533 x129
If to the City:	City of Coalinga 155 West Durian Coalinga, CA 93210 Attention: Financial Services Director Phone: (559) 935-1533 x129
If to the Trustee:	Computershare Trust Company, N.A. CTO Mail Operations 1505 Energy Park Drive St. Paul, MN 55108 Attention: Mataka Mposa Phone: (612) 448-7816
If to the Municipal Bond Insurer:	See Section 11.01 of the Indenture

The Authority, the City or the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

Section 10.3. Third Party Beneficiaries. The Trustee and the Municipal Bond Insurer shall each be and each is hereby made a third party beneficiary hereunder with all rights of a third party beneficiary.

Section 10.4. Governing Law. This Installment Sale Agreement shall be construed in accordance with and governed by the laws of the State.

Section 10.5. Binding Effect. This Installment Sale Agreement shall inure to the benefit of and shall be binding upon the Authority and the City, and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 10.6. Severability of Invalid Provisions. If any one or more of the provisions contained in this Installment Sale Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Installment Sale Agreement and such invalidity, illegality or unenforceability shall not affect any other provision of this Installment Sale Agreement, and this Installment Sale Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority and the City each hereby declares that it would have entered into this Installment Sale Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Installment Sale Agreement may be held illegal, invalid or unenforceable.

Section 10.7. Article and Section Headings and References. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Installment Sale Agreement. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Installment Sale Agreement; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Installment Sale Agreement as a whole and not to any particular Article, Section or subdivision hereof; and words of the masculine gender shall mean and include words of the feminine and neuter genders.

Section 10.8. Execution of Counterparts. This Installment Sale Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument.

Section 10.9. Waiver of Personal Liability. No member of the City Council, officer, agent or employee of the City shall be individually or personally liable for the payment of Installment Payments or Additional Payments or be subject to any personal liability or accountability by reason of this Installment Sale Agreement; but nothing herein contained shall relieve any such member of the City Council, officer, agent or employee from the performance of any official duty provided by law or by this Installment Sale Agreement.

Section 10.10. Limitation of Rights to Parties and Bond Owners. Nothing in this Installment Sale Agreement expressed or implied is intended or shall be construed to give to any person other than the Authority, the Trustee, the City and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Installment Sale Agreement or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Authority, the Trustee, the City and the Owners of the Bonds.

Section 10.11. Captions. The captions or headings in this Installment Sale Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Installment Sale Agreement.

IN WITNESS WHEREOF, the Authority and the City have caused this Installment Sale Agreement to be executed in their respective names by their duly authorized officers, all as of the date first above written.

COALINGA PUBLIC FINANCING AUTHORITY, as Purchaser

By _____
Marissa Trejo,
Executive Director

CITY OF COALINGA, as Seller

By _____
Marissa Trejo,
City Manager

EXHIBIT A

SCHEDULE OF INSTALLMENT PAYMENTS

Installment Payment Date	Principal Component	Interest Component	Total
Total			

EXHIBIT B

DESCRIPTION OF THE 2024 WATER PROJECT

The 2024 Wastewater Project includes, but is not limited to, the installation of a solar photovoltaic (PV) system which will generate electricity through the conversion of solar energy.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 13 2024

NEW ISSUE—FULL BOOK ENTRY

RATINGS:
S&P: "AA" (___-Insured)
Moody's: "___" (Underlying)
See "RATINGS" herein

In the opinion of Stradling Yocca Carlson & Rauth, LLP, Newport Beach, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, it should be noted that with respect to applicable corporations as defined in section 59(k) of the Internal Revenue Code of 1986, as amended, interest (and original issue discount) with respect to the Bonds might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed on such corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. See "TAX MATTERS" herein.

$_____*
COALINGA PUBLIC FINANCING AUTHORITY
(Fresno County, California)
Wastewater Revenue Bonds, Series 2024
(Solar Project)

Dated: Date of Delivery **Due: April 1, as shown on the inside cover**

The $_____* Coalinga Public Financing Authority (Fresno County, California) Wastewater Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"), will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Bonds. Individual purchases of Bonds will be made in book-entry form only, in denominations of $5,000 or any integral multiple thereof. Purchasers of Bonds will not receive certificates representing their interest in the Bonds purchased but will receive a credit balance in the records of DTC. Principal of and interest on the Bonds are payable directly to DTC by Computershare Trust Company, N.A., Los Angeles, California, as trustee (the "Trustee"). Principal is payable on the dates set forth below. Interest is payable semiannually on each April 1 and October 1, commencing April 1, 2025. Upon receipt of payments of principal of, premium, if any, and interest on the Bonds, DTC is obligated in turn to remit such principal, premium, if any, and interest to the DTC Participants (as defined herein) for subsequent disbursement to purchasers of the Bonds, as described herein.

The Bonds are subject to redemption prior to maturity. See "THE BONDS—Redemption" herein.

The Bonds are special obligations of the Coalinga Public Financing Authority (the "Authority") payable from the revenues pledged under the Indenture of Trust, dated as of August 1, 2024, by and between the Authority and the Trustee, consisting primarily of installment payments (the "Installment Payments") to be made by the City of Coalinga (the "City") under an installment sale agreement, dated as of August 1, 2024, by and between the Authority and the City (the "Installment Sale Agreement"). The Installment Payments are secured by a pledge of and lien on the net revenues of the City's municipal wastewater enterprise (the "Wastewater System"). The Bonds are being issued to (a) finance the acquisition and construction of certain improvements and facilities which constitute part of the Wastewater System (see "THE 2024 WASTEWATER PROJECT" herein); (b) fund a portion of the interest on the Bonds through April 1, 2026, (c) purchase a reserve fund surety bond in lieu of cash funding a reserve fund for the Bonds, and (d) pay the costs of issuance of the Bonds, including to purchase a municipal bond insurance policy for the Bonds.

The City is legally required under the Installment Sale Agreement to make Installment Payments from a first and prior lien on the Net Revenues of the Wastewater System. "Net Revenues" are the gross revenues of the Wastewater System, less operating and maintenance expenses of the Wastewater System. The City will covenant in the Installment Sale Agreement that it will not issue any obligations senior to the Installment Payments. The Installment Payments are not subject to abatement. Installment Payments are scheduled in an amount sufficient to pay, when due, the principal of and interest on the Bonds. The City has covenanted under the Installment Sale Agreement to prescribe, revise and collect such charges from the services and facilities of the Water System which will produce gross revenues sufficient in each Fiscal Year to provide Net Revenues equal to at least 1.25 times the aggregate of obligations of the City with respect to the Installment Payments and payments with respect to any parity obligations hereafter issued or incurred by the City in such Fiscal Year. The City's obligations under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments under a water installment sale agreement, dated as of March 1, 2021, which provides for the payment of a portion of the debt service due by the Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021A (Water and Wastewater Financing Projects) (Federally Taxable).

NEITHER THE BONDS NOR THE OBLIGATION OF THE CITY TO MAKE INSTALLMENT PAYMENTS CONSTITUTES AN OBLIGATION OF THE CITY OR THE AUTHORITY FOR WHICH THE CITY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. THE AUTHORITY HAS NO TAXING POWER. NEITHER THE BONDS NOR THE OBLIGATION OF THE CITY TO MAKE INSTALLMENT PAYMENTS UNDER THE INSTALLMENT SALE AGREEMENT CONSTITUTES A DEBT OF THE CITY, THE COUNTY OF FRESNO, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by _____.

[INSURER LOGO]

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND PRICES OR YIELDS

SEE THE INSIDE COVER

The following firm, serving as financial advisor to the Authority and the City, has structured this issue:

Wulff, Hansen & Co.
ESTABLISHED 1931

This cover page contains information for general reference only. It is not a summary of this issue. Potential purchasers of the Bonds are advised to read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bonds will be offered when, as and if issued, and received by the Underwriter, subject to the approval as to their validity by Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the City and the Authority by the City Attorney, by Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Disclosure Counsel, and for the Underwriter by Kutak Rock LLP, Irvine, California, as Underwriter's Counsel. It is anticipated that the Bonds will be available for delivery through DTC in New York, New York, on or about August 29, 2024.

OPPENHEIMER

Dated: August ___, 2024

*Preliminary, subject to change.

$_____*

COALINGA PUBLIC FINANCING AUTHORITY

(Fresno County, California)

Wastewater Revenue Bonds, Series 2024

(Solar Project)

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND PRICES OR YIELDS*

$_____ Serial Bonds

CUSIP† Prefix: _____

Maturity April 1	Principal Amount	Interest Rate	Price	Yield	CUSIP† Suffix

$_____ _____% Term Bonds maturing April 1, _____; Price: _____%, to yield _____%; CUSIP† _____

*Preliminary, subject to change.

†Copyright 2024, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Global Services. CUSIP numbers have been assigned by an independent company not affiliated with the Authority or the City and are included solely for the convenience of the registered owners of the Bonds. None of the Authority, the City or the Underwriter is responsible for the selection or uses of these CUSIP numbers and no representation is made as to their correctness on the Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the delivery of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, as amended ("Rule 15c2-12"), this Preliminary Official Statement constitutes an "official statement" of the Authority with respect to the Bonds that has been deemed "final" by the Authority and the City as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

No dealer, broker, salesperson or other person has been authorized by the Authority, the City or the Underwriter to give any information or to make any representations other than as set forth herein and, if given or made, such other information or representation must not be relied upon as having been authorized by the Authority, the City or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement that involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts.

The information set forth in this Official Statement has been obtained from official sources and other sources that are believed to be reliable, but it is not guaranteed as to accuracy or completeness and is not to be construed as a representation of the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Authority or the City since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance is given that actual results will meet the Authority's or the City's forecasts in any way, regardless of the level of optimism communicated in the information. The Authority is not obligated to issue any updates or revisions to the forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur. See "CONTINUING DISCLOSURE" herein.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING TRANSACTIONS, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

The execution, sale and delivery of the Bonds has not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Sections 3(a)(2) and 3(a)(12), respectively, for the issuance and sale of municipal securities.

_____ (the "Municipal Bond Insurer") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, the Municipal Bond Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Municipal Bond Insurer supplied by the Municipal Bond Insurer and presented under the heading "MUNICIPAL BOND INSURANCE" and "APPENDIX H—SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

The City maintains a website, however, the information presented therein is not a part of this Official Statement and should not be relied on in making an investment decision with respect to the Bonds.

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COALINGA PUBLIC FINANCING AUTHORITY

CITY OF COALINGA

155 West Durian
Coalinga, CA 93210
(559) 935-1533
http://www.coalinga.com

AUTHORITY BOARD OF DIRECTORS AND CITY COUNCIL

James Horn, *Chair/Mayor*
Jose Manny Ramirez, *Vice Chair/Mayor Pro Tem*
Lonnie Hedgecock, *Boardmember/Councilmember*
Roger Schindler, *Boardmember/Councilmember*
Nathan Vosburg, *Boardmember/Councilmember*

AUTHORITY/CITY STAFF

Marissa Trejo, *Executive Director/City Manager*
Sean Brewer*, Assistant Executive Director/Assistant City Manager*
Mai Vang, *Financial Services Director*
Dawn Kahikina, *Treasurer*
Shannon Jensen, *Authority Secretary/City Clerk*
Mario Zamora, Esq., *Authority Counsel/City Attorney*

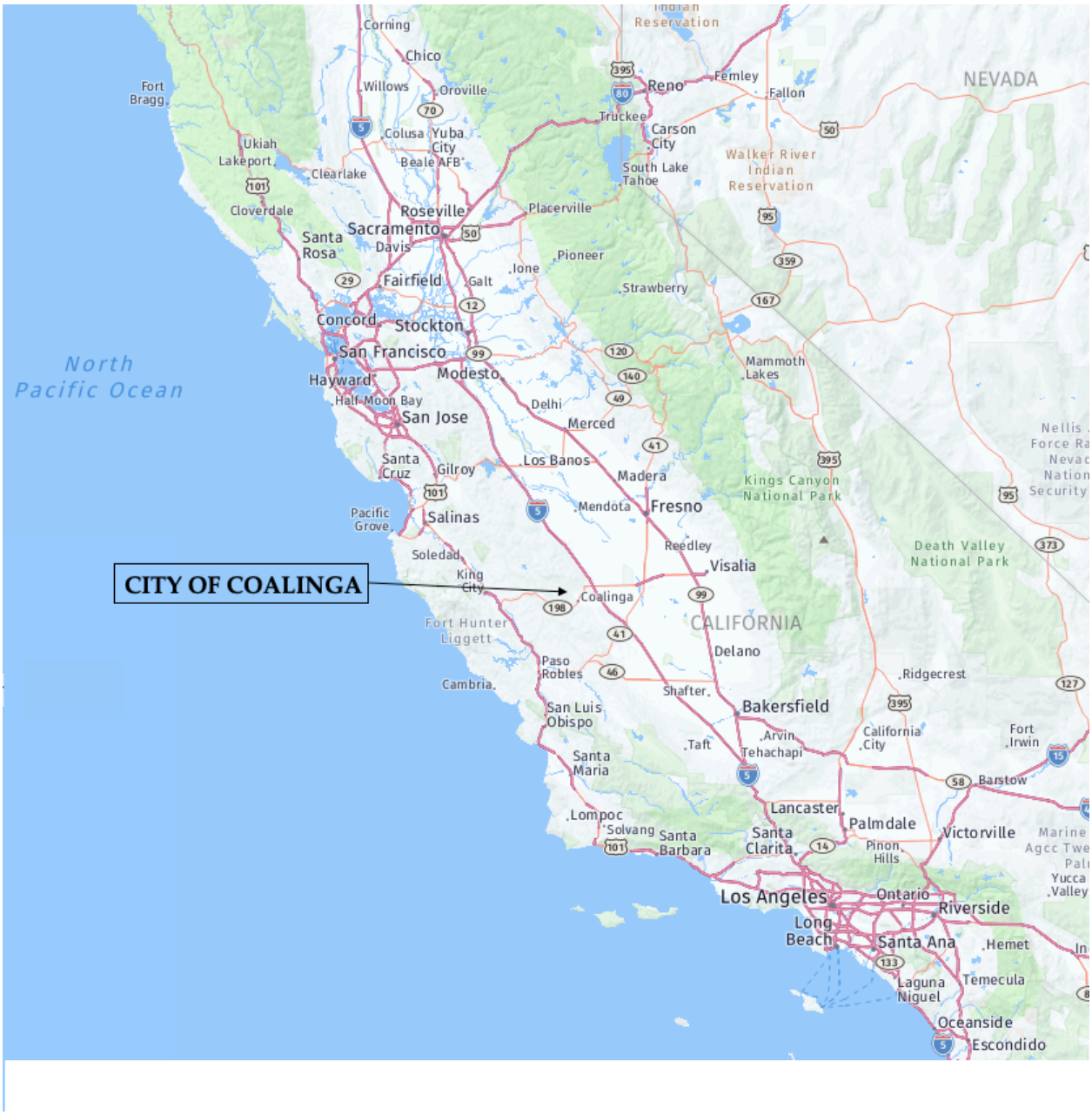
SPECIAL SERVICES

Wulff Hansen & Co.
San Rafael, California
Municipal Advisor

Computershare Trust Company, N.A.
Los Angeles, California
Trustee

Stradling Yocca Carlson & Rauth LLP
Newport Beach, California
Bond Counsel and Disclosure Counsel

LOCATION MAP



$_____
COALINGA PUBLIC FINANCING AUTHORITY
(Fresno County, California)
Wastewater Revenue Bonds, Series 2024
(Solar Project)

INTRODUCTION

The following introduction presents a brief description of certain information in connection with the Bonds (as defined below) and is qualified in its entirety by reference to the entire Official Statement and the documents summarized or described herein. References to, and summaries of, provisions of the Constitution and the laws of the State of California (the "State") and any documents referred to herein do not purport to be complete and such references are qualified in their entirety by reference to the complete provisions thereof. Capitalized terms used in this Official Statement and not defined elsewhere herein have the meanings given such terms in the Indenture. See APPENDIX D—SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS—Definitions.

General

The purpose of this Official Statement is to provide certain information concerning the issuance, sale and delivery by the Coalinga Public Financing Authority, a joint exercise of powers entity organized and existing under the laws of the State (the "Authority"), of its Coalinga Public Financing Authority (Fresno County, California) Wastewater Revenue Bonds, Series 2024 (Solar Project), in the aggregate principal amount of $_____ (the "Bonds").

The Bonds are special obligations of the Authority payable from the revenues pledged under the Indenture of Trust, dated as of August 1, 2024 (the "Indenture"), by and between the Authority and Computershare Trust Company, N.A., Los Angeles, California, as trustee (the "Trustee"), consisting primarily of installment payments (the "Installment Payments") to be made by the City of Coalinga (the "City") under an installment sale agreement, dated as of August 1, 2024, by and between the Authority and the City (the "Installment Sale Agreement"). The Installment Payments are secured by a pledge of and lien on the net revenues (the "Net Revenues") of the City's municipal wastewater enterprise (the "Wastewater System").

The Authority

The Authority is a joint exercise of powers entity, organized pursuant to a Joint Exercise of Powers Agreement, dated February 17, 1991, by and among the City, the Coalinga Redevelopment Agency (the "Agency") and the Coalinga-Huron Unified School District (the "School District") to provide, in part, for the financing of public capital improvements by the City. See "THE AUTHORITY."

The City

The City, a general law city incorporated on April 3, 1906, is located the southwestern tip of Fresno County (the "County") and the western San Joaquin Valley, in central California. The City is located 52 miles (84 km) southwest of Fresno, 10 miles west of I-5 and sits at an elevation of 673 feet (205 m). The City occupies a land area of 6.61 square miles and serves a population of approximately 17,200. The City is

surrounded by hills and ranches. Monterey County lies to the west of the City and Kings County sits to the east.

Members of the City Council of the City (the "City Council") are elected by district from five districts within the City for overlapping four-year terms. The policies of the City Council are carried out by the appointed City Manager. For certain information with respect to the City, see "THE CITY" and APPENDIX A— GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY AND THE COUNTY.

The Wastewater System

The City's Public Works Department operates and maintains the Wastewater System which consists of a collection system, sanitary sewer pipeline, lift stations, and a treatment plant. For a discussion of the Wastewater System, see "THE WASTEWATER SYSTEM" herein.

Authority for Issuance of the Bonds

The Bonds are being issued pursuant to the provisions of Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code, the Indenture and resolutions of the governing body of the Authority and of the City Council of the City adopted on August 1, 2024.

Purpose of the Bonds

The Bonds are being issued to (a) finance the Wastewater Improvement Project (as defined herein), (b) fund a portion of the interest on the Bonds through April 1, 2026, (c) fund the cost of a municipal bond insurance reserve fund policy in lieu of cash funding a reserve fund for the Bonds (the "Reserve Policy"), and (d) pay the costs of issuance of the Bonds, including the premium for a municipal bond insurance policy for the Bonds (the "Municipal Bond Insurance Policy."

See "THE FINANCING PLAN" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

Security and Source of Repayment

In accordance with the Installment Sale Agreement, the City is required to make Installment Payments to the Trustee for the account of the Authority. The Installment Payments are designed to be sufficient, in both time and amount, to pay, when due, the principal of, and interest on, the Bonds. The City is also required to make additional payments in the amount of any taxes, assessments, insurance premiums, expenses of the Authority and the Trustee incidental to the sale and delivery of the Bonds, administrative costs or charges of the Authority in connection with the Wastewater Improvement Project and costs and expenses which the Authority may incur as a consequence of a default by the City. See APPENDIX D—SUMMARY OF PRINCIPAL LEGAL DOCUMENTS—Installment Sale Agreement.

The City's obligations with respect to the Installment Sale Agreement and any additional obligations hereafter issued and incurred on a parity as to payment and security with the Installment Payments (collectively, the "Parity Obligations") are secured by a first lien on the Net Revenues. The City's obligations under the Installment Sale Agreement will be on a parity, as to payment and security, with the City's obligations with respect to the payment of installment payments under an Installment Sale Agreement, dated as of March 1, 2021, which provides for the payment of the debt service due by the

Authority under its Coalinga Public Financing Authority Revenue Bonds, Series 2021B (Wastewater Project) (Tax-Exempt). The City has covenanted in the Installment Sale Agreement that it will not issue any obligations senior to the Installment Payments and Parity Obligations.

THE OBLIGATION OF THE CITY TO MAKE THE INSTALLMENT PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE AUTHORITY, THE CITY, THE COUNTY OR THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE AUTHORITY, THE CITY, THE COUNTY OR THE STATE IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY OR THE STATE HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

"Wastewater System" means the entire municipal wastewater system of the City comprising means any and all properties and assets, real and personal, tangible and intangible, of the City, now or hereafter existing, used or pertaining to the disposal or reuse of sewer, including sewage treatment plants, intercepting and collecting sewers, outfall sewers, force mains, pumping stations, ejector stations, pipes, valves, machinery and all other appurtenances necessary, useful or convenient for the collection, treatment, purification or disposal of sewage, and any necessary lands, rights of way and other real or personal property useful in connection therewith, including all additions, extensions, expansions, improvements and betterments thereto and equippings thereof.

"Gross Revenues" means all user fee charges derived by the City from, the ownership and operation of the Wastewater System, including but not limited to investment earnings thereon.

"Net Revenues" means, for any period, an amount equal to all of the Gross Revenues received during such period minus the amount required to pay all Wastewater System Operation and Maintenance Costs becoming payable during such period.

"Operation and Maintenance Costs" means the reasonable and necessary costs and expenses paid by the City for maintaining and operating the Wastewater System, including but not limited to (a) costs of electricity and other forms of energy supplied to the Wastewater System, (b) the reasonable expenses of management and repair and other costs and expenses necessary to maintain and preserve the Wastewater System in good repair and working order, and (c) the reasonable administrative costs of the City attributable to the operation and maintenance of the Wastewater System; but in all cases excluding (i) debt service payable on obligations incurred by the City with respect to the Wastewater System including but not limited to the Installment Payments and any Parity Obligations, (ii) depreciation, replacement and obsolescence charges or reserves therefor, and (iii) amortization of intangibles or other bookkeeping entries of a similar nature.

See "SECURITY FOR THE BONDS."

Municipal Bond Insurance Policy; Reserve Policy

The scheduled payment of the principal of and interest on the Bonds when due will be guaranteed under the Municipal Bond Insurance Policy to be issued by _____ (the "Municipal Bond Insurer") simultaneously with the issuance of the Bonds. See "MUNICIPAL BOND INSURANCE."

In addition, the Municipal Bond Insurer has made a commitment to issue the Reserve Policy in an amount equal to the Reserve Requirement for the Bonds. See "SOURCES OF PAYMENT FOR THE BONDS—Reserve Account."

Redemption of the Bonds

The Bonds are subject to redemption prior to their stated maturity dates, as provided herein. See "THE BONDS—Terms of Redemption."

Book-Entry Form

The Bonds will be delivered in fully registered form only and, when issued and delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Bonds. Ownership interests in the Bonds may be purchased in denominations of $5,000 or any integral multiple thereof, in book-entry form only. Principal, premium, if any, and interest are payable directly to DTC by the Trustee. Upon receipt of payments of principal of, premium, if any, and interest on the Bonds, DTC is obligated to remit such principal, premium, if any, and interest to the participants in DTC for subsequent disbursement to the beneficial owners of the Bonds. See "THE BONDS—Book-Entry Only System" below and APPENDIX G—BOOK-ENTRY ONLY SYSTEM.

Continuing Disclosure

The City will covenant, pursuant to a continuing disclosure certificate (the "Continuing Disclosure Certificate") to be executed on the date of delivery of the Bonds, for the benefit of owners and beneficial owners of the Bonds, to provide certain financial information and operating data related to the Wastewater System by not later than nine months following the end of the City's Fiscal Year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of enumerated events will be filed by the City with the Municipal Securities Rulemaking Board. The specific nature of the information to be contained in the Annual Report and any notices of enumerated events is summarized below under the caption "CONTINUING DISCLOSURE." The form of the Continuing Disclosure Certificate is set forth in APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE. The covenants of the City in the Continuing Disclosure Certificate have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5), as amended (the "Rule").

Tax Matters

In the opinion of Stradling Yocca Carlson & Rauth, LLP, Newport Beach, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, it should be noted that with respect to applicable corporations as defined in section 59(k) of the Internal Revenue Code of 1986, as amended, interest (and original issue discount) with respect to the Bonds might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed on such corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. See "TAX MATTERS."

Professionals Involved in the Offering

The proceedings of the Authority and the City in connection with the issuance of the Bonds are subject to the approval as to their legality of Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Bond Counsel. Certain legal matters will be passed upon for the Authority and the City by Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, as Disclosure Counsel, and by Griswold, LaSalle, Cobb, Dowd & Gin, LLP, Hanford, California, Authority Counsel and City Attorney. Computershare Trust Company, N.A., Los Angeles, California, will act as the Trustee under the Indenture. Certain legal matters will be passed upon for the Underwriter by Kutak Rock LLP, Irvine, California. The fees of Bond Counsel, Disclosure Counsel, counsel to the Underwriter and the Trustee are contingent upon the sale and delivery of the Bonds.

Forward-Looking Statements

This Official Statement, and particularly the information contained under the headings entitled "THE 2024 WASTEWATER IMPROVEMENT PROJECT," "THE WASTEWATER SYSTEM," "RISK FACTORS RELATING TO THE BONDS" and APPENDIX A—GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY AND THE COUNTY, contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 2000. When used in this Official Statement, the words "estimate," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. The City is not obligated to issue any updates or revisions to the forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur. See "RISK FACTORS RELATING TO THE BONDS" and "TAX MATTERS."

Other Matters

There follows in this Official Statement brief descriptions of the Bonds, the security for the Bonds, the Indenture, the Authority, the City, the Wastewater System, the Wastewater Improvement Project and certain other information relevant to the issuance of the Bonds. The descriptions and summaries of documents herein do not purport to be comprehensive or definitive, and reference is made to each such document for the complete details of all its respective terms and conditions. All statements herein with respect to such documents are qualified in their entirety by reference to each such document for the complete details of all of their respective terms and conditions. All statements herein with respect to certain rights and remedies are qualified by reference to laws and principles of equity relating to or affecting creditors' rights generally. See APPENDIX D—SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS.

The information and expressions of opinion herein speak only as of the date of this Official Statement and are subject to change without notice. Neither delivery of this Official Statement nor any sale made hereunder nor any future use of this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority or the City since the date hereof.

All financial and other information presented in this Official Statement has been provided by the Authority and the City from their records, except for information expressly attributed to other sources. The presentation of information, including the table of receipts from taxes and other revenues, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial or other affairs of the Authority or the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

Other Information

Copies of the documents are on file and, upon request and payment to the City of a charge for copying, mailing and handling, from the Financial Services Director, City of Coalinga, 155 West Durian, Coalinga, CA 93210, Telephone: (559) 935-1533.

The information and expressions of opinion herein speak only as of their date and are subject to change without notice. Neither the delivery of this Official Statement nor any sale made hereunder nor any future use of this Official Statement, under any circumstances, creates any implication that there has been no change in the affairs of the City or the Authority since the date hereof.

The presentation of information, including tables of receipt of revenues, is intended to show recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of the City or the Authority. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

THE WASTEWATER IMPROVEMENT PROJECT

The Bonds are being issued to (a) finance the Wastewater Improvement Project, (b) fund a portion of interest on the Bonds through April 1, 2026, (c) fund the cost of the Reserve Policy, and (d) pay a the costs of issuance of the Bonds, including the premium for the Municipal Bond Insurance Policy.

The Wastewater Improvement Project consists of various improvements to the Wastewater System including, but not limited to, the installation of a solar photovoltaic (PV) system which will generate electricity through the conversion of solar energy.

ESTIMATED SOURCES AND USES OF FUNDS

SOURCES	
Par Amount of Bonds	
Plus/Less: Net Original Issue Premium/Discount	
Total Uses	
USES	
Deposit to Project Fund [(1)]	
Deposit to Interest Account [(2)]	
Costs of Issuance [(3)]	
Total Uses	

(1) Represents the amount required to finance the Wastewater Improvement Project.

(2) Represents capitalized interest with respect to a portion of the Bonds through April 1, 2026.

(3) Includes the Underwriter's discount, legal and financing costs, printing costs, fees of the rating agency, initial fees of the Trustee, the premiums for the Municipal Bond Insurance Policy and the Reserve Policy and other costs related to the issuance of the Bonds.

DEBT SERVICE REQUIREMENTS

Annual debt service on the Bonds (assuming no redemptions of the Bonds other than sinking fund redemptions) is presented below.

Year Ending (April 1)	Principal [1]	Interest [2]	Total
Totals			

(1) Includes mandatory sinking fund installments.
(2) Interest on a portion of the Bonds is funded through April 1, 2026.

Payments made by the City under the Installment Sale Agreement are scheduled, in time and amount to pay the debt service on the Bonds.

THE BONDS

General Provisions

The Bonds will be issued in fully registered form without coupons in denominations of $5,000 or any integral multiple thereof. The Bonds will mature on April 1 in each of the years and in the amounts and will bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rates set forth on the inside cover page hereof.

Interest on the Bonds will be payable semiannually on each April 1 and October 1, commencing April 1, 2025 (each, an "Interest Payment Date"), to the person whose name appears on the Registration Books as the Owner thereof as of the 15th calendar day of the month immediately preceding each such Interest Payment Date (each, a "Record Date"), such interest to be paid by check of the Trustee mailed by first-class mail to the Owners at the respective addresses of such Owners as they appear on the Registration Books; provided, however, that payment of interest may be made by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of $1,000,000 or more who furnishes written wire instructions to the Trustee at least five days before the applicable Record Date. Principal of any Bond and any premium upon redemption will be paid by check of the Trustee upon presentation and surrender thereof at the corporate trust office of the Trustee, except as provided in APPENDIX G—BOOK-ENTRY ONLY SYSTEM. Principal of and interest and premium (if any) on the Bonds will be payable in lawful money of the United States of America.

Each Bond will be dated as of its date of delivery and will bear interest from the Interest Payment Date next preceding such date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it will bear interest from such Interest Payment Date, or (b) it is authenticated on or before March 15, 2025, in which event it will bear interest from the Closing Date; provided, however, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Book-Entry Only System

The Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Bonds so purchased. Individual purchases will be made in book-entry-only form. Purchasers will not receive a certificate representing their beneficial ownership interest in the Bonds. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Bondholders, holders or registered owners shall mean Cede & Co. as aforesaid, and shall not mean the "Beneficial Owners" of the Bonds. In this Official Statement, the term "Beneficial Owner" shall mean the person for whom a Participant (as defined herein) acquires an interest in the Bonds. See APPENDIX G—BOOK-ENTRY ONLY SYSTEM.

In the event the use of the book-entry-only system is discontinued, principal of the Bonds will be payable upon surrender thereof at the principal corporate trust office of the Trustee in Los Angeles, California. Interest payable on the Bonds will be paid by check mailed on the Interest Payment Date to the person in whose name each Bond is registered in the registration books maintained by the Trustee as of the applicable Record Date for such Interest Payment Date.

Transfer and Exchange

Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred on the Registration Books by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Trustee. Whenever any Bonds or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and shall deliver a new Bond or Bonds for a like aggregate principal amount and of like maturity. The Trustee may require the Bond Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

Exchange of Bonds. Any Bond may be exchanged at the principal corporate trust office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations and of like maturity. The Trustee shall require the Bond Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange.

Terms of Redemption

Optional Redemption. The Bonds are subject to redemption, at the option of the City, on any date on or after April 1, _____, as a whole or in part, by such maturities as shall be determined by the City, and by lot within a maturity, from prepayments of Installment Payments made at the option of the City pursuant to the Installment Sale Agreement, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption. The Bonds maturing on April 1, _____, are also subject to mandatory redemption from sinking account payments made by the Authority, in part by lot, on April 1, _____, and on each April 1 thereafter to and including April 1, _____, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount

† Maturity.

The Bonds maturing on April 1, _____, are also subject to mandatory redemption from sinking account payments made by the Authority, in part by lot, on April 1, _____, and on each April 1 thereafter to and including April 1, _____, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount

† Maturity.

Purchase of Bonds In Lieu of Optional and Mandatory Sinking Fund Redemption. In lieu of optional and mandatory sinking fund redemption of Bonds as provided above, amounts held by the Trustee for such redemption may also be used on any Interest Payment Date, upon receipt by the Trustee at least ninety (90) days prior to the next scheduled Interest Payment Date of the written request of an Authorized Representative of the City, for the purchase of Bonds at public or private sale as and when and at such prices (including brokerage, accrued interest and other charges) as the City may in its discretion direct, but not to exceed the redemption price which would be payable if such Bonds were redeemed. Such purchases may be affected through the investment department of the Trustee or of an affiliate of the Trustee. The aggregate principal amount of Bonds of the same maturity purchased in lieu of redemption shall not exceed the aggregate principal amount of Bonds of such maturity which would otherwise be subject to such redemption.

Selection of Bonds for Redemption. The Trustee shall select the Bonds to be redeemed from all Bonds or such given portion thereof not previously called for redemption by lot within a maturity. For purposes of such selection, the Trustee shall treat each Bond as consisting of separate $5,000 portions and each such portion shall be subject to redemption as if such portion were a separate Bond. No Bonds selected for redemption may be transferred.

Notice of Redemption. Notice of redemption shall be mailed by first class mail, postage prepaid, not less than thirty (30) nor more than sixty (60) days before any redemption date, to the respective Owners of any Bonds designated for redemption at their addresses appearing on the Registration Books, and to the Securities Depositories and to the Information Services. Each notice of redemption shall state the date of the notice, the redemption date, the place or places of redemption, whether less than all of the Bonds (or all Bonds of a single maturity) are to be redeemed, the CUSIP numbers and Bond numbers of the Bonds to be redeemed, the maturity or maturities of the Bonds to be redeemed and in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the redemption date there will become due and payable on each of said Bonds the redemption price thereof, and that from and after such redemption date interest thereon shall cease to accrue and shall require that such Bonds be then surrendered. Neither the failure to receive any notice nor any defect therein shall affect the proceedings for such redemption or the cessation of accrual of interest from and after the redemption date. Notice of redemption of Bonds shall be given by the Trustee, at the expense of the Authority, for and on behalf of the Authority.

Notice of any optional redemption of Bonds shall either (i) explicitly state that the proposed redemption is conditioned on there being on deposit in the applicable fund or account on the redemption date sufficient money to pay the full redemption price of the Bonds to be redeemed, or (ii) be sent only if sufficient money to pay the full redemption price of the Bonds to be redeemed is on deposit in the applicable fund or account.

Partial Redemption of Bonds. Upon surrender of any Bonds redeemed in part only, the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered.

Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the redemption price of, together with interest accrued to the date fixed for redemption on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

All Bonds redeemed pursuant to the provisions of the Indenture shall be canceled by the Trustee upon surrender thereof and destroyed.

SECURITY FOR THE BONDS

Revenues

The Bonds are special obligations of the Authority payable from and secured by a pledge of the Revenues, consisting primarily of Installment Payments to be made by the City under the Installment Sale Agreement and any other amounts (including proceeds of the sale of the Bonds) held in any fund or account established pursuant to the Indenture.

The Installment Payments payable to the Trustee are calculated to be sufficient to pay, when due, the principal of and interest on the Bonds.

Installment Payments

Obligation to Pay. The City agrees to pay to the Authority, its successors and assigns, but solely from the Net Revenues, as the purchase price of the Wastewater System and the Wastewater Improvement Project, an amount equal to the aggregate principal amount of the Bonds, together with interest on the unpaid principal balance, payable in Installment Payments coming due and payable on each Installment Payment Date. The Installment Payments will be paid by the City to the Trustee, as assignee of the Authority pursuant to the Indenture.

The City's obligations under the Installment Sale Agreement are secured by a pledge of and lien on Net Revenues.

Effect of Prepayment. In the event that the City prepays all remaining Installment Payments in full, the City's obligations under the Installment Sale Agreement will thereupon cease and terminate, including but not limited to the City's obligation to pay Installment Payments; *provided, however*, that the City's obligations to compensate and indemnify the Trustee shall survive such prepayment. In the event that the City prepays the Installment Payments in part but not in whole, the principal component of each succeeding Installment Payment will be reduced and the interest component of each remaining Installment Payment

will be reduced by the aggregate corresponding amount of interest which would otherwise be payable on the Bonds thereby redeemed.

Rate on Overdue Payments. In the event the City fails to make any of the payments required in the Installment Sale Agreement, the payment in default will continue as an obligation of the City until the amount in default is fully paid, and the City agrees to pay the same with interest thereon, from the date of default to the date of payment, at the rate of ten percent (10%) per annum.

Assignment. The City agrees that all Installment Payments have been assigned by the Authority to the Trustee in trust, pursuant to the Indenture, for the benefit of the Owners of the Bonds, and the City assents to such assignment.

Special Obligations of the City; Obligations Absolute

Installment Payments. The City's obligation to pay the Installment Payments, the Wastewater System Additional Payments, any other amounts coming due and payable under the Installment Sale Agreement and payments with respect to Parity Obligations is a special obligation of the City limited solely to the Net Revenues. Under no circumstances is the City required to advance moneys derived from any source of income other than Net Revenues and other sources specifically identified in the Installment Sale Agreement for the payment of the Installment Payments, the Wastewater Additional Payments or payments with respect to Parity Obligations, nor will any other funds or property of the City be liable for the payment of the Installment Payments, the Wastewater Additional Payments or payments with respect to Parity Obligations and any other amounts coming due and payable under the Installment Sale Agreement.

The obligations of the City to make the Installment Payments, the Wastewater Additional Payments and payments with respect to Parity Obligations from Net Revenues and to perform and observe the other agreements contained in the Installment Sale Agreement and under agreements with respect to Parity Obligations are absolute and unconditional and are not subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach of the City, the Authority or the Trustee of any obligation to the City or otherwise with respect to the Wastewater System, whether under the Installment Sale Agreement or otherwise, or out of indebtedness or liability at any time owing to the City by the Authority or the Trustee. Until such time as all of the Installment Payments, all of the Wastewater Additional Payments and all other amounts coming due and payable under the Installment Sale Agreement and payments with respect to Parity Obligations shall have been fully paid or prepaid, the City (a) will not suspend or discontinue payment of any Installment Payments, Wastewater Additional Payments, payments with respect to Parity Obligations or such other amounts, (b) will perform and observe all other agreements contained in the Installment Sale Agreement and under any agreements with respect to Parity Obligations, and (c) will not terminate the Installment Sale Agreement or agreements with respect to Parity Obligations for any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Wastewater System, failure to complete the Wastewater Improvement Project by the estimated Completion Dates thereof, sale of the Wastewater System, the taking by eminent domain of title to or temporary use of any component of the Wastewater System, commercial frustration of purpose, any change in the tax law or other laws of the United States of America or the State or any political subdivision of either thereof or any failure of the Authority or the Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Indenture, the Installment Sale Agreement or agreements with respect to Parity Obligations.

Nothing contained in the Installment Sale Agreement shall be construed to release the Authority or the Trustee from the performance of any of the agreements on its part contained in the Installment Sale Agreement or in the Indenture, and in the event the Authority or the Trustee shall fail to perform any such agreements, the City may institute such action against the Authority or the Trustee as the City may deem necessary to compel performance so long as such action does not abrogate the obligations of the City contained in the preceding paragraph. The City may, however, at the City's own cost and expense and in the City's own name or in the name of the Authority prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to secure or protect the City's rights under, the Installment Sale Agreement and in such event the Authority hereby agrees to cooperate fully with the City and to take such action necessary to effect the substitution of the City for the Authority in such action or proceeding if the City shall so request.

Pledge and Application of Net Revenues

Pledge of Net Revenues. The City agrees that the payment of the Installment Payments will be secured by a pledge, charge and first and prior lien upon Net Revenues, and Net Revenues sufficient to pay the Installment Payments as they become due and payable are charged, assigned, transferred and set over by the City to the Authority and its assigns for the purpose of securing payment of the Installment Payments. The Net Revenues shall constitute a trust fund for the security and payment of the Installment Payments.

Deposit to and Transfer from Wastewater Fund. All of the Gross Revenues shall be deposited by the City immediately upon receipt in the Wastewater Fund.

The City shall withdraw from the Wastewater Fund such amounts at such times as shall be required to pay all Maintenance and Operation Costs as they come due and payable.

The City covenants and agrees that all Gross Revenues will be held by the City in the Wastewater Fund in trust for the benefit of the Trustee (as assignee of the rights of the Authority hereunder), the Owners, the owners of any Parity Obligations and the owners of any Subordinate Obligations.

On or before each Installment Payment Date, the City shall withdraw from the Wastewater Fund and transfer to the Trustee, for deposit into the Bond Fund, amounts which, together with the balance then on deposit in the Bond Fund (other than amounts resulting from the prepayment of the Installment Payments and other than amounts required for payment of the principal or interest with respect to any Bonds which have matured or been called for redemption but which have not been presented for payment), is equal to the aggregate amount of the Installment Payment coming due and payable on the next succeeding Interest Payment Date.

In addition, the City shall withdraw from the Wastewater Fund such amounts at such times as shall be required to pay (i) the principal of and interest on any Parity Obligations and otherwise comply with the provisions of the instruments authorizing the issuance of any Parity Obligations; and (ii) pay all other amounts when and as due and payable hereunder.

Release from Lien. Following the transfers with respect to the April 1 Interest Payment Date, Net Revenues in excess of amounts required for the payment of Installment Payments and any Parity Obligations in that Fiscal Year shall be released from the lien of the Installment Sale Agreement and shall be available for any lawful purpose of the City.

Rates, Fees and Charges

The City will, at all times while any of the Installment Payments, any Parity Obligations and any Obligations remain outstanding, fix, prescribe and collect rates, fees and charges for the wastewater service for each Fiscal Year so as to yield Gross Revenues at least sufficient, after making reasonable allowances for contingencies and errors in the estimates, to pay the following amounts during such Fiscal Year in the order below set forth:

(i) All current Maintenance and Operation Costs.

(ii) The Installment Payments and all payments required with respect to the any Parity Obligations.

(iii) Payments required with respect to the any Subordinate Obligations.

(iv) All payments to meet any other obligations of the City which are charges, liens or encumbrances upon, or payable from, the Net Revenues.

(v) Any other lawful purposes of the City, including, but not limited to, deposits to the Rate Stabilization Fund.

In addition, the City shall fix, prescribe and collect rates, fees and charges for the wastewater service during each Fiscal Year which are sufficient to yield Net Revenues at least equal to one hundred twenty-five percent (125%) of the amounts payable under the preceding paragraphs (ii) and (iii) above in such Fiscal Year.

Limitations on Future Obligations Secured by Net Revenues

No Obligations Superior to Installment Payments. In order to protect further the availability of the Net Revenues and the security for the Installment Payments and any Parity Obligations, the City hereby agrees that the City shall not, so long as any Installment Payments or any Parity Obligations are outstanding, issue or incur any obligations payable from Gross Revenues or Net Revenues superior to the Installment Payments or any Parity Obligations.

Parity Obligations. The City further covenants that it will not issue or incur any Parity Obligations unless:

(i) The City is not in default under the terms of this Installment Sale Agreement or any agreements relating to then existing Parity Obligations;

(ii) (A) Net Revenues, calculated on sound accounting principles, as shown by the books of the City for the latest Fiscal Year or any twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, as shown by the books of the City, shall have amounted to at least 1.25 times the maximum amount of Installment Payments and debt service on all Parity Obligations outstanding immediately subsequent to the incurring of such additional obligations coming due and payable in any future Fiscal Year.

Either or both of the following items may be added to such Net Revenues for the purpose of applying the restriction contained in this subsection (b)(ii)(A):

(1) An allowance for revenues to be derived from any additions to or improvements or extensions of the Wastewater System which, during all or any part of such Fiscal Year or the twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, were not in service, in an amount equal to 100% of the estimated additional average annual Net Revenues to be derived from such additions, improvements and extensions, all as shown by the certificate or opinion of a qualified independent consultant employed by the City.

(2) An allowance for any increase in the charges made for service from the Wastewater System which has become effective prior to the incurring of such Parity Obligations but which, during all or any part of such Fiscal Year or the twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, was not in effect, in an amount equal to 100% of the amount by which the Net Revenues would have been increased if such increase in charges had been in effect during the whole of such Fiscal Year or the twelve (12) month period out of the most recent eighteen months selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which such Parity Obligations are authorized to be issued or incurred, as shown by the certificate or opinion of a qualified independent consultant employed by the City;

or

(B) Estimated Net Revenues, based on a report of a qualified independent engineer employed by the City or a report of a qualified independent consultant employed by the City, for each of the five (5) Fiscal Years next following the earlier of (i) the end of the period during which interest on the Parity Obligations proposed to be executed is to be capitalized or, if no interest is capitalized the Fiscal Year in which the proposed Parity Obligations are to be issued, or (ii) the date on which substantially all projects financed with the proposed Parity Obligations are expected to commence operations, shall have amounted to at least 1.25 times the maximum amount of Installment Payments and debt service on all Parity Obligations outstanding immediately subsequent to the incurring of such additional obligations coming due and payable in any future Fiscal Year.

Any or all of the following items may be added to such Net Revenues for the purpose of applying the restriction contained in this subsection (b)(ii)(B):

(1) An allowance for revenues that are estimated to be derived from any increase in the rates, fees and charges in effect and being charged or from any increase in the rates, fees and charges that have been approved but are not yet in place; and

(2) An allowance for revenues that are estimated to be derived from customers of the Wastewater System anticipated to be served by the additions, betterments or improvements to the Wastewater System to be financed by the proposed Parity Obligation during such five year period; and

(3) An allowance for a reduction in expenses that are estimated to be realized by the City pursuant to a contractual guarantee from the provider of energy efficiency improvements during such five year period.

(iii) A reserve fund may, but shall not be required to be, funded for such Parity Obligations.

(iv) Interest with respect to such Parity Obligations shall be paid on the Installment Payment Dates.

(v) Principal with respect to such Parity Obligations shall be paid on March 15.

Notwithstanding the foregoing provisions, there shall be no limitations on the ability of the City to issue or incur Parity Obligations at any time to refund the Installment Payments or Parity Obligations for debt service savings.

Subordinate Obligations. There shall be no limitations on the ability of the City to issue or incur Subordinate Obligations so long as the City is not in default under the terms of this Installment Sale Agreement, any agreements relating to then existing Parity Obligations or any agreement relating to then existing Subordinate Obligations.

Calculating Debt Service on Variable Rate Debt. For all purposes, variable rate indebtedness shall be assumed to bear interest at the highest of: (i) the actual rate on the date of calculation, or if the indebtedness is not yet outstanding, the initial rate (if established and binding); (ii) if the indebtedness has been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation; or (iii) (A) if interest on the indebtedness is excludable from gross income under the applicable provisions of the Code, the most recently published *Bond Buyer* "Revenue Bond Index" (or comparable index if no longer published), or (B) if interest is not so excludable, the interest rate on direct U.S. Treasury Obligations with comparable maturities plus 50 basis points; *provided, however*, that for purposes of any rate covenant measuring actual debt service coverage during a test period, variable rate indebtedness shall be deemed to bear interest at the actual rate per annum applicable during the test period.

Calculating Debt Service on Swaps. If any interest rate swap agreement under which the City is obligated to make payments based on a fixed interest rate is in place with respect to variable rate Parity Obligations, the amount payable by the City with respect to such variable rate Parity Obligations shall be assumed to be the fixed rate payable under such interest rate swap agreement.

Additional Payments

In addition to the Installment Payments, the City shall pay, from Net Revenues, when due all costs and expenses incurred by the Authority to comply with the provisions of the Indenture and the Installment Sale Agreement, including, without limitation all Costs of Issuance (to the extent not paid from amounts on deposit in the Costs of Issuance Fund), compensation due to the Trustee for its fees, costs and expenses

incurred under the Indenture, compensation due to the Authority for its fees, costs and expenses incurred under the Indenture and all costs and expenses of attorneys, auditors, engineers and accountants.

Rate Stabilization Fund

From time to time, the City may deposit in the Wastewater Rate Stabilization Fund from Gross Revenues such amounts as the City may determine, provided that deposits for each Fiscal Year may be made until (but not after) one hundred eighty (180) days following the end of such Fiscal Year. There are no current moneys in the Wastewater Rate Stabilization Fund.

The City may withdraw amounts from the Wastewater Rate Stabilization Fund (i) for transfer to the Wastewater Fund for inclusion in Gross Revenues for any Fiscal Year, such withdrawals to be made until (but not after) one hundred eighty (180) days after the end of such Fiscal Year, or (ii) for any other lawful purpose of the City.

All interest or other earnings on deposits in the Wastewater Rate Stabilization Fund shall be withdrawn therefrom and accounted for as Gross Revenues.

Notwithstanding the foregoing, (i) no deposit of Gross Revenues to the Wastewater Rate Stabilization Fund may be made to the extent that such Gross Revenues were included in the calculations of parity test and withdrawal of the Gross Revenues to be deposited in the Wastewater Rate Stabilization Fund from Gross Revenues that would cause noncompliance with the rate covenant and (ii) no deposit of Net Revenues shall be made in the Wastewater Rate Stabilization Fund to the extent that such deposit would cause noncompliance with the rate covenant in any Fiscal Year.

The Wastewater Rate Stabilization Fund is not pledged to secure the payments with respect to the Installment Payments, the payments with respect to any Parity Obligations or the payments with respect to any Wastewater Subordinate Obligations.

Reserve Account

The Reserve Account is established by the Indenture. The Reserve Account is required to be funded in an amount equal to the least of (a) Maximum Annual Debt Service on all the Bonds, (b) 125% of average annual debt service on the Bonds, and (c) 10% of the principal amount of the Bonds (the "Reserve Requirement"). The Reserve Requirement as of the date is delivery of the Bonds is $_____. Amounts in the Reserve Account are to be used only for the payment of the principal of and interest on Bonds to the extent amounts in the Principal Account and/or the Interest Account are insufficient therefor.

On the date of delivery of the Bonds, in lieu of a cash deposit to the Reserve Account, the Municipal Bond Insurer will issue the Reserve Policy, in an amount equal to the initial Reserve Requirement.

There is no obligation for the Authority to replace the Reserve Policy or to cash fund the Reserve Account if the rating of the Municipal Bond Insurer is downgraded or withdrawn.

If the City is required to replenish cash in the Reserve Account, it shall be paid by the City from Net Revenues.

Flow of Funds

No later than the first Business Day preceding each date on which principal of or interest on the Bonds becomes due and payable, the Trustee shall transfer from the Bond Fund and deposit into the following respective accounts, the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) The Trustee will deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to be at least equal to the amount of interest becoming due and payable on such date on all Bonds then Outstanding.

(b) The Trustee will deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of the Bonds coming due and payable on such date.

(c) The Trustee will deposit in the Sinking Account an amount equal to the aggregate principal amount of the Term Bonds required to be redeemed on such date, if any.

(d) The Trustee will deposit in the Reserve Account an amount, if any, required to cause the amount on deposit in the Reserve Account to be equal to the Reserve Requirement.

MUNICIPAL BOND INSURANCE

[TO COME]

THE AUTHORITY

The Authority is a joint exercise of powers entity duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated February 17, 1991, by and among the City, the Agency, and the School District. The Authority is authorized pursuant to Article 4 (commencing with section 6584) of the California Government Code to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, public entities, including the City, the Agency, and the School District, and to provide financing for public capital improvements for lease to public entities, including the City, the Agency, and the School District. The members of the City Council of the City also sit as the Board of Directors of the Authority. The Authority is administered by the City staff.

THE CITY

The City, a general law city incorporated on April 3, 1906, is located the southwestern tip of the County in the western San Joaquin Valley in central California. The City is located 52 miles (84 km) southwest of Fresno, 10 miles west of I-5 and sits at an elevation of 673 feet (205 m). The City occupies a land area of 6.61 square miles and serves a population of approximately 17,200. The City is surrounded by hills and ranches. Monterey County lies to the west of the City and Kings County sits to the east.

The City Council members are elected for overlapping four-year terms. Members of the City Council are elected by district instead of from the City at large. One council member represents each of the five districts within the City. The policies of the City Council are carried out by the appointed City Manager. The City Council also directly hires the City Attorney who serves as the City's primary legal advisor. Key administrative personnel of the City are listed at the front of this Official Statement. The current members of the City Council are as follows:

COALINGA CITY COUNCIL MEMBERS

Name and Office	District	Current Term Expires
James Horn, *Mayor*	2	December 2024
Jose Manny Ramirez, *Mayor Pro Tem*	4	December 2024
Lonnie Hedgecock *Councilmember*	5	December 2026
Roger Schindler *Councilmember*	1	December 2024
Nathan Vosburg *Councilmember*	3	December 2926

See APPENDIX A— GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY AND THE COUNTY for additional description of the City as well as certain economic and demographic information relating to the surrounding area.

THE WASTEWATER SYSTEM

General

The City operates and maintains the Wastewater System which consists of a Citywide wastewater collection and treatment system. The Wastewater System collects and treats wastewater generated from residential and commercial customers; there are currently no significant industrial users that discharge wastewater into the Wastewater System. All residences and businesses in the City are required to connect to the Wastewater System.

The Wastewater System's collection and conveyance facilities include approximately 42 miles of sanitary sewer pipeline ranging from six inches to twenty-four inches in diameter. The Wastewater System's collection system includes 4 lift stations and a wastewater treatment plant capable of treating up to a maximum of 1.3 MGD of wastewater flow.

The small pipes (typically 4 inches in diameter) that connect homes and businesses to the Wastewater System are called service laterals. Each property owner is responsible for the maintenance of the complete service lateral, including the portion of such lateral placed in the public right-of-way or easement.

The wastewater generated by Wastewater System customers flows from service laterals through the collection system to the City's wastewater treatment plant. The treatment plant was constructed in the 1940s and updated substantially in 1977. The wastewater treatment plant is located 2.5 miles west of the center of the City on Melcher Road. The treatment plant treats approximately 1.0 MGD of wastewater and is permitted for a maximum capacity of 1.32 MGD. For additional information about the Wastewater System's facilities, see "Wastewater System Facilities."

The City does not currently recycle effluent discharged from its wastewater treatment facilities; however, the City will coordinate any future recycled water plans with local water, wastewater, groundwater, and planning agencies within and near the City's service area.

Wastewater System Management

The Wastewater System is operated by the City's Utilities Department and is managed by the Utilities Supervisor. The Utilities Supervisor supervises seven staff members. Generally, staff members perform administrative, engineering, construction and maintenance, water treatment, water quality, preventive maintenance, and customer service activities.

Alvaro Preciado, Chief Plant Operator, manages the operation of the wastewater treatment plant. Mr. Precaido has over twenty years of operating experience and has been with the City for twenty-six years. Mr. Preciado has an AA degree from West Hills College and holds a Water Treatment T-2 and Water Distribution D-2 certificate.

Wastewater System Employee Relations

Service Employees International Union Local 521 represents the Wastewater System's non-management employees as a collective bargaining unit. The current contract expires on June 30, _____. The Wastewater System has not experienced a labor stoppage or an interruption in service since its inception.

Wastewater System Facilities

The City's Wastewater System is comprised of a network of over 42 miles of sanitary sewer pipeline with sizes ranging from six to 24-inches in diameter, four lift stations located at various locations within the City and their associated force mains, and a wastewater treatment plant.

The backbone of the sewer collection system consists of a series of sewer truck lines and sewers interceptor. The sewer inceptors typically include larger pipelines, approximately 21-inches or larger, while the sewer trunk lines typically range from 12 to 18-inches. The lift stations raise wastewater flows to higher elevation in order to continue gravity flow at reasonable slopes and depths. The sewer truck lines and sewer interceptor's function to convey Wastewater collected in the Wastewater System to the Wastewater System's wastewater treatment plant (the "WWTP").

The City owns and operates the WWTP under California Regional Water Quality Control Board ("RWQCB") Waste Discharge Requirements ("WDRs") Order No. 94-184. The WWTP treats and disposes municipal wastewater generated by residences and businesses within the City. The WWTP is located at the confluence of Los Gatos Creek and Warthan Creek, approximately one mile east of the City. The treatment process at the WWTP consists of screening, primary clarification, and secondary treatment (aerated facultative lagoons followed by stabilization lagoons). Treated effluent quality is undisinfected

secondary effluent as described in Section 30301.900 of Title 22 of the California Code of Regulations ("CCR").

The WWTP has undergone two major modifications and additions over the last 40 years. According to WDR Order No. 76-180, the WWTP originally consisted of a primary clarifier followed by three oxidation ponds in series. Final disposal consisted of irrigating land controlled by the City and West Hills Community College for agricultural reclamation. At that time, the WWTP's treatment capacity was 0.6 MGD.

In 1980 the City submitted a Report of Waste Discharge for the expansion of the existing treatment capacity from 0.6 MGD to 0.93 MGD. The modifications consisted of influent screening followed by aerated facultative lagoons and stabilization ponds. Final effluent disposal was consistent with previous practices on City-owned land and West Hills Community College grounds. These modifications and additions were implemented in 1982. WDR Order No. 80-064 was adopted on May 26, 1980.

In 1991, the City submitted a Report of Waste Discharge in support of a change in operation and an increase in quantity of discharge from its municipal WWTP. The treatment capacity was increased from 0.93 MGD to the current 1.34 MGD. The City completed the rehabilitation of the primary clarifier and aerobic digester, which were removed from service during the previous plant modification. The existing WWTP includes a bar screen, a primary clarifier, an aerobic sludge digester, sludge drying beds, two aerated facultative lagoons each with a surface area of three acres, and three stabilization ponds having a total surface area of 11 acres. Currently, treated effluent is pumped form one of the stabilization ponds to adjacent land, where it percolates into the soil and is used to recharge the groundwater table. By way of this process, the majority of the treated domestic Wastewater is recycled as groundwater recharge.

Stormwater Collection System. The Wastewater System also contains a stormwater collection system that consists of several independent networks of storm drain inlets and pipes that either discharge into four permanent storm drain basins or the Warthan or Los Gatos Creeks. The storm drainage system operates as a gravity flow system and does not require the use of pump stations or lift stations. The existing storm drain system consists of pipes up to 48-inches in diameter and twelve drainage zones. Several portions of the storm drain system are severely undersized, and the system relies on aboveground surface flow through street curbs and gutters as a means of stormwater conveyance.

Wastewater System Service Area

The Wastewater System provides wastewater collection, transmission, treatment, and disposal services for the developed area within the City's limits. The Wastewater System's service area comprises the City boundaries, an area of approximately 2.6 square miles with a population of approximately 17,200. All of the residents and businesses residing within the Wastewater System's service area are required to connect to the Wastewater System. There are currently no significant industrial users that discharge into the Wastewater System.

Future Growth in the Service Area. The Wastewater System's service area is contained within the service area for the Water System. For a description of future growth within City and the Wastewater System's service area, see "THE WASTEWATER SYSTEM—Wastewater System Service Area—Future Growth in Service Area" herein.

Service Area Map. The Wastewater System's service area is contained within the service area for the City municipal water system (the "Water System"). For a map of the Water System's service area, see "THE WASTEWATER SYSTEM—Water System Service Area Map" herein.

Wastewater System Use

The Wastewater System's average daily flow during the 2019-20 fiscal year was approximately 0.9 MGD. The WWTP has a maximum permitted capacity of 1.32 MGD.

Wastewater System Customers

Wastewater Accounts by Customer Type. The following table shows the number of customer accounts by customer type during the most recent five fiscal years.

Table 1
WASTEWATER SYSTEM
ACCOUNTS BY CUSTOMER TYPE

	Fiscal Year Ending June 30,				
Customer Type	2020	2021	2022	2023	2024
Residential	3,311	3,365	3,331	3,327	3,329
Non-Residential	222	182	203	201	201
Total Water Use	3,533	3,547	3,534	3,528	3,530

Source: City of Coalinga as compiled by IGService.

Over 75% of Wastewater System revenues are generated from residential customers, with non-residential customers accounting for the rest of the Wastewater System's revenues.

Top 10 Wastewater System Customers. The ten largest Wastewater customers for the 2023-24 fiscal year by revenue, accounted for approximately _____% of the Wastewater System's total revenues. The following table shows the top ten Wastewater customers by revenues for the 2023-24 fiscal year.

Table 2
WASTEWATER SYSTEM
TEN LARGEST CUSTOMERS
For Fiscal Year 2023-24

	Customer	Customer Type	FY2023-24 Revenues	% of Total Revenues
1.	West Hills College	Education	$71,223	4.3%
2.	First Pacific	Amandako Mobil Home Park	59.005	3.6
3.	Coalinga-Huron Schools	Education	45,244	2.7
4.	Sequoia Packing	Food Processing	38,328	2.3
5.	Echo Canyon Apartments	Apartments	31,488	1.9
6.	Coalinga Station B	Apartments	30,354	1.8
7.	Westwood Apartments	Apartments	29,219	1.8
8.	Coalinga Medical Center, LLC	Medical	25,751	1.6
9.	Warthan Place Apartments	Apartments	21,224	1.3
10.	Latchkey Pioneers, LLC	Commercial	21,988	1.3
	Total Top 10		$372,824	22.5%
	Total Wastewater System		1,658,000	100.00%

Source: City of Coalinga as compiled by IGService.

Wastewater System Rates

Rate Setting Process and Current Wastewater System Rates. A Proposition 218-compliant notice was sent to all Wastewater System customers as a billing insert with bills at the end of August, 2020. The notice explained the need for rate increases and provided the opportunity for customers to protest and attend the rate hearing on October 15, 2020. Resolution No. 3989, raising water and wastewater rates, was adopted by the City Council at the City Council's October 15, 2020 meeting by 5-0 vote and became effective as of November 1, 2020. The current rates for service in the Wastewater System, as well as planned increases, are detailed in the table below together with the prior rates that were effective until the new rate structure went in to effect on November 1, 2020. The prior rates had been effective since 2005.

Under the new rate structure, all residential customers are charged a fixed monthly charge regardless of customer flow with multi-family residential customers being charged for each dwelling unit. Non-residential customers are charged 1) a fixed minimum monthly charge and 2) an additional volumetric rate charge based on that customer's metered potable water volume purchased from the Water System. Educational customers are charged a single volumetric variable rate charge based on metered potable water volume purchased from the Water System.

Table 3
WASTEWATER SYSTEM
RATES AND CHARGES

	Prior Rate Effective	Approved Rates				
Residential	7/1/2005	11/1/20	11/1/21	11/1/22	11/1/23	11/1/24
Fixed monthly charge for Single-Family Residential and Multi-Family Residential for each unit	$15.68	$21.95	$22.61	$23.29	$23.99	$24.71
Non-Residential						
Minimum monthly charge for non-residential customers	$15.68	$21.95	$22.61	$23.29	$23.99	$24.71
Volumetric charge based on metered potable water per thousand gallons (With separate landscape meter)	$2.59	$4.86	$5.01	$5.16	$5.31	$5.47
Volumetric charge based on metered potable water per thousand gallons (Without separate landscape meter)	$2.32	$4.86	$5.01	$5.16	$5.31	$5.47
Educational Institutions						
Monthly charge is fixed based on the average monthly metered potable water volume during December through March each year	2.59	$4.86	$5.01	$5.16	$5.31	$5.47

Source: City of Coalinga.

Billing Procedures. Bills for wastewater, water and other City utilities and services is done collectively on a single monthly bill with itemized charges for each service. For additional information about the Wastewater System's billing procedures, see "THE WASTEWATER SYSTEM – Wastewater System Rates – Billing Procedures."

Wastewater System Financial Statements

The Wastewater System's audited financial statements for the 2022-23 fiscal year are included in the City's Audited Financial Statements, attached hereto as APPENDIX B—AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023.

Wastewater System Net Position. The following table presents the audited Statements of Net Position of the Wastewater System for the four most recent fiscal years.

Table 4
WASTEWATER SYSTEM
STATEMENT OF NET POSITION

	Fiscal Year Ended June 30,			
	2020 Audited	2021 Audited	2022 Audited	2023 Audited
ASSETS				
Current Assets:				
Cash and investments	3,292,326	2,600,350	3,630,226	3,342,163
Cash and investments with fiscal agent	726,828	5	—	—
Accounts receivable	78,209	149,872	124,747	101,802
Interest receivable	2,873	635	1,418	5,883
Prepaids	—	—	—	1,818
Due from other governments	3,543	—	—	175,803
Due from other funds	—	329,557	—	—
Total Current Assets	4,103,779	3,080,419	3,756,391	3,627,469
Non-Current Assets:				
Net pension asset	—	—	45,735	—
Property, plant and equipment	5,626,025	5,802,265	5,670,493	6,075,176
Total Non-Current Assets	5,626,025	5,802,265	5,716,228	6,075,176
Total Assets	9,729,804	8,882,684	9,472,619	9,702,645
Deferred Flows of Resources				
Deferred flows related to pensions	59,867	58,755	102,255	131,530
Liabilities				
Current Liabilities:				
Accounts payable	46,119	115,705	81,927	234,882
Accrued liabilities	6,923	—	—	22,911
Deposits	—	—	—	—
Due to other funds	—	—	—	—
Current long-term debt	—	—	—	—
Total Current Liabilities	53,042	115,705	81,927	258,793
Non-Current Liabilities:				
Advances from other funds	2,940,000	2,335,000	2,335,000	2,265,000
Long-term debt	—	—	—	—
Compensated absences	34,647	42,686	47,959	38,247
Net pension liabilities	34,323	51,766	—	89,944
Total Non-Current Liabilities	3,008,970	2,429,452	2,382,959	2,393,191
Total Liabilities	3,062,012	2,545,157	2,464,886	2,651,984
Deferred inflows related to pensions	3,484	4,267	7,437	7,722
Net Position				
Net investment in capital assets	5,626,025	5,802,265	5,670,493	6,075,176
Unrestricted/(deficit)	1,098,150	589,750	1,432,058	1,099,293
Total Net Position	6,724,175	6,392,015	7,102,551	7,174,469

Source: City of Coalinga FY2016-19 Audited Financial Statements and City of Coalinga.

Wastewater System Revenues, Expenses, and Changes in Net Position. The following table presents the audited Statement of Revenues, Expenses and Changes in Net Position for the Wastewater System for the three most recent fiscal years, unaudited actuals for fiscal year 2023-24, and budgeted projections for the 2024-25 fiscal year from the City's fiscal year 2020-21 Budget. See "Wastewater System Historical and Projected Operating Results" for a five-year historical comparison of revenues and expenses of the Wastewater Fund and a projection of the revenues and expenses, including projected debt service coverage.

Table 5
WASTEWATER SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Fiscal Year Ending June 30,				
	2021 Audited	**2022** Audited	**2023** Audited	**2024** Unaudited	**2025** Budgeted
OPERATING REVENUES					
Charges for services	1,375,097	1,731,015	1,640,153	1,658,000	1,700,000
Connection charges	—	—	—	—	2,000
Total Operating Revenue	1,375,097	1,713,015	1,640,153	1,658,000	1,702,000
OPERATING EXPENSES					
Personnel	672,065	516,811	685,565	582,000	775,000
Contractual services and utilities	332,349	399,688	652,432	495,000	555,000
Supplies and materials	286,956	210,199	202,442	260,000	292,000
Bad debt	20,895	23,669	10,504	12,000	12,000
Depreciation[(1)]	232,749	240,090	250,037	250,037	250,037
Total Operating Expense	1,545,014	1,390,457	1,800,980	1,599,037	1,884,037
OPERATING INCOME/(LOSS)	(169,917)	340,558	(160,827)	58,963	(182,037)
NONOPERATING REVENUES					
Intergovernmental	—	32,680	267,804	138,176	—
Developer impact fees	—	365,243	43,704	437,407	—
Interest income	5,199	2,958	17,702	25,000	5,000
Miscellaneous	26,565	34,060	22,700	25,000	25,000
Gain on sale of assets	—	4,505	—	—	—
Interest expense	(72,149)	(69,468)	(67,522)	(65,928)	(33,156)
Total Nonoperating Revenue	(40,385)	369,978	284,388	559,655	(3,156)
OPERATING TRANSFERS IN/(OUT)	(121,858)	—	(51,643)	—	—
CHANGE IN NET POSITION	(332,160)	710,536	71,918	618,618	-185,193
NET POSITION - Beginning of Year	6,724,175	6,392,015	7,102,551	7,174,469	7,793,087
NET POSITION - End of Year	6,392,015	7,102,551	7,174,469	7,793,087	7,607,894

Source: City of Coalinga FY2020-23 Audited Financial Statements and City of Coalinga.

(1) Depreciation is preliminary for FY2023-24 and not budgeted for FY2024-25; therefore, for comparison purposes, an estimated value is used based on FY2022-23.

Wastewater System Historical and Planned Capital Improvements

There were no major capital improvements made to the Wastewater System within the last five years and no major capital improvements are expected during the next five years.

Wastewater System Historical and Projected Operating Results and Debt Service Coverage

The following table presents the Historical Summary of Gross Revenues, Maintenance and Operation Costs and debt service coverage for the Wastewater System for the five most recent fiscal years. The data is based on figures from the City's audited financial statements and fiscal year 2023-24 unaudited actuals.

Table 6
WASTEWATER SYSTEM
HISTORICAL OPERATING RESULTS AND DEBT SERVICE COVERAGE

	Fiscal Year Ended June 30,				
	2020 Audited	2021 Audited	2022 Audited	2023 Audited	2024 Unaudited
REVENUES:					
Operating Revenue	$1,004,633	$1,115,346	$1,375,097	$1,657,871	$1,640,153
Impact Fee Revenue	525,796	34,866	-	-	-
Investment Earnings	14,694	29,483	5,199	2,958	17,702
Rental Income & Misc	20,918	11,350	26,565	139,884	22,700
Total Revenues	$1,566,041	$1,191,045	$1,406,861	$1,800,713	$1,680,555
OPERATION & MAINTENANCE EXPENSES:					
Personnel	466,460	579,656	611,712	516,811	589,421
Contractual Services and Utilities	298,288	308,365	470,283	399,688	384,628
Supplies and Material	148,279	103,766	158,252	210,199	202,442
Bad Debt	-	24,182	-	23,669	10,504
Total Operating Expenses	913,027	1,015,969	1,240,247	1,150,367	1,186,995
NET REVENUE AVAILABLE FOR DEBT SERVICE	653,014	175,076	166,614	650,346	493,560
DEBT SERVICE					
2012 Bonds	197,698	169,235	72,149	-	-
2021 Bonds	-	-	-	69,468	135,073
Total Debt Service	197,698	169,235	72,149	69,468	135,073
DEBT SERVICE COVERAGE RATIO	3.30	1.03	2.31	9.36	3.65
NET REVENUES AFTER DEBT SERVICE	455,316	5,841	94,465	580,878	358,488

Source: City of Coalinga

The following table presents the Projected Summary of Gross Revenues, Maintenance and Operation Costs and debt service coverage for the next five most recent fiscal years. Projections for fiscal year 2024-25 are based on projected revenues for the Wastewater System from the City's 2024-25 Budget, adopted _____, 2024.

While the City believes that these assumptions are reasonable, the City cannot guarantee that the Wastewater System's actual results will not differ. The projections in the following table do not include any capital projects planned by the Wastewater System.

Table 7
WASTEWATER SYSTEM
PROJECTED OPERATING RESULTS AND DEBT SERVICE COVERAGE

	Fiscal Year Ending June 30,				
	2025 Budgeted	2026 Projected	2027 Projected	2028 Projected	2029 Projected
REVENUES:					
Operating Revenue	$1,712,000	$1,712,000	$1,712,000	$1,712,000	$1,712,000
Investment Earnings	25,000	25,000	25,000	25,000	25,000
Rental Income & Misc	25,000	25,000	25,000	25,000	25,000
Total Revenues	$1,762,000	$1,762,000	$1,762,000	$1,762,000	$1,762,000
OPERATION & MAINTENANCE EXPENSES:					
PG&E	243,000	255,000	268,000	281,000	295,000
Solar Contribution	—	(155,000)	(162,000)	(170,000)	(178,000)
Personnel	600,000	618,000	637,000	656,000	676,000
Contractual Services and Utilities	250,000	258,000	266,000	274,000	282,000
Supplies and Material	250,000	258,000	266,000	274,000	282,000
Bad Debt	12,000	12,000	12,000	12,000	12,000
Total Expenses	1,355,000	1,246,000	1,287,000	1,327,000	1,369,000
NET INCOME AVAILABLE FOR DEBT SERVICE	407,000	516,000	475,000	435,000	393,000
DEBT SERVICE					
2021A Bonds	134,037	133,190	137,203	135,928	134,503
2024 Bonds (1)	-	148,503	155,500	155,500	155,500
Total Debt Service (1)	134,037	281,693	292,703	291,428	290,003
DEBT SERVICE COVERAGE RATIO (1)	3.04x	1.83x	1.62x	1.49x	1.36
NET REVENUE AFTER DEBT SERVICE (1)	272,964	234,308	182,298	143,573	102,998

Source: City of Coalinga
(1) Preliminary, subject to change.

GENERAL CITY INFORMATION APPLICABLE TO THE WASTEWATER SYSTEM

Enterprise Reserve Policies

On January 21, 2021, the City Council of the City approved an Reserve Policy that provides for the establishment of a reserve targets of 6 months of average monthly general fund operating expenditures. On August 1, 2024, the Reserve Policy was amended to provide for a reserve target of 6 months of average monthly Wastewater Fund operating expenditures which is intended to assure adequate reserves for ongoing needs and provide a back-up for revenue shortfalls due to economic uncertainties.

Risk Management

The City is a member of the Public Agency Risk Sharing Authority for California ("PARSAC"), a public entity risk pool in which there is a transferring (sharing) of risk among the pool participants. The City pays an annual premium to PARSAC for its general liability coverage. PARSAC is self-sustaining through member premiums. The City is insured under a retrospectively rated policy in which the initial premium is adjusted based on actual experience during the period of coverage. The City is responsible for all claims up to $25,000 per occurrence for general and auto liability with a coverage limit at June 30, 2014 of $975,000.

The City's risk management program also includes fire, property and automobile insurance. The coverage includes an all risk-replacement cost blanket. Additionally, the City has property insurance coverage up to $975,000 per occurrence.

The City provides worker's compensation and employer's liability coverage on all employees through PARSAC. This insurance is paid entirely by the City. All premiums are paid by the appropriate fund designation for each employee's salary and benefits. In the risk management program for the City, a proactive approach is taken toward work safety for employees. Various training sessions and inspections are conducted throughout the year. The result has been a continued reduction of work-related injury claims.

See APPENDIX B— AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023, Note 12.

Employee Pension Plans

The Wastewater System pays an allocable portion of the City's administrative expenses, including employee compensation and benefits from their respective Net Revenues. The table below shows the City's contribution to the CalPERS Miscellaneous plans (discussed below), and the amounts allocated to the Wastewater System for the years shown:

CONTRIBUTION TO CALPERS MISCELLANEOUS PLANS AND ALLOCATION TO WASTEWATER SYSTEM

Fiscal Year Ended June 30,	City Contribution To CalPERS Misc Plans	Amount Allocated To Wastewater System	Wastewater System Allocation
2020	239,528		
2021	224,127		
2022	270,740		
2023	291,740		
2024[(1)]			

Source: City of Coalinga.
(1) Estimated

General Information about the City's CalPERS Plans. All qualified permanent and probationary employees are eligible to participate in either (1) the City's Miscellaneous Plan, an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System ("CalPERS"), which acts as a common investment and administrative agent for its participating member employers, or (2) the City's Safety Plan, a cost-sharing multiple employer defined benefit pension plan administered by CalPERS. They may be collectively referred to as the "Plans" or individually as a "Plan". Benefit provisions under the Plans are established by State statute and City resolutions. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 to 62 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five (5) years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Contributions. Section 20814(c) of the California Public Employees' Retirement Law ("PERL") requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

Net Pension Liability. The City's net pension liability for both Plans is measured as the total pension liability, less the plan's fiduciary net position. As of June 30, 2020, the City reported an estimated net pension liability for its Miscellaneous Plans of $290,630 and an estimated net pension liability for its Safety Plans of $471,246. The Wastewater System's portion of the City's total net pension liability as of June 30, 2020, is an estimated $72,047.

For more information, including actuarial assumptions, a discussion of the discount rate used, and schedules of funding progress for the Wastewater System's various pension plans, see APPENDIX B—AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023, NOTE 11.

Recent Actions Taken by CalPERS. At its April 17, 2013, meeting, CalPERS' Board of Administration (the "Board of Administration") approved a recommendation to change the CalPERS amortization and smoothing policies. Prior to this change, CalPERS employed an amortization and smoothing policy that spread investment returns over a 15-year period with experience gains and losses paid for over a rolling 30-year period. As a result, CalPERS now employs an amortization and smoothing policy that will pay for all gains and losses over a 20-year period with a five-year ramp-up, and five-year ramp-down, period. The new amortization and smoothing policy was used for the first time in the June 30, 2013 actuarial valuations in setting employer contribution rates for fiscal year 2015-16.

On February 18, 2014, the Board of Administration approved new demographic actuarial assumptions based on a 2013 study of recent experience. The largest impact, applying to all benefit groups, is a new 20-year mortality projection reflecting longer life expectancies and that longevity will continue to increase. Because retirement benefits will be paid out for more years, the cost of those benefits will increase as a result. The Board of Administration also assumed earlier retirements for Police 3%@50, Fire 3%@55, and Miscellaneous 2.7%@55 and 3%@60, which will increase costs for those groups. As a result of these changes, rates increased beginning in fiscal year 2016-17 (based on the June 30, 2014 valuation) with full impact in fiscal year 2020-21.

On November 18, 2015, the Board of Administration adopted a funding risk mitigation policy intended to incrementally lower its discount rate – its assumed rate of investment return – in years of good investment returns, help pay down the pension fund's unfunded liability, and provide greater predictability and less volatility in contribution rates for employers. The policy establishes a mechanism to reduce the discount rate by a minimum of 0.05 percentage points to a maximum of 0.25 percentage points in years when investment returns outperform the existing discount rate, currently 7.5%, by at least four percentage points. CalPERS staff modeling anticipates the policy will result in a lowering of the discount rate to 6.5% in about 21 years, improve funding levels gradually over time and cut risk in the pension system by lowering the volatility of investment returns. More information about the funding risk mitigation policy can be accessed through CalPERS' web site at the following website address: https://www.calpers.ca.gov/page/newsroom/calpers-news/2015/adopts-funding-risk-mitigation-policy. *The reference to this Internet website is provided for reference and convenience only. The information contained within the website may not be current, has not been reviewed by the City or the Underwriter and is not incorporated in this Official Statement by reference.*

On December 21, 2016, the Board of Administration voted to lower its discount rate from the current 7.5% to 7.0% over the next three years according to the following schedule.

Fiscal Year	Discount Rate
2017-18	7.375%
2018-19	7.250
2019-20	7.000

For public agencies like the City, the new discount rate took effect on July 1, 2019. As the discount rate is decreased employers that contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013, under

the Public Employees' Pension Reform Act will also see their contribution rates rise. The three-year reduction of the discount rate will result in average employer rate increases of about 1% to 3% of normal cost as a percent of payroll for most miscellaneous retirement plans, and a 2% to 5% increase for most safety plans. Additionally, many CalPERS employers will see a 30 to 40% increase in their current unfunded accrued liability payments. These payments are made to amortize unfunded liabilities over 20 years to bring the pension fund to a fully funded status over the long-term.

PERS Amortization Period Reform. On February 13, 2018 the CalPERS Board voted to shorten the period over which actuarial gains and losses are amortized from 30 years to 20 years for new pension liabilities. The new 20-year amortization period begins with new gains or losses accrued starting with the June 30, 2019 actuarial valuations. The first payments on the new 20-year amortization schedule will take place in 2021.

A shorter amortization period will increase annual Unfunded Accrued Liability ("UAL") contributions for cities that participate in CalPERS so long as CalPERS remains underfunded. The shortened amortization period will also lead to reductions of periods of negative amortization of the UAL, interest cost savings, and faster recoveries of funded status after market downturns.

Cities that participate in CalPERS will also see additional volatility in their future UAL contributions due to market performance as gains or losses will be amortized faster under the new amortization period.

The City cannot currently estimate the impact the shorter amortization period will have on its required contributions to CalPERS.

COVID-19 Impacts on CalPERS Contributions. The outbreak of COVID-19 has caused volatility in the financial markets in the United States and globally resulting in significant declines and speculation of a national and global recession. The City expects that the impacts of COVID-19 will cause its required CalPERS contributions to increase in future years.

Other Post-Employment Benefits

Plan Description. The City offers medical, dental, vision, chiropractic and prescription insurance coverage, as well as group life insurance coverage, to employees and their dependents. Additionally, the City offers an employee assistance program to assist employees and their families with problem assessment and short-term counseling needs. The City pays a portion of premiums in connection with the insurance coverage offered by the City.

The Wastewater System pays an allocable portion of any City OPEB expenses from Net Revenues.

For additional information about the City's OPEB, see APPENDIX B— AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023, NOTE 10.

INVESTMENT OF CITY FUNDS

Revenues collected by the City will be held and invested by the City in accordance with the provisions of the Indenture.

Funds held by the City, including Wastewater System moneys, are invested in accordance with the City's Statement of Investment Policy (the "Investment Policy") prepared by the Financial Services Director as authorized by section 53601 of the Government Code of California. The Investment Policy is submitted to the City Council annually. The Investment Policy allows for the purchase of a variety of securities and provides for limitations as to exposure, maturity and rating which vary with each security type. The composition of the portfolio will change over time as old investments mature, or are sold, and as new investments are made. Invested funds are managed to insure preservation of capital through high quality investments, maintenance of liquidity and then yield. Further, operating funds may not be invested in any investment with a maturity greater than five years. The City has never invested in derivatives or reverse repurchase agreements and such investments and instruments are not allowed by City policy.

For more information about the City's investment policy, see APPENDIX C—CITY INVESTMENT POLICY.

CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND FEES

Under the California Constitution, the power of initiative is reserved to the voters for the purpose of enacting statutes and constitutional amendments. In the past, the voters have exercised this power from time to time, including through the adoption of Propositions 13 and 218.

From time to time other State and local initiative measures could be adopted, affecting the ability of the City to increase revenues and to increase appropriations.

Article XIIIA

On June 6, 1978, California voters approved Proposition 13, which added Article XIIIA to the California Constitution ("Article XIIIA"). Article XIIIA limits the maximum ad valorem tax on real property to 1% of full cash value thereof, except that additional ad valorem taxes may be levied to pay debt service on indebtedness approved by voters prior to July 1, 1978 and (as a result of an amendment to Article XIIIA approved by California voters on June 3, 1986) on bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters voting on such indebtedness. Article XIIIA defines full cash value to mean "the County Assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value," or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIIIA has subsequently been amended to permit reduction of the full cash value based in the event of declining property values caused by damage, destruction, or other factors and to provide that there would be no increase in the full cash value base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

Article XIIIB

Article XIIIB of the California State Constitution limits the annual appropriations of the State and of any city, county, school district, authority or other political subdivision of the State to the level of appropriations of the particular governmental entity for the prior fiscal year, as adjusted for changes in the cost of living and population. The "base year" for establishing such appropriations limit is the 1978-79 fiscal year and the limit is to be adjusted annually to reflect changes in population and consumer prices. Adjustments in the appropriations limit of an entity may also be made if (i) the financial responsibility for a service is transferred to another public entity or to a private entity, (ii) the financial sources for the provision of services is transferred from taxes to other revenues, or (iii) the voters of the entity approve a change in the limit for a period of time not to exceed four years.

Appropriations subject to Article XIIIB generally include the proceeds of taxes levied by the State or other entity of local government, exclusive of certain State subventions and refunds of taxes. "Proceeds of taxes" include, but are not limited to, all tax revenues and the proceeds to an entity of government from (i) regulatory licenses, user charges, and user fees (but only to the extent such proceeds exceed the cost of providing the service or regulation), and (ii) the investment of tax revenues. Article XIIIB includes a requirement that if an entity's revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years. Certain expenditures are excluded from the appropriations limit including payments of indebtedness existing or legally authorized as of January 1, 1979, or of bonded indebtedness thereafter approved by the voters and payments required to comply with court or federal mandates which without discretion require an expenditure for additional services or which unavoidably make the providing of existing services more costly.

Proposition 218

General. On November 5, 1996, California voters approved Proposition 218, the so-called "Right to Vote on Taxes Act." Proposition 218 added Articles XIIIC and XIIID to the State Constitution, which affect the ability of local governments to levy and collect both existing and future taxes, assessments, and property-related fees and charges. Proposition 218, which generally became effective on November 6, 1996, changed, among other things, the procedure for the imposition of any new or increased property-related "fee" or "charge," which is defined as "any levy other than an *ad valorem* tax, a special tax or an assessment, imposed by a [local government] upon a parcel or upon a person as an incident of property ownership, including user fees or charges for a property related service" (and referred to in this section as a "property-related fee or charge").

Specifically, under Article XIIID, before a municipality may impose or increase any property-related fee or charge, the entity must give written notice to the record owner of each parcel of land affected by that fee or charge. The municipality must then hold a hearing upon the proposed imposition or increase at least 45 days after the written notice is mailed, and, if a majority of the property owners of the identified parcels present written protests against the proposal, the municipality may not impose or increase the property-related fee or charge.

Further, under Article XIIID, revenues derived from a property-related fee or charge may not exceed the funds required to provide the "property-related service" and the entity may not use such fee or charge for any purpose other than that for which it imposed the fee or charge. The amount of a property-related fee or charge may not exceed the proportional cost of the service attributable to the parcel, and no

property-related fee or charge may be imposed for a service unless that service is actually used by, or is immediately available to, the owner of the property in question.

In addition, Article XIIIC provides that "the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge. The power of initiative to affect local taxes, assessments, fees and charges shall be applicable to all local governments and neither the Legislature nor any local government charter shall impose a signature requirement higher than that applicable to statewide statutory initiatives."

Judicial Interpretation of Proposition 218. After Proposition 218 was enacted in 1996, appellate court cases and an Attorney General opinion initially indicated that fees and charges levied for water and sewer services would not be considered property-related fees and charges, and thus not subject to the requirements of Article XIIID regarding notice, hearing and protests in connection with any increase in the fees and charges being imposed. However, three recent cases have held that certain types of water and sewer charges could be subject to the requirements of Proposition 218 under certain circumstances.

In *Richmond v. Shasta Community Services District* (9 Cal. Rptr. 3rd 121), the California Supreme Court addressed the applicability of the notice, hearing and protest provisions of Article XIIID to certain charges related to water service. In *Richmond*, the Court held that connection charges are not subject to Proposition 218. The Court also indicated in dictum that a fee for ongoing water service through an existing connection could, under certain circumstances, constitute a property-related fee and charge, with the result that a local government imposing such a fee and charge must comply with the notice, hearing and protest requirements of Article XIIID.

In *Howard Jarvis Taxpayers Association v. City of Fresno* (March 23, 2005), the California Court of Appeal, Fifth District, concluded that water, sewer and trash fees are property-related fees subject to Proposition 218 and a municipality must comply with Article XIIID before imposing or increasing such fees. The California Supreme Court denied the City of Fresno's petition for review of the Court of Appeal's decision on June 15, 2005.

In July 2006 the California Supreme Court, in *Bighorn-Desert View Wastewater Agency v. Verjil* (39 Cal. 4th 205), addressed the validity of a local voter initiative measure that would have (a) reduced a water agency's rates for water consumption (and other water charges), and (b) required the water agency to obtain voter approval before increasing any existing water rate, fee, or charge, or imposing any new water rate, fee, or charge. The court adopted the position indicated by its statement in *Richmond* that a public water agency's charges for ongoing water delivery are "fees and charges" within the meaning of Article XIIID, and went on to hold that charges for ongoing water delivery are also "fees" within the meaning of Article XIIIC's mandate that the initiative power of the electorate cannot be prohibited or limited in matters of reducing or repealing any local tax, assessment, fee or charge. Therefore, the court held, Article XIIIC authorizes local voters to adopt an initiative measure that would reduce or repeal a public agency's water rates and other water charges. (However, the court ultimately ruled in favor of the water agency and held that the entire initiative measure was invalid on the grounds that the second part of the initiative measure, which would have subjected future water rate increases to prior voter approval, was not supported by Article XIIIC and was therefore invalid.)

The court in *Bighorn* specifically noted that it was not holding that the initiative power is free of all limitations; the court stated that it was not determining whether the electorate's initiative power is subject to the statutory provision requiring that water service charges be set at a level that will pay for operating

expenses, provide for repairs and depreciation of works, provide a reasonable surplus for improvements, extensions, and enlargements, pay the interest on any bonded debt, and provide a sinking or other fund for the payment of the principal of such debt as it may become due.

Current Practice Regarding Rates and Charges. The City's practice has been to provide public notice of proposed water rate increases through means that include, among others, holding informational presentations at community group meetings, mailings to residential and commercial customers of public hearings on rate increases, and press releases and media campaigns regarding rate increases, followed by public hearings conducted by the City Council. The most recent rate increase was enacted by the City in strict compliance with the procedures mandated by Proposition 218 and *Bighorn*.

Conclusion. It is not possible to predict how courts will further interpret Article XIIIC and Article XIIID in future judicial decisions, and what, if any, further implementing legislation will be enacted. Under the *Bighorn* case, local voters could adopt an initiative measure that reduces or repeals the City's rates and charges, though it is not clear whether (and California courts have not decided whether) any such reduction or repeal by initiative would be enforceable in a situation in which such rates and charges are pledged to the repayment of bonds or other indebtedness. There can be no assurance that the courts will not further interpret, or the voters will not amend, Article XIIIC and Article XIIID to limit the ability of local agencies to impose, levy, charge and collect increased fees and charges for sewer, or to call into question previously adopted sewer rate increases.

Effect of Proposition 218 on the City; Possible Limitations on Enforcement Remedies.

The general financial condition of the City may be affected by provisions of Article XIIIC and Article XIIID. In particular, provisions of Article XIIIC (i) require taxes for general governmental purposes to be approved by a majority vote and taxes for specific purposes, even if deposited into the General Fund, to be approved by two-thirds vote, (ii) require any general purpose tax which the City imposed, extended or increased, without voter approval, after December 31, 1994, to be approved by majority vote on November 5, 1998 and (iii) provide that all taxes, assessments, fees and charges are subject to reduction or repeal at any time through the initiative process, subject to overriding constitutional principles relating to the impairment of contracts. Provisions of Article XIIID that affect the ability of the City to fund certain services or programs that it may be required or choose to fund include (i) adding notice, hearing, protest and, in some cases, voter approval requirements to impose, increase or extend certain assessments, fees and charges and (ii) adding stricter requirements for finding individualized benefits associated with such levies.

The ability of the City to comply with its covenants under the Installment Sale Agreement and to generate Net Revenues sufficient to pay the Installment Payments and, therefore, the principal of and interest on the Bonds may be adversely affected by actions and events outside of the control of the City and may be adversely affected by actions taken (or not taken) under Article XIIIC or Article XIIID by voters, property owners, taxpayers or payers of assessments, fees and charges. Furthermore, any remedies available to the owners of the Bonds upon the occurrence of an event of default under the Installment Sale Agreement are in many respects dependent upon judicial actions which are often subject to discretion and delay and could prove both expensive and time consuming to obtain. In addition to the possible limitations on the ability of the City to comply with its covenants under the Installment Sale Agreement, the rights and obligations under the Bonds and the Indenture may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against cities in the State of California.

Based on the foregoing, in the event the City fails to comply with its covenants under the Installment Sale Agreement, including its covenants to generate sufficient Net Revenues, as a consequence of the application of Article XIIIC and Article XIIID, or to pay principal of or interest on the Bonds, there can be no assurance that available remedies will be adequate to fully protect the interests of the holders of the Bonds.

Proposition 26

On November 2, 2010, State voters approved Proposition 26 which amended certain sections of Article XIIIC. The proposition attempts to define "tax" as used within Article XIIIC as "any levy, charge, or exaction of any kind imposed by a local government, *except* the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIII D." The local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.

The foregoing discussion of Proposition 218 and Proposition 26 should not be considered an exhaustive or authoritative treatment of the provisions of such propositions or the possible effects of Proposition 218 and Proposition 26. Interim rulings, final decisions, legislative proposals and legislative enactments affecting Proposition 218 and Proposition 26 may impact the City's ability to make debt service payments on the Bonds. The City does not expect to be in a position to control the consideration or disposition of these issues and cannot predict the timing or outcome of any judicial or legislative activity related to these issues.

Future Initiatives

Articles XIIIC, XIIID and Proposition 26 were adopted as measures that qualified for the ballot pursuant to California's initiative process. From time to time other initiatives could be proposed and adopted affecting Net Revenues or the City's ability to increase its rates for water service. See "Proposition 218" above. The California constitution, Article XIIID, Section 5(c), specifically recognizes that any assessment existing on the effective date (of Article XIIID) shall be exempt from the procedures and approval process set forth in Article 4, to wit: "….(c) Any assessment the proceeds of which are exclusively used to repay bonded indebtedness of which the failure to pay would violate the Contract Impairment Clause of the Constitution of the United States."

RISK FACTORS RELATING TO THE BONDS

Payment by the City of the Installment Payments and, therefore, of principal of and interest on the Bonds, depends primarily upon the Net Revenues derived from operation of the Wastewater System. Some of the events which could affect the revenues received by the Wastewater System are set forth below. The following discussion of risks is not meant to be an exhaustive list of the risks associated with the purchase of the Bonds and the order in which the risks are discussed does not necessarily reflect the relative importance of the various risks.

Limited Obligations

The Installment Payments are limited obligations of the City and are not secured by a legal or equitable pledge or charge or lien upon any property of the City or any of its income or receipts, except the Net Revenues. The obligation of the City to pay debt service on the Bonds from Net Revenues does not constitute an obligation of the City to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation.

The City is obligated under the Installment Sale Agreement to make Installment Payments solely from Net Revenues. There is no assurance that the City can succeed in operating the Wastewater System such that the Net Revenues in the future will be sufficient for that purpose.

Maintenance and Operation Costs

There can be no assurance that the City's expenses for the Wastewater System will be consistent with the descriptions in this Official Statement. Changes in technology, changes in quality standards, loss of large customers, increased or decreased development, increases in the cost of operation, or other expenses could require increases in rates or charges in order to comply with the City's rate covenants in the Installment Sale Agreement.

Limited Recourse on Default

Failure by the City to make Installment Payments constitutes an event of default under the Installment Sale Agreement and the Trustee is permitted to pursue remedies at law or in equity to enforce the City's obligation to make such payments. Although the Trustee has the right to accelerate the total unpaid principal amount of the Installment Payments, there is no assurance that the City would have sufficient funds to pay the accelerated amounts.

Limitations on Remedies

The ability of the City to comply with its covenants under the Installment Sale Agreement and to generate Net Revenues sufficient to pay the Installment Payments and, therefore, of principal of and interest on the Bonds, may be adversely affected by actions and events outside of the control of the City and may be adversely affected by actions taken (or not taken) by voters, property owners, taxpayers or persons obligated to pay assessments, fees and charges. Furthermore, the remedies available to the owners of the Bonds upon the occurrence of an event of default under the Installment Sale Agreement are in many respects dependent upon judicial actions which are often subject to discretion and delay and could prove both expensive and time consuming to obtain.

Initiatives

In recent years several initiative measures have been proposed or adopted which affect the ability of local governments to increase taxes and rates. There is no assurance that the electorate or the State legislature will not at some future time approve additional limitations which could affect the ability of the City to implement rate increases which could reduce Net Revenues and adversely affect the security for the Bonds. See CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND FEES—Proposition 218."

Bankruptcy

The rights and remedies provided in the Installment Sale Agreement and the Indenture may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of California. The various opinions of counsel to be delivered with respect to the Bonds, the Installment Sale Agreement and the Indenture, including the opinions of Bond Counsel, will be similarly qualified. If the City were to file a petition under Chapter 9 of the Bankruptcy Code, the Owners of the Bonds and the City could be prohibited from taking any steps to enforce their rights under the Indenture.

Additional Obligations

The Installment Sale Agreement permits the incurrence of obligations by the City secured by Net Revenues on a parity basis or a subordinate basis to the Installment Sale Agreement. Such additional obligations would increase debt service payable from Net Revenues and could adversely affect debt service coverage with respect to the Bonds. In such event, however, the rate covenant in the Installment Sale Agreement will remain in effect. See "SECURITY FOR THE BONDS—Rates, Fees and Charges."

Seismic Considerations

The City, like much of California, is subject to seismic activity that could result in interference with operation of the Wastewater System. There are several major active fault zones transecting the County that could cause "strong ground motion" at the site of the various facilities constituting the Wastewater System during their useful life. If there were to be an occurrence of severe seismic activity in the area of the City, there could be an interruption in the service provided by the Wastewater System resulting in a temporary reduction in the amount of Net Revenues available to pay the Installment Payments and, therefore, the principal of and interest on the Bonds when due.

Drought and Climate Change

Indications of climate change have been observed over the last several decades throughout California. Statewide average temperatures have increased by about 1.7°F from 1895 to 2011, with the greatest warming in the Sierra Nevada. Although the State's weather has followed the expected pattern of a largely Mediterranean climate throughout the past century, no consistent trend in the overall amount of precipitation has been detected, except that a larger proportion of total precipitation is falling as rain instead of snow.

Cybersecurity

The City relies on computers and technology to conduct its operations, including the operation of the Wastewater System. The City and its departments face cyber threats from time to time including, but not limited to, hacking, viruses, malware and other forms of technology attacks. While no network is completely immune from all possible compromise, the City exercises its due diligence in protecting the data it possesses and the systems it operates. To date, there have been no significant cyber-attacks on the City's computers and technologies.

While the City is routinely maintaining its technology systems and continuously implementing new information security controls, no assurances can be given that the City's security and operational control measures will be successful in guarding against all cyber threats and attacks. The results of any attack on the City's computer and technology could negatively impact the City's operations and the operation of the Wastewater System, and the costs related to such attacks could be substantial.

Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that any Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

Risks Relating to the Municipal Bond Insurance Policy

In the event of default of the payment of principal of interest on the Bonds when all or some becomes due, any owner of the Bonds shall have a claim under the Municipal Bond Insurance Policy for such payments. The Municipal Bond Insurance Policy do not insure against redemption premium, if any. The payment of principal of interest in connection with mandatory sinking fund or optional prepayment of the Bonds by the Authority which is recovered by the Authority from the Owner as a voidable preference under applicable bankruptcy law is covered by the Municipal Bond Insurance Policy, however, such payments will be made by the Municipal Bond Insurer at such time and in such amounts as would have been due absence such prepayment by the Authority unless the Municipal Bond Insurer chooses to pay such amounts at an earlier date.

The Municipal Bond Insurer may direct and must consent to any remedies and the Municipal Bond Insurer's consent may be required in connection with amendments to any applicable legal documents.

In the event the Municipal Bond Insurer is unable to make payment of principal and interest as such payments become due under the Municipal Bond Insurance Policy, the Bonds are payable solely from the moneys received pursuant to the applicable legal documents. In the event the Municipal Bond Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Municipal Bond Insurer and its claim paying ability. The financial strength and claims paying ability of the Municipal Bond Insurer are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Municipal Bond Insurer and of the ratings on the Bonds will not be subject

to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See "RATINGS."

The obligations of the Municipal Bond Insurer are general obligations of the Municipal Bond Insurer and in an event of default by the Municipal Bond Insurer, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

None of the Authority, the City or the Underwriter has made independent investigation into the claims paying ability of the Municipal Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Municipal Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the City to make the Installment Payments and the claims paying ability of the Municipal Bond Insurer, particularly over the life of the investment.

LEGAL MATTERS

All legal matters in connection with the issuance, sale and delivery of the Bonds are subject to the approval of Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Bond Counsel. Bond Counsel's opinion with respect to the Bonds will be substantially in the form set forth in APPENDIX E—FORM OF FINAL OPINION OF BOND COUNSEL. Certain legal matters will also be passed on for the Authority and the City by Stradling Yocca Carlson & Rauth LLP, Newport Beach, as Disclosure Counsel, and for the Authority and the City by Giswold, LaSalle, Cobb, Dowd & Gin, LLP, Hanford, California, Authority Counsel and City Attorney. Certain matters will be passed upon for the Underwriter by Kutak Rock LLP, Irvine, California. The fees and expenses of Special Counsel, Disclosure Counsel and counsel to the Underwriter are contingent upon the issuance and delivery of the Bonds.

ABSENCE OF LITIGATION

At the time of delivery of and payment for the Bonds, the City and the Authority will certify that there is no action, suit, proceedings, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, pending or, to the knowledge of the City and the Authority, threatened against the City or the Authority affecting the existence of the City or the Authority or the titles of its officers to their respective offices or seeking to restrain or to enjoin the sale or delivery of the Bonds, the application of the proceeds thereof in accordance with the Indenture, or in any way contesting or affecting the validity or enforceability of the Bonds, the Indenture, the Installment Sale Agreement, or the pledge of Net Revenues thereunder, or any action of the City or the Authority contemplated by any of said documents, or in any way contesting the completeness or accuracy of this Official Statement or any amendment or supplement thereto, or contesting the powers of the City or the Authority with respect to the Bonds or any action of the City or the Authority contemplated by any of said documents, nor to the knowledge of the City or the Authority, is there any basis therefor.

RATINGS

Moody's Investors Service ("Moody's) is expected to assign the rating of "AA" (stable outlook) to the Bonds based on the issuance of the Municipal Bond Insurance Policy by the Municipal Bond Insurer

at the time of delivery of the Bonds. See "MUNICIPAL BOND INSURANCE." In addition, Moody's has assigned the underlying rating of "____" to the Bonds without regard to the issuance of the Municipal Bond Insurance Policy. These ratings reflect only the views of Moody's and an explanation of the significance of such rating may be obtained from Moody's. There is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by Moody's, if in the judgment of the Moody's, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

CONTINUING DISCLOSURE

The City has covenanted for the benefit of Bond Owners and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Wastewater System by not later than nine months following the end of the City's fiscal year (currently ending June 30) (the "Annual Report"), commencing with the report for the fiscal year ended June 30, 2024, and to provide notices of the occurrence of certain enumerated events. The Annual Report and the notices of enumerated events will be filed by the City with the Municipal Securities Rulemaking Board through the Electronic Municipal Access (EMMA) System. The specific nature of the information to be contained in the Annual Report or the notices of material events is summarized below under the caption APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE. These covenants have been made in order to assist the Underwriter in complying with the Rule.

In the last five years, the City was obligated to file financial information and operating data with respect to the following issues:

TAX MATTERS

Federal tax law contains a number of requirements and restrictions which apply to the Certificates, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The City has covenanted to comply with all requirements that must be satisfied in order for the interest with respect to the Certificates to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest with respect to the Certificates to become includible in gross income for federal income tax purposes retroactively to the date of delivery of the Certificates.

Subject to compliance by the City with certain covenants, in the opinion of Special Counsel, under present law, interest with respect to the Certificates is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax under the Internal Revenue Code of 1986, as amended (the "Code"). Interest with respect to the Certificates may affect the corporate alternative minimum tax for certain corporations.

In rendering its opinion, Special Counsel will rely upon certifications of the City with respect to certain material facts within the City's knowledge. Special Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Certificates may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Certificates should consult their tax advisors as to applicability of any such collateral consequences.

The issue price for original issue discount (as further discussed below) and market discount purposes (the "OID Issue Price") for each maturity of the Certificates is the price at which a substantial amount of such maturity of the Certificates is first sold to the public (excluding bond houses and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the Certificates may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

If the OID Issue Price of a maturity of the Certificates is less than the principal amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the Certificates (the "OID Certificates") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Certificate in the initial public offering at the OID Issue Price for such maturity and who holds such OID Certificate to its stated maturity, subject to the condition that the City complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Certificate constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Certificate at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals under the Code; and (d) the accretion of original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Owners of OID Certificates should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Certificates.

Owners of Certificates who dispose of Certificates prior to the stated maturity (whether by sale, redemption or otherwise), purchase Certificates in the initial public offering, but at a price different from the OID Issue Price or purchase Certificates subsequent to the initial public offering should consult their own tax advisors.

If a Certificate is purchased at any time for a price that is less than the Certificate's stated redemption price at maturity or, in the case of an OID Certificate, its OID Issue Price plus accreted original issue discount reduced by payments of interest included in the computation of original issue discount and previously paid (the "Revised Issue Price"), the purchaser will be treated as having purchased a Certificate with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Certificate is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Certificate for

a price that is less than its Revised Issue Price even if the purchase price exceeds par. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Certificate. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Certificates.

An investor may purchase a Certificate at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Certificate in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Certificate. Investors who purchase a Certificate at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Certificate's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Certificate.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Certificates. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to Certificates delivered prior to enactment. Prospective purchasers of the Certificates should consult their own tax advisors regarding any pending or proposed federal tax legislation. Special Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Certificates. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the Owners may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Certificates until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Certificates, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Certificate owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Certificate owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

In the further opinion of Special Counsel, interest with respect to the Certificates is exempt from California personal income taxes.

Ownership of the Certificates may result in other State and local tax consequences to certain taxpayers. Special Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Certificates. Prospective purchasers of the Certificates should consult their tax advisors regarding the applicability of any such State and local taxes.

The complete text of the final opinion that Special Counsel expects to deliver upon the delivery of the Certificates is set forth in APPENDIX E—FORM OF OPINION OF SPECIAL COUNSEL.

UNDERWRITING

The Bonds are being purchased by Oppenheimer & Co. Inc. (the "Underwriter") at a price of $_____ (consisting of the $_____ principal amount of the Bonds, plus a net original issue premium of $_____, and less $_____ of Underwriter's discount). The Underwriter may offer and sell the Bonds to certain dealers and others at prices different from the prices stated on the inside cover page of this Official Statement. The offering prices may be changed from time to time by the Underwriter.

MUNICIPAL ADVISOR

The City has entered into an agreement with Wulff Hansen & Co. (the "Municipal Advisor"), whereunder the Municipal Advisor is providing municipal advisory services to the City with respect to preparation and sale of the Bonds. The Municipal Advisor has read and participated in the drafting of certain portions of this Official Statement. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the City with respect to accuracy and completeness of disclosure of such information, and the Municipal Advisor makes no guaranty, warranty or other representation respecting accuracy and completeness of the Official Statement or any other matter related to the Official Statement. The compensation of the Municipal Advisor is contingent upon the sale of the Bonds.

FINANCIAL STATEMENTS

The City's financial statements for the fiscal year ended June 30, 2023, included in APPENDIX B—AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023, have been audited by the City's Auditor, as stated in its reports appearing in such appendix. The City's auditor has not undertaken to update its reports or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the City's Auditor with respect to any event subsequent to its report.

OTHER INFORMATION

All summaries and explanations of the Act, the Indenture, the Installment Sale Agreement and the other documents referred to herein are qualified in their entirety by reference to the Act and such documents and references herein to the Bonds are qualified in their entirety by reference to the form thereof included in the Indenture.

Any statements in this Official Statement involving matters of opinion are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority and the purchasers or owners of the Bonds.

Copies of the Indenture and the Installment Sale Agreement are available for inspection at the Principal Corporate Trust Office of the Trustee.

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion, assumptions, projections, anticipated events or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and actual results may differ substantially from those set forth herein. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the owners of the Bonds.

The summaries of certain provisions of the Bonds, statutes and other documents or agreements referred to in this Official Statement do not purport to be complete, and reference is made to each of them for a complete statement of their provisions. Copies are available for review by making requests to the City.

The Appendices are an integral part of this Official Statement and must be read together with all other parts of this Official Statement. The audited financial statements of the City, including a summary of significant accounting policies, for the fiscal year ended June 30, 2023, are contained in Appendix B.

The execution and delivery of this Official Statement have been duly authorized by the Authority and the City.

COALINGA PUBLIC FINANCING AUTHORITY

By _____
Executive Director

CITY OF COALINGA

By _____
City Manager

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APPENDIX A

GENERAL, ECONOMIC AND DEMOGRAPHIC INFOMRATION RELATING TO THE CITY AND THE COUNTY

The information in this section of the Official Statement is presented as general background data. The Installment Payments are payable solely from the net revenues of the Wastewater System and other sources as described in the Official Statement. The taxing power of the City of Coalinga (the "City"), the State of California (the "State"), or any political subdivision thereof is not pledged to the payment of the Bonds.

Although reasonable efforts have been made to include up-to-date information in this Appendix A, some of the information is not current due to delays in reporting of information by various sources. It should not be assumed that the trends indicated by the following data would continue beyond the specific periods reflected herein.

Introduction

The City. The City, incorporated on April 3, 1906, is located in Fresno County (the "County") and the western San Joaquin Valley, in central California. The City is located 52 miles (84 km) southwest of Fresno and sits at an elevation of 673 feet (205 m). The City currently occupies a land area of 6.61 square miles and serves a population of approximately 17,235. The City serves as a gateway to Sequoia National Forest, Giant Sequoia National Monument and Kings Canyon National Park.

The City's main industries are agriculture, oil and incarceration. The City is home to the Coalinga Oil Field, operated by Chevron and Aera Energy, the Guijarral Hills Oil Field, Pleasant Valley State Prison and Coalinga State Hospital. The City is also home to Harris Ranch, a major local cattle ranch that features a hotel, several restaurants and a gift shop for travelers.

The County. The county seat of the County is the city of Fresno, the fifth-largest city in California. The County covers an area of over 6,011 square miles. The County serves as a financial, trade, commercial and educational center for central California. The County is one of eight counties in California's central valley that account for one-half of California's agricultural production. In addition to an extensive highway and road system, several motor freight carriers and a railway network, the County is also home to Fresno Yosemite International Airport which provides both passenger and cargo services.

The County remained one of the leading agricultural counties in California and the nation. The number one crop in value was almonds followed by grapes. Fruit and nut crops provide approximately half of the gross agricultural production value followed by livestock. Major watercourses in the County are the San Joaquin, Kings River, Delta-Mendota Canal, Big Creek, Friant Kern Canal, Helm Canal and Madera Canal. It is bordered on the west by the Coast Range and on the east by the Sierra Nevada.

Population

The table below summarizes population of the City, the County, and the State of California for the last eight years.

CITY OF COALINGA, FRESNO COUNTY, and CALIFORNIA
Population

Year	City of Coalinga[1]	Fresno County	State of California
2016	16,541	984,202	39,131,307
2017	16,793	993,773	39,398,702
2018	16,527	1,003,012	39,519,535
2019	16,946	1,013,007	39,648,938
2020	17,177	1,020,292	39,782,870
2021	17,558	1,007,359	39,286,510
2022	17,327	1,009,790	39,078,674
2023	17,237	1,011,499	38,940,231

Source: California Department of Finance, E-4 Population Estimate for Cities, Counties, and the State, 2015-16 through 2022-23 with 2020 Census Benchmark.

(1) City of Coalinga population includes the population at the Pleasant Valley State Prison.

Employment

The following table summarizes historical employment and unemployment for the County, the State of California and the United States for the years 2015 through 2022:

FRESNO COUNTY, CALIFORNIA, and UNITED STATES
Civilian Labor Force, Employment, and Unemployment
(Annual Averages)

Year	Area	Labor Force	Employment	Unemployment	Unemployment Rate [1]
2015	Fresno County	444,200	398,900	45,300	10.2%
	California	18,981,800	17,798,600	1,183,200	6.2
	United States	157,130,000	148,834,000	8,296,000	5.3
2016	Fresno County	446,200	404,100	42,100	9.4
	California	19,102,700	18,065,000	1,037,700	5.4
	United States	159,187,000	151,436,000	7,751,000	4.9
2017	Fresno County	449,700	411,600	38,100	8.5
	California	19,312,000	18,393,100	918,900	4.8
	United States	160,320,000	153,337,000	6,982,000	4.4
2018	Fresno County	448,400	414,900	33,400	7.5
	California	19,398,200	18,582,800	815,400	4.2
	United States	162,075,000	155,761,000	6,314,000	3.9
2019	Fresno County	450,800	418,100	32,700	7.2
	California	19,411,600	18,627,400	784,200	4.0
	United States	163,539,000	157,538,000	6,001,000	3.7
2020	Fresno County	445,500	395,300	50,300	11.3
	California	18,821,200	16,913,100	1,908,100	10.1
	United States	160,742,000	147,795,000	12,947,000	8.1
2021	Fresno County	443,400	402,600	40,700	9.2
	California	18,923,200	17,541,900	1,381,200	7.3
	United States	161,204,000	152,581,000	8,623,000	5.3
2022[2]	Fresno County	453,200	424,300	28,900	6.4
	California	19,252,000	18,440,900	811,100	4.2
	United States	164,287,000	158,291,000	5,996,000	3.6

Source: California Employment Development Department, Monthly Labor Force Data for Counties, Annual Average 2015-22, and US Department of Labor.

(1) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures available in this table.

(2) Latest available full-year data.

Principal Employers in the County

The table below sets forth the ten largest principal employers in the County in 2023.

FRESNO COUNTY
Top 10 Industries
as of June 30, 2019

Employer	Employees	% of Total County Employment
Fresno Unified School District	14,593	3.18%
Community Medical Centers	10,300	2.25
Fresno County	8,980	1.96
Clovis Unified School District	7,945	1.73
California State University Fresno	5,233	1.14
City of Fresno	5,015	1.09
State Center Community College District	4,469	0.97
Children's Hospital of Central CA	4,170	0.91
Saint Agnes Medical	3,075	0.67
Kaiser Permanente Medical	2,950	0.51
Total Top 10	66,730	14.56%

Source: Fresno County 2022-23 ACFR.

Construction Activity

The following tables reflect the five-year history of building permit valuation for the City and the County:

CITY OF COALINGA
Building Permits and Valuation
(Dollars in Thousands)

	2018	2019	2020	2021	2022[(1)]
Permit Valuation:					
New Single-family	$ 9,696	$ 17,159	—	—	—
New Multi-family	—	—	—	—	$16,080
Res. Alterations/Additions	78	1,899	$410	$402	207
Total Residential	9,775	19,059	410	402	16,287
Total Nonresidential	19,749	2,830	429	5,817	2,218
Total All Building	29,524	21,890	839	6,219	18,506
New Dwelling Units:					
Single Family	42	70	—	—	—
Multiple Family	—	—	—	—	156
Total	42	70	0	0	156

FRESNO COUNTY
Building Permits and Valuation
(Dollars in Thousands)

	2018	2019	2020	2021)	2022[(1)]
Permit Valuation:					
New Single-family	$ 703,307	$ 770,423	$769,338	$889,657	$542,870
New Multi-family	67,589	87,818	183,382	53,429	171,092
Res. Alterations/Additions	47,115	41,033	30,839	57,187	39,525
Total Residential	818,012	899,275	983,560	1,000,273	753,488
Total Nonresidential	497,051	499,336	577,313	398,033	473,835
Total All Building	1,315,064	1,398,612	1,560,873	1,398,306	1,227,322
New Dwelling Units:					
Single Family	2,560	2,732	2,747	3,337	1,865
Multiple Family	290	689	653	398	1,235
Total	2,850	3,421	3,400	3,735	3,100

Source: Construction Industry Research Board: "Building Permit Summary."
Note: Columns may not sum to totals due to independent rounding.
(1) Latest available full year data.

Median Household Income

The following table summarizes the median household effective buying income for the City, the County, the State of California and the nation for the past five years.

CITY OF COALINGA, FRESNO COUNTY,
STATE OF CALIFORNIA AND UNITED STATES
Median Household Effective Buying Income

	2018	2019	2020	2021	2022
City of Coalinga	$ 47,528	$ 50,815	$ 53,279	$60,745	$58,875
Fresno County	46,028	48,980	48,681	57,777	58,117
California	62,637	65,870	67,956	77,058	77,175
United States	52,841	55,303	56,790	64,448	65,326

Source: Nielsen, Inc.

APPENDIX B

AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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APPENDIX C

CITY INVESTMENT POLICY

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APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS

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APPENDIX E

FORM OF FINAL OPINION OF BOND COUNSEL

[Letterhead of Stradling Yocca Carlson & Rauth LLP]

[Closing Date]

Board of Directors of the
Coalinga Public Financing Authority
155 West Durian
Coalinga, California 93210

OPINION: $_____Coalinga Public Financing Authority Wastewater Revenue Bonds, Series 2024 (Solar Project)

Members of the Board of Directors:

We have acted as bond counsel in connection with the delivery by the Coalinga Public Financing Authority (the "Authority") of $_____ aggregate principal amount of the bonds of the Authority designated the "Coalinga Public Financing Authority (Fresno County, California) Wastewater Revenue Bonds, Series 2024 (Solar Project)" (the "Bonds"), pursuant to the provisions of Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Law"), and pursuant to an indenture of trust, dated as of August 1, 2024 (the "Indenture"), by and between the Authority and Computershare Trust Company, N.A., as trustee, and a resolution of the governing body of the Authority adopted on August 1, 2024. The Bonds are secured by Revenues as defined in the Indenture, including installment payments (the "Installment Payments") made by the City of Coalinga (the "City") under an installment sale agreement, dated as of August 1, 2024 (the "Installment Sale Agreement"), by and between the Authority, as seller, and the City, as purchaser. We have examined the Law and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Authority and the City contained in the Indenture and the Installment Sale Agreement and in the certified proceedings, and upon other certifications furnished to us, without undertaking to verify the same by independent investigation.

Based upon our examination we are of the opinion, under existing law, that:

1. The Authority is a joint exercise of powers entity and public entity duly organized and existing under the laws of the State of California, with power to enter into the Indenture, to perform the agreements on its part contained therein and to issue the Bonds.

2. The Bonds constitute legal, valid and binding special obligations of the Authority enforceable in accordance with their terms and payable solely from the sources provided therefor in the Indenture.

3. The Indenture has been duly authorized, executed and delivered by the Authority and constitutes a legal, valid and binding obligation of the Authority enforceable against the Authority in accordance with its terms.

4. The Indenture establishes a valid first and exclusive lien on and pledge of the Revenues (as such term is defined in the Indenture) and other funds pledged thereby for the security of the Bonds, in accordance with the terms of the Indenture.

5. The Installment Sale Agreement has been duly approved by the Authority and constitutes the legal, valid and binding obligation of the Authority enforceable against the Authority in accordance with its terms.

6. The City is a municipal corporation duly organized and existing under the laws of the State of California, with power to enter into the Installment Sale Agreement and to perform the agreements on its part contained therein.

7. The Installment Sale Agreement has been duly authorized, executed and delivered by the City and constitutes the legal, valid and binding obligation of the City enforceable against the City in accordance with its terms.

8. The Installment Sale Agreement establishes a valid first and exclusive lien on and pledge of the Net Revenues (as such term is defined in the Indenture) and other funds pledged thereby for the security of the Installment Sale Agreement, in accordance with the terms of the Installment Sale Agreement.

9. Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, it should be noted that with respect to applicable corporations as defined in section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), interest (and original issue discount) with respect to the Bonds might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed on such corporations.

10. Interest (and original issue discount) on the Bonds is exempt from State personal income tax.

11. The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Bond (to the extent the redemption price at maturity is more than the issue price) constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bond owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bond owner will increase the Bond owner's basis in the applicable Bond. Original issue discount that accrues for the Bond owner is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and is exempt from State personal income tax.

12. The amount by which a Bond owner's original basis for determining loss on sale or exchange in the applicable Bond (generally the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium which must be amortized under section 171 of the Code;

such amortizable bond premium reduces the bond owner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of bond premium may result in a Bond owner realizing a taxable gain when a Bond is sold by the owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the owner.

The opinions expressed in paragraphs 9 and 11 above as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the Bonds are subject to the condition that the District complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to assure that such interest (and original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District has covenanted to comply with all such requirements. Except as set forth in paragraphs 9, 10, 11 and 12 above, we express no opinion as to any tax consequences related to the Bonds.

Certain agreements, requirements and procedures contained or referred to in the Bond Resolution and the Tax Certificate executed by the District with respect to the Bonds may be changed and certain actions may be taken or omitted, under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of counsel nationally recognized in the area of tax exempt obligations. We express no opinion as to the effect on exclusion from gross income for federal income tax purposes of the interest (and original issue discount) on any Bond if any such change occurs or action is taken or omitted upon advice or approval of bond counsel other than Stradling Yocca Carlson & Rauth LLP

The opinions expressed herein and the exclusion of interest on the Bonds from gross income for federal income tax purposes may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. Our engagement as bond counsel to the District terminates upon the issuance of the Bonds.

With respect to the opinions expressed herein, the enforceability of the Installment Sale Agreement is subject to the limitations on the imposition of certain fees and charges by the City related to its municipal water systems under Articles XIIIC and XIIID of the California Constitution. In addition, the rights of the owners of the Bonds and the enforceability of the Bonds and the Indenture may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and also may be subject to the exercise of judicial discretion in accordance with general principles of equity.

In rendering this opinion, we have relied upon certifications of the Authority, the City and others with respect to certain material facts. Our opinion represents our legal judgment based upon such review of the law and the facts that we deem relevant to render our opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

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APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This CONTINUING DISCLOSURE CERTIFICATE (the "Disclosure Certificate") is executed and delivered by the CITY OF COALINGA (the "City") in connection with the issuance by the Coalinga Public Financing Authority (the "Authority") of $_____ aggregate principal amount of Coalinga Public Financing Authority Wastewater Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"). The Bonds are being issued pursuant to an indenture of trust, dated as of August 1, 2024 (the "Indenture"), by and between the Authority and Computershare Trust Company, N.A., as trustee (the "Trustee"). The City covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth above and, in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 1, the following capitalized terms shall have the following meanings:

"*Annual Report*" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Annual Report Date*" means the March 31 after the end of the City's fiscal year.

"*Dissemination Agent*" shall mean, initially, IGService, or any successor Dissemination Agent designed in writing by the City and which has been filed with the then current Dissemination Agent a written acceptance of such designation.

"*Fiscal Year*" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve-month period selected and designated by the City as its official fiscal year period under a Certificate of the City filed with the Trustee.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the final official statement executed by the City in connection with the issuance of the Bonds.

"*Participating Underwriter*" means Oppenheimer & Co. Inc., the original underwriter of the Bonds.

"*Rule*" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

"*Significant Events*" means any of the events listed in Section 5(a) of this Disclosure Certificate.

Section 2. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2025, with the report for fiscal year 2023-24 provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure

Certificate. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Significant Event under Section 5(b). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City in a timely manner shall provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following:

(a) The City's audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or prior to the annual filing deadline for Annual Reports provided for in Section 3 above, financial information and operating data with respect to the City for preceding fiscal year, substantially similar to that provided in the indicated tables in the Official Statement, as follows:

(i) Wastewater System Wastewater Purchases (Table 1);
(ii) Wastewater System Treated Wastewater Supply and Consumption (Table 3);
(iii) Wastewater System Consumption by Customer Type (Table 4);
(iv) Wastewater System Metered Accounts by Customer Type (Table 5);
(v) Wastewater System Ten Largest Users (Table 6); and
(vi) Wastewater System Historical Operating Results and Debt Service Coverage (Table 10).

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the City shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's

Internet web site or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Significant Events with respect to the Bonds:

(i) Principal and interest payment delinquencies;

(ii) Non–payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

(vii) Modifications to rights of security holders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property securing repayment of the securities, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person;

(xiii) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) The incurrence of a financial obligation of the City or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City or other obligated person, any of which affect security holders, if material; or

(xvi) A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City or other obligated person, any of which reflect financial difficulties.

(b) Whenever the City obtains knowledge of the occurrence of a Significant Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Significant Event. Notwithstanding the foregoing, notice of Significant Events described in subsection (a)(viii) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The City acknowledges that the events described in subparagraphs (a)(ii), (a)(vii), (a)(viii) (if the event is a bond call), (a)(x), (a)(xiii), (a)(xiv) and (a) (xv) of this Section 5 contain the qualifier "if material." The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the City determines the event's occurrence is material for purposes of U.S. federal securities law. The City intends that

the words used in paragraphs (xv) and (xvi) and the definition of "financial obligation" to have the meanings ascribed thereto in SEC Release No. 34-83885 (August 20, 2018).

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental City has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental City, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental City having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Significant Event under Section 5(b).

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the City.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Bond Indenture for amendments to the Bond Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on

the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

The Dissemination Agent shall not be obligated to enter into any amendment increasing or affecting its duties or obligations hereunder.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Significant Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Significant Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Significant Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Significant Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Bond Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) Section 27 of the Bond Indenture is hereby made applicable to this Disclosure Certificate as if this Disclosure Certificate were (solely for this purpose) contained in the Bond Indenture. The Dissemination Agent shall be entitled to the protections and limitations from liability afforded to the Trustee thereunder. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Bond holders or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: [Closing Date]

CITY OF COALINGA

By _____
City Manager

ACKNOWLEDGED:

IGSERVICE, as Dissemination Agent

By _____
Title _____

EXHIBIT A

NOTICE TO EMMA OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	Coalinga Public Financing Authority
Name of Obligor:	City of Coalinga, California
Name of Issues:	Coalinga Public Financing Authority Wastewater Revenue Bonds, Series 2024 (Solar Project)
Date of Issuance:	[Closing Date]

NOTICE IS HEREBY GIVEN that the Obligor has not provided an Annual Report with respect to the above-named Issues as required by the Continuing Disclosure Certificate dated [Closing Date], furnished by the Obligor in connection with the Issues. The Obligor anticipates that the Annual Report will be filed by _____.

Dated: _____

IGSERVICE, as Dissemination Agent

By _____
Name _____
Title _____

cc: Trustee

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APPENDIX G

BOOK-ENTRY ONLY SYSTEM

The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, redemption premium, if any, and interest with respect to the Bonds to The Depository Trust Company ("DTC"), New York, NY, its Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Bonds and other related transactions by and between DTC, its Participants and the Beneficial Owners is based solely on the understanding of the Authority of such procedures and record keeping from information provided by DTC. Accordingly, no representations can be made concerning these matters and neither DTC, its Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or its Participants, as the case may be. The City, the Authority, the Trustee and the Underwriter understand that the current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and that the current "Procedures" of DTC to be followed in dealing with Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTTC is owned by users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized

representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Trust Agreement. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC, if less than all of the Bonds within a maturity are being redeemed. DTC's practice is to determine by lot the amount of the interest of each Direct Participant in each issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of, premium, if any, and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City, the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, the City or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments of principal of, premium, if any, and interest on the Bonds by Cede & Co (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City, the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City, the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The foregoing information concerning DTC and DTC's book-entry system has been provided by DTC, and neither the Authority nor the Trustee takes any responsibility for the accuracy thereof.

NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO THE PAYMENTS OR THE PROVIDING OF NOTICE TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS OR THE SELECTION OF BONDS FOR REDEMPTION.

Neither the Authority nor the Trustee can give any assurances that DTC, DTC Participants, Indirect Participants or others will distribute payments of principal of, premium, if any, and interest on the Bonds paid to DTC or its nominee, as the registered Owner, or any redemption or other notice, to the Beneficial Owners or that they will do so on a timely basis or that DTC will serve and act in a manner described in this Official Statement.

In the event that the book-entry system is discontinued as described above, the requirements of the Trust Agreement will apply.

The City, the Authority and the Trustee cannot and do not give any assurances that DTC, the Participants or others will distribute payments of principal, interest or premium, if any, evidenced by the Bonds paid to DTC or its nominee as the registered owner, or will distribute any redemption notices or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. Neither the Authority nor the Trustee are responsible or liable for the failure of DTC or any Participant to make any payment or give any notice to a Beneficial Owner with respect to the Bonds or an error or delay relating thereto.

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APPENDIX H

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Adopt Resolution No. 4222 Revising the City Manager Pay Scale
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Marissa Trejo, City Manager

I. RECOMMENDATION:

There is no staff recommendation. This item was requested as a Future Agenda Item by Mayor Horn who recommends Adoption of Resolution No. 4222 Revising the City Manager Pay Scale.

II. BACKGROUND:

The City Manager Pay Scale was last adjusted July 1, 2021. Prior to that, it had not been adjusted since November 5, 2015.

The current top step of the pay scale is $169,013.25.

In 2011, the top step was $198,450.00. The proposed top step would only be 3.5% above the 2011 top step.

III. DISCUSSION:

This pay scale is reflective of a 5% cost of living increase effective July 1, 2020, January 1, 2021, January 1, 2022, January 1, 2023, and January 1, 2024, in an effort to bring the salary into the average range of the same position in comparable cities.

IV. ALTERNATIVES:

Do not Adopt Resolution No. 4222 Revising the City Manager Pay Scale.

V. FISCAL IMPACT:

The overall fiscal impact is a difference of approximately $36,423.39 total with approximate impact of $6,192 impacting the General Fund based on the 17% position allocation which is unbudgeted.

ATTACHMENTS:

File Name	Description
CM_Pay_Scale_approved_8.1.24.docx	Pay Scale

Res_4222_City_Manager_Pay_Scale.doc Resolution

City of Coalinga City Manager Pay Scale

Effective: May 1, 2009

Approved: May 1, 2009

Revised: July 21, 2016

5% automatic annual increase indefinitely

Grade	Position	Contract
	City Manager	
	Annually	$180,000.00
	Monthly	$15,000.00
	Bi-Weekly	$6,923.07
	Hourly	$86.5384

Effective: April 16, 2010

Approved: April 16, 2010

Revised: July 21, 2016

5% automatic annual increase indefinitely

Grade	Position	Contract
	City Manager	
	Annually	$189,000.00
	Monthly	$15,750.00
	Bi-Weekly	$7,269.23
	Hourly	$90.8653

Effective: April 16, 2011

Approved: April 16, 2011

Revised: July 21, 2016

5% automatic annual increase indefinitely

Grade	**Position**	**Contract**
	City Manager	
	Annually	$198,450.00
	Monthly	$16,537.50
	Bi-Weekly	$7,632.69
	Hourly	$95.4086

Effective: January 19, 2012

Approved: January 19, 2012

Revised: July 21, 2016

Grade	**Position**	**Contract**
	City Manager	
	Annually	$156,000.00
	Monthly	$13,000.00
	Bi-Weekly	$6,000.00
	Hourly	$75.00

Effective: January 28, 2013

Approved: January 28, 2013

Revised: July 21, 2016

Grade	**Position**	**Contract**
	City Manager	
	Annually	$120,000.00
	Monthly	$10,000.00
	Bi-Weekly	$4,615.38
	Hourly	$57.6922

Effective: November 5, 2015

Approved: November 5, 2015

Revised: July 21, 2016

5% annual increase based on performance, 3 step maximum

Grade	**Position**	Step A	Step B	Step C
	City Manager			
	Annually	$146,000.00	$153,300.00	$160,965.00
	Monthly	$12,166 .66	$12,775.00	$13,413.75
	Bi-Weekly	$5,615.38	$5,896.15	$6,190.61
	Hourly	$70.1922	$73.7018	$77.3826

Effective: July 1, 2021

Approved: June 3, 2021

Revised: June 3, 2021

5% annual increase based on performance, 3 step maximum

Grade	**Position**	Step A	Step B	Step C
	City Manager			
	Annually	$153,300.00	$160,965.00	$169,013.25
	Monthly	$12,775.00	$13,413.75	$14,084.44
	Bi-Weekly	$5,896.15	$6,190.61	$6,500.51
	Hourly	$73.7018	$77.3826	$81.2564

Effective: July 1, 2020

Approved: August 1, 2024

Revised: August 1, 2024

5% annual increase based on performance, 3 step maximum

Grade	**Position**	Step A	Step B	Step C
	City Manager			
	Annually	$153,300.00	$160,965.00	$169,013.25
	Monthly	$12,775.00	$13,413.75	$14,084.44
	Bi-Weekly	$5,896.15	$6,190.61	$6,500.51
	Hourly	$73.7018	$77.3826	$81.2564

Effective: January 1, 2021

Approved: August 1, 2024

Revised: August 1, 2024

5% annual increase based on performance, 3 step maximum

Grade	**Position**	Step A	Step B	Step C
	City Manager			
	Annually	$160,965.00	$169,013.25	$177,463.91
	Monthly	$13,413.75	$14,084.44	$14,788.66
	Bi-Weekly	$6,190.61	$6,500.51	$6,825.54
	Hourly	$77.3826	$81.2564	$85.32

Effective: January 1, 2022

Approved: August 1, 2024

Revised: August 1, 2024

5% annual increase based on performance, 3 step maximum

Grade	**Position**	Step A	Step B	Step C
	City Manager			
	Annually	$169,013.25	$177,463.91	$186,337.10
	Monthly	$14,084.44	$14,788.66	$15,528.09
	Bi-Weekly	$6,500.51	$6,825.54	$7,166.81
	Hourly	$81.2564	$85.32	$89.59

Effective: January 1, 2023

Approved: August 1, 2024

Revised: August 1, 2024

5% annual increase based on performance, 3 step maximum

Grade	**Position**	Step A	Step B	Step C
	City Manager			
	Annually	$177,463.91	$186,337.10	$195,653.95
	Monthly	$14,788.66	$15,528.09	$16,304.50
	Bi-Weekly	$6,825.54	$7,166.81	$7,525.15
	Hourly	$85.32	$89.59	$94.06

Effective: January 1, 2024

Approved: August 1, 2024

Revised: August 1, 2024

5% annual increase based on performance, 3 step maximum

Grade	**Position**	Step A	Step B	Step C
	City Manager			
	Annually	$186,337.10	$195,653.95	$205,436.64
	Monthly	$15,528.09	$16,304.50	$17,119.72
	Bi-Weekly	$7,166.81	$7,525.15	$7,9,01.41
	Hourly	$89.59	$94.06	$98.77

RESOLUTION NO. 4222

A RESOLUTION TO REVISE CITY OF COALINGA CITY MANAGER PAY SCALE

WHEREAS, the governing body of the City of Coalinga is authorized to prepare, install, revise and maintain a position classification and compensation plan covering all positions in the competitive service;

NOW, THEREFORE, BE IT RESOLVED,

I. That the City Council of the City of Coalinga hereby established pay scales for all employees in all classifications of employment described on the City Manager Pay Scale to be revised effective as stated.

The foregoing resolution was approved and adopted at a meeting of the City Council of the City of Coalinga held on the 1 day of August 1, 2024, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk/Deputy City Clerk

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Adopt Resolution No. 4223 Updating the General Fund and Enterprise Funds Reserve Policy for the City of Coalinga for Fiscal Year 2024-2025
Meeting Date:	August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Mai Vang, Financial Services Director

I. RECOMMENDATION:

Financial Services Director recommends the City Council Adopt Resolution No. 4223 Updating the General Fund and Enterprise Funds Reserve Policy for the City of Coalinga for Fiscal Year 2024-2025

II. BACKGROUND:

Municipal governments operate in an increasingly volatile and uncertain world. More uncertainty gives rise to more risk. Reserves are one of the tools the City uses to manage risk, chiefly by self-insuring against certain risks. To assist in managing such risks, the City maintains a Reserve Policy that establishes proper procedures to proactively manage Fund Balances and to set minimum targets as it relates to 'cash on hand' in the City's General Fund Reserve Fund and Enterprise Reserve Funds. The City Council most recently adopted Resolution No. 4004 to establish the Reserve Policy on January 21, 2021.
Since the most recent amendment to the Reserve Policy, the City, like most municipal governments, has weathered a period of volatility and economic uncertainty.

III. DISCUSSION:

In response to this changing and uncertain economic climate, the Financial Services Director has proposed amendments to the Reserve Policy most previously established in 2021 that clarifies and expands upon certain procedures relating to reserves and Fund Balances. Furthermore, the proposed amendments adjust City reserve targets to thresholds that better align with the reality of the current financial condition of the City and its various funds.
The attached resolution would update the Reserve Policy for the City's General Fund and Enterprise Reserve Funds. The adequacy of a reserve fund balance should be assessed based upon a government's specific circumstances. The Government Finance Officers Association (GFOA) issued two Best Practices that specifically address this subject. Each Best Practice recommends that general purpose governments, regardless of size, adopt policies that state that unrestricted fund balance in the General Fund be no less than two months of regular operating revenue or expenditures. The Reserve Policies should be established based upon a long-term perspective recognizing that stated thresholds are considered minimum balances. The main objective of establishing and maintaining a Reserve Policy is for the City to be in a strong fiscal position that will allow for a better position to address unanticipated expenses and weather negative economic trends.

POLICY SUMMARY
The attached resolution establishes a Fund Balance Policy for the General Fund and Enterprise Funds as follows:

- Establishes a target amount of cash on hand in the Reserve funds of no less than three months (90

days) of regular operating expenditures.

- The ‘cash on hand’ in the General Fund and Enterprise Reserve funds shall be the valuation measure used to determine each respective reserve fund balance.
- Identifies typical resources that are appropriate to add to or replenish fund balances, such as non-recurring revenues and budget surpluses.
- Contributions/Uses of the General Fund and Enterprise Funds Reserve shall continue to be approved by the City Council using the annual budget, regular, or mid-year budget amendment process.
- In the event that the cash on hand in the General Fund Reserve or Enterprise Funds Reserves falls below the established minimum threshold, staff will develop and present to the Council available options and strategies to replenish the funds and or reduce the deficit as soon as possible. Generally, fund balances should be replenished within one to three years of use, or as soon as economic conditions allow.
- Funds in the General Fund Reserve and Enterprise Funds Reserves cannot be spent without Council approval; however, this policy acknowledges and allows the continued use of the Reserve fund balances as a financing “bridge” to ensure stable cash flow in the General Fund and Enterprise Funds during specific months of the fiscal year leading up to the receipt of anticipated/budgeted revenue allocations (e.g. property tax, sales tax).
- 100% of interest earnings shall be deposited and or retained in the appropriate Reserve fund.

IV. ALTERNATIVES:

Not approve the General Fund and Enterprise Funds Reserve Policy that has been recommended by the Financial Services Director.

V. FISCAL IMPACT:

There is no immediate impact of adopting this financial policy. If adopted, this policy will guide Staff and the City Council to allocate appropriate resources to build and maintain the current General Fund and Enterprise reserve balances to the minimum level as recommended by the GFOA. Credit agencies, lenders, and other stakeholders look favorably upon agencies that adopt and implement robust financial policies as it demonstrates a commitment to sound financial management.

ATTACHMENTS:

File Name	Description
RESO#4223_Updating_the_Reserve_Policy_for_the_General_Fund_and_the_Enterprise_Funds_for_Fiscal_Year_2024-25.pdf	Resolution No. 4223 - Updating the General Fund and Enterprise Funds Reserves

RESOLUTION NO 4223

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA REVISING THE ANNUAL CITY OF COALINGA RESERVE POLICY FOR THE GENERAL FUND AND THE ENTERPRISE FUNDS FOR FISCAL YEAR 2024-2025

WHEREAS, It is essential that governments maintain adequate levels of fund balance to mitigate risks, and provide a back-up for revenue shortfalls, working capital, budgetary stabilization, and responding to extreme events in order to maintain essential services; and

WHEREAS, In 2020-2021, the City Council authorized the creation of a General Fund Reserve Fund that serves as a “savings account” of the general fund reserves and can only be spent with City Council authority; and

WHEREAS, the City had not previously established a formal fund balance policy for the City’s General Fund Reserve or Enterprise Funds Reserves; and

WHEREAS, The Government Finance Officers Association (GFOA) recommends at a minimum, that general-purpose governments, regardless of size, incorporate in its financial policies that unrestricted fund balances be no less than two months of regular operating revenues or regular operating expenditures; and

WHEREAS, The fund balance policy should also establish a transparent strategy to add to or replenish fund balance, including defining the revenue sources that would typically be looked to for this purpose; and

WHEREAS, the City Council adopted Resolution 4004 on January 21, 2021 establishing a fund balance policy for the City to work towards and maintain a minimum level of cash on hand, equivalent to 180 days operating expenditures, in the City's Reserves; and

WHEREAS, since its inception, the policy has achieved its goal of being available for significant unanticipated costs and covering temporary cash flow needs, while City staff and the Council have worked diligently towards building its Reserves to meet and eventually exceed the minimum target, and

WHEREAS, in recognition of increased economic and regulatory uncertainty, as well as significant cost factors outside of the City’s control that may adversely affect municipal finances in the future, the City Council and staff desire to revise the target amount of reserves to no less than three months (90 days) of regular general fund and enterprise funds operating expenditures.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Coalinga in the exercise of its discretion, as follows:

Section 1. Establish a target amount of ‘cash on hand’ in the General Fund Reserve and Enterprise Funds Reserve funds of no less than three months (90 days) of

regular general fund operating expenditures, generally excluding capital outlay items, debt service and depreciation expense, for the prior fiscal year. The value of three months of operating expenditures to be held in the General Fund Reserve fund shall be re-calculated annually at the close of the previous fiscal year. The 'cash on hand' in the Reserve funds shall be the valuation measure used to determine the reserve funds balances.

Section 2. Typical resources that are appropriate to add to or replenish fund balances include non-recurring revenues and budget surpluses. Year-end surpluses are an especially appropriate source for replenishing fund balance. Additionally, direct pay subsidies are an appropriate replenishment source for Enterprise Fund Reserves. However, depending upon the City's current or projected financial status, it may be appropriate to defer utilizing these additional resources (for adding to or replenishing the Reserve funds balances) if an imminent budgetary shortfall is projected in the current or following fiscal year.

Section 3. All contributions to and uses of the General Fund Reserve and Enterprise Fund Reserves shall continue to be approved by the City Council.

Section 4. The value of three months (90 days) of operating expenditures is established only as a minimum fund balance reserve target. The addition or accumulation of future resources that exceed this target is encouraged, subject to current and projected budgetary status of the City at any given time. Staff and future councils should review this policy annually to ensure it is meeting expectations and consider relevant economic factors influencing fund balances and reserve levels.

Section 5. In the event that the cash on hand in the General Fund Reserve or Enterprise Funds Reserves falls below the established minimum threshold, staff will develop and present to the Council available options and strategies to replenish the funds and or reduce the deficit as soon as possible. Generally, fund balances should be replenished within one to three years of use, or as soon as economic conditions allow.

Section 6. Funds in the General Fund Reserve and Enterprise Funds Reserves cannot be spent without Council approval; however, this policy acknowledges and allows the continued use of the Reserve fund balances as a financing "bridge" to ensure stable cash flow in the General Fund and Enterprise Funds during specific months of the fiscal year leading up to the receipt of anticipated/budgeted revenue allocations (e.g. property tax, sales tax).

Section 7. 100% of interest earnings shall be deposited and or retained in the appropriate Reserve fund.

Section 8. This Resolution and resulting Financial Policy shall supersede Resolution 4004, take effect immediately after its adoption, and shall remain in effect until amended by the City Council by future resolution.

This foregoing resolution was duly passed, approved and adopted by the City Council of the City of Coalinga at its regular meeting on this **1st day of August 2024**, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

_____
James Horn, Mayor

ATTEST:

_____
Shannon Jensen, City Clerk

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Adopt Resolution No. 4224 Amending the City's Conflict of Interest Code Regarding Designated Employees and Disclosure Categories as Required by the Political Reform Act and Approving the 2024 Local Agency Biennial Notice
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Shannon Jensen, City Clerk

I. RECOMMENDATION:

City Manager recommends the City Council adopt Resolution No. 4224 amending the City's Conflict of Interest Code regarding designated employees and associated disclosure categories as required by the Political Reform Act and approve the the 2024 Local Agency Biennial Notice.

II. BACKGROUND:

A conflict of interest code tells public officials, government employees, and consultants ("designated employees") what financial interests they must disclose on their Statement of Economic Interest (Form 700). Financial interests include investments, business positions, income, loans, and gifts. The code requires different levels of disclosure ("disclosure categories") for the designated positions. An accurate disclosure is essential to monitor whether officials, employees, and consultants have conflicts of interest and is the basis or the transparency that California's Political Reform Act requires of public officials.

III. DISCUSSION:

The Political Reform Act requires every local government agency to adopt a conflict of interest code and review that code at least every two (2) years. Amendments are required to include new positions, revision of disclosure categories, revision to titles of existing positions, and deletion of titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions.

No amendments are necessary since the City's last biennial notice in 2022.

IV. ALTERNATIVES:

None

V. FISCAL IMPACT:

None

ATTACHMENTS:

File Name	Description
RESO#4224_Amending_City_s_Conflict_of_Interest_Code_for_2024_080124.pdf	Resolution No. 4224

RESOLUTION NO. 4224

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA AMENDING ITS CONFLICT OF INTEREST CODE REGARDING DESIGNATED EMPLOYEES AND DISCLOUSRE CATEGOTIES

WHEREAS, California Code of Regulations, Sections 18730 et seq., contain the terms of a standard conflict of interest code adopted by the Fair Political Practices Commission (FPPC); and

WHEREAS, the FPPC amends the conflict of interest code term on a regular basis in accordance with the Political Reform Act (Government Code Sections 81000 et seq.); and

WHEREAS, on September 17, 1992, the City Council of the City of Coalinga adopted Resolution No. 2316 that incorporated, by reference, the terms of California Code of Regulations, Sections 18730 et seq., along with the designation of employees ("Exhibit A") and the formulation of disclosure categories ("Exhibit B"); and

WHEREAS, Government Code Section 87306 requires that a report be submitted to the City Council of the City of Coalinga identifying any changes in the conflict of interest code including, but not limited to, changes to designated employees and disclosure categories.

NOW, THEREFOR, BE IT RESOLVED by the City Council of the City of Coalinga as follows:

1. The conflict of interest code for the City of Coalinga is hereby amended regarding designated employees as set forth in **Exhibit A** (amendments are noted in italics).

2. All persons holding designed positions shall file statement of economic interests as required by law, including those designated positions listed in Government Code Section 87200.

The foregoing Resolution was introduced and adopted at regular meeting of the City Council of the Coalinga held on this **1st day of August, 2024** by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

_____
James Horn, Mayor

APPROVED:

_____
Shannon Jensen, City Clerk

EXHIBIT A
DESIGNATED EMPLOYEES

Disclosure Category 1: **Board Responsibilities: Full Disclosure**

Assistant City Manager
City Clerk
Assistant to the City Manager / Deputy City Clerk
Police Chief
Fire Chief
Human Resources Director
Financial Services Director
Financial Services Supervisor
Senior Administrative Analyst

Disclosure Category 2: **City-Wide Purchasing Approval Responsibilities**

[None]

Disclosure Category 3: **Department / Division Purchasing Approval Responsibilities**

[None]

Disclosure Category 4: **Regulatory Power**

Building Official
Chief Plant Operator
Police Commander

Disclosure Category 5: **Decision-Making Authority Affecting Real Property**

Building Official

Disclosure Category 6: **Decision-Making Authority Affecting Claims and/or Insurance**

[None]

Disclosure Category 7: **Investment Responsibilities**

[None]

EXHIBIT B
DISCLOSURE CATEGORIES

Disclosure Category 1: Broad Responsibilities: Full Disclosure

Employees disclose all reportable interests, including investments, business positions, sources of income, loans, gifts, including travel payments, and real property as required by the FPPC guidelines. Additionally, the real property disclosure category is expanded to include property located within a two-mile radius of the City of Coalinga or any property owned or used by the City of Coalinga.

Disclosure Category 2: City-Wide Purchasing Approval Responsibilities

Employees disclose interests in investments, business positions, income, loans, and gifts from sources that provide services, supplies, materials, machinery, or equipment of the type utilized by the City of Coalinga.

Disclosure Category 3: Department/Division Purchasing Approval Responsibilities

Employees disclose interests in investments, business positions, income, loans, and gifts from sources that provide services, supplies, materials, machinery, or equipment of the type utilized by the designated employee's department or division.

Disclosure Category 4: Regulatory Power

Employees disclose interests in investments, business positions, income, loans, and gifts from any source that is subject to the regulatory, permit, or licensing authority of the designated employee's department or division.

Disclosure Category 5: Decision-Making Authority Affecting Real Property

Employees disclose interests in investments, business positions, income, loans, and gifts from sources that engage in land development, construction, or the acquisition or sale of real property. These designated employees must also disclose all interests in real property located within the City of Coalinga, as well as within a one mile radius of the City of Coalinga or any property owned or used by the City of Coalinga.

Category 6: Decision-Making Authority Affecting Claims and/or Insurance

Employees disclose interests in investments, business positions, income, loans, and gifts from: (a) persons or entities that provide services, supplies, materials, machinery, or equipment of the type utilized by the City of Coalinga; (b) business entities that manufacture, sell, supply, or promote personnel training materials or that offer personnel consulting services, and that do business, or expect to do business, within the City of Coalinga; (c) persons and entities that are engaged in the business of insurance; (d) financial institutions; (e) persons or entities who have filed a claim, or have a claim pending, against the City of Coalinga that is reviewed by the designated employee's department or division; (f) business entities that offer, sell, or service group medical insurance, group life insurance, group dental insurance, pension plans, or that make investments, or in any way manage funds related thereto, and that do business, or expect to do business, within the City of Coalinga.

Disclosure Category 7: Investment Responsibilities

Employees disclose interests in investments, business positions, income, loans, and gifts from financial institutions doing business with, or eligible to do business with, the City of Coalinga.

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Adopt Resolution No. 4225 Amending the General Pay Scale
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Marissa Trejo, City Manager

I. RECOMMENDATION:

City Manager recommends Council Adopt Resolution No. 4225 Amending the General Pay Scale.

II. BACKGROUND:

Council approved 2 Meter Reader positions as part of the FY 25 budget.

III. DISCUSSION:

This item on the agenda assigned the Meter Reader positions to a pay scale.

IV. ALTERNATIVES:

Do not Adopt Resolution No. 4225 Amending the General Pay Scale (not recommended).

V. FISCAL IMPACT:

There is no fiscal impact with this item as it was already included and approved as part of the FY 25 budget.

ATTACHMENTS:

File Name	Description
Resolution_4225_General_Pay_Scale.doc	Resolution
General_Pay_8.1.24_PDF.pdf	Pay Scale

RESOLUTION NO. 4225

A RESOLUTION TO REVISE CITY OF COALINGA GENERAL PAY SCALE

WHEREAS, the governing body of the City of Coalinga is authorized to prepare, install, revise and maintain a position classification and compensation plan covering all positions in the competitive service;

NOW, THEREFORE, BE IT RESOLVED,

I. That the City Council of the City of Coalinga hereby established pay scales for all employees in all classifications of employment described on the General Pay Scale to be revised effective August 1, 2024.

The foregoing resolution was approved and adopted at a meeting of the City Council of the City of Coalinga held on the 1 day of August, 2024, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk/Deputy City Clerk

CITY OF COALINGA

General Pay Scale

Effective: August 1, 2024
Approved: August 1, 2024
Revised: August 1, 2024

Grade	Position	Step A	Step B	Step C	Step D	Step E	Step F
18							
	Annually	$ 33,909.62	$ 35,605.10	$ 37,385.35	$ 39,254.62	$ 41,217.35	$ 43,278.22
	Monthly	$ 2,825.80	$ 2,967.09	$ 3,115.45	$ 3,271.22	$ 3,434.78	$ 3,606.52
	Bi-Weekly	$ 1,304.22	$ 1,369.43	$ 1,437.90	$ 1,509.79	$ 1,585.28	$ 1,664.55
	Hourly	$ 16.3027	$ 17.1178	$ 17.9737	$ 18.8724	$ 19.8160	$ 20.8068
19	**Custodian** **Groundskeeper** **Office Assistant** **Meter Reader**						
	Annually	$ 35,605.10	$ 37,385.35	$ 39,254.62	$ 41,217.35	$ 43,278.22	$ 45,442.13
	Monthly	$ 2,967.09	$ 3,115.45	$ 3,271.22	$ 3,434.78	$ 3,606.52	$ 3,786.84
	Bi-Weekly	$ 1,369.43	$ 1,437.90	$ 1,509.79	$ 1,585.28	$ 1,664.55	$ 1,747.77
	Hourly	$ 17.1178	$ 17.9737	$ 18.8724	$ 19.8160	$ 20.8068	$ 21.8472
20	**Wastewater Operator Apprentice**						
	Annually	$ 37,385.35	$ 39,254.62	$ 41,217.35	$ 43,278.22	$ 45,442.13	$ 47,714.24
	Monthly	$ 3,115.45	$ 3,271.22	$ 3,434.78	$ 3,606.52	$ 3,786.84	$ 3,976.19
	Bi-Weekly	$ 1,437.90	$ 1,509.79	$ 1,585.28	$ 1,664.55	$ 1,747.77	$ 1,835.16
	Hourly	$ 17.9737	$ 18.8724	$ 19.8160	$ 20.8068	$ 21.8472	$ 22.9395
21	**Account Clerk I** **Maintenance Worker I** **Maintenance Worker I (Street Sweeper)**						
	Annually	$ 39,254.62	$ 41,217.35	$ 43,278.22	$ 45,442.13	$ 47,714.24	$ 50,099.95
	Monthly	$ 3,271.22	$ 3,434.78	$ 3,606.52	$ 3,786.84	$ 3,976.19	$ 4,175.00
	Bi-Weekly	$ 1,509.79	$ 1,585.28	$ 1,664.55	$ 1,747.77	$ 1,835.16	$ 1,926.92
	Hourly	$ 18.8724	$ 19.8160	$ 20.8068	$ 21.8472	$ 22.9395	$ 24.0865
22	**Water Operator Apprentice**						
	Annually	$ 41,217.35	$ 43,278.22	$ 45,442.13	$ 47,714.24	$ 50,099.95	$ 52,604.94
	Monthly	$ 3,434.78	$ 3,606.52	$ 3,786.84	$ 3,976.19	$ 4,175.00	$ 4,383.75
	Bi-Weekly	$ 1,585.28	$ 1,664.55	$ 1,747.77	$ 1,835.16	$ 1,926.92	$ 2,023.27
	Hourly	$ 19.8160	$ 20.8068	$ 21.8472	$ 22.9395	$ 24.0865	$ 25.2908
23	**Account Clerk II** **Maintenance Worker II** **Code Enforcement Officer** **Wastewater Operator I**						
	Annually	$ 43,278.22	$ 45,442.13	$ 47,714.24	$ 50,099.95	$ 52,604.94	$ 55,235.19
	Monthly	$ 3,606.52	$ 3,786.84	$ 3,976.19	$ 4,175.00	$ 4,383.75	$ 4,602.93
	Bi-Weekly	$ 1,664.55	$ 1,747.77	$ 1,835.16	$ 1,926.92	$ 2,023.27	$ 2,124.43
	Hourly	$ 20.8068	$ 21.8472	$ 22.9395	$ 24.0865	$ 25.2908	$ 26.5554
24	**Water Operator I**						
	Annually	$ 45,442.13	$ 47,714.24	$ 50,099.95	$ 52,604.94	$ 55,235.19	$ 57,996.95
	Monthly	$ 3,786.84	$ 3,976.19	$ 4,175.00	$ 4,383.75	$ 4,602.93	$ 4,833.08
	Bi-Weekly	$ 1,747.77	$ 1,835.16	$ 1,926.92	$ 2,023.27	$ 2,124.43	$ 2,230.65
	Hourly	$ 21.8472	$ 22.9395	$ 24.0865	$ 25.2908	$ 26.5554	$ 27.8831

CITY OF COALINGA

General Pay Scale

Effective: August 1, 2024
Approved: August 1, 2024
Revised: August 1, 2024

Grade	Position	Step A	Step B	Step C	Step D	Step E	Step F

CITY OF COALINGA

General Pay Scale

Effective: August 1, 2024
Approved: August 1, 2024
Revised: August 1, 2024

Grade	Position		Step A	Step B	Step C	Step D	Step E	Step F
25	Equipment Mechanic Account Clerk III Wastewater Operator II Building Inspector Trainee	Annually	$ 47,714.24	$ 50,099.95	$ 52,604.94	$ 55,235.19	$ 57,996.95	$ 60,896.80
		Monthly	$ 3,976.19	$ 4,175.00	$ 4,383.75	$ 4,602.93	$ 4,833.08	$ 5,074.73
		Bi-Weekly	$ 1,835.16	$ 1,926.92	$ 2,023.27	$ 2,124.43	$ 2,230.65	$ 2,342.18
		Hourly	$ 22.9395	$ 24.0865	$ 25.2908	$ 26.5554	$ 27.8831	$ 29.2773
26	Maintenance Worker III Accounting Technician	Annually	$ 50,099.95	$ 52,604.94	$ 55,235.19	$ 57,996.95	$ 60,896.80	$ 63,941.64
		Monthly	$ 4,175.00	$ 4,383.75	$ 4,602.93	$ 4,833.08	$ 5,074.73	$ 5,328.47
		Bi-Weekly	$ 1,926.92	$ 2,023.27	$ 2,124.43	$ 2,230.65	$ 2,342.18	$ 2,459.29
		Hourly	$ 24.0865	$ 25.2908	$ 26.5554	$ 27.8831	$ 29.2773	$ 30.7412
27	Building Inspector I	Annually	$ 52,604.94	$ 55,235.19	$ 57,996.95	$ 60,896.80	$ 63,941.64	$ 67,138.72
		Monthly	$ 4,383.75	$ 4,602.93	$ 4,833.08	$ 5,074.73	$ 5,328.47	$ 5,594.89
		Bi-Weekly	$ 2,023.27	$ 2,124.43	$ 2,230.65	$ 2,342.18	$ 2,459.29	$ 2,582.26
		Hourly	$ 25.2908	$ 26.5554	$ 27.8831	$ 29.2773	$ 30.7412	$ 32.2782
28	Water Operator II Public Utilities Coordinator	Annually	$ 55,235.19	$ 57,996.95	$ 60,896.80	$ 63,941.64	$ 67,138.72	$ 70,495.66
		Monthly	$ 4,602.93	$ 4,833.08	$ 5,074.73	$ 5,328.47	$ 5,594.89	$ 5,874.64
		Bi-Weekly	$ 2,124.43	$ 2,230.65	$ 2,342.18	$ 2,459.29	$ 2,582.26	$ 2,711.37
		Hourly	$ 26.5554	$ 27.8831	$ 29.2773	$ 30.7412	$ 32.2782	$ 33.8921
29	Assistant Engineer Building Inspector II	Annually	$ 57,996.95	$ 60,896.80	$ 63,941.64	$ 67,138.72	$ 70,495.66	$ 74,020.44
		Monthly	$ 4,833.08	$ 5,074.73	$ 5,328.47	$ 5,594.89	$ 5,874.64	$ 6,168.37
		Bi-Weekly	$ 2,230.65	$ 2,342.18	$ 2,459.29	$ 2,582.26	$ 2,711.37	$ 2,846.94
		Hourly	$ 27.8831	$ 29.2773	$ 30.7412	$ 32.2782	$ 33.8921	$ 35.5867
30	Water Operator III Public Utilities Coordinator	Annually	$ 60,896.80	$ 63,941.64	$ 67,138.72	$ 70,495.66	$ 74,020.44	$ 77,721.46
		Monthly	$ 5,074.73	$ 5,328.47	$ 5,594.89	$ 5,874.64	$ 6,168.37	$ 6,476.79
		Bi-Weekly	$ 2,342.18	$ 2,459.29	$ 2,582.26	$ 2,711.37	$ 2,846.94	$ 2,989.29
		Hourly	$ 29.2773	$ 30.7412	$ 32.2782	$ 33.8921	$ 35.5867	$ 37.3661
31	Building Inspector III	Annually	$ 63,941.64	$ 67,138.72	$ 70,495.66	$ 74,020.44	$ 77,721.46	$ 81,607.53
		Monthly	$ 5,328.47	$ 5,594.89	$ 5,874.64	$ 6,168.37	$ 6,476.79	$ 6,800.63
		Bi-Weekly	$ 2,459.29	$ 2,582.26	$ 2,711.37	$ 2,846.94	$ 2,989.29	$ 3,138.75
		Hourly	$ 30.7412	$ 32.2782	$ 33.8921	$ 35.5867	$ 37.3661	$ 39.2344

CITY OF COALINGA

General Pay Scale

Effective: August 1, 2024
Approved: August 1, 2024
Revised: August 1, 2024

Grade	Position	Step A	Step B	Step C	Step D	Step E	Step F
32	Water Operator IV						
	Annually	$ 67,138.72	$ 70,495.66	$ 74,020.44	$ 77,721.46	$ 81,607.53	$ 85,687.91
	Monthly	$ 5,594.89	$ 5,874.64	$ 6,168.37	$ 6,476.79	$ 6,800.63	$ 7,140.66
	Bi-Weekly	$ 2,582.26	$ 2,711.37	$ 2,846.94	$ 2,989.29	$ 3,138.75	$ 3,295.69
	Hourly	$ 32.2782	$ 33.8921	$ 35.5867	$ 37.3661	$ 39.2344	$ 41.1961

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Adopt Resolution No. 4226 Approving Meter Reader Job Description
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Marissa Trejo, City Manager

I. RECOMMENDATION:

City Manager recommends Council Adopt Resolution No. 4226 Approving Meter Reader Job Description.

II. BACKGROUND:

Two Meter Reader positions were approved as part of the FY 25 budget.

III. DISCUSSION:

This item on the agenda approves the Job Description for the Meter Reader positions.

IV. ALTERNATIVES:

Do not Adopt Resolution No. 4226 Approving Meter Reader Job Description (not recommended)

V. FISCAL IMPACT:

None. This item only approves the Job Description. The fiscal impact was included in the approved budget item.

ATTACHMENTS:

File Name	Description
Resolution_4226_Meter_Reader__Job_Description.doc	Resolution
Meter_Reader_Job_Desc.doc	Job Description

RESOLUTION NO. 4226

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA APPROVING METER READER JOB DESCRIPTION

WHEREAS, the City Manager and her staff have presented the City Council with the amended Meter Reader Job Description; and

WHEREAS, the Job Description has been reviewed by the City Council and the City Council has determined that the Job Description is adequate and necessary; and

WHEREAS, the City Council has determined to approve the Job Description.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Coalinga as follows:

1. The Meter Reader Job Descriptions is hereby approved.

2. The City Manager and her designees are authorized to implement and carry out the provisions of the Meter Reader Job descriptions.

The foregoing resolution was approved and adopted at a regular meeting of the City Council of the City of Coalinga held on the 1 day of August, 2024, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk/Deputy City Clerk

City of Coalinga
155 W. Durian Avenue
Coalinga, CA 93210

Meter Reader

Pay Class: 19 General
FLSA Non-Exempt

DEFINITION

Under close to limited supervision of the Public Works Supervisor or his/her designee, performs unskilled to skilled tasks, operates and maintains a variety of field equipment and hand tools; reads utility meters and makes gas and water turn-on and turn-offs; minor maintenance of meters when necessary; answers service calls; and performs other duties as assigned.

CLASSIFICATION

Ensures the accuracy of readings entered into a hand-held data entry terminal. Interacts with customers to gain access to their premises and answers questions as required. Assists Customer Service Representatives with routine customer service clerical tasks as required and as time away from primary meter-reading duties permits. Performs gas and water-meter maintenance tasks. Reports abnormal or suspicious meter conditions or usage patterns to Supervisor or his/her designee.

Meter Reader - Under close to limited supervision with detailed instruction and review, incumbents are expected to learn the common and most typical tasks of the position. To perform water and gas readings to determine consumption of services, to ensure the accuracy of readings; minor maintenance of meters and to connect and disconnect services for customers.

EXAMPLES OF ESSENTIAL DUTIES

NOTE: Examples listed in this class specification represents but is not necessarily exhaustive or descriptive of duties assigned to this position. Each individual in this classification may not necessarily perform all the duties listed. Management reserves the right to assign other related tasks if such duties are a logical assignment for this position.

- Assists in the installation, repair and maintenance of City utility systems – water production, water distribution, gas distribution and other utility services.
- Walks along a predetermined route of varying length reading water, gas, and electric meters, both analog and digital.
- Enters meter readings, access information, trouble codes, and other data into meter books or hand-held devices and computers designed specifically for meter reading tasks.
- Informs Supervisor of abnormal or suspicious meter conditions or usage patterns such as hazardous circumstances such as gas odors, exposed electrical wiring, open or broken water or curb gas meter boxes, inoperative meters, meters which appear to have been tampered

with, and make repairs as needed.

- Answers customers' questions regarding billing or other utilities-related subjects or refers customers to proper personnel to obtain answers; always maintains a high level of politeness and professionalism in dealing with customers.
- Acts as serviceman to answer public calls for utility service; performs gas and water turn-on and turn-offs and lights pilot lights.
- Performs occasional minor water-gas meter maintenance tasks such as checking water and gas pressure testing, gas-water meter replacement, and meter box repair and replacement.
- Uses a variety of equipment and tools such as sandblaster, airless pump machine, rollers, welders, paint striper, airless painter, dump trucks, jack hammers, air compressors, tractors, etc.
- Lifts, moves, loads, hauls and unloads heavy objects including boxes, rocks/stones, gravel, dirt, asphalt, concrete, meters and other materials and equipment.
- Install, program, maintain and troubleshoot components of the automated meter reading calibration.
- Perform occasional minor water and gas meter tasks, check for water leaks, tampering, or broken meters.
- Maintains accurate records and submits productivity reports.
- Cleans and cares for tools and equipment used on the job.
- Carries out daily pre-use inspections of equipment and performs other regular safety, maintenance, and cleanliness checks as required.
- Provides a high level of customer service to all customers, users, tenants, vendors, citizens and co-workers.
- Performs gas line patrolling looking for any signs of leaks, damage to gas line components and installs markers
- Performs other duties as assigned.

MINIMUM QUALIFICATIONS

NOTE: The specifications listed below outline the desirable qualifications necessary for entry into the class and do not necessarily convey the qualifications of incumbents within the position.

Education: Equivalent to completion of twelfth grade; specialized training in a related field is highly desirable.

Experience: One year of work experience involving frequent public contact. One year of meter reading or maintenance experience preferred.

Licenses: Valid State of California Drivers License; must be insurable under the City's insurance policy without the City incurring any additional premiums or costs.

Other: Must be a U.S. citizen or Legal Resident Alien; pass a background investigation, physical examination including drug test; and successfully complete a one-year probationary period.

Certification(s): To be eligible for the position of Meter Reader the incumbent **must possess or complete** the following certifications/training within 18 months of hire:

► Grade D1 Water Distribution Certificate issued by the State Water Resources Control Board.

► All required Operator Qualifications (OQ) tasks and training for natural gas distribution administered by the Public Works Division.

► Must be able to pass the California Department of Motor Vehicle (DMV) physicals and drug tests mandated by the Pipeline and Hazardous Materials Safety Administration (PHMSA)

NOTE: It is the employee's responsibility to renew all applicable license(s). The City will reimburse the employee for any required training expenses.

KNOWLEDGE, SKILLS AND ABILITIES

NOTE: The following is a representative sample of the KSA's necessary to perform essential tasks of the position.

Knowledge of: Equipment operation, techniques, and methods used in the area of specialization; common tools and equipment used in construction and maintenance work; safety precautions and procedures; tools, methods, techniques and materials used in street, water, gas, sewer, and grounds construction and maintenance; standards relating to the proper installation and maintenance of street signs and pavement markings; basic principles involved in the operation and maintenance of pumps and motors; and traffic laws, ordinances and rules related to truck and heavy equipment operations.

Skill and Ability to: Operate the particular type of equipment assigned; perform a variety of semi-skilled and sometimes skilled maintenance, construction and utility service work; perform heavy manual labor; maintain simple records; enter and read numerical data; work effectively without immediate supervision; understand and carry out oral and written directions; learn departmental procedures and programs; have excellent attendance and be punctual; and establish and maintain effective working relationships with supervisors, peers, subordinates and the general public.

ATTITUDE

Characterized by initiative, commitment to teamwork and quality performance, and a customer-service orientation, must interact in a positive manner with City employees and the public.

PHYSICAL AND PSYCHOLOGICAL REQUIREMENTS

NOTE: The physical and psychological demands described herein are representative of those that must be met by an employee to successfully perform the essential duties of this classification.

Reasonable accommodations may be made to enable an individual with qualified disabilities to perform the essential functions of this job, on a case-by-case basis.

Sufficient mobility to work outdoors, in hot and cold weather; sufficient mobility to ascend or descend ladders, scaffoldings, stairs, or inclined surfaces; ability to reach, lift, load or unload heavy materials; walk 8-10 miles a day; sufficient hearing and speech to communicate in person and over the telephone; dexterity to use small tools (dexterity to grasp with simple or firm grip, to perform fine manipulation with dominant/non-dominant hand or both hands); ability to see well enough to read small print, gauges, and instruments; see distances sufficient to see oncoming traffic, read signs, and hazards; subject to loud noise and dirty (dusty or muddy) work conditions. Because duties may require going on citizens' property and occasionally into their premises, it is absolutely essential that the incumbent have unimpeachable honesty, a high level of regard for customers' privacy, and a significant degree of politeness. Individuals must exercise good judgment, be flexible, creative, and sensitive in response to changing situations and needs; and communicate clearly and concisely, both orally and in writing.

Approved by: _____ _____
Marissa Trejo, City Manager Date

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Approve Interim City Manager Employment Agreement Appointing Sean Brewer as Interim City Manager effective September 2, 2024
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Marissa Trejo, City Manager

I. RECOMMENDATION:

The City Manager recommends approval of the Interim City Manager Employment Agreement appointing Sean Brewer as Interim City Manager.

II. BACKGROUND:

Marissa Trejo has accepted the position of City Manager with the City of Lemoore and her last day as City Manager for the City of Coalinga will be Sunday, September 1, 2024.

Sean Brewer has been a citizen of Coalinga since 2006. He was hired by the City of Coalinga in April 2007 as a Community Development Technician. In May 2008, he promoted to the position of Associate Planner, and in April of 2009, he was promoted to the position of Community Development Coordinator. He then promoted into the position of Assistant Community Development Director in June of 2010 and Community Development Director in November of 2015.

Sean has been serving as Assistant City Manager since 2019.

III. DISCUSSION:

This Interim Employment Agreement, as attached, would begin on September 2, 2024, and remain in effect until June 30, 2025, or until a permanent City Manager is hired, or until terminated as reflected in the Agreement, whichever is first.

The annual salary for the interim position will be $186,000. Additional details can be found in the attached Employment Agreement.

IV. ALTERNATIVES:

Do not approve and initiate a recruitment process for City Manager (not recommended)

V. FISCAL IMPACT:

Approving the Employment Agreement results in an overall fiscal impact of approximately $24,650 for a full fiscal year as the annual salary in the Employment Agreement is approximately $17,000 per year higher than the current City Manager salary. With the current allocation of 17% to the General Fund, the unbudgeted General Fund impact is approximately $4,191.

ATTACHMENTS:

File Name	Description
Contract_Brewer_Interim_CM_080124.pdf	Interim City Manager Contract

CITY OF COALINGA
INTERIM CITY MANAGER EMPLOYMENT AGREEMENT

This Agreement, made and entered into as of this 1st day of August, 2024, between the City of Coalinga, a municipal corporation of the State of California ("City") and Sean Brewer ("Brewer"), with respect to the following Recitals, which are a substantive part of this Agreement:

RECITALS

A. Brewer has been the Assistant City Manager with City since 2019, under the general direction of the City Manager, in an at-will capacity serving at the pleasure of the City Manager, without an employment agreement.

B. City desires to appoint Brewer into the Interim City Manager ("Interim") position.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the sufficiency of which is hereby acknowledged, City and Brewer agree as follows:

1. Employment. City employs Brewer as the Interim City Manager, effective September 2nd, 2024. Brewer will be an at-will employee serving at the pleasure of the City Council and subject to the terms and conditions set forth below. Brewer's employment with City as Interim City Manager is at the mutual consent of both Brewer and City. There are no express or implied agreements contrary to the foregoing.

2. Duties and Professional Conduct. Brewer shall have the powers and shall perform the duties prescribed in the City's ordinances, rules and regulations for the City Manager position. Brewer shall also perform such additional responsibilities as may be assigned by the City Council. Brewer shall adhere to all professional standards of conduct as prescribed by the International City Management Association.

3. Term of Employment and Termination: The term of Brewer's assignment as Interim City Manager shall continue until the earlier of 1) June 30, 2025, 2) a permanent City Manager is hired, or 3) until terminated as provided herein. It is expressly understood and agreed that Brewer serves as Interim as an at-will employee of the City, and that subject to the provisions set out below, he may be terminated at any time by a majority of the City Council, with or without cause, and without any rights to a hearing or an appeal.

    a. Termination Without Cause. Without cause and a majority vote of the Council, Council may elect to deliver to Interim City Manager a "Notice of Termination without Cause" letter at any time during the term of this Agreement. The "Notice of Termination without Cause" letter shall give not less than twenty-four (24) hours written notice to Interim City Manager prior to the effective date of termination of this Agreement. Termination of this Agreement without cause shall result in the Interim City Manager reverting back to his position as Assistant City Manager.

b. Termination With Cause. With cause and a majority vote of the Council, the Council may elect to deliver to Interim City Manager a written "Notice of Termination with Cause." If cause for termination exists, Interim City Manager may be terminated immediately. Cause shall be defined to include, but shall not be limited to, refusal to follow lawful direction of Council, repeated and unexcused absences from office and duties, purposeful violation of City policies, conviction of a felony, conviction of a misdemeanor crime involving acts of moral turpitude under California law, use of or possession of illegal drugs, or breach of this Agreement.

c. Resignation. Except if terminated for cause from the Interim position, nothing in this Agreement shall prevent, limit or otherwise interfere with Brewer's right to resign at any time from the Interim position and return to his Assistant City Manager position with the City given that the Assistant City Manager position exists and is unoccupied. To resign from the assignment as Interim City Manager and return to the Assistant City Manager role, Brewer shall give not less than thirty (30) days written notice to the City prior to the effective date of assignment termination.

4. Compensation and Benefits.

a. Salary: City shall pay Brewer an annual salary of $186,000.00, payable in installments at the same time and under the same conditions other employees of City are paid.

b. Overtime: Brewer shall be a Fair Labor and Standards Act (FLSA) Exempt managerial employee and shall not be subject to any overtime compensation.

c. Pension and Retirement: City shall provide Brewer with the same retirement benefits provided to other management employees of City.

d. Health and Other Insurance: City shall provide Brewer with the same long-term disability, medical, dental, life and vision insurance coverage and benefits as provided to other management employees of City, except City shall pay the employee's family plan premium for health, vision and dental insurance from available options through its insurance carrier. Brewer shall be responsible to pay any and all deductibles, co-payments or other charges above health insurance premiums.

e. Paid Vacation Leave. City agrees that Brewer shall accrue paid vacation leave at the rate of 20 vacation days per year. Brewer shall be entitled to a maximum accrual of two hundred and eighty (280) hours of unused vacation leave. Brewer shall have the option of converting up to eighty (80) hours of accrued vacation into cash each fiscal year.

f. Administrative Leave. Brewer shall be entitled to ninety-six (96) hours of paid administrative leave per year, which must be used during the fiscal year.

5. Professional Development. City agrees to pay professional dues, subscriptions, travel and other business expenses of Brewer reasonably necessary for his continued and full participation in national, state and local associations, professional organizations, governmental groups and committees thereof for the good of the City in accordance with the approved budget.
6. Vehicle. City shall provide a vehicle to be used by Brewer for official City business.

7. Reimbursement of Expenses. City will reimburse Brewer for all sums necessarily incurred and paid by him in the performance of his duties. Brewer shall submit a claim form to City in the form and manner required by City policies.

8. Bonding. City shall bear the full cost of any fidelity or other bonds required of Brewer to perform his duties pursuant to this Agreement under any law or ordinance.

9. Office and Time Spent. Brewer shall maintain an office in City Hall and shall spend time in the performance of his duties for City as is necessary or may be required from time to time by the City Council. Brewer is expected to devote necessary time outside normal office hours to the business of City. Brewer shall not engage in outside employment without prior written approval of the City Council. Any such approval given may be withdrawn at any time by the City Council.

10. Performance Evaluations. Brewer shall receive quarterly performance evaluations, or more often as requested by the City Council. It shall be the responsibility of Brewer to schedule those evaluations. Failure to evaluate shall have no effect on the rights, duties and obligation of the parties herein.

11. Notices. All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City:	City of Coalinga C/O City Clerk 155 W. Durian Avenue Coalinga, California 93210
To Employee:	Sean Brewer Interim City Manager 155 W. Durian Ave Coalinga, California 93210

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

12. Indemnity. The City shall provide the City Manager with a defense of any civil action brought against him in his official capacity as required by, but not in excess of that required by, Government Code Section 995.

13. General Provisions.

    a. Governing Law and Venue. This Agreement and the rights and obligations of the parties shall be governed and construed in accordance with the laws of the State of California. The parties also agree that, in the event of litigation, the venue shall be the state courts located in Fresno County, California.

    b. Entire Agreement. This Agreement contains the entire agreement and understanding of between the parties. There are no oral understandings, terms or conditions, and neither party has relied upon any representation, express or implied, not contained in this Agreement.

    c. No Assignment. Brewer may not assign or transfer any rights granted or obligations assumed under this Agreement.

    d. Modification. This Agreement cannot be changed or supplemented orally. It may be modified or superseded only by a written instrument executed by both parties.

    e. Severability. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, the remaining provision of the Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates following their signature.

INTERIM CITY MANAGER	CITY OF COALINGA
_____	_____
Sean Brewer, Interim City Manager	James Horn, Mayor

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Notice of Completion for the Park Exercise Equipment Project
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Sean Brewer, Assistant City Manager

I. RECOMMENDATION:

It is recommended that the Coalinga City Council accept the project as complete, authorize the City Engineer to file the Notice of Completion for the project with the County Recorder and notify surety to exonerate contract bonds and authorize the Finance Department to release the 5% construction retention payment to HBC Enterprises 35 days after recordation of the Notice of Completion by the Fresno County Registrar-Recorder's Office, contingent upon no claims being filed on the project.

II. BACKGROUND:

On October 5, 2023, the City Council awarded a construction contract to HBC Enterprises in an amount of $274,404.00, with an additional contingency of $13,720.20 set aside for any unforeseen incidentals for a total authorization amount of $288,124.20.

The primary scope of work, furnishing and installation of park exercise equipment, placement of poured-in-place rubberized fall attenuating surface, construction of concrete perimeter curb and connecting sidewalks, and furnishing and installation of pre-engineered fabric shade structure over proposed exercise equipment area for both Centennial Park and Sandalwood Park.

A notice to Proceed was issued to HBC Enterprises providing 45 working days to complete construction.

III. DISCUSSION:

The project which was scheduled for completion on June 24, 2024 and was completed on June 20, 2024. The final contract amount is $274,404.00 which is the amount approved by City Council on October 5, 2023.

A final inspection of the project was performed June 20, 2024, with preparation of a final punch list. The punch list items were completed on June 25, 2024. The notice of completion, when filed, begins a time period for which mechanics liens, liens against the contractor, and stop payment notices can be filed against a public construction project. It is a protection for the City during a construction project. Staff is not aware of any issues related to this project.

IV. ALTERNATIVES:

None.

V. FISCAL IMPACT:

The project was funded through the State Department of Parks Prop 68 funding program with a 20% Cost Match from Park Impact Fees.

There is no fiscal impact to the General Fund.

ATTACHMENTS:

File Name	Description
Notice_of_Completion_Park_Exercise_Equipment.pdf	Notice of Completion

RECORDING REQUESTED BY
City of Coalinga
No Fee – Gov't. Code Sections
6103 and 27383

WHEN RECORDED MAIL TO:
Tri City Engineering Inc.
4630 W. Jennifer Ave., Suite 101
Fresno, CA 93722

SPACE ABOVE THIS LINE FOR RECORDER'S USE

NOTICE OF COMPLETION

1. The undersigned is OWNER or agent of the OWNER of the interest or estate stated below in the property hereinafter described.
2. The FULL NAME of the OWNER is City of Coalinga
3. The FULL ADDRESS of the OWNER is 155 W. Durian Ave, Coalinga, CA 93210
4. The NATURE OF THE INTEREST or ESTATE of the undersigned is: In Fee

(If other than fee, strike "in fee" and insert, for example, "purchaser under contract of purchase," or leasee)

5. The FULL NAMES and FULL ADDRESSES of ALL PERSONS, if any, WHO HOLD SUCH INTEREST or ESTATE with the undersigned as JOINT TENANTS or as TENANTS IN COMMON are:

Names:	Addresses:

6. The full names and full addresses of the predecessors in interest of the undersigned if the property was transferred subsequent to the commencement of the work of improvement herein referred to:

Names:	Addresses:

7. All work of improvement on the property hereinafter described was COMPLETED June 24, 2024
8. The work of improvement completed is described as follows: The project included construction of 1.38 miles of Class I multi-use trail and 0.20 miles of Class IV two-way separated bikeway along Lucille and Monterey Avenues in Coalinga, CA. The work entails construction surveying, trail excavation and grading, demolition and removal of existing concrete improvements, placement of aggregate base layer, AC pavement, and decomposed granite, construction of modular block retaining wall, installation of storm drain facilities, relocation of existing fire hydrants and street light poles, adjustment of existing utility lids, construction of concrete curb and gutter, curb ramps, valley gutter, and sidewalk, and placement of striping and signage.
9. The NAME OF THE ORIGINAL CONTRACTOR, if any, for such work of improvement is HBC Enterprises.
10. The street address of said property is Centennial Park: 2001 Rio Grande Ct. & Sandalwood Park in the City of Coalinga
11. The property on which said work of improvement was completed is in the City of Coalinga County of Fresno , State of California, and is described as follows: Park Exercise Equipment Project

Date: _____

Signature of Owner
Or Agent of Owner _____
Daniel E. Jauregui, City of Coalinga Engineer Representative

Verification for INDIVIDUAL owner:
I, the undersigned, declare under penalty of perjury under the laws of the State of California that I am the owner of the aforesaid interest or estate in the property described in the above notice; that I have read said notice, that I know and understand the contents thereof, and that the facts stated therein are true and correct.

Fresno, CA

Date and Place

Verification for NON-INDIVIDUAL owner City of Coalinga:
I, the undersigned, declare under penalty of perjury under the laws of the State of California that I am the Contract City Engineer of the aforesaid interest or estate in the property described in the above notice; that I have read the said notice, that I know and understand the contents thereof, and that the facts stated therein are true and correct.

Fresno, CA

Date and Place

Daniel E. Jauregui, City of Coalinga Engineer Representative

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Authorize the Police Department to Purchase Two New Patrol Vehicles
Meeting Date:	
From:	Marissa Trejo, City Manager
Prepared by:	Sean Young, Police Commander

I. RECOMMENDATION:

Staff is requesting authorization to purchase 2 new patrol vehicles.

II. BACKGROUND:

The police department is still in need of purchasing new vehicles to supplement its existing fleet. The current fleet continues to have issues and are constantly being repaired due to the age of the vehicles. Council previously authorized the purchase of 2 patrol vehicles using COPS grant funding. Those vehicles have been ordered but will not be ready and delivered until the first quarter of 2025.

III. DISCUSSION:

Fleet vehicles that are ready for upfiting are still difficult to locate. As stated, the police department currently purchased two Dodge Chargers in January 2024 using COPS grant funding. Those vehicles were supposed to be available and ready for upfitting, but will not be completed and shipped until the first quarter of 2025.

A vehicle supplier the police department has used before, Dana Safety Supply, recently contacted the police department and advised us they had several Ford Police Interceptor Units (Explorers) available and on their lot in the Los Angeles area. Dana Safety Supply can also upfit emergency vehicles, so will be able to deliver a vehicle that is patrol ready, except for a radio, which Cooks Communication in Fresno handles for the police department.

There have been no other vendors that have vehicles readily available for purchase that can help update our deteriorating fleet.

IV. ALTERNATIVES:

Deny the purchase of these two vehicles.

V. FISCAL IMPACT:

Staff requested an increase of $160,000 in our 2024 / 2025 budget specifically for the purchase of two new patrol vehicles, which was approved with the new budget. The vehicles will cost $52,101.28 each, for a total of $104,202.56. The cost to upfit both vehicles is $51,266.07 for the pair. This brings the total purchase cost to $155,468.63. If approved, the cost of these two vehicles will be taken from the police departments Police Vehicles Lease Principal line item.

ATTACHMENTS:

File Name	Description
Dana_Safety_Vehicle_Quote.pdf	Vehicle Quote
Dana_Safety_Upfit_Quote.pdf	Upfit Quote

DSS LOC	CANOGA PARK	DATE	6/6/24
DSS REP	CHRIS DEGIOANNI		

				DSS VEHICLE QUOTE
CLIENT	**COALINGA POLICE DEPT**			
VEHICLE #	**PGB37383**			
FINCODE	**QQ283**			
REF #	**2023 PIU STOCK SUBJECT TO AVAILABILITY**			
1	VEHICLE NET INVOICE	1310G	$	47,900.17
2	DESTINATION CONCESSION	1170G	$	(1,200.00)
3	CHARGE BACK CONCESSION ON INVOICE	1170G	$	1,600.00
4	DEALER PROFIT INCLUDES COST FOR PDI @$40		$	590.00
5	Floor Plan Accrued interest	9.50%	$	2,636.11
6	DATE OF INVOICE			
7	ESTIMATED DATE OF SALE			
8	DAYS INTEREST	210	$	-
9	TOTAL VEHICLE ONLY SALE AMOUNT		**$**	**51,526.28**
11				
12	Remit to DSS for Sales Order (N/A)	2310g	$	-
13	Remittance for PDI	2310g	$	75.00
14	Remittance for Sales Fee	2310g	$	500.00
15		2310g		
16		2310g		
17	Total Remittance to DSS on Invoice(s)			
18	TOTAL SALE, ONE PO WITH DSS UPFIT		**$**	**52,101.28**

Sales Quote

DANA SAFETY SUPPLY, INC
4809 KOGER BLVD
GREENSBORO, NC 27407

Telephone: 800-845-0405

Sales Quote No.	534328-C
Customer No.	COALINGAPD

Bill To	Ship To
COALINGA POLICE DEPARTMENT 270 N SIXTH STREET COALINGA, CA 93210 United States	(For Pickup - LOSA) CANOGA PARK 9035 Independence Avenue Canoga Park, CA 91304
Contact: SEAN YOUNG **Telephone:** 559-935-1525 # 138 **E-mail:** syoung@coalinga.com	**Contact:** **Telephone:** **E-mail:**

Quote Date	Ship Via	F.O.B.	Customer PO Number	Payment Method
05/24/24	Ground	QUOTED FREIGHT		NET30

Entered By	Salesperson	Ordered By	Resale Number
Chris Degioanni	Chris Degioanni - LA	Sean Young	

Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
1	1	N	INFO VEHICLE INFORMATION Warehouse: LOSA 2024 FORD PIU PACKAGE A	0.0000	0.00
2	2	Y	EVP EMERGENCY VEHICLE PACKAGE Warehouse: LOSA	13,800.0000	27,600.00
2	2	N	INFO FRONT OF VEHICLE Warehouse: LOSA	0.0000	0.00
2	2	Y	BK2166ITU20 SMC PUSH BUMPER LIGHTED Warehouse: LOSA	0.0000	0.00
2	2	Y	CW3225 CODE3, 24" UTILITY BAR, RMK TAB Warehouse: LOSA	0.0000	0.00
2	2	Y	ENT3B3D SOI INTERSECTOR 18-LED SFC MNT,BLK HSG RED/WHITE Warehouse: LOSA ***MOUNTED ON PUSH BUMPER DRIVER SIDE	0.0000	0.00

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Entered By	Salesperson	Ordered By	Resale Number
Chris Degioanni	Chris Degioanni - LA	Sean Young	

Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
2	2	Y	ENT3B3E SOI INTERSECTOR 18-LED SFC MNT,BLK HSG BLUE/WHITE Warehouse: LOSA ***MOUNTED ON PUSH BUMPER PASSENGER SIDE	0.0000	0.00
2	2	Y	ELUC3H010D SOI UNIV UNDERCOVER LED INSERT, 5 WIRE RED/WHITE Warehouse: LOSA ***MOUNTED IN DRIVER SIDE HEADLIGHT	0.0000	0.00
2	2	Y	ELUC3H010E SOI UNIV UNDERCOVER LED INSERT, 5 WIRE BLUE/WHITE Warehouse: LOSA ***MOUNTED IN PASSENGER SIDE HEADLIGHT	0.0000	0.00
4	4	Y	ETSS100J SOI 100J SERIES COMPOSITE SPEAKER Warehouse: LOSA 100J series composite speaker w/ universal bail brkt-100 watt	0.0000	0.00

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Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
2	2	Y	ENNLB0181B-482 SOI, NFNXT LBAR, 54", RW/RBW/BW, RA/RBA/BA, HK44 Warehouse: LOSA 54"/137cm 9-32 VOLT NFORCE NXT LED LIGHTBAR W/ 15' LIN DSC TECHNOLOGY /D24/|D12||D12||D12||T18||D12||D12||D12|\D24\ /R_W/ |R_W||R_W||R_W||RBW||B_W||B_W||B_W| \B_W\ |D06|--GRT-||--GRT---||GRT||--GRT---|O-GRT--|D06| |R_W|--CLR-||--CLR---||CLR||--CLR---|O-CLR--|B_W| \D24\ |D12||D12||D12||T18||D12||D12||D12| /D24/ \R_W\\|R_A||R_A||R_A||RBA||B_A||B_A||B_A|/B_W/ Domes - Polycarb [D|12|6|12|P] Accessories - PNFLBSPLT1, AUTO-DIM Mount - Standard Fixed Height Mount (PNFLBK08) Hook - PNFLBF44 Vehicle - 2022 Ford Explorer w/o Roof Rack	0.0000	0.00
2	2	N	INFO SIDE OF VEHICLE Warehouse: LOSA	0.0000	0.00
2	2	Y	ENT3B3D SOI INTERSECTOR 18-LED SFC MNT,BLK HSG RED/WHITE Warehouse: LOSA ***MOUNTED UNDER DRIVER MIRROR	0.0000	0.00

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Chris Degioanni	Chris Degioanni - LA	Sean Young	

Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
2	2	Y	ENT3B3E SOI INTERSECTOR 18-LED SFC MNT,BLK HSG BLUE/WHITE Warehouse: LOSA ***MOUNTED UNDER PASSENGER MIRROR	0.0000	0.00
4	4	Y	PMP2BKUMB4 SOI 2020 PIUT UNDER MIRROR MNT BRACKET, EACH Warehouse: LOSA	0.0000	0.00
4	4	Y	EMPS2STS5RBW SOI, MPWR FASCIA, 4", STM, BLK HSG, RED/BLU/WHT Warehouse: LOSA ***MOUNTED IN CARGO WINDOW	0.0000	0.00
4	4	Y	PMP2BKDGAJ SOI 4" mPOWER 90 DEGREE MOUNTING BRACKET, BLACK Warehouse: LOSA	0.0000	0.00
2	2	N	INFO REAR OF VEHICLE Warehouse: LOSA	0.0000	0.00
2	2	Y	MISC SOUNDOFF (EMPAK01CRK) MPOWER ARROW SYSTEM Warehouse: LOSA Ford Explorer/PI Utility (2020-23) 6 Mod Split Rear w/ 4" Modules (DRV) |D12||D12||D12| |D12||D12||D12| (PAS) |R_A||R_A||R_A|X X|B_A||B_A||B_A| LIN DSC w/o Breakout Box (NOT Included)	0.0000	0.00

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Chris Degioanni	Chris Degioanni - LA	Sean Young	

Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
4	4	Y	EMPS2QMS5RBW SOI, MPWR FASCIA, 4", QM, BLK HSG, RED/BLU/WHT Warehouse: LOSA ***MOUNTED NEAR LICENSE PLATE	0.0000	0.00
4	4	Y	EMPS2QMS5RBA SOI, MPWR FASCIA, 4", QM, BLK HSG, RED/BLU/AMB Warehouse: LOSA ***MOUNTED UNDER HATCH, FACES REARWARD WHEN OPEN	0.0000	0.00
4	4	Y	ELUC3H010B SOI UNIV UNDERCOVER LED INSERT, 5 WIRE BLUE Warehouse: LOSA ***MOUNTED IN REAR TAILLIGHTS, ALTERNATES WITH OEM TAILLIGHTS	0.0000	0.00
2	2	N	INFO SIREN ELECTRONICS Warehouse: LOSA	0.0000	0.00
2	2	Y	ENGSA5200RSP SOI, 500 SERIES PUSHBTN 200W CNTRL, +VOICE PLBK Warehouse: LOSA ENGSA5200RSP	0.0000	0.00

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Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
4	4	Y	ENGND04102 SOI 10 OUTPUT REMOTE NODE W/ MAGNETIC I.D. Warehouse: LOSA ***(1) MOUNTED IN ENGINE BAY (1) MOUNTED ON EQUIPMENT TRAY	0.0000	0.00
2	2	Y	ENGHNK05 SOI 18" REMOTE NODE HARNESS Warehouse: LOSA 18 inch Harness Kit for Remote Node	0.0000	0.00
2	2	Y	ENGSYMD01 SOI SOUND OFF / BLUEPRINT SYNC MODULE Warehouse: LOSA	0.0000	0.00
2	2	Y	ENGLMK008 SOI BLUEPRINT PIU LINK MICRO KIT Warehouse: LOSA	0.0000	0.00
2	2	N	INFO INTERIOR OF VEHICLE Warehouse: LOSA	0.0000	0.00

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Chris Degioanni	Chris Degioanni - LA	Sean Young	

Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
2	2	Y	7170-0735-06 GJ2020+ Ford PUI Short Console Box W/Cup Holder, Mongo Warehouse: LOSA short console box with Cup Holder, Armrest, and Mongoose® XE 7” Motion Attachment for the 2020+ Ford Police Interceptor® Utility creates extra clearance between console and partition for easy access to gun mount and equipment. FEATURES Horizontal mounting space is shortened to increase accessibility to gun mounts and equipment Lowered top plate maintains accessibility to optional rear HVAC controls (Ford 17A ordering option) Easy installation with no OEM parts to be removed Console sits low between the front seats to create a more comfortable workspace and ease of egress Relocation faceplate for OEM 12V, USB, AUX 12V, and switch knockout included MOUNTING SPACE 10" angle section (8” with OEM relocation faceplate) 4.5" horizontal section (without internal cup holder) KIT INCLUDES Item No. 7160-1335 - 2020+ Ford Police Interceptor® Utility Short Console Box Item No. 7160-0846 - Internal Cup Holder Item No. MCS-ARMREST - Heavy-Duty Armrest Item No. 7160-1116-07 - Mongoose® XE 7” Motion Attachment	0.0000	0.00

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Quote Date	Ship Via	F.O.B.	Customer PO Number	Payment Method
05/24/24	Ground	QUOTED FREIGHT		NET30

Entered By	Salesperson	Ordered By	Resale Number
Chris Degioanni	Chris Degioanni - LA	Sean Young	

Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
2	2	Y	20033 GJ SOI 500 SERIES FACEPLATE Warehouse: LOSA	0.0000	0.00
2	2	Y	GJ-19740 GJ 1.5" Rocker Switch & AUX 12V Power Outlet Filler Pl Warehouse: LOSA	0.0000	0.00
2	2	Y	8025B EGIS RT FUSE BLOCK 6 POS W/GROUND & LED IND., BULK Warehouse: LOSA	0.0000	0.00
2	2	Y	ECVDMLTAL00 SOI UNIVERSAL DOME LIGHT ALL LED, RED/CLEAR Warehouse: LOSA	0.0000	0.00
2	2	Y	DSSA02 NEW WIRE MARINE CUSTOM CONTURA V BLACK Warehouse: LOSA PRISONER DOME LIGHT SWITCH COVER OFF-DOOR-ON	0.0000	0.00
2	2	Y	WAYTEK-44323 WAYTEK CARLING ON-OFF-ON SWITCH BODY Warehouse: LOSA	0.0000	0.00
2	2	Y	WAYTEK-11010 WAYTEK DC POWER PORT Warehouse: LOSA	0.0000	0.00

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Chris Degioanni	Chris Degioanni - LA	Sean Young	

Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
2	2	Y	WAYTEK-11011 WAYTEK DC POWER PORT CAP Warehouse: LOSA	0.0000	0.00
2	2	Y	MISC WAYTEK (11077) Warehouse: LOSA Intelligent Dual USB Charging Port, Type 2.0 @ 2.4A, Type-C @ 3A	0.0000	0.00
4	4	Y	MMSU-1 MAGNETIC MIC SINGLE UNIT CONVERSION KIT Warehouse: LOSA	0.0000	0.00
2	2	Y	GK10342U SMC DUAL VERT. RACK 2-XL UNIV LOCKS #2 KEY Warehouse: LOSA "Dual T-Rail Mount2 Universal XLWith #2 Key Override"	0.0000	0.00
2	2	Y	PK1130ITU20TM Setina 10XL Coated Polycarbonate Recessed (Tall Man) Warehouse: LOSA	0.0000	0.00
2	2	Y	WK0514ITU20H SMC Window Barrier Steel Horizontal Warehouse: LOSA	0.0000	0.00

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Chris Degioanni	Chris Degioanni - LA	Sean Young	

Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
2	2	Y	QK0566ITU20 SMC OEM REPLACEMENT PRISONER SEAT W/ 12 VS CARO Warehouse: LOSA 2020+ PIUT OEM Full Replacement Transport Seat TPO Plastic, with Center Pull Seat Belts & #12VS POLY Cargo Partition **********	0.0000	0.00
2	2	Y	WK0040ITU20 SMC 3 PC HORIZ REAR CARGO WINDOW BARRIERS 2020 Warehouse: LOSA	0.0000	0.00
2	2	Y	INV-ES-FF-ET-PIU20 INNOVATIVE ELETRONIC STORAGE, FALSE FLOOR, ELECTRONICS Warehouse: LOSA INV-ES-FF-ET-PIU20 ELETRONIC STORAGE, FALSE FLOOR, ELECTRONICS TRAY, PIU 2020, POLY COATED	0.0000	0.00
2	2	Y	INV-ES-ORG-FB-PIU20 INNOVATIVE ACCESSORY, ORGANIZER, DUAL FLARE BOX Warehouse: LOSA INV-ES-ORG-FB-PIU20 ACCESSORY, ELECTRONIC STORAGE, ORGANIZER, DUAL FLARE BOX, PIU 2020, POLY COATED	0.0000	0.00

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Chris Degioanni	Chris Degioanni - LA	Sean Young	

Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
2	2	Y	PTL4213 PG 2-3 INCH ROUND RED/WHITE LED COMPARTMENT LIGI Warehouse: LOSA MOUNTED IN CARGO AREA CONTROLLED BY 3-WAY SWITCH (CLEAR-OFF-RED) MOUNTED ON DRIVER SIDE OF CARGO AREA	0.0000	0.00
2	2	Y	B402 AME 5 LB ABC HOSE AND HORN FIRE EXTINGUISHER Warehouse: LOSA	0.0000	0.00
2	2	Y	862 AME HEAVY DUTY BRACKET FOR FIRE EXTIN. Warehouse: LOSA	0.0000	0.00
2	2	Y	8026B COPE RT FUSE BLOCK 12-POS, W/ GROUND & LED INDICAT Warehouse: LOSA	0.0000	0.00
2	2	Y	6001-3001B CE TH Series Time Delay Relay, 200 A Warehouse: LOSA	0.0000	0.00
2	2	Y	VINYLWRAP VINYL WRAP Warehouse: LOSA VINYL WRAP OF ROOF & 4 DOORS	3,125.0000	6,250.00

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Chris Degioanni	Chris Degioanni - LA	Sean Young	

Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
2	2	Y	GRAPHICS GRAPHICS FOR VEHICLE Warehouse: LOSA GRAPHICS	759.0000	1,518.00
2	2	Y	GRAPHICS INSTALL GRAPHICS INSTALL Warehouse: LOSA	300.0000	600.00
2	2	Y	INSTALL KIT MISC INSTALLATION SUPPLIES I.E. Warehouse: LOSA LOOM, WIRE, HARDWARE, CONNECTORS, ETC **********	325.0000	650.00
2	2	Y	INSTALL DSS INSTALLATION OF EQUIPMENT Warehouse: LOSA INSTALLATION INCLUDES: *ALL DSS SUPPLIES EQUIPMENT *1 CUSTOMER SUPPLIED RADIO KIT *MDC (IF PURCHASED OR PROVIDED)	4,800.0000	9,600.00
2	2	N	FREIGHT INCOMING FREIGHT Warehouse: LOSA	450.0000	900.00

Print Date	07/09/24
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Printed By: Chris Degioanni

Continued on Next Page

Sales Quote

DANA SAFETY SUPPLY, INC
4809 KOGER BLVD
GREENSBORO, NC 27407

Telephone: 800-845-0405

Sales Quote No.	534328-C
Customer No.	COALINGAPD

Bill To	Ship To
COALINGA POLICE DEPARTMENT 270 N SIXTH STREET COALINGA, CA 93210 United States	(For Pickup - LOSA) CANOGA PARK 9035 Independence Avenue Canoga Park, CA 91304
Contact: SEAN YOUNG **Telephone:** 559-935-1525 # 138 **E-mail:** syoung@coalinga.com	**Contact:** **Telephone:** **E-mail:**

Quote Date	Ship Via	F.O.B.	Customer PO Number	Payment Method
05/24/24	Ground	QUOTED FREIGHT		NET30

Entered By	Salesperson	Ordered By	Resale Number
Chris Degioanni	Chris Degioanni - LA	Sean Young	

Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
2	2	N	INFO NOT INCLUDED Warehouse: LOSA NOT INCLUDED IN THIS PACKAGE: RADIO OR ANTENNA MDC OR CRADLE **Approved By:** _____ ☐ **Approve All Items & Quantities** **Quote Good for 30 Days**	0.0000	0.00

Print Date	07/09/24
Print Time	07:05:00 PM
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Printed By: Chris Degioanni

Subtotal	47,118.00
Freight	0.00
8.975 % **Sales Tax**	4,148.07
Order Total	51,266.07

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Consideration of Bid Award for Birch, Durian & Lucille Ave Improvements
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Sean Brewer, Assistant City Manager

I. RECOMMENDATION:

It is recommended that the Coalinga City Council ward a Contract in the amount of $164,380.00 to A.J. Excavation, Inc., 514 N. Brawley Ave., Fresno, CA 93706 for the Birch, Durian & Lucille Ave Improvements Project. It is also recommended that a contingency of 10% ($16,438.00) be included in the Council action to cover any unforeseen incidentals for a total authorization amount of $180,818.00.

II. BACKGROUND:

In May 2024, the Coalinga City Council directed staff to prepare engineering plans and specifications and authorized a call for bids for the Birch, Durian & Lucille Ave Improvements Project. The project will implement street improvements to East Birch Avenue between 5th Street / Coalinga Plaza and North 4th Street, and East Birch Avenue between 5th Street / Coalinga Plaza and Sunset Street, and West Durian Avenue between North Sunset Street to North 7th Street. It will encompass 1.5" cold milling of the existing asphalt concrete on Birch and Durian Avenues with new 1.5" asphalt concrete overlay and removal of one existing concrete valley gutter on both Birch and Durian with new concrete valley gutter and new subbase. No utilities were found and there will be no improvements to existing curb, gutters, and ramps. Existing Striping will be removed and improved by the City of Coalinga Public Works Department.

III. DISCUSSION:

City Staff received and opened four bids for this project on July 18, 2024, at 2:00 p.m. A.J. Excavation, Inc., was the apparent low bidder with a total bid proposal of $164,380.00. The Engineer's Estimate was $152,570.00. The entire bid summary is included as Attachment "A". A.J. Excavation, Inc., has furnished the required bid bond. If the City Council decides to award the project to A.J. Excavation, Inc., and the "Notice to Proceed" is issued, the contractor will have 45 working days to complete the work. The following is a tentative schedule:

Award of Contract:	August 1, 2024
Start of Construction:	September 16, 2024
Completion of Construction:	November 19, 2024

IV. ALTERNATIVES:

The alternative to this council action would be to reject all bids. If all bids are rejected, the city would have to re-advertise or cancel the project. Staff believes that re-advertising the project will not result in lower bids.

V. FISCAL IMPACT:

Total authorization request for this contract is $164,380.00 with an additional 10% contingency of $16,438.00 for a total of $180,818.00. This project is funded from TDA Street Maintenance Fund which has appropriate funds to cover the expense.

There will be no fiscal impact to the General Fund.

ATTACHMENTS:

	File Name	Description
🗋	Bid_Summary.pdf	Bid Summary

City of Coalinga

PW 24-004 Birch, Durian & Lucille Ave Reconstruction Project

ATTACHMENT "A" Bids 1-4

Base Bid Items

					1 A.J. Excavation, Inc.		2 R.J. Berry, Jr., Inc.		3 Garcia Paving, Inc.		4 Papich Construction, Inc.	
Item	*Description*	*Unit*	*Qty.*	*Engineer's Est.*	*Unit Price*	*Extension*	*Unit Price*	*Extension*	*Unit Price*	*Extension*	*Unit Price*	*Extension*
1	MOBILIZATION / GENERAL REQUIREMENTS	LS	1	$ 8,300.00	$ 12,000.00	$ 12,000.00	$ 15,000.00	$ 15,000.00	$ 14,571.81	$ 14,571.81	$ 56,390.00	$ 56,390.00
2	WORKER SAFETY	LS	1	$ 400.00	$ 1,000.00	$ 1,000.00	$ 500.00	$ 500.00	$ 307.44	$ 307.44	$ 4,000.00	$ 4,000.00
3	TRAFFIC CONTROL	LS	1	$ 5,600.00	$ 12,000.00	$ 12,000.00	$ 12,000.00	$ 12,000.00	$ 6,777.78	$ 6,777.78	$ 27,200.00	$ 27,200.00
4	DUST CONTROL	LS	1	$ 600.00	$ 1,000.00	$ 1,000.00	$ 4,000.00	$ 4,000.00	$ 15,780.28	$ 15,780.28	$ 1,055.00	$ 1,055.00
5	EROSION & SEDIMENT CONTROL	LS	1	$ 7,500.00	$ 1,000.00	$ 1,000.00	$ 1,000.00	$ 1,000.00	$ 2,567.00	$ 2,567.00	$ 4,850.00	$ 4,850.00
6	3" PULVERIZE EXISTING ASPHALT CONCRETE PAVEMENT	SF	59200	$ 32,527.00	$ 0.40	$ 23,680.00	$ 0.30	$ 17,760.00	$ 0.29	$ 17,168.00	$ 0.64	$ 37,888.00
7	PULVERIZED BASE COMPACTION & GRADING	SF	59200	$ 23,656.00	$ 0.40	$ 23,680.00	$ 0.85	$ 50,320.00	$ 0.90	$ 53,280.00	$ 0.27	$ 15,984.00
8	1.5" HOT MIX ASPHALT TYPE A (HMA-A) CAP	TON	560	$ 66,120.00	$ 127.000	$ 71,120.00	$ 115.00	$ 64,400.00	$ 159.50	$ 89,320.00	$ 185.00	$ 103,600.00
9	7" HOT MIX ASPHALT TYPE A (HMA-A) PLUG	TON	5	$ 600.00	$ 100.00	$ 500.00	$ 500.00	$ 2,500.00	$ 203.32	$ 1,016.60	$ 585.00	$ 2,925.00
10	SAWCUTTING	LF	240	$ 480.00	$ 5.00	$ 1,200.00	$ 5.00	$ 1,200.00	$ 10.09	$ 2,421.60	$ 2.25	$ 540.00
11	CONCRETE / PAVEMENT REMOVAL AND DISPOSAL	CY	20	$ 3,400.00	$ 150.00	$ 3,000.00	$ 250.00	$ 5,000.00	$ 405.32	$ 8,106.40	$ 140.00	$ 2,800.00
12	CONCRETE VALLEY GUTTER (VG)	SF	500	$ 8,100.00	$ 23.00	$ 11,500.00	$ 20.00	$ 10,000.00	$ 22.00	$ 11,000.00	$ 50.00	$ 25,000.00
13	VG SUBGRADE EXCAVATION, COMPACTION, & GRADING	SF	700	$ 335.00	$ 1.000	$ 700.00	$ 15.00	$ 10,500.00	$ 6.08	$ 4,256.00	$ 4.50	$ 3,150.00
14	VG AGGREGATE BASE CLASS II	TON	20	$ 900.00	$ 100.000	$ 2,000.00	$ 50.00	$ 1,000.00	$ 320.04	$ 6,400.80	$ 175.00	$ 3,500.00
Base Bid Summary				**$ 158,518.00**		**$ 164,380.00**		**$ 195,180.00**		**$ 232,973.71**		**$ 288,882.00**

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Direct Staff to Seek Grants for Quick Charge Electric Vehicle Charging Stations
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Marissa Trejo, City Manager

I. RECOMMENDATION:

There is no staff recommendation. This item was requested as a Future Agenda Item by Mayor Horn.

II. BACKGROUND:

III. DISCUSSION:

This item Directs Staff to Seek Grants for Quick Charge Electric Vehicle Charging Stations.

IV. ALTERNATIVES:

Do not Direct Staff to Seek Grants for Quick Charge Electric Vehicle Charging Stations

V. FISCAL IMPACT:

None at this time.

ATTACHMENTS:

File Name	Description
No Attachments Available	

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Direct Staff to Obtain Quotes to Replace Projector Lights and Projector Motor in City Council Chambers
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Marissa Trejo, City Manager

I. RECOMMENDATION:

There is no staff recommendation. This item was requested as a Future Agenda Item by Mayor Horn.

II. BACKGROUND:

III. DISCUSSION:

This item Directs Staff to Obtain Quotes to Replace Projector Lights and Projector Motor in City Council Chambers.

IV. ALTERNATIVES:

Do not Direct Staff to Obtain Quotes to Replace Projector Lights and Projector Motor in City Council Chambers.

V. FISCAL IMPACT:

None at this time.

ATTACHMENTS:

File Name	Description
No Attachments Available	

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Direct Staff to Clean City-Owned Water Drainage Basins
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Marissa Trejo, City Manager

I. RECOMMENDATION:

This item was requested as a future agenda item by Mayor Horn. There is no staff recommendation.

II. BACKGROUND:

Staff currently schedules the cleaning of any City owned water drainage basins as needed.

III. DISCUSSION:

This item Directs Staff to Clean City-Owned Water Drainage Basins.

Staff currently schedules the cleaning of any City owned water drainage basins as needed. This item would direct staff to clean them now.

IV. ALTERNATIVES:

Do not Direct Staff to Clean City-Owned Water Drainage Basins.

V. FISCAL IMPACT:

The fiscal impact will be determined on whether it can be completed internally or whether the City needs to contract with an outside party, but should fall within the City Manager's spending authority of $10,000.

ATTACHMENTS:

File Name	Description

No Attachments Available

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Coalinga Police Department Monthly Report for June 2024
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Jose Garza, Chief of Police

I. RECOMMENDATION:

II. BACKGROUND:

III. DISCUSSION:

IV. ALTERNATIVES:

V. FISCAL IMPACT:

ATTACHMENTS:

File Name	Description
CPD_June_2024_Monthly_Report.docx	CPD June 2024 Monthly Report

June 2024
Monthly Report

The Coalinga Police Department, in partnership with the community, continues to do an outstanding job in addressing crime in the city. According to the Month to Month and Year to Year Table of Part 1 Crimes (See Table below), crimes are down by 22% Year to Date compared to last year 2023. For the month of June 2024, Part 1 crimes were up by 11% compared to June 2023, which was primarily due to an increase in the number of assaults (Of the14 assaults, 3 were domestic violence related). We need to keep the momentum going and work together to hold these criminals accountable for their actions.

PART 1 CRIMES						
	Last JUN	**This JUN**	**% CHANGE**	**YTD 2023**	**YTD 2024**	**% CHANGE**
HOMICIDE	0	0	0%	0	1	100%
RAPE	1	0	-100%	5	2	-60%
ROBBERY	0	0	0%	2	2	0%
ASSAULT	7	14	100%	64	69	8%
BURGLARY	1	2	100%	9	8	-11%
LARCENY	7	4	-43%	51	24	-53%
AUTO THEFT	2	0	-100%	8	2	-75%
TOTAL PART ONE	**18**	**20**	**11%**	**139**	**108**	**-22%**

Notable Investigation and Arrest (Press Release)

"On June 4th, 2024, at about 8pm, officers were dispatched to the 100 block of Madison Street for a report of a stabbing. Upon arriving, officers learned that two brothers had been involved in an argument which led to a physical fight, resulting in one brother stabbing the other brother in the chest. The suspect, identified as Coalinga resident Cezar Javier Oropeza-Velazquez, was arrested at the scene after a brief struggle with officers. The victim was treated at the scene by Coalinga EMS and then transported to the Regional Medical Center in Fresno for further treatment of his wounds. Oropeza-Velasquez was later transported to the Fresno County Jail for attempted murder, resisting / obstructing officers, and parole violation. Oropeza-Velasquez has prior arrests for assault with a deadly weapon, narcotic violations, and is currently on parole for burglary."

Respectfully,
Jose V Garza
Chief of Police

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Discussion, Direction and Potential Action regarding Selecting a Voting Delegate and Up to Two (2) Alternate Voting Delegates for the Annual Business Meeting at the League of California Cities 2024 Annual Conference in Long Beach, California
Meeting Date:	Thursday, August 1, 2024
From:	Marissa Trejo, City Manager
Prepared by:	Shannon Jensen, City Clerk

I. RECOMMENDATION:

Staff is seeking direction regarding the designation of a voting delegate and up to two (2) alternate voting delegates for the Annual Business Meeting at the League of California Cities 2024 Annual Conference scheduled for October 16th through the 18th in Long Beach, California.

II. BACKGROUND:

The League of California Cities (the "League") was established in 1898 as a way of representing the state's incorporated cities. Their mission is "to expand and protect local control for cities through education and advocacy to enhance the quality of life". Each year the League hold an annual conference. Included at the conference is the Annual Business Meeting where League membership considers and takes action on resolutions that establish League policy for the upcoming business year. The City of Coalinga, as a member, has the right to vote during the meeting via the delegate and/or alternates. **Only those attending the conference can vote during the Business Meeting.**

III. DISCUSSION:

In order for a delegate or alternate to vote on behalf of the City, they must be designated by the City Council. The Council may also appoint up to 2 alternate delegates, one of whom may vote in the event should the designated voting delegate be unable to attend.

Staff is requesting Council decide who shall act as the delegate and who shall act as the alternate(s).

Depending on the Council's direction, there is a form for the City Clerk to sign affirming the Council's decision regarding the voting delegate and alternate(s).

IV. ALTERNATIVES:

The Council may choose not to attend the 2024 Annual Conference in Long Beach, California.

V. FISCAL IMPACT:

Funding for the Council and City Manager's attendance of the Conference has been included in the FY 24-25 budget. Conference expenses will come from the General Fund.

ATTACHMENTS:

File Name	Description
2024_Cal_Cities_Voting_Delegate_Information_Packet.pdf	2024 Designation of Voting Delegate & Alternate(s) - Instructions

LEAGUE OF CALIFORNIA CITIES

Council Action Advised by September 25, 2024

DATE: Wednesday, July 10, 2024

TO: Mayors, Council Members, City Clerks, and City Managers

RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES
League of California Cities Annual Conference and Expo, Oct. 16-18, 2024
Long Beach Convention Center

Every year, the League of California Cities convenes a member-driven General Assembly at the Cal Cities Annual Conference and Expo. The General Assembly is an important opportunity where city officials can directly participate in the development of Cal Cities policy.

Taking place on Oct. 18, the General Assembly is comprised of voting delegates appointed by each member city; every city has one voting delegate. Your appointed voting delegate plays an important role during the General Assembly by representing your city and voting on resolutions.

To cast a vote during the General Assembly, your city must designate a voting delegate and up to two alternate voting delegates, one of whom may vote if the designated voting delegate is unable to serve in that capacity. Voting delegates may either be an elected or appointed official.

Action by Council Required. Consistent with Cal Cities bylaws, a city's voting delegate and up to two alternates must be designated by the city council. Please note that designating the voting delegate and alternates **must** be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.

Following council action, please submit your city's delegates through the online submission portal by Wed., Sept. 25. When completing the Voting Delegate submission form, you will be asked to attest that council action was taken. You will need to be signed in to your My Cal Cities account when submitting the form.

Submitting your voting delegate form by the deadline will allow us time to establish voting delegate/alternate records prior to the conference and provide pre-conference communications with voting delegates.

Conference Registration Required. The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. Conference registration is open on the Cal Cities website.

LEAGUE OF CALIFORNIA CITIES

For a city to cast a vote, one voter must be present at the General Assembly and in possession of the voting delegate card and voting tool. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the voting delegate desk. This will enable them to receive the special sticker on their name badges that will admit the voting delegate into the voting area during the General Assembly.

Please view Cal Cities' event and meeting policy in advance of the conference.

Transferring Voting Card to Non-Designated Individuals Not Allowed. The voting delegate card may be transferred freely between the voting delegate and alternates, but *only* between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the General Assembly, they may *not* transfer the voting card to another city official.

Seating Protocol during General Assembly. At the General Assembly, individuals with a voting card will sit in a designated area. Admission to the voting area will be limited to the individual in possession of the voting card and with a special sticker on their name badge identifying them as a voting delegate.

The voting delegate desk, located in the conference registration area of the Long Beach Convention Center in Long Beach, will be open at the following times: Wednesday, Oct. 16, 8:00 a.m.-6:00 p.m. and Thursday, Oct. 17, 7:30 a.m.-4:00 p.m. On Friday, Oct. 18, the voting delegate desk will be open at the General Assembly, starting at 7:30 a.m., but will be closed during roll calls and voting.

The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

Once again, thank you for submitting your voting delegate and alternates by Wednesday, Sept. 25. If you have questions, please contact Zach Seals at zseals@calcities.org.

Attachments:

- General Assembly Voting Guidelines
- Information Sheet: Cal Cities Resolutions and the General Assembly

LEAGUE OF CALIFORNIA CITIES

General Assembly Voting Guidelines

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to Cal Cities policy.

2. **Designating a City Voting Representative.** Prior to the Cal Cities Annual Conference and Expo, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the voting delegate form provided to the Cal Cities Credentials Committee.

3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the voting delegate desk in the conference registration area. Voting delegates and alternates must sign in at the voting delegate desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the General Assembly.

4. **Signing Initiated Resolution Petitions**. Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the credentials committee at the voting delegate desk, may sign petitions to initiate a resolution.

5. **Voting.** To cast the city's vote, a city official must have in their possession the city's voting card and voting tool; and be registered with the credentials committee. The voting card may be transferred freely between the voting delegate and alternates but may not be transferred to another city official who is neither a voting delegate nor alternate.

6. **Voting Area at General Assembly.** At the General Assembly, individuals with a voting card will sit in a designated area. Admission to the voting area will be limited to the individual in possession of the voting card and with a special sticker on their name badge identifying them as a voting delegate.

7. **Resolving Disputes**. In case of dispute, the credentials committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the General Assembly.

LEAGUE OF CALIFORNIA CITIES

How it works: Cal Cities Resolutions and the General Assembly

Developing League of California Cities policy is a dynamic process that engages a wide range of members to ensure Cal Cities represents cities with one voice. These policies directly guide Cal Cities' advocacy to promote local decision-making, and lobby against statewide policies that erode local control.

The resolutions process and General Assembly is one way that city officials can directly participate in the development of Cal Cities policy. If a resolution is approved at the General Assembly, it becomes official Cal Cities policy. Here's how resolutions and the General Assembly work.

Prior to the Annual Conference and Expo

General Resolutions



Sixty days before the Annual Conference and Expo, Cal Cities members may submit policy proposals on issues of importance to cities. The resolution must have the concurrence of at least five additional member cities or individual members.

Policy Committees



The Cal Cities President assigns general resolutions to policy committees where members review, debate, and recommend positions for each policy proposal. Recommendations are forwarded to the Resolutions Committee.

During the Annual Conference and Expo

Petitioned Resolutions



The petitioned resolution is an alternate method to introduce policy proposals during the annual conference. The petition must be signed by voting delegates from 10% of member cities, and submitted to the Cal Cities President at least 24 hours before the beginning of the General Assembly.

Resolutions Committee



The Resolutions Committee considers all resolutions. General Resolutions approved[1] by either a policy committee or the Resolutions Committee are next considered by the General Assembly. General resolutions not approved, or referred for further study by both a policy committee and the Resolutions Committee do not go to the General Assembly. All Petitioned Resolutions are considered by the General Assembly, unless disqualified.[2]

General Assembly



During the General Assembly, voting delegates debate and consider general and petitioned resolutions forwarded by the Resolutions Committee. Potential Cal Cities bylaws amendments are also considered at this meeting.

Who's who

Cal Cities policy development is a member-informed process, grounded in the voices and experiences of city officials throughout the state.

The **Resolutions Committee** includes representatives from each Cal Cities diversity caucus, regional division, municipal department, and policy committee, as well as individuals appointed by the Cal Cities president.

Voting delegates are appointed by each member city; every city has one voting delegate.

The **General Assembly** is a meeting of the collective body of all voting delegates —one from every member city.

Seven **policy committees** meet throughout the year to review and recommend positions to take on bills and regulatory proposals. Policy committees include members from each Cal Cities diversity caucus, regional division, and municipal department, as well as individuals appointed by the Cal Cities president.

[1] The Resolution Committee can amend a general resolution prior to sending it to the General Assembly.
[2] Petitioned Resolutions may be disqualified by the Resolutions Committee according to Cal Cities Bylaws Article VI. Sec. 5(f).

For more information visit www.calcities.org/general-assembly