



CITY *of* CALABASAS

**CITY COUNCIL AGENDA
REGULAR MEETING – WEDNESDAY, APRIL 22, 2015
CITY HALL COUNCIL CHAMBERS
100 CIVIC CENTER WAY, CALABASAS
www.cityofcalabasas.com**

The starting times listed for each agenda item should be considered as a guide only. The City Council reserves the right to alter the order of the agenda to allow for an effective meeting. Attendance at the entire meeting may be necessary to ensure interested parties hear a particular item. The public may speak on a closed session item prior to Council's discussion. To do so, a speaker card must be submitted to the City Clerk at least five minutes prior to the start of closed session. The City values and invites written comments from residents on matters set for Council consideration. In order to provide councilmembers ample time to review all correspondence, any written communication must be submitted to the City Clerk's office before 5:00 p.m. on the Monday prior to the meeting.

CLOSED SESSION – CONFERENCE ROOM – 6:00 P.M.

1. Conference with legal counsel, anticipated litigation, one case, Government Code section 54956.9 (d)(2)e)(2)- Las Virgenes Municipal Water District claim for UUT refund
2. Conference with legal counsel anticipated litigation – one case. Government Code §54956.9(d)4

OPENING MATTERS – 7:00 P.M.

Call to Order/Roll Call of Councilmembers
Pledge of Allegiance by Girl Scout Troop 2626
Approval of Agenda

ANNOUNCEMENTS/INTRODUCTIONS – 7:10 P.M.

- Adjourn in memory

PRESENTATIONS – 7:25 P.M.

- LVMWD impacts on drought

ORAL COMMUNICATIONS – PUBLIC COMMENT – 7:45 P.M.

CONSENT ITEMS – 7:55 P.M.

1. Approval of meeting minutes from April 8, 2015
2. Recommendation from the Parks, Recreation and Education Commission to: 1. Award contract to Malibu Pacific Tennis Courts, Inc. in the amount of \$88,000 for the installation of a USTA 8 and under tennis court; 2. Allocate \$17,700 for site drainage, landscaping and shaded shelter and seating at the Calabasas Tennis & Swim Center
3. Authorization to approve budgeted funding and change order for Newbury Park Tree Service in the amount of \$21,500 for FY2014-2015 for regular monthly tree maintenance within Landscape Lighting Act District Nos. 24, 27 and 32 in the City of Calabasas
4. Authorization to approve budgeted funding and change orders for Venco Western, Inc. in the amount of \$1,453,960 for FY2015-16 for regular monthly landscape maintenance and authorized extra work in nine specified zones as part of Specification No.10-11-02 Landscape Maintenance of Common Benefit Areas within Landscape Maintenance District 22 and common areas of specified homeowner associations within Landscape Lighting Act District No. 22
5. Adoption of Resolution No. 2015-1447, initiating proceedings for the levy and collection of assessments within Landscape Maintenance District No. 22 and Landscape Lighting Act District Nos. 22, 24, 27 and 32 and ordering a preliminary Engineer's Report; Adoption of Resolution No. 2015-1448, approving a preliminary Engineer's Report with respect to the levy and collection of assessments in connection with Landscape Lighting Act District Nos. 22, 24, 27 and 32 for Fiscal Year 2015-2016; Adoption of Resolution No. 2015-1549 declaring its intent to levy and collect assessments within Landscape Maintenance District No. 22 and Landscape Lighting Act District Nos. 22, 24, 27 and 32 and setting time and place for public hearing
6. Adoption of Resolution No. 2015-1446 to approve a summary vacation of 1,103.78 square feet of real property known as Hummingbird Way located adjacent to 22969 Hummingbird Way within the Residential Single-Family Zoning District
7. Introduction of Ordinance No. 2015-324 pertaining to Chapter 8.12, Second Hand Smoke Control of the Calabasas Municipal Code to correct a clerical error

NEW BUSINESS – 8:10 P.M.

8. Adoption of Resolution No. 2015-1451 consenting to inclusion of properties within the City's jurisdiction in the California HERO Program to finance distributed generation renewable energy sources, energy and water efficiency improvements and electric vehicle charging infrastructure
9. Adoption of Resolution No. 2015-1452 approving documents related to the issuance of the Series 2015 Certificates of Participation (Civic Center) and the execution and delivery of these Certificates of Participation in an amount not to exceed \$43,000,000

INFORMATIONAL REPORTS – 8:30 P.M.

10. Check Register for the period of April 1-18, 2015.

TASK FORCE REPORTS – 8:35 P.M.

CITY MANAGER'S REPORT – 8:45 P.M.

FUTURE AGENDA ITEMS – 8:50 P.M.

RECESS TO CALABASAS FACILITIES CORPORATION MEETING

ADJOURN – 9:00 P.M.

The City Council will adjourn in memory of Jim Doran to a special meeting/workshop scheduled for Wednesday, April 29, 2015, at 7: 00 p.m.

**MINUTES OF A REGULAR MEETING OF
THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA
HELD WEDNESDAY, APRIL 8, 2015**

Mayor Martin called the Closed Session portion of the meeting at 6:34 p.m. in the Council Conference Room, 100 Civic Center Way, Calabasas, California. All members of the City Council were present.

CLOSED SESSION

1. Conference with legal counsel anticipated litigation – one case. Government Code §54956.9(d)4.

The Council convened to Open Session at 7:24 p.m.

ROLL CALL Present: Mayor Martin, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro
Absent: None.
Staff: Coroalles, Hernandez, Howard, Klein, Lysik, Tamuri and Yalda.

The Pledge of Allegiance was led by Richard Sherman.

APPROVAL OF AGENDA

Councilmember Shapiro moved, seconded by Councilmember Gaines to approve the agenda. MOTION CARRIED 5/0 as follows:

AYES: Mayor Martin, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro.

Mr. Howard reported that there were no reportable actions from the Closed Session.

ANNOUNCEMENTS/INTRODUCTIONS

Members of the Council made the following announcements:

Councilmember Gaines:

- Apologized for not attending the Council reorganization on March 25. He expressed appreciation to former Mayor Shapiro and congratulated Mayor Martin.
- The CHS Performing Arts Education Center is hosting a fundraiser with Jason Alexander's one man show debuting on April 25.

Councilmember Shapiro:

- Wished everyone Happy Holidays.
- Will be participating on the League's Policy Committee meeting on April 9.
- Congressman Ted Lieu is hosting a congressional art competition for high school students.
- Earth Day festival is scheduled on April 11.
- Law Day is taking place on May 1 in the Library.
- Calabasas High School Peer Support will be hosting the bully movie for middle school students on May 6.

Mayor pro Tem Bozajian:

- Extended appreciation to AHCCC and participants for St. Patrick's Day/Open House celebration; for the Arbor Day celebration; for an excellent Eggstreme; and to Public Works Director, Robert Yalda for a great Lost Hills Interchange Project ribbon cutting ceremony.
- The Canine Classic will take place at De Anza Park on April 26.
- The Calabasas Fine Arts Festival is scheduled on May 2 and 3.

Mayor Martin:

- Extended appreciation to staff for all the wonderful events that have taken place recently.
- Extended appreciation to the Council and attendees to the reorganization meeting.
- The month of April is DMV Donate Life California Month. She encouraged everyone to become a donor.
- Acknowledged staff members John Bingham and Belinda Varela for attaining their IPMA-HR Certified Professional (IPMA-CP) from the International Public Management Association of Human Resources.

PRESENTATIONS

- Recognition of Sergeant Philip Brooks for 32 years of service to the Sheriff's Department

Mayor Martin presented a certificate to Sgt. Brooks. Members of the Council expressed appreciation to retired Sgt. Brooks.

- Sheriff's Crime Report

Lt. De Santis presented the report.

ORAL COMMUNICATIONS – PUBLIC COMMENT

Jacqueline Souza, Tatiana Megerdichian, Sophia Masbe, Katie Rumanovich, CHS teacher, Mr. Young and Carl Ehrlich spoke during public comment.

CONSENT ITEMS

1. Approval of meeting minutes from March 11 and March 25, 2015
2. Adoption of Ordinance 2015-321 adding Chapter 2.27 and amending Chapters 2.28, 2.30, 2.36, 2.37, 2.38, 2.39, 2.40, 2.41 and 2.43 of the Calabasas Municipal Code regarding Commissions
3. Adoption of Ordinance 2015-323 of the City Council of the City of Calabasas to amend Calabasas Municipal Code, Section 17.12.050 related to Antennas/Personal Wireless Telecommunications Facilities to add provisions creating a separate application and approval process for wireless facility permit applications covered under Section 6409(a) of the Middle Class Tax Relief and Job Creation Act of 2012, 47 U.S.C. Section 1455(a)
4. Recommendation to award a three year professional services agreement to Jones and Jones, Inc. in the amount of \$150,000 for construction management services
5. Authorization to approve budgeted funding and change order for Newbury Park Tree Service, Inc. in the amount of \$70,000 for authorized required work as part of Specification No. 10-11-03 Public Street Tree Maintenance in the City of Calabasas
6. Authorization to approve contract change order for Absolute Tree & Brush in the amount of \$359,654 to fund required work for the Annual Weed Abatement/Fuel Reduction Program for fire safety within the City of Calabasas

Mayor Martin pulled Item No. 5 to allow for a public speaker.

Councilmember Maurer moved, seconded by Councilmember Gaines to approve Consent Items No. 1-4 and 6. MOTION CARRIED 5/0 as follows:

AYES: Mayor Martin, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro.

Carl Ehrlich spoke on Item No. 5.

After further discussion, Councilmember Shapiro moved, seconded by Councilmember Gaines to approve Consent Item No. 5. MOTION CARRIED 5/0 as follows:

AYES: Mayor Martin, Mayor pro Tem Bozajian, Councilmembers Bozajian, Gaines and Maurer.

NEW BUSINESS

7. Recommendation to proceed with the design and construction of the City of Calabasas gateway monument and upgrades to the landscaped median on Parkway Calabasas from Park Granada to Calabasas Road, in accordance with Memorandum of Agreement dated December 15, 2004, with the Calabasas Park Homeowners Association

Mr. Coroalles introduced Paul Jordan of Jordan, Gilbert & Bain Landscape Architects to provide a presentation.

David Litt, Steve Wurzer and Richard Sherman spoke on Item No. 7.

After extensive discussion, Councilmember Shapiro moved, seconded by Mayor pro Tem Bozajian to approve Item No. 7. MOTION CARRIED 5/0 as follows:

AYES: Mayor Martin, Mayor pro Tem Bozajian, Councilmembers Bozajian, Gaines and Maurer.

The Council recessed at 8:45 p.m.

The Council reconvened at 8:53 p.m.

Councilmember Maurer left during the break.

8. Discussion and concept approval to refund Series 2006 Certificates of Participation (City Hall and Library) for cashflow savings. Series 2015 refunding bonds would be issued to include an additional \$6M for the costs associated with the new Senior Center

Dr. Lysik presented the report.

Councilmember Gaines moved, seconded by Councilmember Shapiro to approve Item No. 8. MOTION CARRIED 4/0 as follows:

AYES: Mayor Martin, Mayor pro Tem Bozajian, Councilmembers Gaines and Shapiro.

ABSENT: Maurer

Mayor Martin welcomed Gloria and Patti Coroaalles, mother and wife of Mr. Coroaalles, respectively.

INFORMATIONAL REPORTS

9. Check Register for the period of March 4-25, 2015.

No action was taken on this item.

TASK FORCE REPORTS

None.

CITY MANAGER’S REPORT

Mr. Coroaalles reported that he was contacted by the owner of the old Spirent to inform him that there are plans for an extension of Pepperdine University to be established at that building. He further reported the receipt of an email informing him that Coco’s has closed.

FUTURE AGENDA ITEMS

Mayor pro Tem Bozajian stated that an item may be required if the Council needs to appoint him as a voting delegate for the upcoming California Contract Cities Association’s annual meeting. Discussion ensued regarding Calabasas welcome monuments. Mr. Coroaalles reported that due to the City frontloading several projects, there may be a gap in the receipt of Measure R funds.

ADJOURN

The City Council adjourned at 9:12 p.m. to their next regular meeting scheduled on Wednesday, April 22, 2015, at 7:00 p.m.

Maricela Hernandez, MMC
City Clerk



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: APRIL 3, 2015

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: DAN HUNCKE, RECREATION SERVICES MANAGER

SUBJECT: RECOMMENDATION FROM THE PARKS, RECREATION & EDUCATION COMMISSION TO: 1. AWARD CONTRACT TO MALIBU PACIFIC TENNIS COURTS, INC. IN THE AMOUNT OF \$88,000 FOR THE INSTALLATION OF A USTA 8 AND UNDER TENNIS COURT; 2. ALLOCATE \$17,700 FOR SITE DRAINAGE, LANDSCAPING AND SHADED SHELTER AND SEATING AT THE CALABASAS TENNIS & SWIM CENTER

MEETING DATE: APRIL 22, 2015

SUMMARY RECOMMENDATION:

It is recommended that the City Council approve the recommendation from the Parks, Recreation & Education Commission to construct a USTA 8 & Under Tennis Court, Specification 14-15-04 and award a Professional Services Agreement to Malibu Pacific Tennis Courts, Inc. in the amount of \$88,000.00.

BACKGROUND:

On February 25, 2015, City Council approved the recommendation of the Parks, Recreation & Education Commission to award a Professional Services Agreement to Taylor Tennis Courts, Inc. in the amount of \$84,250 for the construction of a USTA 8 & Under Tennis Court at the Calabasas Tennis & Swim Center.

As requested, Taylor Tennis Courts, Inc. submitted a contractor's license issued by the Contractors State License Board. After further investigation of the contractor's

ability to complete all aspects of the trade work under the license that was submitted, it was found that Taylor Tennis Courts, Inc. did not have the ability to lawfully complete the electrical aspect of the project under the license submitted. Staff gave Taylor Tennis Courts, Inc. an opportunity to address the issue and it was concluded that Taylor Tennis Courts, Inc. is not licensed for electrical work, nor do they have the ability under his license to sub-contract out the electrical work.

DISCUSSION/ANALYSIS:

Staff then proceeded to contact the next lowest bidder to submit for the project, Malibu Pacific Tennis Courts, Inc. After first ensuring they were properly licensed for the project, which they are, staff requested they revisit their initial bid amount they submitted as it exceeded the project amount that staff had budgeted for the project.

Malibu Pacific Tennis Courts, Inc. was able to “split the difference” between the two bid amounts and came back with a revised bid amount of \$88,000. They were able to come up with the new bid amount by having available to them the soil necessary to fill the tree well from a project they are currently working on in the area.

Staff has worked with Malibu Pacific Tennis Courts, Inc. on numerous projects in the City, both tennis related and park related, and have been extremely satisfied with their quality of work.

Staff anticipates the court construction to commence the beginning of May and take approximately 60 days to complete. With no-unforeseen issues with the construction, staff plans to have the tennis court available by the end of June and available to assist with the summer programming.

Since the February 25th Council meeting, staff was notified about being awarded in the amount of \$12,000 for a grant application they submitted to the United States Tennis Association, USTA. The grant is to help facilities develop the USTA’s 10 & Under Tennis Program by offering tennis court amenities and programs to further introduce and develop you to the game of tennis. This project was submitted and will be awarded at the completion of the project.

FISCAL IMPACT/SOURCE OF FUNDING:

Staff recommends that \$105,700 be used from the Quimby fees, earmarked to the City for parks and recreational purposes, from the mixed-use development located at 23500 Park Sorrento. \$88,000 for the construction of the court, \$7,700 for site drainage, \$5,000 for landscaping and \$5,000 for shaded shelter and seating.

REQUESTED ACTION:

It is requested that the City Council approve the recommendation by the Parks, Recreation & Education Commission to construct a USTA 8 & Under tennis court, Specification #14-15-04, and award a Professionals Services Agreement to Malibu Pacific Tennis Courts, Inc. in the amount of \$88,000; and allocate \$17,700 for site drainage, landscaping and shaded shelter and seating at the Calabasas Tennis & Swim Center.

ATTACHMENTS:

Malibu Tennis Court Inc. Professional Services Agreement

**ITEM 2 ATTACHMENT
PROFESSIONAL SERVICES AGREEMENT
Providing for Payment of Prevailing Wages**

(City of Calabasas/ Malibu Pacific Tennis Courts, Inc.)

1. IDENTIFICATION

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and between the City of Calabasas, a California municipal corporation (“City”), and Malibu Pacific Tennis Courts, Inc., a California corporation (“Consultant”).

2. RECITALS

- 2.1 City has determined that it requires the following professional services from a consultant: Tennis court builder.
- 2.2 Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

3. DEFINITIONS

- 3.1 “Scope of Services”: Such professional services as are set forth in Consultant’s February 10, 2015 proposal to City attached hereto as Exhibit A and incorporated herein by this reference.
- 3.2 “Approved Fee Schedule”: Such compensation rates as are set forth in Consultant’s February 10, 2015 fee schedule to City attached hereto as Exhibit B and incorporated herein by this reference.
- 3.3 “Commencement Date”: May 4, 2015.
- 3.4 “Expiration Date”: August 31, 2015.

4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date

and shall expire at 11:59 p.m. on the Expiration Date unless extended by written agreement of the parties or terminated earlier in accordance with Section 17 (“Termination”) below.

5. CONSULTANT’S SERVICES

- 5.1 Consultant shall perform the services identified in the Scope of Services. City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement. In no event shall the total compensation and costs payable to Consultant under this Agreement exceed the sum of Eighty Eight Thousand Dollars (\$88,000,00) unless specifically approved in advance and in writing by City.
- 5.2 Consultant shall perform all work to the highest professional standards of Consultant’s profession and in a manner reasonably satisfactory to City. Consultant shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*).
- 5.3 During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute and (ii) City has not consented in writing to Consultant’s performance of such work.
- 5.4 Consultant represents that it has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. Phil Carter shall be Consultant’s project administrator and shall have direct responsibility for management of Consultant’s performance under this Agreement. No change shall be made in Consultant’s project administrator without City’s prior written consent.
- 5.5 To the extent that the Scope of Services involves trenches deeper than 4’, Contractor shall promptly, and before the following conditions are disturbed, notify the City, in writing, of any:

(1) Material that the contractor believes may be material that is hazardous waste, as defined in § 25117 of the Health and Safety Code, which is required to be removed to a Class I, Class II, or Class III disposal site in accordance with

provisions of existing law.

(2) Subsurface or latent physical conditions at the site differing from those indicated by information about the site made available to bidders prior to the deadline for submitting bids.

(3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the contract.

City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or involve hazardous waste, and cause a decrease or increase in the contractor's cost of, or the time required for, performance of any part of the work, the City shall issue a change order under the procedures described in the contract.

6. COMPENSATION

- 6.1 City agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept in full satisfaction for such services, payment in accordance with the Approved Fee Schedule.
- 6.2 Consultant shall submit to City an invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within thirty calendar days of receipt of each invoice, City shall pay all undisputed amounts included on the invoice. City shall not withhold applicable taxes or other authorized deductions from payments made to Consultant.
- 6.3 Payments for any services requested by City and not included in the Scope of Services shall be made to Consultant by City on a time-and-materials basis using Consultant's standard fee schedule. Consultant shall be entitled to increase the fees in this fee schedule at such time as it increases its fees for its clients generally; provided, however, in no event shall Consultant be entitled to increase fees for services rendered before the thirtieth day after Consultant notifies City in writing of an increase in that fee schedule. Fees for such additional services shall be paid within sixty days of the date Consultant issues an invoice to City for such services.
- 6.4 This Agreement is further subject to the provisions of Article 1.7 (commencing at Section 20104.50) of Division 2, Part 3 of the Public Contract Code regarding prompt payment of contractors by local governments. Article 1.7 mandates certain procedures for the payment of undisputed and properly submitted payment

requests within 30 days after receipt, for the review of payment requests, for notice to the contractor of improper payment requests, and provides for the payment of interest on progress payment requests which are not timely made in accordance with this Article. This Agreement hereby incorporates the provisions of Article 1.7 as though fully set forth herein.

- 6.5 To the extent applicable, at any time during the term of the Agreement, the Consultant may at its own expense, substitute securities equivalent to the amount withheld as retention (or the retained percentage) in accordance with Public Contract Code section 22300. At the request and expense of the consultant, securities equivalent to the amount withheld shall be deposited with the public agency, or with a state or federally chartered bank in this state as the escrow agent, who shall then pay those moneys to the Consultant. Upon satisfactory completion of the contract, the securities shall be returned to the Consultant.

7. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material (“written products” herein) developed by Consultant in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

8. RELATIONSHIP OF PARTIES

Consultant is, and shall at all times remain as to City, a wholly independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise to act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant’s employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of City.

9. CONFIDENTIALITY

All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without prior written consent by City. City shall grant such consent if disclosure is legally required. Upon request, all City data shall be returned to City upon the termination or expiration of this Agreement.

10. INDEMNIFICATION

- 10.1 The parties agree that City, its officers, agents, employees and volunteers should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the parties to be interpreted and construed to provide the City with the fullest protection possible under the law. Consultant acknowledges that City would not enter into this Agreement in the absence of Consultant's commitment to indemnify and protect City as set forth herein.
- 10.2 To the fullest extent permitted by law, Consultant shall indemnify, hold harmless and defend City, its officers, agents, employees and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant or any of its officers, employees, servants, agents, or subcontractors in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees due to counsel of City's choice.
- 10.3 City shall have the right to offset against the amount of any compensation due Consultant under this Agreement any amount due City from Consultant as a result of Consultant's failure to pay City promptly any indemnification arising under this Section 10 and related to Consultant's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.
- 10.4 The obligations of Consultant under this Section 10 will not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.
- 10.5 Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 10 from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, hold harmless and defend City, its officers, agents, employees and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's

subcontractors or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.

- 10.6 City does not, and shall not, waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

11. INSURANCE

- 11.1 During the term of this Agreement, Consultant shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with Consultant's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

11.1.1 Comprehensive General Liability Insurance with coverage limits of not less than One Million Dollars (\$1,000,000) including products and operations hazard, contractual insurance, broad form property damage, independent consultants, personal injury, underground hazard, and explosion and collapse hazard where applicable.

11.1.2 Automobile Liability Insurance for vehicles used in connection with the performance of this Agreement with minimum limits of One Million Dollars (\$1,000,000) per claimant and One Million dollars (\$1,000,000) per incident.

11.1.3 Worker's Compensation insurance as required by the laws of the State of California, including but not limited to California Labor Code § 1860 and 1861 as follows:

Contractor shall take out and maintain, during the life of this contract, Worker's Compensation Insurance for all of Contractor's employees employed at the site of improvement; and, if any work is sublet, Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees, unless such employees are covered by the protection afforded by Contractor. Contractor and any of Contractor's subcontractors shall be required to provide City with a written statement acknowledging its obligation to secure payment of Worker's Compensation Insurance as required by

Labor Code § 1861; to wit: 'I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.' If any class of employees engaged in work under this contract at the site of the Project is not protected under any Worker's Compensation law, Contractor shall provide and shall cause each subcontractor to provide adequate insurance for the protection of employees not otherwise protected. Contractor shall indemnify and hold harmless City for any damage resulting from failure of either Contractor or any subcontractor to take out or maintain such insurance.

- 11.2 Consultant shall require each of its subcontractors to maintain insurance coverage that meets all of the requirements of this Agreement.
- 11.3 The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide.
- 11.4 Consultant agrees that if it does not keep the aforesaid insurance in full force and effect, City may either (i) immediately terminate this Agreement; or (ii) take out the necessary insurance and pay, at Consultant's expense, the premium thereon.
- 11.5 At all times during the term of this Agreement, Consultant shall maintain on file with City's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the City and its officers, employees, agents and volunteers as additional insureds. Consultant shall, prior to commencement of work under this Agreement, file with City's Risk Manager such certificate(s).
- 11.6 Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.
- 11.7 The General Liability Policy of insurance required by this Agreement shall contain an endorsement naming City and its officers, employees, agents and volunteers as additional insureds. The General Liability Policy required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to City. Consultant agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of

cancellation imposes no obligation, and to delete the word “endeavor” with regard to any notice provisions.

- 11.8 The insurance provided by Consultant shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City and/or its officers, employees, agents or volunteers, shall be in excess of Consultant’s insurance and shall not contribute with it.
- 11.9 All insurance coverage provided pursuant to this Agreement shall not prohibit Consultant, and Consultant’s employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against the City.
- 11.10 Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of City, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Consultant shall procure a bond or other security acceptable to the City guaranteeing payment of losses and expenses.
- 11.11 Procurement of insurance by Consultant shall not be construed as a limitation of Consultant’s liability or as full performance of Consultant’s duties to indemnify, hold harmless and defend under Section 10 of this Agreement.

12. MUTUAL COOPERATION

- 12.1 City shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant’s services under this Agreement.
- 12.2 In the event any claim or action is brought against City relating to Consultant’s performance in connection with this Agreement, Consultant shall render any reasonable assistance that City may require.

13. RECORDS AND INSPECTIONS

Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years after the expiration or termination of this Agreement. City shall have the right to access and examine such records, without charge, during normal business hours. City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities with respect to this Agreement.

14. PERMITS AND APPROVALS

Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary in the performance of this Agreement. This includes, but shall not be limited to, encroachment permits and building and safety permits and inspections.

15. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during the addressee's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to City:

City of Calabasas
100 Civic Center Way
Calabasas, CA 91302
Attn: Dan Huncke
Telephone: (818) 222-2782
Facsimile: (818) 222-8602

If to Consultant:

*Malibu Pacific Tennis Courts
31133 Via Colinas Suite 107
Westlake Village, CA. 91362
Attn: Phil Carter
Telephone: (818)707-3797
Facsimile: (818)706-1951*

With courtesy copy to:

Scott H. Howard
Colantuono, Highsmith & Whatley, PC
300 South Grand Avenue, Suite 2700
Los Angeles, CA 90071-3137
Telephone: (213) 542-5700
Facsimile: (213) 542-5710

16. SURVIVING COVENANTS

The parties agree that the covenants contained in Section 9, Section 10, Paragraph 12.2 and Section 13 of this Agreement shall survive the expiration or termination of this Agreement.

17. TERMINATION

- 17.1. City shall have the right to terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant shall have the right to terminate this Agreement for any reason on sixty calendar days' written notice to City. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.
- 17.2 If City terminates this Agreement due to no fault or failure of performance by Consultant, then Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement.

18. GENERAL PROVISIONS

- 18.1 Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any party other than Consultant.
- 18.2 In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability, medical condition or any other unlawful basis.
- 18.3 The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the section or paragraph thereof, as the case may be, and not such heading, shall control and govern in the construction of this Agreement. Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).
- 18.4 The waiver by City or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in

writing.

- 18.5 Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in City's sole judgment that such failure was due to causes beyond the control and without the fault or negligence of Consultant.
- 18.6 Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies. In the event legal action shall be necessary to enforce any term, covenant or condition herein contained, the party prevailing in such action, whether reduced to judgment or not, shall be entitled to its reasonable and actual court costs, including accountants' fees, if any, and attorneys' fees expended in such action. The venue for any litigation shall be Los Angeles County, California.
- 18.7 If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- 18.8 This Agreement shall be governed and construed in accordance with the laws of the State of California.
- 18.9 All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed by City and Consultant.

- 18.10 This Agreement is further subject to the provisions of Article 1.5 (commencing at Section 20104) of Division 2, Part 3 of the Public Contract Code regarding the resolution of public works claims of less than \$375,000. Article 1.5 mandates certain procedures for the filing of claims and supporting documentation by the contractor, for the response to such claims by the contracting public agency, for a mandatory meet and confer conference upon the request of the contractor, for mandatory nonbinding mediation in the event litigation is commenced, and for mandatory judicial arbitration upon the failure to resolve the dispute through mediation. This Agreement hereby incorporates the provisions of Article 1.5 as though fully set forth herein.
- 18.11 This Agreement is further subject to the provisions of California Public Contracts Code § 6109 which prohibits the Consultant from performing work on this project with a subcontractor who is ineligible to perform work on the project pursuant to §§ 1777.1 or 1777.7 of the Labor Code.

19 **PREVAILING WAGES**

- 19.1 To the extent that the estimated amount of this Agreement exceeds \$1,000, this Agreement is subject to prevailing wage law, including, but not limited to, the following:
- 19.1.1 The Consultant shall pay the prevailing wage rates for all work performed under the Agreement. When any craft or classification is omitted from the general prevailing wage determinations, the Consultant shall pay the wage rate of the craft or classification most closely related to the omitted classification. The Consultant shall forfeit as a penalty to City \$50.00 or any greater penalty provided in the Labor Code for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rates for any work done under the Agreement employed in the execution of the work by Consultant or by any subcontractor of Consultant in violation of the provisions of the Labor Code. In addition, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day, or portion thereof, for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Consultant.
- 19.1.2 Consultant shall comply with the provisions of Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that Consultant is responsible for compliance with Section 1777.5 by all of its subcontractors.

19.1.3 Pursuant to Labor Code § 1776, Consultant and any subcontractor shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by Consultant in connection with this Agreement. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following: (1) The information contained in the payroll record is true and correct; and (2) The employer has complied with the requirements of Labor Code §§ 1811, and 1815 for any work performed by his or her employees on the public works project. The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours as required by Labor Code § 1776.

19.2 To the extent that the estimated amount of this Agreement exceeds \$1,000, this Agreement is further subject to 8-hour work day and wage and hour penalty law, including, but not limited to, Labor Code Sections 1810 and 1813, as well as California nondiscrimination laws, as follows:

19.2.1 Consultant shall strictly adhere to the provisions of the Labor Code regarding the 8-hour day and the 40-hour week, overtime, Saturday, Sunday and holiday work and nondiscrimination on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex or sexual orientation, except as provided in Section 12940 of the Government Code. Pursuant to the provisions of the Labor Code, eight hours' labor shall constitute a legal day's work. Work performed by Consultant's employees in excess of eight hours per day, and 40 hours during any one week, must include compensation for all hours worked in excess of eight hours per day, or 40 hours during any one week, at not less than one and one-half times the basic rate of pay. Consultant shall forfeit as a penalty to City \$25.00 or any greater penalty set forth in the Labor Code for each worker employed in the execution of the work by Consultant or by any Subcontractor of Consultant, for each calendar day during which such worker is required or permitted to the work more than eight hours in one calendar day or more than 40 hours in any one calendar week in violation of the provisions of the Labor Code.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

“City”
City of Calabasas

“Consultant”
Malibu Pacific Tennis Courts, Inc.

By: _____
Lucy M. Martin, Mayor

By: _____
Phil Carter, Owner

Date: _____

Date: _____

Attest:

By: _____
Maricela Hernandez, MMC
City Clerk

Date: _____

Approved as to form:

By: _____
Scott H. Howard, City Attorney

Date: _____

EXHIBIT A
SCOPE OF WORK

See USTA 8 & Under Tennis Courts at the Calabasas Tennis & Swim Center, Specification No. 14-15-04.

EXHIBIT B
APPROVED FEE SCHEDULE

1)	MOBILIZATION	\$8,000.00
2)	GRADING AND DRAINAGE	\$23,000.00
3)	COURT SLAB PLACEMENT	\$30,000.00
4)	COMPLETION OF FENCE	\$13,000.00
5)	COMPLETION OF LIGHTS	\$8,000.00
6)	COMPLETION OF COURT	\$6,000.00

NON-COLLUSION AFFIDAVIT

State of California)
) ss.
County of Los Angeles)

_____, being first duly sworn, deposes and says that he or she is _____ of _____, the party making the foregoing bid, that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.”

Signature of Bidder

Business Address

Place of Residence

Subscribed and sworn to before me this __ day of _____, 20__.

Notary Public in and for the County
of
State of California.

My Commission Expires _____, 20__.

WORKERS' COMPENSATION INSURANCE
CERTIFICATE

The Contractor shall execute the following form as required by the California Labor Code, Sections 1860 and 1861:

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

DATE: _____

(Contractor)

By:

(Signature)

(Title)

Attest:

By:

(Signature)

(Title)



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: APRIL 13, 2015

TO: HONORABLE MAYOR AND COUNCILMEMBERS

**FROM:  ROBERT YALDA, P.E., T.E., PUBLIC WORKS DIRECTOR
 STEVE BALL, LANDSCAPE DISTRICTS MAINTENANCE MANAGER**

SUBJECT: AUTHORIZATION TO APPROVE BUDGETED FUNDING AND CHANGE ORDER FOR NEWBURY PARK TREE SERVICE IN THE AMOUNT OF \$21,500.00 FOR FY 2014-2015 REGULAR MONTHLY TREE MAINTENANCE WITHIN LANDSCAPE LIGHTING ACT DISTRICTS 24, 27 AND 32 IN THE CITY OF CALABASAS.

MEETING DATE: APRIL 22, 2015

SUMMARY RECOMMENDATION:

Authorization to approve budgeted funding and change order for Newbury Park Tree Service in the amount of \$21,500 for FY 2014-2015 regular monthly tree maintenance within Landscape Lighting Act Districts 24, 27 and 32 in the City of Calabasas.

BACKGROUND:

A two year contract was awarded to Newbury Park Tree Service and became effective March 24, 2014.

FISCAL IMPACT/SOURCE OF FUNDING:

Fund: 24-323, 27-324, 32-325 – Landscape Lighting Act Districts 24, 27, 32.

These funds exist in each landscape lighting act district's FY 2014-2015 budget. Staff requests the funding be approved and the budget be adjusted accordingly.

REQUESTED ACTION:

Authorization to approve annual budgeted funding and change order for Newbury Park Tree Service in the amount of \$21,500.00 for FY 2014-2015 regular monthly tree maintenance within Landscape Lighting Act Districts 24, 27 and 32.

ATTACHMENTS:

1. Change Order No. 1 for Landscape Lighting Act Districts 24, 27 & 32.
2. Professional Services Agreement



BASE CONTRACT AMOUNT \$50,000.00
 CHANGE ORDER #1 (+) \$21,500.00
 FINAL CONTRACT AMOUNT (=) \$71,500.00

CONTRACT CHANGE ORDER NO.: 1
 DATE: 4/22/2015

PROJECT TITLE: TREE MAINTENANCE WITHIN LANDSCAPE LIGHTING ACT DISTRICTS 24, 27 AND 32 IN THE CITY OF CALABASAS

OWNER: CITY OF CALABASAS

CONTRACTOR: NEWBURY PARK TREE SERVICE, INC.

THE FOLLOWING CHANGES TO THE CONTRACT, DRAWINGS AND SPECIFICATIONS ARE PROPOSED:	NET ADDITION	NET DEDUCTION	DAYS EXTENDED
This Change Order will fund Tree Installation, Tree Trimming and Thinning, Tree Crown Cleaning, Tree Removal, Tree Stump Grinding, Tree Spraying for Disease, Tree Injection for Pests.	\$21,500.00		
NET TOTALS	\$ 21,500.00	\$ -	0

We hereby agree to make the above change subject to the terms of this order for the sum of: \$21,500.00

*** TWENTY ONE THOUSAND FIVE HUNDRED DOLLARS ***

ADDITION

NEWBURY PARK TREE SERVICE, INC

 Dean A. Lappinga, President

 Date

RECOMMENDED:	APPROVED:	ACCEPTED:
Steve Ball, LMD Manager	Robert Yalda, Public Works Director	Lucy M. Martin, Mayor
Date:	Date:	Date:

NOTE: The documents supporting this Change Order, including any drawings and estimates of cost, if required, are attached hereto and made a part hereof. This Order shall not be considered as such until it has been signed by the Owner, the Contractor, and the Engineer. Upon final approval, distribution of copies will be made as required.

CHANGES: All workmanship and materials called for by this Order shall be fully in accordance with the original Contract Documents insofar as the same may be applied without conflict to the conditions set forth by this Order. The time for completing the Contract will not be extended unless expressly provided for in this Order.

ITEM 3 ATTACHMENT 2

**PROFESSIONAL SERVICES AGREEMENT
Providing for Payment of Prevailing Wages**

(City of Calabasas/ Newbury Park Tree Service, Inc.)

1. IDENTIFICATION

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is entered into by and between the City of Calabasas, a California municipal corporation ("City"), and **Newbury Park Tree Service, Inc.**, a California corporation ("Consultant").

2. RECITALS

- 2.1 City has determined that it requires the following professional services from a consultant: **Within Landscape Lighting Act Districts 24, 27 and 32 perform the following services: Tree installation, tree trimming and thinning, tree crown cleaning, tree removal, tree stump grinding, tree spraying for disease, tree injection for pests.**
- 2.2 Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

3. DEFINITIONS

- 3.1 "Scope of Services" and "Approved Fee Schedule": Such professional services and such compensation rates as are set forth in Consultant's **March 17, 2014** proposal to City attached hereto as Exhibit A and incorporated herein by this reference.
- 3.2 "Commencement Date": March 24, 2014.
- 3.3 "Expiration Date": March 23, 2016.

4. TERM


The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Expiration Date unless extended by written agreement of the parties or terminated earlier in accordance with Section 17 ("Termination") below.


5. CONSULTANT'S SERVICES

- 5.1 Consultant shall perform the services identified in the Scope of Services. City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement. In no event shall the total compensation and costs payable to Consultant under this Agreement exceed the sum of **Fifty Thousand Dollars (\$50,000.00)** unless specifically approved in advance and in writing by City.
- 5.2 Consultant shall perform all work to the highest professional standards of Consultant's profession and in a manner reasonably satisfactory to City. Consultant shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*).
- 5.3 During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute and (ii) City has not consented in writing to Consultant's performance of such work.
- 5.4 Consultant represents that it has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. **Dean A. Lappinga** shall be Consultant's project administrator and shall have direct responsibility for management of Consultant's performance under this Agreement. No change shall be made in Consultant's project administrator without City's prior written consent.
- 5.5 To the extent that the Scope of Services involves trenches deeper than 4', Contractor shall promptly, and before the following conditions are disturbed, notify the City, in writing, of any:

(1) Material that the contractor believes may be material that is hazardous waste, as defined in § 25117 of the Health and Safety Code, which is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law.

(2) Subsurface or latent physical conditions at the site differing from those indicated by information about the site made available to bidders prior to

Initials: (City) 

(Contractor) 


the deadline for submitting bids.

(3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the contract.

City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or involve hazardous waste, and cause a decrease or increase in the contractor's cost of, or the time required for, performance of any part of the work, the City shall issue a change order under the procedures described in the contract.

6. COMPENSATION

- 6.1 City agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept in full satisfaction for such services, payment in accordance with the Approved Fee Schedule.
- 6.2 Consultant shall submit to City an invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within thirty calendar days of receipt of each invoice, City shall pay all undisputed amounts included on the invoice. City shall not withhold applicable taxes or other authorized deductions from payments made to Consultant.
- 6.3 Payments for any services requested by City and not included in the Scope of Services shall be made to Consultant by City on a time-and-materials basis using Consultant's standard fee schedule. Consultant shall be entitled to increase the fees in this fee schedule at such time as it increases its fees for its clients generally; provided, however, in no event shall Consultant be entitled to increase fees for services rendered before the thirtieth day after Consultant notifies City in writing of an increase in that fee schedule. Fees for such additional services shall be paid within sixty days of the date Consultant issues an invoice to City for such services.
- 6.4 This Agreement is further subject to the provisions of Article 1.7 (commencing at Section 20104.50) of Division 2, Part 3 of the Public Contract Code regarding prompt payment of contractors by local governments. Article 1.7 mandates certain procedures for the payment of undisputed and properly submitted payment requests within 30 days after receipt, for the review of payment requests, for notice to the contractor of improper payment requests, and provides for the payment of interest on progress payment requests which are not timely made in accordance with this Article. This Agreement hereby incorporates the provisions of Article 1.7 as though fully set forth herein.

Initials: (City) 

(Contractor) 

6.5 To the extent applicable, at any time during the term of the Agreement, the Consultant may at its own expense, substitute securities equivalent to the amount withheld as retention (or the retained percentage) in accordance with Public Contract Code section 22300. At the request and expense of the consultant, securities equivalent to the amount withheld shall be deposited with the public agency, or with a state or federally chartered bank in this state as the escrow agent, who shall then pay those moneys to the Consultant. Upon satisfactory completion of the contract, the securities shall be returned to the Consultant.

7. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material ("written products" herein) developed by Consultant in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

8. RELATIONSHIP OF PARTIES

Consultant is, and shall at all times remain as to City, a wholly independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise to act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of City.

9. CONFIDENTIALITY

All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without prior written consent by City. City shall grant such consent if disclosure is legally required. Upon request, all City data shall be returned to City upon the termination or expiration of this Agreement.

Initials: (City) *JK* (Contractor) *QZ*

10. INDEMNIFICATION

- 10.1 The parties agree that City, its officers, agents, employees and volunteers should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the parties to be interpreted and construed to provide the City with the fullest protection possible under the law. Consultant acknowledges that City would not enter into this Agreement in the absence of Consultant's commitment to indemnify and protect City as set forth herein.
- 10.2 To the fullest extent permitted by law, Consultant shall indemnify, hold harmless and defend City, its officers, agents, employees and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant or any of its officers, employees, servants, agents, or subcontractors in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees due to counsel of City's choice.
- 10.3 City shall have the right to offset against the amount of any compensation due Consultant under this Agreement any amount due City from Consultant as a result of Consultant's failure to pay City promptly any indemnification arising under this Section 10 and related to Consultant's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.
- 10.4 The obligations of Consultant under this Section 10 will not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.
- 10.5 Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 10 from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, hold harmless and defend City, its officers, agents, employees and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's subcontractors or any other person or entity involved by, for, with or on behalf of

Initials: (City)

(Contractor)

Consultant in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.

- 10.6 City does not, and shall not, waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

11. INSURANCE

- 11.1 During the term of this Agreement, Consultant shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with Consultant's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

11.1.1 Comprehensive General Liability Insurance with coverage limits of not less than One Million Dollars (\$1,000,000) including products and operations hazard, contractual insurance, broad form property damage, independent consultants, personal injury, underground hazard, and explosion and collapse hazard where applicable.

11.1.2 Automobile Liability Insurance for vehicles used in connection with the performance of this Agreement with minimum limits of One Million Dollars (\$1,000,000) per claimant and One Million dollars (\$1,000,000) per incident.

11.1.3 Worker's Compensation insurance as required by the laws of the State of California, including but not limited to California Labor Code § 1860 and 1861 as follows:


Contractor shall take out and maintain, during the life of this contract, Worker's Compensation Insurance for all of Contractor's employees employed at the site of improvement; and, if any work is sublet, Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees, unless such employees are covered by the protection afforded by Contractor. Contractor and any of Contractor's subcontractors shall be required to provide City with a written statement acknowledging its obligation to secure payment of Worker's Compensation Insurance as required by Labor Code § 1861; to wit: 'I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against

Initials: (City)  (Contractor) 

Professional Services Agreement
Providing for Payment of Prevailing Wages
City of Calabasas//Newbury Park Tree Service, Inc.

liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.' If any class of employees engaged in work under this contract at the site of the Project is not protected under any Worker's Compensation law, Contractor shall provide and shall cause each subcontractor to provide adequate insurance for the protection of employees not otherwise protected. Contractor shall indemnify and hold harmless City for any damage resulting from failure of either Contractor or any subcontractor to take out or maintain such insurance.

- 11.2 Consultant shall require each of its subcontractors to maintain insurance coverage that meets all of the requirements of this Agreement.
- 11.3 The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide.
- 11.4 Consultant agrees that if it does not keep the aforesaid insurance in full force and effect, City may either (i) immediately terminate this Agreement; or (ii) take out the necessary insurance and pay, at Consultant's expense, the premium thereon.
- 11.5 At all times during the term of this Agreement, Consultant shall maintain on file with City's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the City and its officers, employees, agents and volunteers as additional insureds. Consultant shall, prior to commencement of work under this Agreement, file with City's Risk Manager such certificate(s).
- 11.6 Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.
- 11.7 The General Liability Policy of insurance required by this Agreement shall contain an endorsement naming City and its officers, employees, agents and volunteers as additional insureds. The General Liability Policy required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to City. Consultant agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

Initials: (City) 

(Contractor) 

- 11.8 The insurance provided by Consultant shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City and/or its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.
- 11.9 All insurance coverage provided pursuant to this Agreement shall not prohibit Consultant, and Consultant's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against the City.
- 11.10 Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of City, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Consultant shall procure a bond or other security acceptable to the City guaranteeing payment of losses and expenses.
- 11.11 Procurement of insurance by Consultant shall not be construed as a limitation of Consultant's liability or as full performance of Consultant's duties to indemnify, hold harmless and defend under Section 10 of this Agreement.

12. MUTUAL COOPERATION

- 12.1 City shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services under this Agreement.
- 12.2 In the event any claim or action is brought against City relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that City may require.

13. RECORDS AND INSPECTIONS

Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years after the expiration or termination of this Agreement. City shall have the right to access and examine such records, without charge, during normal business hours. City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities with respect to this Agreement.

14. PERMITS AND APPROVALS

Initials: (City) (Contractor)

Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary in the performance of this Agreement. This includes, but shall not be limited to, encroachment permits and building and safety permits and inspections.

15. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during the addressee's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to City:

City of Calabasas
100 Civic Center Way
Calabasas, CA 91302
Attn: **Steve Ball**
Telephone: (818) 224-1600
Facsimile: (818) 225-7338

If to Consultant:

Newbury Park Tree Service,
Inc.
2696 Lavery Court, Unit #2
Newbury Park, CA 91320
Attn: **Dean A. Lappinga**
Telephone: (805) 498-7841
Facsimile: (805) 832-6449

With courtesy copy to:

Scott H. Howard
Colantuono & Levin, PC
300 South Grand Avenue, Suite 2700
Los Angeles, CA 90071-3137
Telephone: (213) 542-5700
Facsimile: (213) 542-5710

16. SURVIVING COVENANTS

The parties agree that the covenants contained in Section 9, Section 10, Paragraph 12.2 and Section 13 of this Agreement shall survive the expiration or termination of this Agreement.

Initials: (City) SB (Contractor) DL

17. TERMINATION

- 17.1. City shall have the right to terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant shall have the right to terminate this Agreement for any reason on sixty calendar days' written notice to City. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.
- 17.2. If City terminates this Agreement due to no fault or failure of performance by Consultant, then Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement.

18. GENERAL PROVISIONS

- 18.1. Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any party other than Consultant.
- 18.2. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability, medical condition or any other unlawful basis.
- 18.3. The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the section or paragraph thereof, as the case may be, and not such heading, shall control and govern in the construction of this Agreement. Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).
- 18.4. The waiver by City or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing.

Initials: (City) TS (Contractor) RS

Professional Services Agreement
Providing for Payment of Prevailing Wages
City of Calabasas//Newbury Park Tree Service, Inc.

- 18.5 Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in City's sole judgment that such failure was due to causes beyond the control and without the fault or negligence of Consultant.
- 18.6 Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies. In the event legal action shall be necessary to enforce any term, covenant or condition herein contained, the party prevailing in such action, whether reduced to judgment or not, shall be entitled to its reasonable and actual court costs, including accountants' fees, if any, and attorneys' fees expended in such action. The venue for any litigation shall be Los Angeles County, California.
- 18.7 If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- 18.8 This Agreement shall be governed and construed in accordance with the laws of the State of California.
- 18.9 All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed by City and Consultant.

Initials: (City) DE

(Contractor) DL

- 18.10 This Agreement is further subject to the provisions of Article 1.5 (commencing at Section 20104) of Division 2, Part 3 of the Public Contract Code regarding the resolution of public works claims of less than \$375,000. Article 1.5 mandates certain procedures for the filing of claims and supporting documentation by the contractor, for the response to such claims by the contracting public agency, for a mandatory meet and confer conference upon the request of the contractor, for mandatory nonbinding mediation in the event litigation is commenced, and for mandatory judicial arbitration upon the failure to resolve the dispute through mediation. This Agreement hereby incorporates the provisions of Article 1.5 as though fully set forth herein.
- 18.11 This Agreement is further subject to the provisions of California Public Contracts Code § 6109 which prohibits the Consultant from performing work on this project with a subcontractor who is ineligible to perform work on the project pursuant to §§ 1777.1 or 1777.7 of the Labor Code.

19 **PREVAILING WAGES**

- 19.1 To the extent that the estimated amount of this Agreement exceeds \$1,000, this Agreement is subject to prevailing wage law, including, but not limited to, the following:

19.1.1 The Consultant shall pay the prevailing wage rates for all work performed under the Agreement. When any craft or classification is omitted from the general prevailing wage determinations, the Consultant shall pay the wage rate of the craft or classification most closely related to the omitted classification. The Consultant shall forfeit as a penalty to City \$50.00 or any greater penalty provided in the Labor Code for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rates for any work done under the Agreement employed in the execution of the work by Consultant or by any subcontractor of Consultant in violation of the provisions of the Labor Code. In addition, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day, or portion thereof, for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Consultant.

19.1.2 Consultant shall comply with the provisions of Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that Consultant is responsible for compliance with Section 1777.5 by all of its subcontractors.

19.1.3 Pursuant to Labor Code § 1776, Consultant and any subcontractor

Initials: (City) EE (Contractor) QJ

Professional Services Agreement
Providing for Payment of Prevailing Wages
City of Calabasas//Newbury Park Tree Service, Inc.

shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by Consultant in connection with this Agreement. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following: (1) The information contained in the payroll record is true and correct; and (2) The employer has complied with the requirements of Labor Code §§ 1811, and 1815 for any work performed by his or her employees on the public works project. The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours as required by Labor Code § 1776.

19.2 To the extent that the estimated amount of this Agreement exceeds \$1,000, this Agreement is further subject to 8-hour work day and wage and hour penalty law, including, but not limited to, Labor Code Sections 1810 and 1813, as well as California nondiscrimination laws, as follows:

19.2.1 Consultant shall strictly adhere to the provisions of the Labor Code regarding the 8-hour day and the 40-hour week, overtime, Saturday, Sunday and holiday work and nondiscrimination on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex or sexual orientation, except as provided in Section 12940 of the Government Code. Pursuant to the provisions of the Labor Code, eight hours' labor shall constitute a legal day's work. Work performed by Consultant's employees in excess of eight hours per day, and 40 hours during any one week, must include compensation for all hours worked in excess of eight hours per day, or 40 hours during any one week, at not less than one and one-half times the basic rate of pay. Consultant shall forfeit as a penalty to City \$25.00 or any greater penalty set forth in the Labor Code for each worker employed in the execution of the work by Consultant or by any Subcontractor of Consultant, for each calendar day during which such worker is required or permitted to the work more than eight hours in one calendar day or more than 40 hours in any one calendar week in violation of the provisions of the Labor Code.

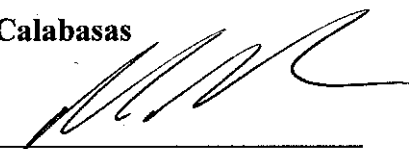
Initials: (City) EB (Contractor) EL

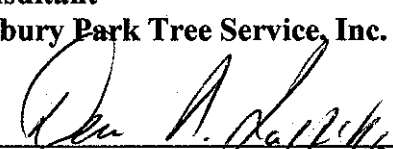
Professional Services Agreement
Providing for Payment of Prevailing Wages
City of Calabasas//Newbury Park Tree Service, Inc.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

"City"
City of Calabasas

"Consultant"
Newbury Park Tree Service, Inc.

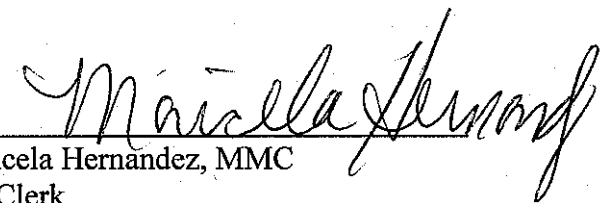
By: 
Anthony M. Coroalles, City Manager

By: 
Dean A. Lappinga, President

Date: 3/27/14

Date: 3/18/14

Attest:

By: 
Maricela Hernandez, MMC
City Clerk

Date: 3/31/14

Approved as to form:

By: 
Scott H. Howard, City Attorney

Date: 3-26-14

March 17, 2014



T&M HOURLY LABOR RATES
FOR ON-CALL MAINTENANCE
AND EMERGENCY SERVICES:

<u>CREW SIZE</u>	<u>CHIPPER CREWS</u> (Per Hour)	<u>BUCKET LIFT CREWS</u> (Per Hour)
2	\$ 150	\$ 175
3	\$ 205	\$ 230
4	\$ 260	\$ 285
5	\$ 315	\$ 340
6	\$ 370	\$ 395
7	\$ 425	\$ 450
8	\$ 480	\$ 505
9	\$ 540	\$ 560
10	\$ 600	\$ 615
11	\$ 660	\$ 670
12	\$ 720	\$ 725

- Add \$60/hour for each additional crew worker exceeding a 12-person crew size.
- The above hourly rates are for non-emergent scheduled maintenance work performed during **regular business hours between 7:00am and 3:30pm Monday through Friday.** These represent standard hourly labor rates for typical work involving tree trimming and removals and stumpgrinding services.
- For **Emergency calls** requiring a response time within 1-2 hours during regular business hours, apply a **1.5x multiplier** to the above rates.
(ie: Multiply the above rate x 1.5. For example: 4-man bucket crew for 1-hour would be \$285 x 1.5 = \$427.50).
- For **Emergency calls** requiring work during **overtime hours** (outside of regular business hours, as specified above, or on Holidays), apply a **2x multiplier** to the above rates.
(ie: Multiply the above rate x 2. For example: 3-man chipper crew for 1-hour would be \$205 x 2 = \$410).
- For any **special services**, other than tree trimming and removals and stumpgrinding (such as insecticide spraying/pest control, or fertilization), pricing will be determined on a case-specific basis.

Please feel free to call, if you have any questions.

Sincerely,

Dean A. Lappinga
 (ISA Certified Arborist LIC # WE-2336A)

Office: (805) 498-7841 / Fax: (805) 832-6449
 Website: www.newburyparktree.com

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

**THIS ENDORSEMENT
CHANGES THE POLICY.
PLEASE READ IT CAREFULLY.**

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
Blanket as required by written contract.	Blanket as required by written contract. It is agreed that such insurance as is afforded by this policy for the benefit of the additional insured shown shall be primary insurance, and any other insurance maintained by the additional insured(s) shall be excess and noncontributory as respects any claim, loss or liability allegedly arising out of the operations of the named insured, provided however that this insurance will not apply to any claim loss or liability which is determined to be solely the result of the additional insured's negligence or solely the additional insured's responsibility.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

- 1 All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
- 2 That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

NON-COLLUSION AFFIDAVIT

State of California)
) ss.
County of ~~Los Angeles~~ VENTURA

I Dean Lapping, being first duly sworn, deposes and says that he or she is President of Newbury Park Tree Service the party making the foregoing bid, that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid."

Aim Mail Center #18
1014 S. Westlake Blvd Ste. 14
Westlake Village, CA 91361

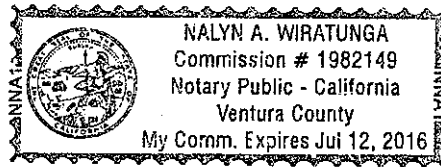
Dean Lapping
Signature of Bidder

Business Address
WESTLAKE VILLAGE

Place of Residence

Subscribed and sworn to before me this 18 day of MAR, 2014.

Notary Public in and for the County
of VENTURA
State of California.



My Commission Expires 07-12, 2016.



CITY of CALABASAS

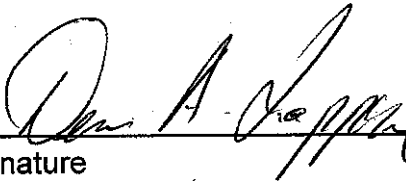
AFFIDAVIT OF COMPLIANCE WITH WORKERS' COMPENSATION
INSURANCE REQUIREMENTS

The Consultant shall execute the following form as required by the California Labor Code, Sections 1860 and 1861:

I, the undersigned, do hereby declare that the business has no employees other than myself.

I, the undersigned, also hereby declare that I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

Date: 3/18/14

By: 
Signature

Company: Newbury Park Tree Service, Inc.

Title: president

Attest:
By: _____

Signature: _____

Title: _____



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: APRIL 13, 2015

TO: HONORABLE MAYOR AND COUNCILMEMBERS

**FROM:  ROBERT YALDA, P.E., T.E., PUBLIC WORKS DIRECTOR
 STEVE BALL, LANDSCAPE DISTRICTS MAINTENANCE MANAGER**

SUBJECT: AUTHORIZATION TO APPROVE BUDGETED FUNDING AND CHANGE ORDERS FOR VENCO WESTERN, INC. IN THE AMOUNT OF \$1,453,960 FOR FY 2015-16 REGULAR MONTHLY LANDSCAPE MAINTENANCE AND AUTHORIZED EXTRA WORK IN NINE SPECIFIED ZONES AS PART OF SPECIFICATION NO. 10-11-02 LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREAS OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22

MEETING DATE: APRIL 22, 2015

SUMMARY RECOMMENDATION:

Authorization to approve annual budgeted funding for FY 2015-16 and change orders for Venco Western, Inc. in the amount of \$1,453,960 for authorized extra work and funding of the fifth year of the contracts in nine specified zones as part of Specification No. 10-11-02 landscape maintenance of common benefit areas within Landscape Maintenance District 22 and common areas of specified homeowner associations within Landscape Lighting Act District 22.

BACKGROUND:

Nine landscape maintenance two-year contracts with three one-year extensions, for a total of five years were awarded to Venco Western, Inc. and became effective June 16, 2011.

The cost of certain additional work is covered in the bid specification under the Unit Price List and is considered to be Extra Work. The city’s landscape manager is authorized to budget and utilize available monies for landscape maintenance work.

Based on past fiscal year expense history, in order to maintain Landscape Maintenance District 22 and Landscape Lighting act District 22 landscape in quality condition, it is projected that \$789,400 will be required to fund authorized extra work (see cost breakout charts below).

In addition, \$664,560 is requested to fund the fifth year of the approved contract, which this year includes an annual CPI increase of 1.35%.

The total cost of authorized extra work and fifth year contract funding is \$1,453,960.

Landscape Lighting Act District 22

Zone No. & Name	Insect & Disease Control	Irrigation Repair	Landscape Refurbishment	Pest Abatement	Plant Shrubs & Turf	Plant Trees	Tree Trimming	Tree Removal	TOTAL Authorized Extra Work	Fifth Year of Contract
4 – Bellagio	500	12,000	10,000	0	0	0	8,000	1,000	31,500	58,221
6 – Calabasas Hills	3,000	40,000	70,000	2,000	10,000	11,000	35,000	20,000	191,000	150,410
7 – Classic Calabasas Park	1,000	30,000	28,000	15,000	3,000	3,000	25,000	20,000	125,000	70,805
11 – Las Villas	1,000	11,000	17,000	1,000	3,000	3,000	25,000	7,000	68,000	35,329
20 – Westridge	500	10,000	6,000	0	5,000	3,000	46,000	2,000	72,500	55,085
								Subtotal	488,000	369,850

Landscape Maintenance District 22

Zone No. & Name	Insect & Disease Control	Irrigation Repair	Landscape Refurbishment	Pest Abatement	Plant Shrubs & Turf	Plant Trees	Tree Trimming	Tree Removal	TOTAL Authorized Extra Work	Fifth Year of Contract	
CBA-1	1,000	10,000	20,000	2,000	2,000	3,000	20,000	8,200	66,200	115,081	
CBA-4	0	15,000	30,000	1,000	20,000	5,000	8,000	8,000	87,000	36,886	
CBA-5	500	35,000	34,500	2,000	5,000	2,000	25,000	5,000	109,000	68,255	
CBA-6	0	10,000	10,000	700	2,000	2,000	10,000	4,500	39,200	74,488	
									Subtotal	301,400	294,710
									LMD/LLAD Totals	789,400	664,560
									GRAND TOTAL	1,453,960	

FISCAL IMPACT/SOURCE OF FUNDING:

Fund: 22-322 – Landscape Maintenance District #22

These funds exist in each landscape maintenance district and landscape lighting act district Zone’s budgets. Staff requests the funding be approved and the budget be adjusted accordingly.

REQUESTED ACTION:

Authorization to approve annual budgeted funding and change orders for Venco Western, Inc. in the amount of \$1,453,960 for authorized extra work and funding of the fifth year of the contracts in nine specified zones as part of Specification No. 10-11-02 landscape maintenance of common benefit areas within Landscape Maintenance District 22 and common areas of specified homeowner associations within Landscape Lighting Act District 22.

ATTACHMENTS:

Attachment 1: Change Order No. 5 for Landscape Lighting Act District 22 Zones 4, 6, 11, & 20, and Landscape Maintenance District 22 Zone 21; Change Order No. 6 for LLAD 22 Zone 7 and LMD 22 Zone 26; Change Order No. 7 for LMD 22 Zones 24 & 25.

Attachment 2: Articles of Agreement: Landscape Lighting Act District 22 Zones 4, 6, 7, 11, & 20 and Landscape Maintenance District 22 Zones 21, 24, 25, & 26.



ITEM 4 ATTACHMENT 1

BASE CONTRACT AMOUNT		\$ 54,265.30
CHANGE ORDER #1	(+)	\$ 37,636.00
CHANGE ORDER #2	(+)	\$ 81,214.00
CHANGE ORDER #3	(+)	\$ 80,831.00
CHANGE ORDER #4	(+)	\$ 91,645.00
CHANGE ORDER #5	(+)	\$ 89,721.00
FINAL CONTRACT AMOUNT	(=)	\$ 435,312.30

SPECIFICATION NO.: 10-11-02

CONTRACT CHANGE ORDER NO.: 5
DATE: 4/22/2015

PROJECT TITLE: Landscape Maintenance of the Common Benefit Areas Within Landscape Maintenance District 22 and Common Areas of Specified Homeowner Associations Within Landscape Lighting Act District 22
OWNER: City of Calabasas
CONTRACTOR: Venco Western, Inc.

THE FOLLOWING CHANGES TO THE CONTRACT, DRAWINGS AND SPECIFICATIONS ARE PROPOSED:	NET ADDITION	NET DEDUCTION	DAYS EXTENDED
<u>ZONE 4 Bellagio HOA:</u> Covers the cost of FY 2015-2016 Landscape Maintenance Contract. Includes an annual CPI increase of 1.35%.	\$ 58,221		365
<u>ZONE 4 Bellagio HOA:</u> This Change Order will cover the cost of FY 2015-2016 Required Extra Work which includes required irrigation installation, refurbishment and repair; landscape refurbishment & upgrades; replacement of damaged plant material; and removal and replacement of diseased or damaged trees.	\$ 31,500		
	\$ 89,721	\$ -	365

We hereby agree to make the above change subject to the terms of this order for the sum of: **\$ 89,721**

*****EIGHTY NINE THOUSAND SEVEN HUNDRED TWENTY ONE DOLLARS *****

ADDITION

DATE: _____

 Linda Burr, President
 Venco Western, Inc.

RECOMMENDED:	APPROVED:	ACCEPTED:
Steve Ball: _____ Landscape Districts Maintenance Manager Date: _____	Robert Yalda: _____ Public Works Director/City Engineer Date: _____	Lucy M. Martin: Mayor Date: _____

NOTE: The documents supporting this Change Order, including any drawings and estimates of cost, if required, are attached hereto and made a part hereof. This Order shall not be considered as such until it has been signed by the Owner, the Contractor, and the Engineer. Upon final approval, distribution of copies will be made as required.

CHANGES: All workmanship and materials called for by this Change Order shall be fully in accordance with the original Contract Documents insofar as the same may be applied without conflict to the conditions set forth by this Order. The time for completing the Contract will not be extended unless expressly provided for in this Order.



BASE CONTRACT AMOUNT		\$ 136,548.76
CHANGE ORDER #1	(+)	\$ 139,938.00
CHANGE ORDER #2	(+)	\$ 282,195.00
CHANGE ORDER #3	(+)	\$ 248,821.00
CHANGE ORDER #4	(+)	\$ 322,607.00
CHANGE ORDER #5	(+)	\$ 341,410.00
FINAL CONTRACT AMOUNT	(=)	\$ 1,471,519.76

SPECIFICATION NO.: 10-11-02

CONTRACT CHANGE ORDER NO.: 5
DATE: 4/22/2015

PROJECT TITLE: Landscape Maintenance of the Common Benefit Areas Within Landscape Maintenance District 22 and Common Areas of Specified Homeowner Associations Within Landscape Lighting Act District 22
OWNER: City of Calabasas
CONTRACTOR: Venco Western, Inc.

THE FOLLOWING CHANGES TO THE CONTRACT, DRAWINGS AND SPECIFICATIONS ARE PROPOSED:	NET ADDITION	NET DEDUCTION	DAYS EXTENDED
ZONE 6 Calabasas Hills HOA: Covers the cost of FY 2015-2016 Landscape Maintenance Contract. Includes an annual CPI increase of 1.35%.	\$ 150,410		365
ZONE 6 Calabasas Hills HOA: This Change Order will cover the cost of FY 2015-2016 Required Extra Work which includes required irrigation installation, refurbishment and repair; landscape refurbishment & upgrades; replacement of damaged plant material; and removal and replacement of diseased or damaged trees.	\$ 191,000		
	\$ 341,410	\$ -	365

We hereby agree to make the above change subject to the terms of this order for the sum of: **\$ 341,410**

*****THREE HUNDRED FORTY ONE THOUSAND FOUR HUNDRED TEN DOLLARS *****

ADDITION

DATE: _____

 Linda Burr, President
 Venco Western, Inc.

RECOMMENDED:	APPROVED:	ACCEPTED:
Steve Ball: _____ Landscape Districts Maintenance Manager Date: _____	Robert Yalda: _____ Public Works Director/City Engineer Date: _____	Lucy M. Martin: Mayor Date: _____

NOTE: The documents supporting this Change Order, including any drawings and estimates of cost, if required, are attached hereto and made a part hereof. This Order shall not be considered as such until it has been signed by the Owner, the Contractor, and the Engineer. Upon final approval, distribution of copies will be made as required.

CHANGES: All workmanship and materials called for by this Change Order shall be fully in accordance with the original Contract Documents insofar as the same may be applied without conflict to the conditions set forth by this Order. The time for completing the Contract will not be extended unless expressly provided for in this Order.



BASE CONTRACT AMOUNT		\$ 107,242.10
CHANGE ORDER #1	(+)	\$ 70,958.00
CHANGE ORDER #2	(+)	\$ 192,605.00
CHANGE ORDER #3	(+)	\$ 202,335.00
CHANGE ORDER #4	(+)	\$ 184,748.00
CHANGE ORDER #5	(+)	\$ 181,281.00
FINAL CONTRACT AMOUNT	(=)	\$ 939,169.10

SPECIFICATION NO.: 10-11-02

CONTRACT CHANGE ORDER NO.: 5
DATE: 4/22/2015

PROJECT TITLE: Landscape Maintenance of the Common Benefit Areas Within Landscape Maintenance District 22 and Common Areas of Specified Homeowner Associations Within Landscape Lighting Act District 22
OWNER: City of Calabasas
CONTRACTOR: Venco Western, Inc.

THE FOLLOWING CHANGES TO THE CONTRACT, DRAWINGS AND SPECIFICATIONS ARE PROPOSED:	NET ADDITION	NET DEDUCTION	DAYS EXTENDED
ZONE 21 CBA-1: Covers the cost of FY 2015-2016 Landscape Maintenance Contract. Includes an annual CPI increase of 1.35%.	\$ 115,081		365
ZONE 21 CBA-1: This Change Order will cover the cost of FY 2015-2016 Required Extra Work which includes required irrigation installation, refurbishment and repair; landscape refurbishment & upgrades; replacement of damaged plant material; and removal and replacement of diseased or damaged trees	\$ 66,200		
	\$ 181,281	\$ -	365

We hereby agree to make the above change subject to the terms of this order for the sum of: **\$ 181,281**

*****ONE HUNDRE EIGHTY ONE THOUSAND TWO HUNDRED EIGHTY ONE DOLLARS *** ADDITION**

DATE: _____

 Linda Burr, President
 Venco Western, Inc.

RECOMMENDED:	APPROVED:	ACCEPTED:
Steve Ball: _____ Landscape Districts Maintenance Manager Date: _____	Robert Yalda: _____ Public Works Director/City Engineer Date: _____	Lucy M. Martin: Mayor Date: _____

NOTE: The documents supporting this Change Order, including any drawings and estimates of cost, if required, are attached hereto and made a part hereof. This Order shall not be considered as such until it has been signed by the Owner, the Contractor, and the Engineer. Upon final approval, distribution of copies will be made as required.

CHANGES: All workmanship and materials called for by this Change Order shall be fully in accordance with the original Contract Documents insofar as the same may be applied without conflict to the conditions set forth by this Order. The time for completing the Contract will not be extended unless expressly provided for in this Order.



BASE CONTRACT AMOUNT		\$ 32,890.42
CHANGE ORDER #1	(+)	\$ 64,528.00
CHANGE ORDER #2	(+)	\$ 83,269.00
CHANGE ORDER #3	(+)	\$ 87,986.00
CHANGE ORDER #4	(+)	\$ 100,458.00
CHANGE ORDER #5	(+)	\$ 103,329.00
FINAL CONTRACT AMOUNT	(=)	\$ 472,460.42

SPECIFICATION NO.: 10-11-02

CONTRACT CHANGE ORDER NO.: 5
DATE: 4/22/2015

PROJECT TITLE: Landscape Maintenance of the Common Benefit Areas Within Landscape Maintenance District 22 and Common Areas of Specified Homeowner Associations Within Landscape Lighting Act District 22
OWNER: City of Calabasas
CONTRACTOR: Venco Western, Inc.

THE FOLLOWING CHANGES TO THE CONTRACT, DRAWINGS AND SPECIFICATIONS ARE PROPOSED:	NET ADDITION	NET DEDUCTION	DAYS EXTENDED
<u>ZONE 11 Las Villas HOA:</u> Covers the cost of FY 2015-2016 Landscape Maintenance Contract. Includes an annual CPI increase of 1.35%.	\$ 35,329		365
<u>ZONE 11 Las Villas HOA:</u> This Change Order will cover the cost of FY 2015-2016 Required Extra Work which includes required irrigation installation, refurbishment and repair; landscape refurbishment & upgrades; replacement of damaged plant material; and removal and replacement of diseased or damaged trees.	\$ 68,000		
	\$ 103,329	\$ -	365

We hereby agree to make the above change subject to the terms of this order for the sum of: **\$ 103,329**

*****ONE HUNDRED THREE THOUSAND THREE HUNDRED TWENTY NINE DOLLARS ***** ADDITION

DATE: _____

 Linda Burr, President
 Venco Western, Inc.

RECOMMENDED:	APPROVED:	ACCEPTED:
Steve Ball: _____ Landscape Districts Maintenance Manager Date: _____	Robert Yalda: _____ Public Works Director/City Engineer Date: _____	Lucy M. Martin: Mayor Date: _____

NOTE: The documents supporting this Change Order, including any drawings and estimates of cost, if required, are attached hereto and made a part hereof. This Order shall not be considered as such until it has been signed by the Owner, the Contractor, and the Engineer. Upon final approval, distribution of copies will be made as required.

CHANGES: All workmanship and materials called for by this Change Order shall be fully in accordance with the original Contract Documents insofar as the same may be applied without conflict to the conditions set forth by this Order. The time for completing the Contract will not be extended unless expressly provided for in this Order.



BASE CONTRACT AMOUNT		\$ 51,347.60
CHANGE ORDER #1	(+)	\$ 55,706.00
CHANGE ORDER #2	(+)	\$ 152,719.00
CHANGE ORDER #3	(+)	\$ 106,770.00
CHANGE ORDER #4	(+)	\$ 106,151.00
CHANGE ORDER #5	(+)	\$ 127,585.00
FINAL CONTRACT AMOUNT	(=)	\$ 600,278.60

SPECIFICATION NO.: 10-11-02

CONTRACT CHANGE ORDER NO.: 5
DATE: 4/22/2015

PROJECT TITLE: Landscape Maintenance of the Common Benefit Areas Within Landscape Maintenance District 22 and Common Areas of Specified Homeowner Associations Within Landscape Lighting Act District 22
OWNER: City of Calabasas
CONTRACTOR: Venco Western, Inc.

THE FOLLOWING CHANGES TO THE CONTRACT, DRAWINGS AND SPECIFICATIONS ARE PROPOSED:	NET ADDITION	NET DEDUCTION	DAYS EXTENDED
ZONE 20 Westridge HOA: Covers the cost of FY 2015-2016 Landscape Maintenance Contract. Includes an annual CPI increase of 1.35%.	\$ 55,085		365
ZONE 20 Westridge HOA: This Change Order will cover the cost of FY 2015-2016 Required Extra Work which includes required irrigation installation, refurbishment and repair; landscape refurbishment & upgrades; replacement of damaged plant material; and removal and replacement of diseased or damaged trees.	\$ 72,500		
	\$ 127,585	\$ -	365

We hereby agree to make the above change subject to the terms of this order for the sum of: **\$ 127,585**
*****ONE HUNDRED TWENTY SEVEN THOUSAND FIVE HUNDRED EIGHTY FIVE DOLLARS ***** ADDITION

DATE: _____

 Linda Burr, President
 Venco Western, Inc.

RECOMMENDED:	APPROVED:	ACCEPTED:
Steve Ball: _____ Landscape Districts Maintenance Manager Date: _____	Robert Yalda: _____ Public Works Director/City Engineer Date: _____	Lucy M. Martin: Mayor Date: _____

NOTE: The documents supporting this Change Order, including any drawings and estimates of cost, if required, are attached hereto and made a part hereof. This Order shall not be considered as such until it has been signed by the Owner, the Contractor, and the Engineer. Upon final approval, distribution of copies will be made as required.

CHANGES: All workmanship and materials called for by this Change Order shall be fully in accordance with the original Contract Documents insofar as the same may be applied without conflict to the conditions set forth by this Order. The time for completing the Contract will not be extended unless expressly provided for in this Order.



BASE CONTRACT AMOUNT		\$ 63,427.38
CHANGE ORDER #1	(+)	\$ 149,872.00
CHANGE ORDER #2	(+)	\$ 216,100.00
CHANGE ORDER #3	(+)	\$ 228,422.00
CHANGE ORDER #4	(+)	\$ 216,339.00
CHANGE ORDER #5	(+)	\$ 65,600.00
CHANGE ORDER #6	(+)	\$ 195,805.00
<hr/>		
FINAL CONTRACT AMOUNT	(=)	\$ 1,135,565.38

CONTRACT CHANGE ORDER NO.: 6
DATE: 4/22/2015

SPECIFICATION NO.: 10-11-02

PROJECT TITLE: Landscape Maintenance of the Common Benefit Areas Within Landscape Maintenance District 22 and Common Areas of Specified Homeowner Associations Within Landscape Lighting Act District 22
OWNER: City of Calabasas
CONTRACTOR: Venco Western, Inc.

THE FOLLOWING CHANGES TO THE CONTRACT, DRAWINGS AND SPECIFICATIONS ARE PROPOSED:	NET ADDITION	NET DEDUCTION	DAYS EXTENDED
ZONE 7 Classic Calabasas Park HOA: Covers the cost of FY 2015-2016 Landscape Maintenance Contract. Includes an addition for dog waste station service and an annual CPI increase of 1.35%.	\$ 70,805		365
Zone 7 Classic Calabasas Park HOA: This Change Order will cover the cost of FY 2015-2016 Required Extra Work which includes required irrigation installation, refurbishment and repair; landscape refurbishment & upgrades; replacement of damaged plant material; and removal and replacement of diseased or damaged trees	\$ 125,000		
	\$ 195,805	\$ -	365

We hereby agree to make the above change subject to the terms of this order for the sum of: **\$ 195,805**

*****ONE HUNDRED NINETY FIVE THOUSAND EIGHT HUNDRED FIVE DOLLARS*****

ADDITION

DATE: _____

Linda Burr, President
Venco Western, Inc.

RECOMMENDED:	APPROVED:	ACCEPTED:
Steve Ball: _____ Landscape District Manager Date: _____	Robert Yalda: _____ Public Works Director/City Engineer Date: _____	Lucy M. Martin: _____ Mayor Date: _____

NOTE: The documents supporting this Change Order, including any drawings and estimates of cost, if required, are attached hereto and made a part hereof. This Order shall not be considered as such until it has been signed by the Owner, the Contractor, and the Engineer. Upon final approval, distribution of copies will be made as required.

CHANGES: All workmanship and materials called for by this Change Order shall be fully in accordance with the original Contract Documents insofar as the same may be applied without conflict to the conditions set forth by this Order. The time for completing the Contract will not be extended unless expressly provided for in this Order.



BASE CONTRACT AMOUNT		\$ 69,410.68
CHANGE ORDER #1	(+)	\$ 32,258.00
CHANGE ORDER #2	(+)	\$ 98,764.00
CHANGE ORDER #3	(+)	\$ 108,211.00
CHANGE ORDER #4	(+)	\$ 101,996.00
CHANGE ORDER #5	(+)	\$ 31,500.00
CHANGE ORDER #6	(+)	\$ 113,688.00
<hr/>		
FINAL CONTRACT AMOUNT	(=)	\$ 555,827.68

CONTRACT CHANGE ORDER NO.: 6
DATE: 4/22/2015

SPECIFICATION NO.: 10-11-02

PROJECT TITLE: Landscape Maintenance of the Common Benefit Areas Within Landscape Maintenance District 22 and Common Areas of Specified Homeowner Associations Within Landscape Lighting Act District 22
OWNER: City of Calabasas
CONTRACTOR: Venco Western, Inc.

THE FOLLOWING CHANGES TO THE CONTRACT, DRAWINGS AND SPECIFICATIONS ARE PROPOSED:	NET ADDITION	NET DEDUCTION	DAYS EXTENDED
<u>ZONE 26 CBA-6</u> : Covers the cost of FY 2015-2016 Landscape Maintenance Contract. Includes an annual CPI increase of 1.35%.	\$ 74,488		365
<u>Zone 26 CBA-6</u> : This Change Order will cover the cost of FY 2015-2016 Required Extra Work which includes required irrigation installation, refurbishment and repair; landscape refurbishment & upgrades; replacement of damaged plant material; and removal and replacement of diseased or damaged trees	\$ 39,200		
	\$ 113,688	\$ -	365

We hereby agree to make the above change subject to the terms of this order for the sum of: **\$ 113,688**

ONE HUNDRED THIRTEEN THOUSAND SIX HUNDRED EIGHTY EIGHT DOLLARS

ADDITION

DATE: _____

Linda Burr, President
Venco Western, Inc.

RECOMMENDED:	APPROVED:	ACCEPTED:
Steve Ball: _____ Landscape District Manager Date: _____	Robert Yalda: _____ Public Works Director/City Engineer Date: _____	Lucy M. Martin: _____ Mayor Date: _____

NOTE: The documents supporting this Change Order, including any drawings and estimates of cost, if required, are attached hereto and made a part hereof. This Order shall not be considered as such until it has been signed by the Owner, the Contractor, and the Engineer. Upon final approval, distribution of copies will be made as required.

CHANGES: All workmanship and materials called for by this Change Order shall be fully in accordance with the original Contract Documents insofar as the same may be applied without conflict to the conditions set forth by this Order. The time for completing the Contract will not be extended unless expressly provided for in this Order.



BASE CONTRACT AMOUNT		\$ 26,434.58
CHANGE ORDER #1	(+)	\$ 45,765.00
CHANGE ORDER #2	(+)	\$ 76,640.00
CHANGE ORDER #3	(+)	\$ 70,466.00
CHANGE ORDER #4	(+)	\$ 139,855.00
CHANGE ORDER #5	(+)	\$ 86,395.00
CHANGE ORDER #6	(+)	\$ 152,100.00
CHANGE ORDER #7	(+)	\$ 123,886.00
FINAL CONTRACT AMOUNT	(=)	\$ 721,541.58

CONTRACT CHANGE ORDER NO.: 7
DATE: 4/22/2015

SPECIFICATION NO.: 10-11-02

PROJECT TITLE: Landscape Maintenance of the Common Benefit Areas Within Landscape Maintenance District 22 and Common Areas of Specified Homeowner Associations Within Landscape Lighting Act District 22
OWNER: City of Calabasas
CONTRACTOR: Venco Western, Inc.

THE FOLLOWING CHANGES TO THE CONTRACT, DRAWINGS AND SPECIFICATIONS ARE PROPOSED:	NET ADDITION	NET DEDUCTION	DAYS EXTENDED
Zone 24 CBA-4: Covers the cost of FY 2015-2016 Landscape Maintenance Contract. Includes an annual CPI increase of 1.35%.	\$ 36,886		365
Zone 24 CBA-4: This Change Order will cover the cost of FY 2015-2016 Required Extra Work which includes irrigation installation, refurbishment and repair; landscape refurbishment & upgrades; replacement of damaged plant material; and removal and replacement of diseased or damaged trees	\$ 87,000		
	\$ 123,886	\$ -	365

We hereby agree to make the above change subject to the terms of this order for the sum of: **\$ 123,886**

*** **ONE HUNDRED TWENTY THREE THOUSAND EIGHT HUNDRED EIGHTY SIX DOLLARS** *** **ADDITION**

DATE: _____

 Linda Burr, President
 Venco Western, Inc.

RECOMMENDED:	APPROVED:	ACCEPTED:
Steve Ball: _____ Landscape District Manager Date: _____	Robert Yalda: _____ Public Works Director/City Engineer Date: _____	Lucy M. Martin: Mayor Date: _____

NOTE: The documents supporting this Change Order, including any drawings and estimates of cost, if required, are attached hereto and made a part hereof. This Order shall not be considered as such until it has been signed by the Owner, the Contractor, and the Engineer. Upon final approval, distribution of copies will be made as required.

CHANGES: All workmanship and materials called for by this Change Order shall be fully in accordance with the original Contract Documents insofar as the same may be applied without conflict to the conditions set forth by this Order. The time for completing the Contract will not be extended unless expressly provided for in this Order.



BASE CONTRACT AMOUNT		\$ 63,595.16
CHANGE ORDER #1	(+)	\$ 68,205.00
CHANGE ORDER #2	(+)	\$ 136,899.00
CHANGE ORDER #3	(+)	\$ 87,000.00
CHANGE ORDER #4	(+)	\$ 138,226.00
CHANGE ORDER #5	(+)	\$ 166,346.00
CHANGE ORDER #6	(+)	\$ 56,100.00
CHANGE ORDER #7	(+)	\$ 177,255.00
FINAL CONTRACT AMOUNT	(=)	\$ 893,626.16

CONTRACT CHANGE ORDER NO.: 7
DATE: 4/22/2015

SPECIFICATION NO.: 10-11-02

PROJECT TITLE: Landscape Maintenance of the Common Benefit Areas Within Landscape Maintenance District 22 and Common Areas of Specified Homeowner Associations Within Landscape Lighting Act District 22
OWNER: City of Calabasas
CONTRACTOR: Venco Western, Inc.

THE FOLLOWING CHANGES TO THE CONTRACT, DRAWINGS AND SPECIFICATIONS ARE PROPOSED:	NET ADDITION	NET DEDUCTION	DAYS EXTENDED
ZONE 25 CBA-5: Covers the cost of FY 2015-2016 Landscape Maintenance Contract. Includes an annual CPI increase of 1.35%.	\$ 68,255		365
Zone 25 CBA-5: This Change Order will cover the cost of FY 2015-2016 Required Extra Work which includes required irrigation installation, refurbishment and repair; landscape refurbishment & upgrades; replacement of damaged plant material; and removal and replacement of diseased or damaged trees	\$ 109,000		
	\$ 177,255	\$ -	365

We hereby agree to make the above change subject to the terms of this order for the sum of: **\$ 177,255**

***** ONE HUNDRED SEVENTY SEVEN THOUSAND TWO HUNDRED FIFTY FIVE DOLLARS *** ADDITION**

DATE: _____

 Linda Burr, President
 Venco Western, Inc.

RECOMMENDED:	APPROVED:	ACCEPTED:
Steve Ball: _____ Landscape District Manager	Robert Yalda: _____ Public Works Director/City Engineer	Lucy M. Martin: _____ Mayor
Date: _____	Date: _____	Date: _____

NOTE: The documents supporting this Change Order, including any drawings and estimates of cost, if required, are attached hereto and made a part hereof. This Order shall not be considered as such until it has been signed by the Owner, the Contractor, and the Engineer. Upon final approval, distribution of copies will be made as required.

CHANGES: All workmanship and materials called for by this Change Order shall be fully in accordance with the original Contract Documents insofar as the same may be applied without conflict to the conditions set forth by this Order. The time for completing the Contract will not be extended unless expressly provided for in this Order.

ITEM 4 ATTACHMENT 2

CONTRACT AGREEMENT

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA

(2-Year Contract)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

THIS CONTRACT AGREEMENT is made and entered into for the ZONE 11, LAS VILLAS HOMEOWNERS ASSOCIATION section of the above stated project this 25 day of May, 2011, BY AND BETWEEN the City of Calabasas, hereafter designated as "AGENCY", and VENCO WESTERN, INC., hereafter designated as "CONTRACTOR".

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Bid Proposal, Bid Schedule, Standard Specifications, Special Provisions, Vicinity Map, and all referenced specifications, details, standard drawings, and appendices; together with two (2) signed copies of the Contract Agreement, two (2) signed copies of required bonds; one (1) copy of the insurance certificates, permits, notices, and affidavits; and also, including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to insure its completion in an acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and equipment and perform all work required for the above stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the prices set forth in the Bid Proposal and Bid Schedule as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance, including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also, including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein

contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents.

ARTICLE V

CONTRACTOR acknowledges that this contract is subject to the provisions of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works and public agencies and agrees to be bound by all the provisions thereof as though set forth in full herein. Full compensation for conforming to the requirements of said Labor Code and with other Federal, State and local laws related to labor, and rules, regulations and ordinances which apply to any work performed pursuant to this contract shall be considered as included in the price for all contract items of work involved.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1775 concerning penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the AGENCY, forfeit not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the applicable State and/or Federal prevailing wage rates as referenced and incorporated herein for the work or craft in which the worker is employed for any public work done under the contract by CONTRACTOR or by any subcontractor.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that CONTRACTOR is responsible for compliance with Section 1777.5 by all of its subcontractors.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1813 concerning penalties for workers who work excess hours. The CONTRACTOR shall, as a penalty to the AGENCY, forfeit twenty-five dollars (\$25) for each worker employed in the execution of the contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any 1 calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the California Labor Code, and in particular, Section 1810 to 1815, thereof, inclusive, except that work performed by employees of CONTRACTOR and/or Subcontractors in excess of 8 hours per day, and 40 hours per week, shall be permitted upon compensation for all hours worked in excess of 8 hours per day at not less than one and one half times the basic rate of pay, as provided in said Section 1815.

In accordance with California Labor Code Section 1860 and 3700, every Contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, CONTRACTOR, by signing this contract, certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract."

ARTICLE VI

With respect to performance of work under this contract, CONTRACTOR shall maintain and shall require all of its subcontractors to maintain insurance as required in the Standard Specifications of the Project Specifications.

ARTICLE VII

CONTRACTOR agrees to indemnify and hold harmless AGENCY and all of its officers and agents from any claims, demands, or causes of action, including related expenses, attorney's fees, and costs, based on, arising out of, or in any way related to the work undertaken by CONTRACTOR hereunder.

ARTICLE VIII

The City and the Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents. This contract is not assignable nor the performance of either party's duties delegable without the prior written consent of the other party. Any attempted or purported assignment or delegation of any of the rights of obligations of either party without the prior written consent of the other shall be void and of no force and effect.

ARTICLE IX

In any action brought to declare the rights granted herein or to enforce any of the terms of this contract, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the court.

ARTICLE X

CONTRACTOR is and shall at all times remain as to the AGENCY, a wholly independent Contractor. Neither the AGENCY nor any of its agents shall have control of the conduct of CONTRACTOR or any of the Contractor's employees, except as herein set forth. CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of AGENCY.

ARTICLE XI

The CONTRACTOR is responsible for paying all retail, sales and use, transportation, export, import, special, or other taxes and duties applicable to, and assessable against any work, materials, equipment, services, processes and operations incidental to or involved in this contract. The CONTRACTOR is responsible for ascertaining and arranging to pay them. The prices established in this contract shall include compensation for any taxes the CONTRACTOR is required to pay by laws and regulations in effect as of the bid opening date.

ARTICLE XII

All notices and communications shall be sent in writing to the parties at the following addresses:

CITY: Robert B. Yalda

CONTRACTOR: Linda Burr

Director of Public Works

President

CITY OF CALABASAS

VENCO WESTERN, INC.

100 Civic Center Way

2400 Eastman Avenue

Calabasas, California 91302-3172

Oxnard, California 93030-5187

PHONE: (818) 224-1600

PHONE: (805) 981-2400

FAX: (818) 225-7338

FAX: (805) 981-2450

ARTICLE XIII

This contract supersedes any and all other agreements either oral or written, between the parties and contains all of the covenants and agreements between the parties pertaining to the work of improvements described herein. Each party to this contract acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statements or promise not

contained in this contract shall not be valid or binding. Any modification of this contract will be effective only if signed by the party to be charged.

ARTICLE XIV

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest herein.

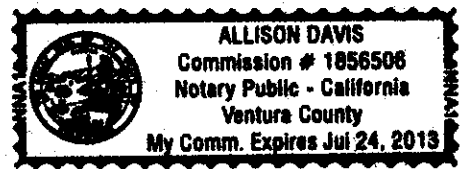
IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Contract Agreement to be executed in duplicate by setting hereunto their names, titles, hands, and seals this 2nd day of June, 2011.

CONTRACTOR: Linda Burr
Linda Burr
President
(Title)
Contractor's License No. C-27 562295

State of California)
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 2nd day of June, 2011, by Linda D. Burr, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Allison Davis
(Signature of Notary Public) (Notary Seal)



~~BY~~ AGENCY: James R. Bozajian 6/15/11
James R. Bozajian, Mayor Date

ATTESTED: Gwen Peirce 6/16/11
Gwen Peirce, CMC, City Clerk Date

APPROVED AS TO FORM: Yana Weinder 6/2/2011
Yana Weinder, City Attorney Date

(EXECUTE IN DUPLICATE)

PAYMENT BOND

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA
(2-YEAR CONTRACT)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

WHEREAS, the City of Calabasas, as AGENCY has awarded to, as CONTRACTOR, a contract for the above stated project.

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material persons, and other persons as provided by law;

NOW THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held and firmly bound unto AGENCY in the sum of (\$ 605,161.98) which is one hundred percent (100%) of the total contract amount for the above stated project, for which payment well and truly to be made we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION IS SUCH that if said CONTRACTOR, its heirs, executors, administrators, successors, assigns or subcontractors, shall fail to pay any of the persons named in Civil Code Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor withheld, and paid over to the Employment Development Department from the wages of employees of the CONTRACTOR and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to such work and labor, that the surety or sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorney's fee to the plaintiffs and the AGENCY in an amount to be fixed by the court.

This bond shall inure to the benefit to any of the persons named in Civil Code Section 3181 as to give a right of action to such persons or their assigns in any suit brought upon this bond.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying same shall in any manner affect its obligations on this bond. The SURETY hereby waives notice of any such change, extension, alteration or addition and hereby waives the requirements of Section 2845 of the Civil Code as a condition precedent to any remedies AGENCY may have.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this 15th day of April 2011

Contractor* Venco Western, Inc. 2400 Eastman, Oxnard CA 93030 (805)981-2400

Neil D. Bu

Surety* Arch Insurance Company 865 S Figueroa St, 27th Floor, Los Angeles CA 90017 (213)283-3513

M. Linda Terry M. Linda Terry, Attorney-in-Fact

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

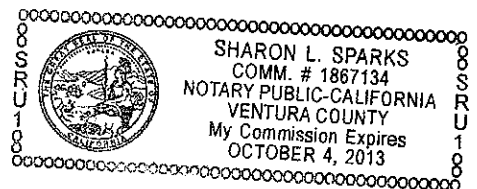
State of California)
County of Ventura)

Subscribed and sworn to (or affirmed) before me on this 14th day of April 2011, by M. Linda Terry, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Sharon L Sparks
(Signature of Notary Public)

(Notary Seal)

(EXECUTE IN DUPLICATE)



POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.



ARCH INSURANCE COMPANY

Bond Number : SU 1109769

ENDORSEMENT

To be attached to and form a part of Faithful Performance Bond, Payment Bond and Maintenance Bond, issued by the undersigned company, as Surety on behalf of Venco Western, Inc. as Principal, in favor of City of Calabasas as Obligee,

Effective June 1, 2011, the Principal and the Surety hereby agree to amend the attached bond as follows:

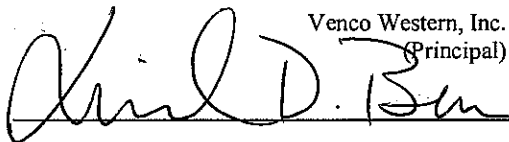
The term of the bond shall be amended to May 25th, 2011 to May 25th, 2013.

All else remains the same.

Provided that the liability under this endorsement shall be part of, and not in addition to, the liability under the attached Bond, and in no event shall be cumulative.

Nothing herein contained shall vary, alter or extend any of the provisions, conditions, or other terms of this bond except as above stated.

SIGNED, SEALED, DATED: June 1, 2011

By:  Venco Western, Inc.
(Principal)

By:  Arch Insurance Company
(Surety)
M. Linda Terry, Attorney In Fact

City of Calabasas
(Obligee)

By: _____

Obligee: Please sign endorsement and return to our office.

Endorsement Number: 1

DIRECT CORRESPONDENCE TO:
ARCH CONTRACTORS & DEVELOPERS GROUP, 865 S. FIGUEROA ST., 27TH FLOOR, LOS ANGELES, CA 90017
PHONE (626) 639-5200 • FAX (626) 639-5210

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

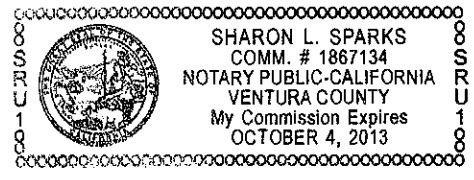
State of: California
County of Ventura

On 06/01/11 before me, Sharon L. Sparks, Notary Public,
personally appeared M. Linda Terry,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I Certify under PENALTY OF PERJURY under the laws of The State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Sharon L. Sparks
Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- INDIVIDUAL
- CORPORATE OFFICER

TITLES(S)

TITLE OR TYPE OF DOCUMENT

- PARTNERS
- LIMITED
- GENERAL

NUMBER OF PAGES

- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

SIGNER(S) OTHER THAN NAMED ABOVE

POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.

**ACTION AGENDA
REGULAR MEETING
WEDNESDAY, MAY 25, 2011**

CALL TO ORDER: 7:02 p.m.

ROLL CALL: *All present.*

APPROVAL OF AGENDA: *Approved.*

ANNOUNCEMENTS/INTRODUCTIONS

ORAL COMMUNICATIONS - PUBLIC COMMENT: *5 speakers.*

CONSENT ITEMS

1. Approval of meeting minutes from April 27, 2011. ***Approved.***
2. Approval of a five year service subscription and sublicense agreement with Digital Map Products (DMP) in an amount not to exceed \$25,000 per year, to perform professional geographic information systems (GIS) management services. ***Approved.***
3. Recommendation to approve a professional services agreement with Restoration Landscape Design, for the Mulholland Highway Landslide Repair Project Slope Planting and Environmental Restoration in an amount not to exceed \$75,000.00. ***Approved.***
4. Recommendation to award nine contracts in a total amount not to exceed \$605,161.98 for nine sections of Specification No. 10-11-02 to Venco Western, Inc. for the Landscape Maintenance of Common Areas located within Bellagio HOA (Zone 4), Calabasas Hills HOA (Zone 6), Classic Calabasas Park HOA (Zone 7), Las Villas HOA (Zone 11), Westridge HOA (Zone 20) within Landscape Lighting Act District 22 and Common Benefit Areas (CBA) CBA-1 (Zone 21), CBA-4 (Zone 24), CBA-5 (Zone 25), and CBA-6 (Zone 26) within Landscape Maintenance District 22. ***Approved.***

UNFINISHED BUSINESS

5. Recommendations from the Planning Commission regarding the wireless telecommunications facility ordinance update. ***Provided direction for a proposed ordinance and directed City Attorney to draft an ordinance for a moratorium on cell tower installation in the City.***
6. Recommendation to modify the zoning code to transfer review for wireless telecommunication facilities in public right-of-way. ***Approved staff's recommendation.***

7. Introduction of Ordinance No. 2011-284, amending the Calabasas Plumbing Code with respect to Onsite Wastewater Treatment Systems (OWTS). ***Introduced Ordinance No. 2011-284 with revisions and directed staff to schedule a workshop to gather input for a new OWTS ordinance.***
8. Adoption of Resolution No. 2011-1287, formalizing the establishment of the Calabasas Arts Council; and introduction of Ordinance No. 2011-279, amending chapter 2.41 of the Municipal Code by adding a sixth member to the Parks, Recreation and Education Commission which shall be the Chair of the Arts Council. ***Adopted Resolution No. 2011-1287 and introduced Ordinance No. 2011-279.***
9. Approval of Mayor Bozajian's appointment to the Parks, Recreation and Education Commission and Councilmember Martin's appointment to the Planning Commission. ***Appointed Myra Turek to PRE and Bob Lia to Planning Commission.***

INFORMATIONAL REPORTS

10. Check Register for the period of April 15, 2011 to May 11, 2011. ***No Action Taken.***

TASK FORCE REPORTS

CITY MANAGER'S REPORT

FUTURE AGENDA ITEMS

ADJOURN: 11:59 p.m.



CITY of CALABASAS

Date: June 8, 2011

To: Venco Western, Inc.
ATTN: Linda Burr, President
2400 Eastman Avenue
Oxnard CA 93030

Re: **Contracts for Specification No. 10-11-02, Landscape Maintenance of Common Benefit Areas with Landscape Maintenance District 22 and Common Benefit Areas of Specified Homeowner Associations with Landscape Lighting Act District in the City of Calabasas**

Dear Ms. Burr:

The City Attorney has returned the nine Landscape Maintenance contracts that were awarded to your company (Bellagio HOA, Calabasas Hills HOA / Calabasas Hills Estates HOA, Calabasas Park HOA, Las Villas HOA, Westridge HOA, CBA-1, CBA-4, CBA-5, CBA-6) and has approved them as to form. Please review the following Public Contract Code references added to your contract and acknowledge that you received them by signing and returning this letter to the City.

- Public Contract Code § 6109: Requires a contract provision prohibiting a contractor from performing work with a subcontractor who is debarred pursuant to Labor Code §§ 1777.1 or 1777.7.
- Public Contract Code § 7103.5: Requires that the contract specifications provide for the assignment of unfair business practices claims (Clayton Act and Cartwright Act) from the contractor to the public agency.
- Public Contract Code § 20104.50: Requires a contract to reference to Article 1.7 provisions requiring the public agency to make timely payment to contractor of all progress payments property due under the contract and to pay interest on any late payments.
- Public Contract Code § 22300: Mandates that provisions permitting the contractor to substitute securities for retainage funds are included in the invitation for bids and contract documents and sets forth an escrow form for such substitutions.

Your acknowledgement of receipt of this letter will be attached with your executed contract.

Sincerely,

Robert B. Yalda, P.E., T.E.
Public Works Director/City Engineer

File

C Calabasas City Clerk
Matt Baumgardner, Associate Civil Engineer
Steve Ball, Landscape Districts Maintenance Manager

Acknowledged by CONTRACTOR:

Linda Burr, President
Venco Western, Inc.

CONTRACT AGREEMENT

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA

(2-Year Contract)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

THIS CONTRACT AGREEMENT is made and entered into for the ZONE 20, WESTRIDGE HOMEOWNERS ASSOCIATION section of the above stated project this 25th day of May, 2011, BY AND BETWEEN the City of Calabasas, hereafter designated as "AGENCY", and VENCO WESTERN, INC., hereafter designated as "CONTRACTOR".

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Bid Proposal, Bid Schedule, Standard Specifications, Special Provisions, Vicinity Map, and all referenced specifications, details, standard drawings, and appendices; together with two (2) signed copies of the Contract Agreement, two (2) signed copies of required bonds; one (1) copy of the insurance certificates, permits, notices, and affidavits; and also, including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to insure its completion in an acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and equipment and perform all work required for the above stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the prices set forth in the Bid Proposal and Bid Schedule as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance, including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also, including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein

contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents.

ARTICLE V

CONTRACTOR acknowledges that this contract is subject to the provisions of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works and public agencies and agrees to be bound by all the provisions thereof as though set forth in full herein. Full compensation for conforming to the requirements of said Labor Code and with other Federal, State and local laws related to labor, and rules, regulations and ordinances which apply to any work performed pursuant to this contract shall be considered as included in the price for all contract items of work involved.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1775 concerning penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the AGENCY, forfeit not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the applicable State and/or Federal prevailing wage rates as referenced and incorporated herein for the work or craft in which the worker is employed for any public work done under the contract by CONTRACTOR or by any subcontractor.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that CONTRACTOR is responsible for compliance with Section 1777.5 by all of its subcontractors.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1813 concerning penalties for workers who work excess hours. The CONTRACTOR shall, as a penalty to the AGENCY, forfeit twenty-five dollars (\$25) for each worker employed in the execution of the contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any 1 calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the California Labor Code, and in particular, Section 1810 to 1815, thereof, inclusive, except that work performed by employees of CONTRACTOR and/or Subcontractors in excess of 8 hours per day, and 40 hours per week, shall be permitted upon compensation for all hours worked in excess of 8 hours per day at not less than one and one half times the basic rate of pay, as provided in said Section 1815.

In accordance with California Labor Code Section 1860 and 3700, every Contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, CONTRACTOR, by signing this contract, certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract."

ARTICLE VI

With respect to performance of work under this contract, CONTRACTOR shall maintain and shall require all of its subcontractors to maintain insurance as required in the Standard Specifications of the Project Specifications.

ARTICLE VII

CONTRACTOR agrees to indemnify and hold harmless AGENCY and all of its officers and agents from any claims, demands, or causes of action, including related expenses, attorney's fees, and costs, based on, arising out of, or in any way related to the work undertaken by CONTRACTOR hereunder.

ARTICLE VIII

The City and the Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents. This contract is not assignable nor the performance of either party's duties delegable without the prior written consent of the other party. Any attempted or purported assignment or delegation of any of the rights of obligations of either party without the prior written consent of the other shall be void and of no force and effect.

ARTICLE IX

In any action brought to declare the rights granted herein or to enforce any of the terms of this contract, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the court.

ARTICLE X

CONTRACTOR is and shall at all times remain as to the AGENCY, a wholly independent Contractor. Neither the AGENCY nor any of its agents shall have control of the conduct of CONTRACTOR or any of the Contractor's employees, except as herein set forth. CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of AGENCY.

ARTICLE XI

The CONTRACTOR is responsible for paying all retail, sales and use, transportation, export, import, special, or other taxes and duties applicable to, and assessable against any work, materials, equipment, services, processes and operations incidental to or involved in this contract. The CONTRACTOR is responsible for ascertaining and arranging to pay them. The prices established in this contract shall include compensation for any taxes the CONTRACTOR is required to pay by laws and regulations in effect as of the bid opening date.

ARTICLE XII

All notices and communications shall be sent in writing to the parties at the following addresses:

CITY: Robert B. Yalda

CONTRACTOR: Linda Burr

Director of Public Works

President

CITY OF CALABASAS

VENCO WESTERN, INC.

100 Civic Center Way

2400 Eastman Avenue

Calabasas, California 91302-3172

Oxnard, California 93030-5187

PHONE: (818) 224-1600

PHONE: (805) 981-2400

FAX: (818) 225-7338

FAX: (805) 981-2450

ARTICLE XIII

This contract supersedes any and all other agreements either oral or written, between the parties and contains all of the covenants and agreements between the parties pertaining to the work of improvements described herein. Each party to this contract acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statements or promise not

contained in this contract shall not be valid or binding. Any modification of this contract will be effective only if signed by the party to be charged.

ARTICLE XIV

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest herein.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Contract Agreement to be executed in duplicate by setting hereunto their names, titles, hands, and seals this 2nd day of June, 2011.

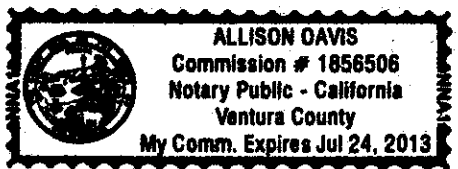
CONTRACTOR: Linda Burr
Linda Burr
President
(Title)

Contractor's License No. C-27 S62295

State of California)
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 2nd day of June, 2011, by Linda D. Burr, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Allison Davis
(Signature of Notary Public) (Notary Seal)



James R. Bozajian
AGENCY: James R. Bozajian, Mayor Date 6/15/11

Gwen Peirce
ATTESTED: Gwen Peirce, CMC, City Clerk Date 6/16/11

Yana Welinder
APPROVED AS TO FORM: Yana Welinder, City Attorney Date 6/8/2011

(EXECUTE IN DUPLICATE)

PAYMENT BOND

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE
MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF
SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT
DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA
(2-YEAR CONTRACT)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

WHEREAS, the City of Calabasas, as AGENCY has awarded to, as CONTRACTOR, a contract for the above stated project.
AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract, to secure the payment of
claims of laborers, mechanics, material persons, and other persons as provided by law;

NOW THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held and firmly bound unto AGENCY in the sum
of (\$ 605,161.98) which is one hundred percent (100%) of the total contract amount for
the above stated project, for which payment well and truly to be made we bind ourselves, our heirs, executors and administrators,
successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION IS SUCH that if said CONTRACTOR, its heirs, executors, administrators,
successors, assigns or subcontractors, shall fail to pay any of the persons named in Civil Code Section 3181, or amounts due
under the Unemployment Insurance Code with respect to work or labor withheld, and paid over to the Employment Development
Department from the wages of employees of the CONTRACTOR and its subcontractors pursuant to Section 13020 of the
Unemployment Insurance Code, with respect to such work and labor, that the surety or sureties herein will pay for the same in an
amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In case suit is brought upon
this bond, the said SURETY will pay a reasonable attorney's fee to the plaintiff's and the AGENCY in an amount to be fixed by
the court.

This bond shall inure to the benefit to any of the persons named in Civil Code Section 3181 as to give a right of action to such
persons or their assigns in any suit brought upon this bond.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement
or the specifications accompanying same shall in any manner affect its obligations on this bond. The SURETY hereby waives
notice of any such change, extension, alteration or addition and hereby waives the requirements of Section 2845 of the Civil Code
as a condition precedent to any remedies AGENCY may have.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this 15th day of
April 2011

Contractor* Venco Western, Inc. 2400 Eastman, Oxnard CA 93030 (805)981-2400
David D. Bu

Surety* Arch Insurance Company, 865 S Figueroa St, 27th Floor, Los Angeles CA 90017 (213)283-3513
M. Linda Terry M. Linda Terry, Attorney-in-Fact

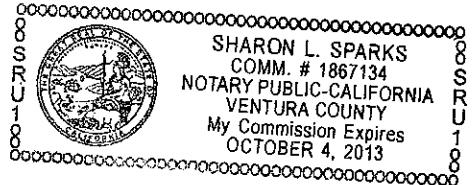
*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number
for the respective authorized representatives. Power of Attorney must be attached.

State of California)
County of Ventura)

Subscribed and sworn to (or affirmed) before me on this 14th day of April 2011, by
M. Linda Terry, proved to me on the basis of satisfactory evidence to be the person who appeared
before me.

Sharon L Sparks
(Signature of Notary Public) (Notary Seal)

(EXECUTE IN DUPLICATE)



POWER OF ATTORNEY

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M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.



ARCH INSURANCE COMPANY

Bond Number : SU 1109769

ENDORSEMENT

To be attached to and form a part of **Faithful Performance Bond, Payment Bond and Maintenance Bond**, issued by the undersigned company, as Surety on behalf of Venco Western, Inc. as Principal, in favor of **City of Calabasas** as Obligee,

Effective **June 1, 2011**, the Principal and the Surety hereby agree to amend the attached bond as follows:

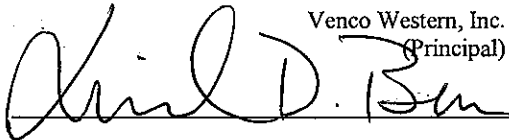
The term of the bond shall be amended to May 25th, 2011 to May 25th, 2013.


All else remains the same.

Provided that the liability under this endorsement shall be part of, and not in addition to, the liability under the attached Bond, and in no event shall be cumulative.

Nothing herein contained shall vary, alter or extend any of the provisions, conditions, or other terms of this bond except as above stated.

SIGNED, SEALED, DATED: June 1, 2011

By:  Venco Western, Inc.
(Principal)

By:  Arch Insurance Company
(Surety)
M. Linda Terry, Attorney In Fact

City of Calabasas
(Obligee)

By: _____

Obligee: Please sign endorsement and return to our office.

Endorsement Number: 1

DIRECT CORRESPONDENCE TO:

ARCH CONTRACTORS & DEVELOPERS GROUP, 865 S. FIGUEROA ST., 27TH FLOOR, LOS ANGELES, CA 90017
PHONE (626) 639-5200 • FAX (626) 639-5210

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

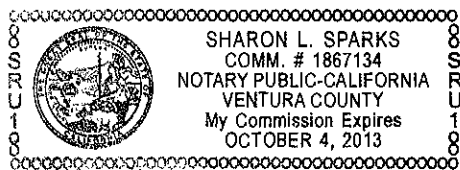
State of: California
 County of Ventura

On 06/01/11 before me, Sharon L. Sparks, Notary Public,
 personally appeared M. Linda Terry,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I Certify under PENALTY OF PERJURY under the laws of The State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Sharon L. Sparks
 Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- INDIVIDUAL
- CORPORATE OFFICER

- TITLES(S)
- PARTNERS
 - LIMITED
 - GENERAL
 - ATTORNEY-IN-FACT
 - TRUSTEE(S)
 - GUARDIAN/CONSERVATOR
 - OTHER

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

SIGNER IS REPRESENTING:
 NAME OF PERSON(S) OR ENTITY(IES)

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE

POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.

**ACTION AGENDA
REGULAR MEETING
WEDNESDAY, MAY 25, 2011**

CALL TO ORDER: 7:02 p.m.

ROLL CALL: *All present.*

APPROVAL OF AGENDA: *Approved.*

ANNOUNCEMENTS/INTRODUCTIONS

ORAL COMMUNICATIONS - PUBLIC COMMENT: *5 speakers.*

CONSENT ITEMS

1. Approval of meeting minutes from April 27, 2011. ***Approved.***
2. Approval of a five year service subscription and sublicense agreement with Digital Map Products (DMP) in an amount not to exceed \$25,000 per year, to perform professional geographic information systems (GIS) management services. ***Approved.***
3. Recommendation to approve a professional services agreement with Restoration Landscape Design, for the Mulholland Highway Landslide Repair Project Slope Planting and Environmental Restoration in an amount not to exceed \$75,000.00. ***Approved.***
4. Recommendation to award nine contracts in a total amount not to exceed \$605,161.98 for nine sections of Specification No. 10-11-02 to Venco Western, Inc. for the Landscape Maintenance of Common Areas located within Bellagio HOA (Zone 4), Calabastas Hills HOA (Zone 6), Classic Calabastas Park HOA (Zone 7), Las Villas HOA (Zone 11), Westridge HOA (Zone 20) within Landscape Lighting Act District 22 and Common Benefit Areas (CBA) CBA-1 (Zone 21), CBA-4 (Zone 24), CBA-5 (Zone 25), and CBA-6 (Zone 26) within Landscape Maintenance District 22. ***Approved.***

UNFINISHED BUSINESS

5. Recommendations from the Planning Commission regarding the wireless telecommunications facility ordinance update. ***Provided direction for a proposed ordinance and directed City Attorney to draft an ordinance for a moratorium on cell tower installation in the City.***
6. Recommendation to modify the zoning code to transfer review for wireless telecommunication facilities in public right-of-way. ***Approved staff's recommendation.***

7. Introduction of Ordinance No. 2011-284, amending the Calabasas Plumbing Code with respect to Onsite Wastewater Treatment Systems (OWTS). ***Introduced Ordinance No. 2011-284 with revisions and directed staff to schedule a workshop to gather input for a new OWTS ordinance.***
8. Adoption of Resolution No. 2011-1287, formalizing the establishment of the Calabasas Arts Council; and introduction of Ordinance No. 2011-279, amending chapter 2.41 of the Municipal Code by adding a sixth member to the Parks, Recreation and Education Commission which shall be the Chair of the Arts Council. ***Adopted Resolution No. 2011-1287 and introduced Ordinance No. 2011-279.***
9. Approval of Mayor Bozajian's appointment to the Parks, Recreation and Education Commission and Councilmember Martin's appointment to the Planning Commission. ***Appointed Myra Turek to PRE and Bob Lia to Planning Commission.***

INFORMATIONAL REPORTS

10. Check Register for the period of April 15, 2011 to May 11, 2011. ***No Action Taken.***

TASK FORCE REPORTS

CITY MANAGER'S REPORT

FUTURE AGENDA ITEMS

ADJOURN: 11:59 p.m.



CITY of CALABASAS

Date: June 8, 2011

To: Venco Western, Inc.
ATTN: Linda Burr, President
2400 Eastman Avenue
Oxnard CA 93030

Re: **Contracts for Specification No. 10-11-02, Landscape Maintenance of Common Benefit Areas with Landscape Maintenance District 22 and Common Benefit Areas of Specified Homeowner Associations with Landscape Lighting Act District in the City of Calabasas**

Dear Ms. Burr:

The City Attorney has returned the nine Landscape Maintenance contracts that were awarded to your company (Bellagio HOA, Calabasas Hills HOA / Calabasas Hills Estates HOA, Calabasas Park HOA, Las Villas HOA, Westridge HOA, CBA-1, CBA-4, CBA-5, CBA-6) and has approved them as to form. Please review the following Public Contract Code references added to your contract and acknowledge that you received them by signing and returning this letter to the City.

- Public Contract Code § 6109: Requires a contract provision prohibiting a contractor from performing work with a subcontractor who is debarred pursuant to Labor Code §§ 1777.1 or 1777.7.
- Public Contract Code § 7103.5: Requires that the contract specifications provide for the assignment of unfair business practices claims (Clayton Act and Cartwright Act) from the contractor to the public agency.
- Public Contract Code § 20104.50: Requires a contract to reference to Article 1.7 provisions requiring the public agency to make timely payment to contractor of all progress payments property due under the contract and to pay interest on any late payments.
- Public Contract Code § 22300: Mandates that provisions permitting the contractor to substitute securities for retainage funds are included in the invitation for bids and contract documents and sets forth an escrow form for such substitutions.

Your acknowledgement of receipt of this letter will be attached with your executed contract.

Sincerely,

Robert B. Yalda, P.E., T.E.
Public Works Director/City Engineer

File

C Calabasas City Clerk
Matt Baumgardner, Associate Civil Engineer
Steve Ball, Landscape Districts Maintenance Manager

Acknowledged by CONTRACTOR:

Linda Burr, President
Venco Western, Inc.

CONTRACT AGREEMENT

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA

(2-Year Contract)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

THIS CONTRACT AGREEMENT is made and entered into for the ZONE 21, Common Benefit Area One (CBA-1) section of the above stated project this 25th day of May, 2011, BY AND BETWEEN the City of Calabasas, hereafter designated as "AGENCY", and VENCO WESTERN, INC., hereafter designated as "CONTRACTOR".

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Bid Proposal, Bid Schedule, Standard Specifications, Special Provisions, Vicinity Map, and all referenced specifications, details, standard drawings, and appendices; together with two (2) signed copies of the Contract Agreement, two (2) signed copies of required bonds; one (1) copy of the insurance certificates, permits, notices, and affidavits; and also, including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to insure its completion in an acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and equipment and perform all work required for the above stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the prices set forth in the Bid Proposal and Bid Schedule as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance, including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also, including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein

contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents.

ARTICLE V

CONTRACTOR acknowledges that this contract is subject to the provisions of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works and public agencies and agrees to be bound by all the provisions thereof as though set forth in full herein. Full compensation for conforming to the requirements of said Labor Code and with other Federal, State and local laws related to labor, and rules, regulations and ordinances which apply to any work performed pursuant to this contract shall be considered as included in the price for all contract items of work involved.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1775 concerning penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the AGENCY, forfeit not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the applicable State and/or Federal prevailing wage rates as referenced and incorporated herein for the work or craft in which the worker is employed for any public work done under the contract by CONTRACTOR or by any subcontractor.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that CONTRACTOR is responsible for compliance with Section 1777.5 by all of its subcontractors.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1813 concerning penalties for workers who work excess hours. The CONTRACTOR shall, as a penalty to the AGENCY, forfeit twenty-five dollars (\$25) for each worker employed in the execution of the contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any 1 calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the California Labor Code, and in particular, Section 1810 to 1815, thereof, inclusive, except that work performed by employees of CONTRACTOR and/or Subcontractors in excess of 8 hours per day, and 40 hours per week, shall be permitted upon compensation for all hours worked in excess of 8 hours per day at not less than one and one half times the basic rate of pay, as provided in said Section 1815.

In accordance with California Labor Code Section 1860 and 3700, every Contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, CONTRACTOR, by signing this contract, certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract."

ARTICLE VI

With respect to performance of work under this contract, CONTRACTOR shall maintain and shall require all of its subcontractors to maintain insurance as required in the Standard Specifications of the Project Specifications.

ARTICLE VII

CONTRACTOR agrees to indemnify and hold harmless AGENCY and all of its officers and agents from any claims, demands, or causes of action, including related expenses, attorney's fees, and costs, based on, arising out of, or in any way related to the work undertaken by CONTRACTOR hereunder.

ARTICLE VIII

The City and the Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents. This contract is not assignable nor the performance of either party's duties delegable without the prior written consent of the other party. Any attempted or purported assignment or delegation of any of the rights of obligations of either party without the prior written consent of the other shall be void and of no force and effect.

ARTICLE IX

In any action brought to declare the rights granted herein or to enforce any of the terms of this contract, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the court.

ARTICLE X

CONTRACTOR is and shall at all times remain as to the AGENCY, a wholly independent Contractor. Neither the AGENCY nor any of its agents shall have control of the conduct of CONTRACTOR or any of the Contractor's employees, except as herein set forth. CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of AGENCY.

ARTICLE XI

The CONTRACTOR is responsible for paying all retail, sales and use, transportation, export, import, special, or other taxes and duties applicable to, and assessable against any work, materials, equipment, services, processes and operations incidental to or involved in this contract. The CONTRACTOR is responsible for ascertaining and arranging to pay them. The prices established in this contract shall include compensation for any taxes the CONTRACTOR is required to pay by laws and regulations in effect as of the bid opening date.

ARTICLE XII

All notices and communications shall be sent in writing to the parties at the following addresses:

<u>CITY: Robert B. Yalda</u>	<u>CONTRACTOR: Linda Burr</u>
<u>Director of Public Works</u>	<u>President</u>
<u>CITY OF CALABASAS</u>	<u>VENCO WESTERN, INC.</u>
<u>100 Civic Center Way</u>	<u>2400 Eastman Avenue</u>
<u>Calabasas, California 91302-3172</u>	<u>Oxnard, California 93030-5187</u>
<u>PHONE: (818) 224-1600</u>	<u>PHONE: (805) 981-2400</u>
<u>FAX: (818) 225-7338</u>	<u>FAX: (805) 981-2450</u>

ARTICLE XIII

This contract supersedes any and all other agreements either oral or written, between the parties and contains all of the covenants and agreements between the parties pertaining to the work of improvements described herein. Each party to this contract acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statements or promise not

contained in this contract shall not be valid or binding. Any modification of this contract will be effective only if signed by the party to be charged.

ARTICLE XIV

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest herein.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Contract Agreement to be executed in duplicate by setting hereunto their names, titles, hands, and seals this 2nd day of June, 2011.

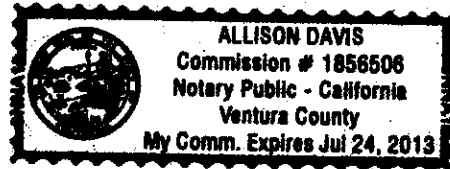
CONTRACTOR: Linda Burr
Linda Burr
President
(Title)

Contractor's License No. C-27 S62295

State of California)
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 2nd day of June, 2011, by Linda D. Burr, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Allison Davis
(Signature of Notary Public) (Notary Seal)



~~BY~~ AGENCY: James R. Bozajian
James R. Bozajian,
Mayor

6/15/11
Date

ATTESTED: Gwen Peirce
Gwen Peirce, CMC,
City Clerk

6/16/11
Date

APPROVED AS TO FORM: Yana Welinder
Yana Welinder,
City Attorney

6/3/2011
Date

(EXECUTE IN DUPLICATE)

PAYMENT BOND

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE
MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF
SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT
DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA
(2-YEAR CONTRACT)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

WHEREAS, the City of Calabasas, as AGENCY has awarded to, as CONTRACTOR, a contract for the above stated project.

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material persons, and other persons as provided by law;

NOW THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held and firmly bound unto AGENCY in the sum of (\$ 605,161.98) which is one hundred percent (100%) of the total contract amount for the above stated project, for which payment well and truly to be made we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION IS SUCH that if said CONTRACTOR, its heirs, executors, administrators, successors, assigns or subcontractors, shall fail to pay any of the persons named in Civil Code Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor withheld, and paid over to the Employment Development Department from the wages of employees of the CONTRACTOR and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to such work and labor, that the surety or sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorney's fee to the plaintiff's and the AGENCY in an amount to be fixed by the court.

This bond shall inure to the benefit to any of the persons named in Civil Code Section 3181 as to give a right of action to such persons or their assigns in any suit brought upon this bond.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying same shall in any manner affect its obligations on this bond. The SURETY hereby waives notice of any such change, extension, alteration or addition and hereby waives the requirements of Section 2845 of the Civil Code as a condition precedent to any remedies AGENCY may have.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this 15th day of April 2011

Contractor* Venco Western, Inc. 2400 Eastman, Oxnard CA 93030 (805)981-2400

Neil D. Bu

Surety* Arch Insurance Company, 865 S Figueroa St, 27th Floor, Los Angeles CA 90017 (213)283-3513

M. Linda Terry M. Linda Terry, Attorney-in-Fact

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

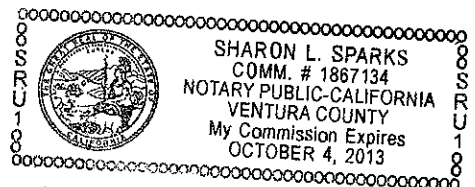
State of California)
County of Ventura)

Subscribed and sworn to (or affirmed) before me on this 14th day of April 2011, by M. Linda Terry, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Sharon L Sparks
(Signature of Notary Public)

(Notary Seal)

(EXECUTE IN DUPLICATE)



POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary, shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.



ARCH INSURANCE COMPANY

Bond Number : SU 1109769

ENDORSEMENT

To be attached to and form a part of Faithful Performance Bond, Payment Bond and Maintenance Bond, issued by the undersigned company, as Surety on behalf of Venco Western, Inc. as Principal, in favor of City of Calabasas as Obligee,

Effective June 1, 2011, the Principal and the Surety hereby agree to amend the attached bond as follows:

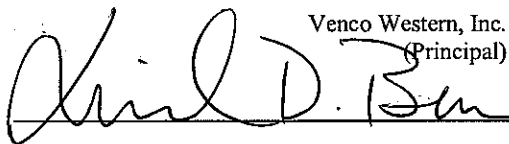
The term of the bond shall be amended to May 25th, 2011 to May 25th, 2013.

All else remains the same.

Provided that the liability under this endorsement shall be part of, and not in addition to, the liability under the attached Bond, and in no event shall be cumulative.

Nothing herein contained shall vary, alter or extend any of the provisions, conditions, or other terms of this bond except as above stated.

SIGNED, SEALED, DATED: June 1, 2011

By: 
Venco Western, Inc.
(Principal)

By: 
Arch Insurance Company
(Surety)
M. Linda Terry, Attorney In Fact

By: _____
City of Calabasas
(Obligee)

By: _____

Obligee: Please sign endorsement and return to our office.

Endorsement Number: 1

DIRECT CORRESPONDENCE TO:

ARCH CONTRACTORS & DEVELOPERS GROUP, 865 S. FIGUEROA ST., 27TH FLOOR, LOS ANGELES, CA 90017
PHONE (626) 639-5200 • FAX (626) 639-5210

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

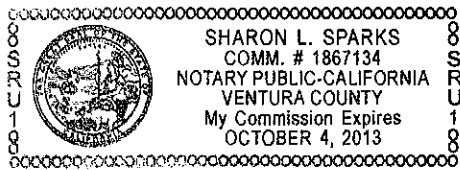
State of: California
County of Ventura

On 06/01/11 before me, Sharon L. Sparks, Notary Public,
personally appeared M. Linda Terry,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I Certify under PENALTY OF PERJURY under the laws of The State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Sharon L. Sparks
Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- INDIVIDUAL
- CORPORATE OFFICER

TITLES(S)

TITLE OR TYPE OF DOCUMENT

- PARTNERS
- LIMITED
- GENERAL

NUMBER OF PAGES

- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

SIGNER(S) OTHER THAN NAMED ABOVE

POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: ND AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VDTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.

**ACTION AGENDA
REGULAR MEETING
WEDNESDAY, MAY 25, 2011**

CALL TO ORDER: 7:02 p.m.

ROLL CALL: *All present.*

APPROVAL OF AGENDA: *Approved.*

ANNOUNCEMENTS/INTRODUCTIONS

ORAL COMMUNICATIONS - PUBLIC COMMENT: *5 speakers.*

CONSENT ITEMS

1. Approval of meeting minutes from April 27, 2011. ***Approved.***
2. Approval of a five year service subscription and sublicense agreement with Digital Map Products (DMP) in an amount not to exceed \$25,000 per year, to perform professional geographic information systems (GIS) management services. ***Approved.***
3. Recommendation to approve a professional services agreement with Restoration Landscape Design, for the Mulholland Highway Landslide Repair Project Slope Planting and Environmental Restoration in an amount not to exceed \$75,000.00. ***Approved.***
4. Recommendation to award nine contracts in a total amount not to exceed \$605,161.98 for nine sections of Specification No. 10-11-02 to Venco Western, Inc. for the Landscape Maintenance of Common Areas located within Bellagio HOA (Zone 4), Calabaras Hills HOA (Zone 6), Classic Calabaras Park HOA (Zone 7), Las Villas HOA (Zone 11), Westridge HOA (Zone 20) within Landscape Lighting Act District 22 and Common Benefit Areas (CBA) CBA-1 (Zone 21), CBA-4 (Zone 24), CBA-5 (Zone 25), and CBA-6 (Zone 26) within Landscape Maintenance District 22. ***Approved.***

UNFINISHED BUSINESS

5. Recommendations from the Planning Commission regarding the wireless telecommunications facility ordinance update. ***Provided direction for a proposed ordinance and directed City Attorney to draft an ordinance for a moratorium on cell tower installation in the City.***
6. Recommendation to modify the zoning code to transfer review for wireless telecommunication facilities in public right-of-way. ***Approved staff's recommendation.***

7. Introduction of Ordinance No. 2011-284, amending the Calabasas Plumbing Code with respect to Onsite Wastewater Treatment Systems (OWTS). ***Introduced Ordinance No. 2011-284 with revisions and directed staff to schedule a workshop to gather input for a new OWTS ordinance.***
8. Adoption of Resolution No. 2011-1287, formalizing the establishment of the Calabasas Arts Council; and introduction of Ordinance No. 2011-279, amending chapter 2.41 of the Municipal Code by adding a sixth member to the Parks, Recreation and Education Commission which shall be the Chair of the Arts Council. ***Adopted Resolution No. 2011-1287 and introduced Ordinance No. 2011-279.***
9. Approval of Mayor Bozajian's appointment to the Parks, Recreation and Education Commission and Councilmember Martin's appointment to the Planning Commission. ***Appointed Myra Turek to PRE and Bob Lia to Planning Commission.***

INFORMATIONAL REPORTS

10. Check Register for the period of April 15, 2011 to May 11, 2011. ***No Action Taken.***

TASK FORCE REPORTS

CITY MANAGER'S REPORT

FUTURE AGENDA ITEMS

ADJOURN: 11:59 p.m.



CITY of CALABASAS

Date: June 8, 2011

To: Venco Western, Inc.
ATTN: Linda Burr, President
2400 Eastman Avenue
Oxnard CA 93030

Re: **Contracts for Specification No. 10-11-02, Landscape Maintenance of Common Benefit Areas with Landscape Maintenance District 22 and Common Benefit Areas of Specified Homeowner Associations with Landscape Lighting Act District in the City of Calabasas**

Dear Ms. Burr:

The City Attorney has returned the nine Landscape Maintenance contracts that were awarded to your company (Bellagio HOA, Calabasas Hills HOA / Calabasas Hills Estates HOA, Calabasas Park HOA, Las Villas HOA, Westridge HOA, CBA-1, CBA-4, CBA-5, CBA-6) and has approved them as to form. Please review the following Public Contract Code references added to your contract and acknowledge that you received them by signing and returning this letter to the City.

- Public Contract Code § 6109: Requires a contract provision prohibiting a contractor from performing work with a subcontractor who is debarred pursuant to Labor Code §§ 1777.1 or 1777.7.
- Public Contract Code § 7103.5: Requires that the contract specifications provide for the assignment of unfair business practices claims (Clayton Act and Cartwright Act) from the contractor to the public agency.
- Public Contract Code § 20104.50: Requires a contract to reference to Article 1.7 provisions requiring the public agency to make timely payment to contractor of all progress payments property due under the contract and to pay interest on any late payments.
- Public Contract Code § 22300: Mandates that provisions permitting the contractor to substitute securities for retainage funds are included in the invitation for bids and contract documents and sets forth an escrow form for such substitutions.

Your acknowledgement of receipt of this letter will be attached with your executed contract.

Sincerely,

Robert B. Yalda, P.E., T.E.
Public Works Director/City Engineer

File

C Calabasas City Clerk
Matt Baumgardner, Associate Civil Engineer
Steve Ball, Landscape Districts Maintenance Manager

Acknowledged by CONTRACTOR:

Linda Burr, President
Venco Western, Inc.

CONTRACT AGREEMENT

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA

(2-Year Contract)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

THIS CONTRACT AGREEMENT is made and entered into for the ZONE 24, Common Benefit Area Four (CBA-4) section of the above stated project this 25th day of May, 2011, BY AND BETWEEN the City of Calabasas, hereafter designated as "AGENCY", and VENCO WESTERN, INC., hereafter designated as "CONTRACTOR".

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Bid Proposal, Bid Schedule, Standard Specifications, Special Provisions, Vicinity Map, and all referenced specifications, details, standard drawings, and appendices; together with two (2) signed copies of the Contract Agreement, two (2) signed copies of required bonds; one (1) copy of the insurance certificates, permits, notices, and affidavits; and also, including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to insure its completion in an acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and equipment and perform all work required for the above stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the prices set forth in the Bid Proposal and Bid Schedule as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance, including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also, including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein

contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents.

ARTICLE V

CONTRACTOR acknowledges that this contract is subject to the provisions of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works and public agencies and agrees to be bound by all the provisions thereof as though set forth in full herein. Full compensation for conforming to the requirements of said Labor Code and with other Federal, State and local laws related to labor, and rules, regulations and ordinances which apply to any work performed pursuant to this contract shall be considered as included in the price for all contract items of work involved.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1775 concerning penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the AGENCY, forfeit not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the applicable State and/or Federal prevailing wage rates as referenced and incorporated herein for the work or craft in which the worker is employed for any public work done under the contract by CONTRACTOR or by any subcontractor.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that CONTRACTOR is responsible for compliance with Section 1777.5 by all of its subcontractors.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1813 concerning penalties for workers who work excess hours. The CONTRACTOR shall, as a penalty to the AGENCY, forfeit twenty-five dollars (\$25) for each worker employed in the execution of the contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any 1 calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the California Labor Code, and in particular, Section 1810 to 1815, thereof, inclusive, except that work performed by employees of CONTRACTOR and/or Subcontractors in excess of 8 hours per day, and 40 hours per week, shall be permitted upon compensation for all hours worked in excess of 8 hours per day at not less than one and one half times the basic rate of pay, as provided in said Section 1815.

In accordance with California Labor Code Section 1860 and 3700, every Contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, CONTRACTOR, by signing this contract, certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract."

ARTICLE VI

With respect to performance of work under this contract, CONTRACTOR shall maintain and shall require all of its subcontractors to maintain insurance as required in the Standard Specifications of the Project Specifications.

ARTICLE VII

CONTRACTOR agrees to indemnify and hold harmless AGENCY and all of its officers and agents from any claims, demands, or causes of action, including related expenses, attorney's fees, and costs, based on, arising out of, or in any way related to the work undertaken by CONTRACTOR hereunder.

ARTICLE VIII

The City and the Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents. This contract is not assignable nor the performance of either party's duties delegable without the prior written consent of the other party. Any attempted or purported assignment or delegation of any of the rights of obligations of either party without the prior written consent of the other shall be void and of no force and effect.

ARTICLE IX

In any action brought to declare the rights granted herein or to enforce any of the terms of this contract, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the court.

ARTICLE X

CONTRACTOR is and shall at all times remain as to the AGENCY, a wholly independent Contractor. Neither the AGENCY nor any of its agents shall have control of the conduct of CONTRACTOR or any of the Contractor's employees, except as herein set forth. CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of AGENCY.

ARTICLE XI

The CONTRACTOR is responsible for paying all retail, sales and use, transportation, export, import, special, or other taxes and duties applicable to, and assessable against any work, materials, equipment, services, processes and operations incidental to or involved in this contract. The CONTRACTOR is responsible for ascertaining and arranging to pay them. The prices established in this contract shall include compensation for any taxes the CONTRACTOR is required to pay by laws and regulations in effect as of the bid opening date.

ARTICLE XII

All notices and communications shall be sent in writing to the parties at the following addresses:

CITY: Robert B. Yalda

CONTRACTOR: Linda Burr

Director of Public Works

President

CITY OF CALABASAS

VENCO WESTERN, INC.

100 Civic Center Way

2400 Eastman Avenue

Calabasas, California 91302-3172

Oxnard, California 93030-5187

PHONE: (818) 224-1600

PHONE: (805) 981-2400

FAX: (818) 225-7338

FAX: (805) 981-2450

ARTICLE XIII

This contract supersedes any and all other agreements either oral or written, between the parties and contains all of the covenants and agreements between the parties pertaining to the work of improvements described herein. Each party to this contract acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statements or promise not

contained in this contract shall not be valid or binding. Any modification of this contract will be effective only if signed by the party to be charged.

ARTICLE XIV

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest herein.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Contract Agreement to be executed in duplicate by setting hereunto their names, titles, hands, and seals this 2nd day of June, 2011.

CONTRACTOR: *Linda Burr*
Linda Burr
President
(Title)

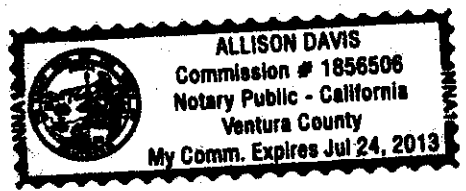
Contractor's License No. C-27 S62295

State of California)
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 2nd day of June, 2011, by Linda D. Burr, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Allison Davis

(Signature of Notary Public) (Notary Seal)



~~AT~~ AGENCY: *James R. Bozajian*
James R. Bozajian,
Mayor

6/15/11
Date

ATTESTED: *Gwen Peirce*
Gwen Peirce, CMC,
City Clerk

6/16/11
Date

APPROVED AS TO FORM: *Yana Welinder*
Yana Welinder,
City Attorney

6/3/2011
Date

(EXECUTE IN DUPLICATE)

PAYMENT BOND

**LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE
MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF
SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT
DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA**

(2-Year Contract)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

WHEREAS, the City of Calabasas, as AGENCY has awarded to, VENCO WESTERN, INC., as CONTRACTOR, a contract for the ZONE 24, Common Benefit Area Four (CBA-4) section of the above stated project.

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material persons, and other persons as provided by law;

NOW THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held and firmly bound unto AGENCY in the sum of (\$ _____) which is one hundred percent (100%) of the total contract amount for the above stated project, for which payment well and truly to be made we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION IS SUCH that if said CONTRACTOR, its heirs, executors, administrators, successors, assigns or subcontractors, shall fail to pay any of the persons named in Civil Code Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor withheld, and paid over to the Employment Development Department from the wages of employees of the CONTRACTOR and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to such work and labor, that the surety or sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorney's fee to the plaintiff's and the AGENCY in an amount to be fixed by the court.

This bond shall inure to the benefit to any of the persons named in Civil Code Section 3181 as to give a right of action to such persons or their assigns in any suit brought upon this bond.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying same shall in any manner affect its obligations on this bond. The SURETY hereby waives notice of any such change, extension, alteration or addition and hereby waives the requirements of Section 2845 of the Civil Code as a condition precedent to any remedies AGENCY may have.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this ____ day of _____, 2011.

Contractor* VENCO WESTERN, INC
Linda Burr, President
2400 Eastman Avenue, Oxnard, California, 93030-5187
(805) 981-2400

Surety* _____

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

State of California)
County of _____)

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 2011, by _____, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

(Signature of Notary Public) (Notary Seal)

(EXECUTE IN DUPLICATE)

FAITHFUL PERFORMANCE BOND

**LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE
MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF
SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT
DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA**

(2-Year Contract)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

KNOW ALL MEN BY THESE PRESENTS that **VENCO WESTERN, INC.**, as CONTRACTOR and _____, a SURETY, are held and firmly bound unto the City of Calabasas, as AGENCY, in the penal sum of _____ Dollars (\$ _____), which is one hundred percent (100%) of the total contract amount for the **ZONE 24, Common Benefit Area Four (CBA-4)** section of the above stated project, for the payment of which sum, CONTRACTOR and SURETY agree to be bound, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas CONTRACTOR has been awarded and is about to enter into the annexed Contract Agreement with AGENCY for the above stated project, if CONTRACTOR faithfully performs and fulfills all obligations under the contract documents in the manner and time specified therein, then this obligation shall be null and void, otherwise it shall remain in full force and effect in favor of AGENCY; provided that any alterations in the obligations or time for completion made pursuant to the terms of the contract documents shall not in any way release either CONTRACTOR or SURETY, and notice of such alterations is hereby waived by SURETY. In case suit is brought upon this bond the said SURETY will pay a reasonable attorney's fee to the AGENCY in an amount to be fixed by the court.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this ____ day of _____, 2011.

CONTRACTOR* VENCO WESTERN, INC.
Linda Burr, President
2400 Eastman Avenue, Oxnard, California, 93030-5187
(805) 981-2400

SURETY* _____

* Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

State of California)

County of _____)

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 2011, by _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person who appeared before me.

(Signature of Notary Public)

(Notary Seal)

(EXECUTE IN DUPLICATE)

MAINTENANCE BOND

**LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE
MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF
SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT
DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA**

(2-Year Contract)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

KNOW ALL PERSONS BY THESE PRESENTS THAT WHEREAS, the City of Calabasas, as AGENCY has awarded to **VENCO WESTERN, INC.**, as CONTRACTOR, a contract for the **ZONE 24, Common Benefit Area Four (CBA-4)** section of the above stated project.

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract guaranteeing maintenance thereof;

NOW, THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held firmly bound unto AGENCY in the sum of _____ Dollars (\$ _____), which is fifty percent (50%) of the total contract amount for the above stated project to be paid to AGENCY, its successors and assigns, for which payment well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that if said CONTRACTOR shall remedy without cost to AGENCY any defects which may develop during a period of one (1) year from the date of recordation of the Notice of Completion of the work performed under said contract, provided such defects are caused by defective or inferior materials or work, then this obligation shall be void; otherwise it shall be and remain in full force and effect. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorneys fee to the AGENCY in an amount to be fixed by the court.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this _____ day of _____, 2011.

CONTRACTOR* VENCO WESTERN, INC.

Linda Burr, President

2400 Eastman Avenue, Oxnard, California 93030

(805) 981-2400

SURETY* _____

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

State of California)

County of _____)

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 2011, by _____, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

(Signature of Notary Public)

(Notary Seal)

(EXECUTE IN DUPLICATE)

PAYMENT BOND

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE
MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF
SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT
DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA
(2-YEAR CONTRACT)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

WHEREAS, the City of Calabasas, as AGENCY has awarded to, as CONTRACTOR, a contract for the above stated project.

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material persons, and other persons as provided by law;

NOW THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held and firmly bound unto AGENCY in the sum of (\$ 605,161.98) which is one hundred percent (100%) of the total contract amount for the above stated project, for which payment well and truly to be made we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION IS SUCH that if said CONTRACTOR, its heirs, executors, administrators, successors, assigns or subcontractors, shall fail to pay any of the persons named in Civil Code Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor withheld, and paid over to the Employment Development Department from the wages of employees of the CONTRACTOR and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to such work and labor, that the surety or sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorney's fee to the plaintiff's and the AGENCY in an amount to be fixed by the court.

This bond shall inure to the benefit to any of the persons named in Civil Code Section 3181 as to give a right of action to such persons or their assigns in any suit brought upon this bond.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying same shall in any manner affect its obligations on this bond. The SURETY hereby waives notice of any such change, extension, alteration or addition and hereby waives the requirements of Section 2845 of the Civil Code as a condition precedent to any remedies AGENCY may have.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this 15th day of April 2011

Contractor* Venco Western, Inc. 2400 Eastman, Oxnard CA 93030 (805)981-2400

David D. Ba

Surety* Arch Insurance Company, 865 S Figueroa St, 27th Floor, Los Angeles CA 90017 (213)283-3513

M. Linda Terry M. Linda Terry, Attorney-in-Fact

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

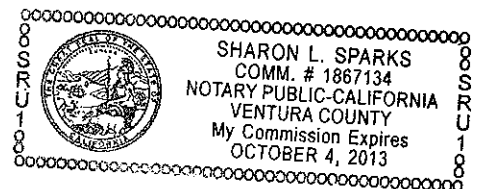
State of California)
County of Ventura)

Subscribed and sworn to (or affirmed) before me on this 14th day of April 2011, by M. Linda Terry, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Sharon L. Sparks
(Signature of Notary Public)

(Notary Seal)

(EXECUTE IN DUPLICATE)



POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

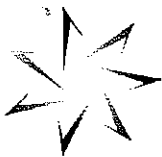
The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.



ARCH INSURANCE COMPANY

Bond Number : SU 1109769

ENDORSEMENT

To be attached to and form a part of Faithful Performance Bond, Payment Bond and Maintenance Bond, issued by the undersigned company, as Surety on behalf of Venco Western, Inc. as Principal, in favor of City of Calabasas as Obligee,

Effective June 1, 2011, the Principal and the Surety hereby agree to amend the attached bond as follows:

The term of the bond shall be amended to May 25th, 2011 to May 25th, 2013.

All else remains the same.

Provided that the liability under this endorsement shall be part of, and not in addition to, the liability under the attached Bond, and in no event shall be cumulative.

Nothing herein contained shall vary, alter or extend any of the provisions, conditions, or other terms of this bond except as above stated.

SIGNED, SEALED, DATED: June 1, 2011

By: 
Venco Western, Inc.
(Principal)

By: 
Arch Insurance Company
(Surety)
M. Linda Terry, Attorney In Fact

City of Calabasas
(Obligee)

By: _____

Obligee: Please sign endorsement and return to our office.

Endorsement Number: 1

DIRECT CORRESPONDENCE TO:

ARCH CONTRACTORS & DEVELOPERS GROUP, 865 S. FIGUEROA ST., 27TH FLOOR, LOS ANGELES, CA 90017
PHONE (626) 639-5200 • FAX (626) 639-5210

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

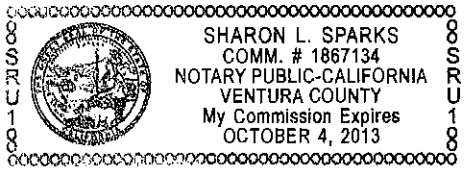
State of: California
County of Ventura

On 06/01/11 before me, Sharon L. Sparks, Notary Public,
personally appeared M. Linda Terry,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I Certify under PENALTY OF PERJURY under the laws of The State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Sharon L. Sparks
Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- INDIVIDUAL
- CORPORATE OFFICER

- TITLES(S)
- PARTNERS
 - LIMITED
 - GENERAL
 - ATTORNEY-IN-FACT
 - TRUSTEE(S)
 - GUARDIAN/CONSERVATOR
 - OTHER

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

SIGNER(S) OTHER THAN NAMED ABOVE

POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.

**ACTION AGENDA
REGULAR MEETING
WEDNESDAY, MAY 25, 2011**

CALL TO ORDER: 7:02 p.m.

ROLL CALL: *All present.*

APPROVAL OF AGENDA: *Approved.*

ANNOUNCEMENTS/INTRODUCTIONS

ORAL COMMUNICATIONS - PUBLIC COMMENT: *5 speakers.*

CONSENT ITEMS

1. Approval of meeting minutes from April 27, 2011. ***Approved.***
2. Approval of a five year service subscription and sublicense agreement with Digital Map Products (DMP) in an amount not to exceed \$25,000 per year, to perform professional geographic information systems (GIS) management services. ***Approved.***
3. Recommendation to approve a professional services agreement with Restoration Landscape Design, for the Mulholland Highway Landslide Repair Project Slope Planting and Environmental Restoration in an amount not to exceed \$75,000.00. ***Approved.***
4. Recommendation to award nine contracts in a total amount not to exceed \$605,161.98 for nine sections of Specification No. 10-11-02 to Venco Western, Inc. for the Landscape Maintenance of Common Areas located within Bellagio HOA (Zone 4), Calabaras Hills HOA (Zone 6), Classic Calabaras Park HOA (Zone 7), Las Villas HOA (Zone 11), Westridge HOA (Zone 20) within Landscape Lighting Act District 22 and Common Benefit Areas (CBA) CBA-1 (Zone 21), CBA-4 (Zone 24), CBA-5 (Zone 25), and CBA-6 (Zone 26) within Landscape Maintenance District 22. ***Approved.***

UNFINISHED BUSINESS

5. Recommendations from the Planning Commission regarding the wireless telecommunications facility ordinance update. ***Provided direction for a proposed ordinance and directed City Attorney to draft an ordinance for a moratorium on cell tower installation in the City.***
6. Recommendation to modify the zoning code to transfer review for wireless telecommunication facilities in public right-of-way. ***Approved staff's recommendation.***

7. Introduction of Ordinance No. 2011-284, amending the Calabasas Plumbing Code with respect to Onsite Wastewater Treatment Systems (OWTS). ***Introduced Ordinance No. 2011-284 with revisions and directed staff to schedule a workshop to gather input for a new OWTS ordinance.***
8. Adoption of Resolution No. 2011-1287, formalizing the establishment of the Calabasas Arts Council; and introduction of Ordinance No. 2011-279, amending chapter 2.41 of the Municipal Code by adding a sixth member to the Parks, Recreation and Education Commission which shall be the Chair of the Arts Council. ***Adopted Resolution No. 2011-1287 and introduced Ordinance No. 2011-279.***
9. Approval of Mayor Bozajian's appointment to the Parks, Recreation and Education Commission and Councilmember Martin's appointment to the Planning Commission. ***Appointed Myra Turek to PRE and Bob Lia to Planning Commission.***

INFORMATIONAL REPORTS

10. Check Register for the period of April 15, 2011 to May 11, 2011. ***No Action Taken.***

TASK FORCE REPORTS

CITY MANAGER'S REPORT

FUTURE AGENDA ITEMS

ADJOURN: 11:59 p.m.



CITY of CALABASAS

Date: June 8, 2011

To: Venco Western, Inc.
ATTN: Linda Burr, President
2400 Eastman Avenue
Oxnard CA 93030

Re: **Contracts for Specification No. 10-11-02, Landscape Maintenance of Common Benefit Areas with Landscape Maintenance District 22 and Common Benefit Areas of Specified Homeowner Associations with Landscape Lighting Act District in the City of Calabasas**

Dear Ms. Burr:

The City Attorney has returned the nine Landscape Maintenance contracts that were awarded to your company (Bellagio HOA, Calabasas Hills HOA / Calabasas Hills Estates HOA, Calabasas Park HOA, Las Villas HOA, Westridge HOA, CBA-1, CBA-4, CBA-5, CBA-6) and has approved them as to form. Please review the following Public Contract Code references added to your contract and acknowledge that you received them by signing and returning this letter to the City.

- Public Contract Code § 6109: Requires a contract provision prohibiting a contractor from performing work with a subcontractor who is debarred pursuant to Labor Code §§ 1777.1 or 1777.7.
- Public Contract Code § 7103.5: Requires that the contract specifications provide for the assignment of unfair business practices claims (Clayton Act and Cartwright Act) from the contractor to the public agency.
- Public Contract Code § 20104.50: Requires a contract to reference to Article 1.7 provisions requiring the public agency to make timely payment to contractor of all progress payments property due under the contract and to pay interest on any late payments.
- Public Contract Code § 22300: Mandates that provisions permitting the contractor to substitute securities for retainage funds are included in the invitation for bids and contract documents and sets forth an escrow form for such substitutions.

Your acknowledgement of receipt of this letter will be attached with your executed contract.

Sincerely,

Robert B. Yalda, P.E., T.E.
Public Works Director/City Engineer

File

C Calabasas City Clerk
Matt Baumgardner, Associate Civil Engineer
Steve Ball, Landscape Districts Maintenance Manager

Acknowledged by CONTRACTOR:

Linda Burr, President
Venco Western, Inc.

CONTRACT AGREEMENT

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA

(2-Year Contract)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

THIS CONTRACT AGREEMENT is made and entered into for the ZONE 25, Common Benefit Area Five (CBA-5) section of the above stated project this 25th day of May, 2011, BY AND BETWEEN the City of Calabasas, hereafter designated as "AGENCY", and VENCO WESTERN, INC., hereafter designated as "CONTRACTOR".

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Bid Proposal, Bid Schedule, Standard Specifications, Special Provisions, Vicinity Map, and all referenced specifications, details, standard drawings, and appendices; together with two (2) signed copies of the Contract Agreement, two (2) signed copies of required bonds; one (1) copy of the insurance certificates, permits, notices, and affidavits; and also, including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to insure its completion in an acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and equipment and perform all work required for the above stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the prices set forth in the Bid Proposal and Bid Schedule as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance, including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also, including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein

contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents.

ARTICLE V

CONTRACTOR acknowledges that this contract is subject to the provisions of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works and public agencies and agrees to be bound by all the provisions thereof as though set forth in full herein. Full compensation for conforming to the requirements of said Labor Code and with other Federal, State and local laws related to labor, and rules, regulations and ordinances which apply to any work performed pursuant to this contract shall be considered as included in the price for all contract items of work involved.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1775 concerning penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the AGENCY, forfeit not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the applicable State and/or Federal prevailing wage rates as referenced and incorporated herein for the work or craft in which the worker is employed for any public work done under the contract by CONTRACTOR or by any subcontractor.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that CONTRACTOR is responsible for compliance with Section 1777.5 by all of its subcontractors.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1813 concerning penalties for workers who work excess hours. The CONTRACTOR shall, as a penalty to the AGENCY, forfeit twenty-five dollars (\$25) for each worker employed in the execution of the contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any 1 calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the California Labor Code, and in particular, Section 1810 to 1815, thereof, inclusive, except that work performed by employees of CONTRACTOR and/or Subcontractors in excess of 8 hours per day, and 40 hours per week, shall be permitted upon compensation for all hours worked in excess of 8 hours per day at not less than one and one half times the basic rate of pay, as provided in said Section 1815.

In accordance with California Labor Code Section 1860 and 3700, every Contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, CONTRACTOR, by signing this contract, certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract."

ARTICLE VI

With respect to performance of work under this contract, CONTRACTOR shall maintain and shall require all of its subcontractors to maintain insurance as required in the Standard Specifications of the Project Specifications.

ARTICLE VII

CONTRACTOR agrees to indemnify and hold harmless AGENCY and all of its officers and agents from any claims, demands, or causes of action, including related expenses, attorney's fees, and costs, based on, arising out of, or in any way related to the work undertaken by CONTRACTOR hereunder.

ARTICLE VIII

The City and the Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents. This contract is not assignable nor the performance of either party's duties delegable without the prior written consent of the other party. Any attempted or purported assignment or delegation of any of the rights of obligations of either party without the prior written consent of the other shall be void and of no force and effect.

ARTICLE IX

In any action brought to declare the rights granted herein or to enforce any of the terms of this contract, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the court.

ARTICLE X

CONTRACTOR is and shall at all times remain as to the AGENCY, a wholly independent Contractor. Neither the AGENCY nor any of its agents shall have control of the conduct of CONTRACTOR or any of the Contractor's employees, except as herein set forth. CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of AGENCY.

ARTICLE XI

The CONTRACTOR is responsible for paying all retail, sales and use, transportation, export, import, special, or other taxes and duties applicable to, and assessable against any work, materials, equipment, services, processes and operations incidental to or involved in this contract. The CONTRACTOR is responsible for ascertaining and arranging to pay them. The prices established in this contract shall include compensation for any taxes the CONTRACTOR is required to pay by laws and regulations in effect as of the bid opening date.

ARTICLE XII

All notices and communications shall be sent in writing to the parties at the following addresses:

CITY: Robert B. Yalda

CONTRACTOR: Linda Burr

Director of Public Works

President

CITY OF CALABASAS

VENCO WESTERN, INC.

100 Civic Center Way

2400 Eastman Avenue

Calabasas, California 91302-3172

Oxnard, California 93030-5187

PHONE: (818) 224-1600

PHONE: (805) 981-2400

FAX: (818) 225-7338

FAX: (805) 981-2450

ARTICLE XIII

This contract supersedes any and all other agreements either oral or written, between the parties and contains all of the covenants and agreements between the parties pertaining to the work of improvements described herein. Each party to this contract acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statements or promise not

contained in this contract shall not be valid or binding. Any modification of this contract will be effective only if signed by the party to be charged.

ARTICLE XIV

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest herein.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Contract Agreement to be executed in duplicate by setting hereunto their names, titles, hands, and seals this 2nd day of June, 2011.

CONTRACTOR: Linda Burr
Linda Burr
President
(Title)

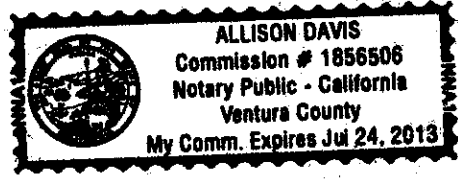
Contractor's License No. C-27 562295

State of California)
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 2nd day of June, 2011, by Linda D. Burr, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Allison Davis

(Signature of Notary Public) (Notary Seal)



~~AGENCY:~~

AGENCY: James R. Bozajian
James R. Bozajian,
Mayor

6/15/11
Date

ATTESTED: Gwen Peirce
Gwen Peirce, CMC,
City Clerk

6/16/11
Date

APPROVED AS TO FORM: Yana Welinder
Yana Welinder,
City Attorney

6/3/2011
Date

(EXECUTE IN DUPLICATE)

PAYMENT BOND

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA
(2-YEAR CONTRACT)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

WHEREAS, the City of Calabasas, as AGENCY has awarded to, as CONTRACTOR, a contract for the above stated project.

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material persons, and other persons as provided by law;

NOW THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held and firmly bound unto AGENCY in the sum of (\$ 605,161.98) which is one hundred percent (100%) of the total contract amount for the above stated project, for which payment well and truly to be made we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION IS SUCH that if said CONTRACTOR, its heirs, executors, administrators, successors, assigns or subcontractors, shall fail to pay any of the persons named in Civil Code Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor withheld, and paid over to the Employment Development Department from the wages of employees of the CONTRACTOR and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to such work and labor, that the surety or sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorney's fee to the plaintiffs and the AGENCY in an amount to be fixed by the court.

This bond shall inure to the benefit to any of the persons named in Civil Code Section 3181 as to give a right of action to such persons or their assigns in any suit brought upon this bond.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying same shall in any manner affect its obligations on this bond. The SURETY hereby waives notice of any such change, extension, alteration or addition and hereby waives the requirements of Section 2845 of the Civil Code as a condition precedent to any remedies AGENCY may have.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this 15th day of April 2011

Contractor* Venco Western, Inc. 2400 Eastman, Oxnard CA 93030 (805)981-2400

David D. Bu

Surety* Arch Insurance Company, 865 S Figueroa St, 27th Floor, Los Angeles CA 90017 (213)283-3513

M. Linda Terry M. Linda Terry, Attorney-in-Fact

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

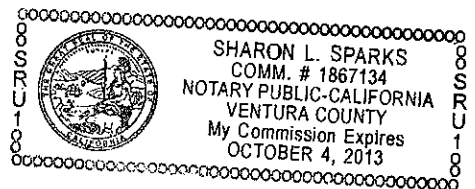
State of California)
County of Ventura)

Subscribed and sworn to (or affirmed) before me on this 14th day of April 2011, by M. Linda Terry, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Sharon L Sparks
(Signature of Notary Public)

(Notary Seal)

(EXECUTE IN DUPLICATE)



Bond No: SU 1109769-A
Premium: Included

MAINTENANCE BOND

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA (2-YEAR CONTRACT)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

KNOW ALL PERSONS BY THESE PRESENTS THAT WHEREAS, the City of Calabasas, as AGENCY has awarded to Venco Western, Inc., as CONTRACTOR, a contract for the above stated project.

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract guaranteeing maintenance thereof;

NOW, THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held firmly bound unto AGENCY in the sum of ** See Below Dollars (\$ 302,580.99), which is fifty percent (50%) of the total contract amount for the above stated project to be paid to AGENCY, its successors and assigns, for which payment well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents. ** Three Hundred Two Thousand Five Hundred Eighty and 99/100

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that if said CONTRACTOR shall remedy without cost to AGENCY any defects which may develop during a period of one (1) year from the date of recordation of the Notice of Completion of the work performed under said contract, provided such defects are caused by defective or inferior materials or work, then this obligation shall be void; otherwise it shall be and remain in full force and effect. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorneys fee to the AGENCY in an amount to be fixed by the court.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this 15th day of April, 2011.

CONTRACTOR*	Venco Western, Inc.
	2400 Eastman Oxnard CA 93030 (805)981-2400
	<i>V. B. B.</i>
SURETY*	Arch Insurance Company
	865 S. Figueroa St. 27th Floor, Los Angeles CA 90017 (213)283-3513
	<i>M. Linda Terry</i>
	M. Linda Terry, Attorney-in-Fact

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

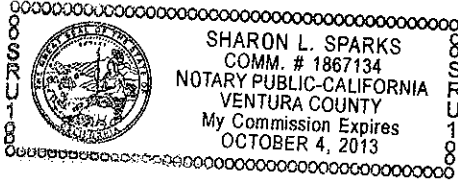
State of California)
County of Ventura)

Subscribed and sworn to (or affirmed) before me on this 15th day of April 2011, by M. Linda Terry, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Sharon L. Sparks
(Signature of Notary Public)

(Notary Seal)

(EXECUTE IN DUPLICATE)



POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

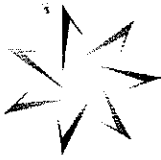
The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.



ARCH INSURANCE COMPANY

Bond Number : SU 1109769

ENDORSEMENT

To be attached to and form a part of Faithful Performance Bond, Payment Bond and Maintenance Bond, issued by the undersigned company, as Surety on behalf of Venco Western, Inc. as Principal, in favor of City of Calabasas as Obligee,

Effective June 1, 2011, the Principal and the Surety hereby agree to amend the attached bond as follows:

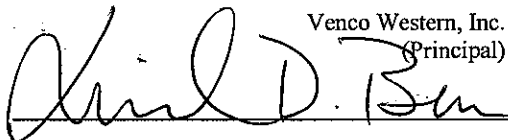
The term of the bond shall be amended to May 25th, 2011 to May 25th, 2013.


All else remains the same.

Provided that the liability under this endorsement shall be part of, and not in addition to, the liability under the attached Bond, and in no event shall be cumulative.

Nothing herein contained shall vary, alter or extend any of the provisions, conditions, or other terms of this bond except as above stated.

SIGNED, SEALED, DATED: June 1, 2011

By:  Venco Western, Inc.
(Principal)

By:  Arch Insurance Company
(Surety)
M. Linda Terry, Attorney In Fact

City of Calabasas
(Obligee)

By: _____

Obligee: Please sign endorsement and return to our office.

Endorsement Number: 1

DIRECT CORRESPONDENCE TO:

ARCH CONTRACTORS & DEVELOPERS GROUP, 865 S. FIGUEROA ST., 27TH FLOOR, LOS ANGELES, CA 90017
PHONE (626) 639-5200 • FAX (626) 639-5210

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

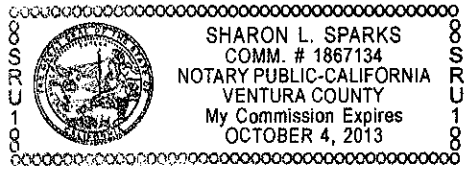
State of: California
 County of Ventura

On 06/01/11 before me, Sharon L. Sparks, Notary Public,
 personally appeared M. Linda Terry,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I Certify under PENALTY OF PERJURY under the laws of The State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Sharon L. Sparks
 Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
- CORPORATE OFFICER

DESCRIPTION OF ATTACHED DOCUMENT

TITLES(S)

- PARTNERS
- LIMITED
- GENERAL

- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
 NAME OF PERSON(S) OR ENTITY(IES)

SIGNER(S) OTHER THAN NAMED ABOVE

POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.

**ACTION AGENDA
REGULAR MEETING
WEDNESDAY, MAY 25, 2011**

CALL TO ORDER: 7:02 p.m.

ROLL CALL: *All present.*

APPROVAL OF AGENDA: *Approved.*

ANNOUNCEMENTS/INTRODUCTIONS

ORAL COMMUNICATIONS - PUBLIC COMMENT: *5 speakers.*

CONSENT ITEMS

1. Approval of meeting minutes from April 27, 2011. ***Approved.***
2. Approval of a five year service subscription and sublicense agreement with Digital Map Products (DMP) in an amount not to exceed \$25,000 per year, to perform professional geographic information systems (GIS) management services. ***Approved.***
3. Recommendation to approve a professional services agreement with Restoration Landscape Design, for the Mulholland Highway Landslide Repair Project Slope Planting and Environmental Restoration in an amount not to exceed \$75,000.00. ***Approved.***
4. Recommendation to award nine contracts in a total amount not to exceed \$605,161.98 for nine sections of Specification No. 10-11-02 to Venco Western, Inc. for the Landscape Maintenance of Common Areas located within Bellagio HOA (Zone 4), Calabasas Hills HOA (Zone 6), Classic Calabasas Park HOA (Zone 7), Las Villas HOA (Zone 11), Westridge HOA (Zone 20) within Landscape Lighting Act District 22 and Common Benefit Areas (CBA) CBA-1 (Zone 21), CBA-4 (Zone 24), CBA-5 (Zone 25), and CBA-6 (Zone 26) within Landscape Maintenance District 22. ***Approved.***

UNFINISHED BUSINESS

5. Recommendations from the Planning Commission regarding the wireless telecommunications facility ordinance update. ***Provided direction for a proposed ordinance and directed City Attorney to draft an ordinance for a moratorium on cell tower installation in the City.***
6. Recommendation to modify the zoning code to transfer review for wireless telecommunication facilities in public right-of-way. ***Approved staff's recommendation.***

7. Introduction of Ordinance No. 2011-284, amending the Calabasas Plumbing Code with respect to Onsite Wastewater Treatment Systems (OWTS). ***Introduced Ordinance No. 2011-284 with revisions and directed staff to schedule a workshop to gather input for a new OWTS ordinance.***
8. Adoption of Resolution No. 2011-1287, formalizing the establishment of the Calabasas Arts Council; and introduction of Ordinance No. 2011-279, amending chapter 2.41 of the Municipal Code by adding a sixth member to the Parks, Recreation and Education Commission which shall be the Chair of the Arts Council. ***Adopted Resolution No. 2011-1287 and introduced Ordinance No. 2011-279.***
9. Approval of Mayor Bozajian's appointment to the Parks, Recreation and Education Commission and Councilmember Martin's appointment to the Planning Commission. ***Appointed Myra Turek to PRE and Bob Lia to Planning Commission.***

INFORMATIONAL REPORTS

10. Check Register for the period of April 15, 2011 to May 11, 2011. ***No Action Taken.***

TASK FORCE REPORTS

CITY MANAGER'S REPORT

FUTURE AGENDA ITEMS

ADJOURN: 11:59 p.m.



CITY of CALABASAS

Date: June 8, 2011

To: Venco Western, Inc.
ATTN: Linda Burr, President
2400 Eastman Avenue
Oxnard CA 93030

Re: **Contracts for Specification No. 10-11-02, Landscape Maintenance of Common Benefit Areas with Landscape Maintenance District 22 and Common Benefit Areas of Specified Homeowner Associations with Landscape Lighting Act District in the City of Calabasas**

Dear Ms. Burr:

The City Attorney has returned the nine Landscape Maintenance contracts that were awarded to your company (Bellagio HOA, Calabasas Hills HOA / Calabasas Hills Estates HOA, Calabasas Park HOA, Las Villas HOA, Westridge HOA, CBA-1, CBA-4, CBA-5, CBA-6) and has approved them as to form. Please review the following Public Contract Code references added to your contract and acknowledge that you received them by signing and returning this letter to the City.

- Public Contract Code § 6109: Requires a contract provision prohibiting a contractor from performing work with a subcontractor who is debarred pursuant to Labor Code §§ 1777.1 or 1777.7.
- Public Contract Code § 7103.5: Requires that the contract specifications provide for the assignment of unfair business practices claims (Clayton Act and Cartwright Act) from the contractor to the public agency.
- Public Contract Code § 20104.50: Requires a contract to reference to Article 1.7 provisions requiring the public agency to make timely payment to contractor of all progress payments property due under the contract and to pay interest on any late payments.
- Public Contract Code § 22300: Mandates that provisions permitting the contractor to substitute securities for retainage funds are included in the invitation for bids and contract documents and sets forth an escrow form for such substitutions.

Your acknowledgement of receipt of this letter will be attached with your executed contract.

Sincerely,

Robert B. Yalda, P.E., T.E.
Public Works Director/City Engineer

File

C Calabasas City Clerk
Matt Baumgardner, Associate Civil Engineer
Steve Ball, Landscape Districts Maintenance Manager

Acknowledged by CONTRACTOR:

Linda Burr, President
Venco Western, Inc.

CONTRACT AGREEMENT

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA

(2-Year Contract)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

THIS CONTRACT AGREEMENT is made and entered into for the ZONE 26, Common Benefit Area Six (CBA-6) section of the above stated project this 25th day of May, 2011, BY AND BETWEEN the City of Calabasas, hereafter designated as "AGENCY", and VENCO WESTERN, INC., hereafter designated as "CONTRACTOR".

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Bid Proposal, Bid Schedule, Standard Specifications, Special Provisions, Vicinity Map, and all referenced specifications, details, standard drawings, and appendices; together with two (2) signed copies of the Contract Agreement, two (2) signed copies of required bonds; one (1) copy of the insurance certificates, permits, notices, and affidavits; and also, including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to insure its completion in an acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and equipment and perform all work required for the above stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the prices set forth in the Bid Proposal and Bid Schedule as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance, including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also, including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein

contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents.

ARTICLE V

CONTRACTOR acknowledges that this contract is subject to the provisions of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works and public agencies and agrees to be bound by all the provisions thereof as though set forth in full herein. Full compensation for conforming to the requirements of said Labor Code and with other Federal, State and local laws related to labor, and rules, regulations and ordinances which apply to any work performed pursuant to this contract shall be considered as included in the price for all contract items of work involved.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1775 concerning penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the AGENCY, forfeit not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the applicable State and/or Federal prevailing wage rates as referenced and incorporated herein for the work or craft in which the worker is employed for any public work done under the contract by CONTRACTOR or by any subcontractor.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that CONTRACTOR is responsible for compliance with Section 1777.5 by all of its subcontractors.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1813 concerning penalties for workers who work excess hours. The CONTRACTOR shall, as a penalty to the AGENCY, forfeit twenty-five dollars (\$25) for each worker employed in the execution of the contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any 1 calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the California Labor Code, and in particular, Section 1810 to 1815, thereof, inclusive, except that work performed by employees of CONTRACTOR and/or Subcontractors in excess of 8 hours per day, and 40 hours per week, shall be permitted upon compensation for all hours worked in excess of 8 hours per day at not less than one and one half times the basic rate of pay, as provided in said Section 1815.

In accordance with California Labor Code Section 1860 and 3700, every Contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, CONTRACTOR, by signing this contract, certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract."

ARTICLE VI

With respect to performance of work under this contract, CONTRACTOR shall maintain and shall require all of its subcontractors to maintain insurance as required in the Standard Specifications of the Project Specifications.

ARTICLE VII

CONTRACTOR agrees to indemnify and hold harmless AGENCY and all of its officers and agents from any claims, demands, or causes of action, including related expenses, attorney's fees, and costs, based on, arising out of, or in any way related to the work undertaken by CONTRACTOR hereunder.

ARTICLE VIII

The City and the Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents. This contract is not assignable nor the performance of either party's duties delegable without the prior written consent of the other party. Any attempted or purported assignment or delegation of any of the rights of obligations of either party without the prior written consent of the other shall be void and of no force and effect.

ARTICLE IX

In any action brought to declare the rights granted herein or to enforce any of the terms of this contract, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the court.

ARTICLE X

CONTRACTOR is and shall at all times remain as to the AGENCY, a wholly independent Contractor. Neither the AGENCY nor any of its agents shall have control of the conduct of CONTRACTOR or any of the Contractor's employees, except as herein set forth. CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of AGENCY.

ARTICLE XI

The CONTRACTOR is responsible for paying all retail, sales and use, transportation, export, import, special, or other taxes and duties applicable to, and assessable against any work, materials, equipment, services, processes and operations incidental to or involved in this contract. The CONTRACTOR is responsible for ascertaining and arranging to pay them. The prices established in this contract shall include compensation for any taxes the CONTRACTOR is required to pay by laws and regulations in effect as of the bid opening date.

ARTICLE XII

All notices and communications shall be sent in writing to the parties at the following addresses:

CITY: Robert B. Yalda

CONTRACTOR: Linda Burr

Director of Public Works

President

CITY OF CALABASAS

VENCO WESTERN, INC.

100 Civic Center Way

2400 Eastman Avenue

Calabasas, California 91302-3172

Oxnard, California 93030-5187

PHONE: (818) 224-1600

PHONE: (805) 981-2400

FAX: (818) 225-7338

FAX: (805) 981-2450

ARTICLE XIII

This contract supersedes any and all other agreements either oral or written, between the parties and contains all of the covenants and agreements between the parties pertaining to the work of improvements described herein. Each party to this contract acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statements or promise not

contained in this contract shall not be valid or binding. Any modification of this contract will be effective only if signed by the party to be charged.

ARTICLE XIV

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest herein.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Contract Agreement to be executed in duplicate by setting hereunto their names, titles, hands, and seals this 2nd day of June, 2011.

CONTRACTOR: Linda Burr
Linda Burr

President
(Title)

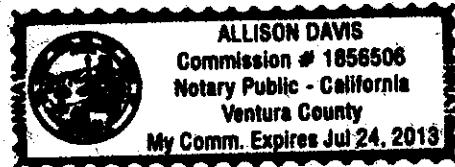
Contractor's License No. C-27 S62295

State of California)
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 2nd day of June, 2011, by Linda D. Burr, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Allison Davis

(Signature of Notary Public) (Notary Seal)



BT

AGENCY: James R. Bozajian
James R. Bozajian,
Mayor

6/15/11
Date

ATTESTED: Gwen Peirce
Gwen Peirce, CMC,
City Clerk

6/16/11
Date

APPROVED AS TO FORM: Yana Welinder
Yana Welinder,
City Attorney

6/3/2011
Date

(EXECUTE IN DUPLICATE)

"This bond shall expire effective April 12, 2013 and may be renewed by continuation certificate for an additional period of two years at the sole discretion of the surety."

Bond No: SU 1109769
Premium: \$12,103.00 (per year)

FAITHFUL PERFORMANCE BOND

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA (2-YEAR CONTRACT)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

KNOW ALL MEN BY THESE PRESENTS that Venco Western, Inc., as CONTRACTOR and Arch Insurance Company, a SURETY, are held and firmly bound unto the City of Calabasas, as AGENCY, in the penal sum of ** See Below Dollars (\$ 605,161.98), which is one hundred percent (100%) of the total contract amount for the above stated project, for the payment of which sum, CONTRACTOR and SURETY agree to be bound, jointly and severally, firmly by these presents.

** Six Hundred Five Thousand One Hundred Sixty One and 98/100

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas CONTRACTOR has been awarded and is about to enter into the annexed Contract Agreement with AGENCY for the above stated project, if CONTRACTOR faithfully performs and fulfills all obligations under the contract documents in the manner and time specified therein, then this obligation shall be null and void, otherwise it shall remain in full force and effect in favor of AGENCY; provided that any alterations in the obligations or time for completion made pursuant to the terms of the contract documents shall not in any way release either CONTRACTOR or SURETY, and notice of such alterations is hereby waived by SURETY. In case suit is brought upon this bond the said SURETY will pay a reasonable attorney's fee to the AGENCY in an amount to be fixed by the court.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this 15th day of April, 2011

CONTRACTOR* Venco Western, Inc. 2400 Eastman, Oxnard CA 93030 (805)981-2400 [Signature]

SURETY* Arch Insurance Company 865 S Figueroa St, 27th Floor, Los Angeles CA 90017 (213) 283-3513 [Signature] M. Linda Terry, Attorney-in-Fact

* Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

State of California) County of Ventura }

Subscribed and sworn to (or affirmed) before me on this 15th day of April 2011 by M. Linda Terry, personally known to me or proved to me on the basis of satisfactory evidence to be the person who appeared before me.

[Signature] (Signature of Notary Public)

(Notary Seal)

(EXECUTE IN DUPLICATE)

SHARON L. SPARKS COMM. # 1867134 NOTARY PUBLIC-CALIFORNIA VENTURA COUNTY My Commission Expires OCTOBER 4, 2013

PAYMENT BOND

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA (2-YEAR CONTRACT)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

WHEREAS, the City of Calabasas, as AGENCY has awarded to, as CONTRACTOR, a contract for the above stated project. AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material persons, and other persons as provided by law; NOW THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held and firmly bound unto AGENCY in the sum of (\$ 605,161.98) which is one hundred percent (100%) of the total contract amount for the above stated project, for which payment well and truly to be made we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION IS SUCH that if said CONTRACTOR, its heirs, executors, administrators, successors, assigns or subcontractors, shall fail to pay any of the persons named in Civil Code Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor withheld, and paid over to the Employment Development Department from the wages of employees of the CONTRACTOR and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to such work and labor, that the surety or sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorney's fee to the plaintiffs and the AGENCY in an amount to be fixed by the court.

This bond shall inure to the benefit to any of the persons named in Civil Code Section 3181 as to give a right of action to such persons or their assigns in any suit brought upon this bond.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying same shall in any manner affect its obligations on this bond. The SURETY hereby waives notice of any such change, extension, alteration or addition and hereby waives the requirements of Section 2845 of the Civil Code as a condition precedent to any remedies AGENCY may have.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this 15th day of April 2011

Contractor* Venco Western, Inc. 2400 Eastman, Oxnard CA 93030 (805)981-2400 [Signature]

Surety* Arch Insurance Company 865 S Figueroa St, 27th Floor, Los Angeles CA 90017 (213)283-3513 [Signature] M. Linda Terry, Attorney-in-Fact

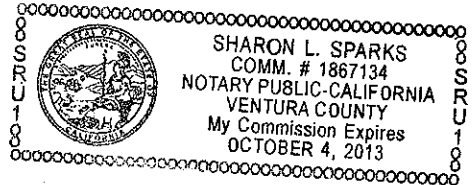
*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

State of California)
County of Ventura)

Subscribed and sworn to (or affirmed) before me on this 14th day of April 2011, by M. Linda Terry, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

[Signature] (Signature of Notary Public) (Notary Seal)

(EXECUTE IN DUPLICATE)



Bond No: SU 1109769-A
Premium: Included

MAINTENANCE BOND

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA (2-YEAR CONTRACT)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

KNOW ALL PERSONS BY THESE PRESENTS THAT WHEREAS, the City of Calabasas, as AGENCY has awarded to Venco Western, Inc., as CONTRACTOR, a contract for the above stated project.

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract guaranteeing maintenance thereof;

NOW, THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held firmly bound unto AGENCY in the sum of ** See Below Dollars (\$ 302,580.99), which is fifty percent (50%) of the total contract amount for the above stated project to be paid to AGENCY, its successors and assigns, for which payment well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents. **** Three Hundred Two Thousand Five Hundred Eighty and 99/100**

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that if said CONTRACTOR shall remedy without cost to AGENCY any defects which may develop during a period of one (1) year from the date of recordation of the Notice of Completion of the work performed under said contract, provided such defects are caused by defective or inferior materials or work, then this obligation shall be void; otherwise it shall be and remain in full force and effect. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorneys fee to the AGENCY in an amount to be fixed by the court.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this 15th day of April, 2011.

CONTRACTOR* Venco Western, Inc.
2400 Eastman, Oxnard CA 93030 (805)981-2400
Vico B...

SURETY* Arch Insurance Company
865 S. Figueroa St. 27th Floor, Los Angeles CA 90017 (213)283-3513
M. Linda Terry
M. Linda Terry, Attorney-in-Fact

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

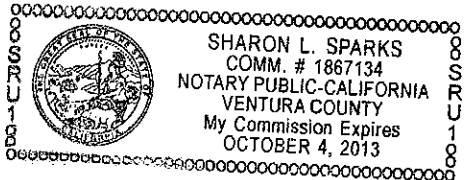
State of California)
County of Ventura)

Subscribed and sworn to (or affirmed) before me on this 15th day of April 2011 by M. Linda Terry, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Sharon L. Sparks
(Signature of Notary Public)

(Notary Seal)

(EXECUTE IN DUPLICATE)



POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

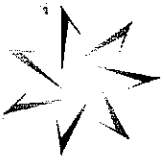
The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.



ARCH INSURANCE COMPANY

Bond Number : SU 1109769

ENDORSEMENT

To be attached to and form a part of Faithful Performance Bond, Payment Bond and Maintenance Bond, issued by the undersigned company, as Surety on behalf of Venco Western, Inc. as Principal, in favor of City of Calabasas as Obligee,

Effective June 1, 2011, the Principal and the Surety hereby agree to amend the attached bond as follows:

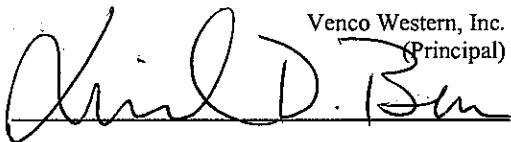
The term of the bond shall be amended to May 25th, 2011 to May 25th, 2013.

All else remains the same.

Provided that the liability under this endorsement shall be part of, and not in addition to, the liability under the attached Bond, and in no event shall be cumulative.

Nothing herein contained shall vary, alter or extend any of the provisions, conditions, or other terms of this bond except as above stated.

SIGNED, SEALED, DATED: June 1, 2011

By:  Venco Western, Inc.
(Principal)

By:  Arch Insurance Company
(Surety)
M. Linda Terry, Attorney In Fact

By: _____
City of Calabasas
(Obligee)

Obligee: Please sign endorsement and return to our office.

Endorsement Number: 1

DIRECT CORRESPONDENCE TO:
ARCH CONTRACTORS & DEVELOPERS GROUP, 865 S. FIGUEROA ST., 27TH FLOOR, LOS ANGELES, CA 90017
PHONE (626) 639-5200 • FAX (626) 639-5210

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

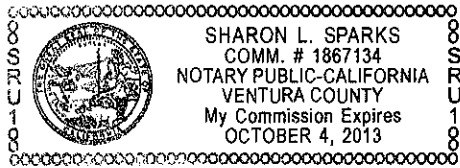
State of: California
County of Ventura

On 06/01/11 before me, Sharon L. Sparks, Notary Public,
personally appeared M. Linda Terry,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I Certify under PENALTY OF PERJURY under the laws of The State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Sharon L. Sparks
Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- INDIVIDUAL
- CORPORATE OFFICER

TITLES(S)

TITLE OR TYPE OF DOCUMENT

- PARTNERS
- LIMITED
- GENERAL

NUMBER OF PAGES

- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

SIGNER(S) OTHER THAN NAMED ABOVE

POWER OF ATTORNEY

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M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

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**ACTION AGENDA
REGULAR MEETING
WEDNESDAY, MAY 25, 2011**

CALL TO ORDER: 7:02 p.m.

ROLL CALL: *All present.*

APPROVAL OF AGENDA: *Approved.*

ANNOUNCEMENTS/INTRODUCTIONS

ORAL COMMUNICATIONS - PUBLIC COMMENT: *5 speakers.*

CONSENT ITEMS

1. Approval of meeting minutes from April 27, 2011. ***Approved.***
2. Approval of a five year service subscription and sublicense agreement with Digital Map Products (DMP) in an amount not to exceed \$25,000 per year, to perform professional geographic information systems (GIS) management services. ***Approved.***
3. Recommendation to approve a professional services agreement with Restoration Landscape Design, for the Mulholland Highway Landslide Repair Project Slope Planting and Environmental Restoration in an amount not to exceed \$75,000.00. ***Approved.***
4. Recommendation to award nine contracts in a total amount not to exceed \$605,161.98 for nine sections of Specification No. 10-11-02 to Venco Western, Inc. for the Landscape Maintenance of Common Areas located within Bellagio HOA (Zone 4), Calabasas Hills HOA (Zone 6), Classic Calabasas Park HOA (Zone 7), Las Villas HOA (Zone 11), Westridge HOA (Zone 20) within Landscape Lighting Act District 22 and Common Benefit Areas (CBA) CBA-1 (Zone 21), CBA-4 (Zone 24), CBA-5 (Zone 25), and CBA-6 (Zone 26) within Landscape Maintenance District 22. ***Approved.***

UNFINISHED BUSINESS

5. Recommendations from the Planning Commission regarding the wireless telecommunications facility ordinance update. ***Provided direction for a proposed ordinance and directed City Attorney to draft an ordinance for a moratorium on cell tower installation in the City.***
6. Recommendation to modify the zoning code to transfer review for wireless telecommunication facilities in public right-of-way. ***Approved staff's recommendation.***

7. Introduction of Ordinance No. 2011-284, amending the Calabasas Plumbing Code with respect to Onsite Wastewater Treatment Systems (OWTS). ***Introduced Ordinance No. 2011-284 with revisions and directed staff to schedule a workshop to gather input for a new OWTS ordinance.***
8. Adoption of Resolution No. 2011-1287, formalizing the establishment of the Calabasas Arts Council; and introduction of Ordinance No. 2011-279, amending chapter 2.41 of the Municipal Code by adding a sixth member to the Parks, Recreation and Education Commission which shall be the Chair of the Arts Council. ***Adopted Resolution No. 2011-1287 and introduced Ordinance No. 2011-279.***
9. Approval of Mayor Bozajian's appointment to the Parks, Recreation and Education Commission and Councilmember Martin's appointment to the Planning Commission. ***Appointed Myra Turek to PRE and Bob Lia to Planning Commission.***

INFORMATIONAL REPORTS

10. Check Register for the period of April 15, 2011 to May 11, 2011. ***No Action Taken.***

TASK FORCE REPORTS

CITY MANAGER'S REPORT

FUTURE AGENDA ITEMS

ADJOURN: 11:59 p.m.



CITY of CALABASAS

Date: June 8, 2011

To: Venco Western, Inc.
ATTN: Linda Burr, President
2400 Eastman Avenue
Oxnard CA 93030

Re: **Contracts for Specification No. 10-11-02, Landscape Maintenance of Common Benefit Areas with Landscape Maintenance District 22 and Common Benefit Areas of Specified Homeowner Associations with Landscape Lighting Act District in the City of Calabasas**

Dear Ms. Burr:

The City Attorney has returned the nine Landscape Maintenance contracts that were awarded to your company (Bellagio HOA, Calabasas Hills HOA / Calabasas Hills Estates HOA, Calabasas Park HOA, Las Villas HOA, Westridge HOA, CBA-1, CBA-4, CBA-5, CBA-6) and has approved them as to form. Please review the following Public Contract Code references added to your contract and acknowledge that you received them by signing and returning this letter to the City.

- Public Contract Code § 6109: Requires a contract provision prohibiting a contractor from performing work with a subcontractor who is debarred pursuant to Labor Code §§ 1777.1 or 1777.7.
- Public Contract Code § 7103.5: Requires that the contract specifications provide for the assignment of unfair business practices claims (Clayton Act and Cartwright Act) from the contractor to the public agency.
- Public Contract Code § 20104.50: Requires a contract to reference to Article 1.7 provisions requiring the public agency to make timely payment to contractor of all progress payments property due under the contract and to pay interest on any late payments.
- Public Contract Code § 22300: Mandates that provisions permitting the contractor to substitute securities for retainage funds are included in the invitation for bids and contract documents and sets forth an escrow form for such substitutions.

Your acknowledgement of receipt of this letter will be attached with your executed contract.

Sincerely,

Robert B. Yalda, P.E., T.E.
Public Works Director/City Engineer

File

C Calabasas City Clerk
Matt Baumgardner, Associate Civil Engineer
Steve Ball, Landscape Districts Maintenance Manager

Acknowledged by CONTRACTOR:

Linda Burr, President
Venco Western, Inc.

CONTRACT AGREEMENT

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA

(2-Year Contract)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

THIS CONTRACT AGREEMENT is made and entered into for the **ZONE 4, BELLAGIO-PARK VERDI HOMEOWNERS ASSOCIATION** section of the above stated project this 25th day of May, 2011, BY AND BETWEEN the City of Calabasas, hereafter designated as "AGENCY", and **VENCO WESTERN, INC.**, hereafter designated as "CONTRACTOR".

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Bid Proposal, Bid Schedule, Standard Specifications, Special Provisions, Vicinity Map, and all referenced specifications, details, standard drawings, and appendices; together with two (2) signed copies of the Contract Agreement, two (2) signed copies of required bonds; one (1) copy of the insurance certificates, permits, notices, and affidavits; and also, including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to insure its completion in an acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and equipment and perform all work required for the above stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the prices set forth in the Bid Proposal and Bid Schedule as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance, including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also, including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein

contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents.

ARTICLE V

CONTRACTOR acknowledges that this contract is subject to the provisions of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works and public agencies and agrees to be bound by all the provisions thereof as though set forth in full herein. Full compensation for conforming to the requirements of said Labor Code and with other Federal, State and local laws related to labor, and rules, regulations and ordinances which apply to any work performed pursuant to this contract shall be considered as included in the price for all contract items of work involved.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1775 concerning penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the AGENCY, forfeit not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the applicable State and/or Federal prevailing wage rates as referenced and incorporated herein for the work or craft in which the worker is employed for any public work done under the contract by CONTRACTOR or by any subcontractor.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that CONTRACTOR is responsible for compliance with Section 1777.5 by all of its subcontractors.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1813 concerning penalties for workers who work excess hours. The CONTRACTOR shall, as a penalty to the AGENCY, forfeit twenty-five dollars (\$25) for each worker employed in the execution of the contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any 1 calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the California Labor Code, and in particular, Section 1810 to 1815, thereof, inclusive, except that work performed by employees of CONTRACTOR and/or Subcontractors in excess of 8 hours per day, and 40 hours per week, shall be permitted upon compensation for all hours worked in excess of 8 hours per day at not less than one and one half times the basic rate of pay, as provided in said Section 1815.

In accordance with California Labor Code Section 1860 and 3700, every Contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, CONTRACTOR, by signing this contract, certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract."

ARTICLE VI

With respect to performance of work under this contract, CONTRACTOR shall maintain and shall require all of its subcontractors to maintain insurance as required in the Standard Specifications of the Project Specifications.

ARTICLE VII

CONTRACTOR agrees to indemnify and hold harmless AGENCY and all of its officers and agents from any claims, demands, or causes of action, including related expenses, attorney's fees, and costs, based on, arising out of, or in any way related to the work undertaken by CONTRACTOR hereunder.

ARTICLE VIII

The City and the Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents. This contract is not assignable nor the performance of either party's duties delegable without the prior written consent of the other party. Any attempted or purported assignment or delegation of any of the rights of obligations of either party without the prior written consent of the other shall be void and of no force and effect.

ARTICLE IX

In any action brought to declare the rights granted herein or to enforce any of the terms of this contract, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the court.

ARTICLE X

CONTRACTOR is and shall at all times remain as to the AGENCY, a wholly independent Contractor. Neither the AGENCY nor any of its agents shall have control of the conduct of CONTRACTOR or any of the Contractor's employees, except as herein set forth. CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of AGENCY.

ARTICLE XI

The CONTRACTOR is responsible for paying all retail, sales and use, transportation, export, import, special, or other taxes and duties applicable to, and assessable against any work, materials, equipment, services, processes and operations incidental to or involved in this contract. The CONTRACTOR is responsible for ascertaining and arranging to pay them. The prices established in this contract shall include compensation for any taxes the CONTRACTOR is required to pay by laws and regulations in effect as of the bid opening date.

ARTICLE XII

All notices and communications shall be sent in writing to the parties at the following addresses:

CITY: Robert B. Yalda

CONTRACTOR: Linda Burr

Director of Public Works

President

CITY OF CALABASAS

VENCO WESTERN, INC.

100 Civic Center Way

2400 Eastman Avenue

Calabasas, California 91302-3172

Oxnard, California 93030-5187

PHONE: (818) 224-1600

PHONE: (805) 981-2400

FAX: (818) 225-7338

FAX: (805) 981-2450

ARTICLE XIII

This contract supersedes any and all other agreements either oral or written, between the parties and contains all of the covenants and agreements between the parties pertaining to the work of improvements described herein. Each party to this contract acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statements or promise not

contained in this contract shall not be valid or binding. Any modification of this contract will be effective only if signed by the party to be charged.

ARTICLE XIV

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest herein.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Contract Agreement to be executed in duplicate by setting hereunto their names, titles, hands, and seals this 2nd day of June, 2011.

CONTRACTOR: Linda Burr
Linda Burr
President
(Title)

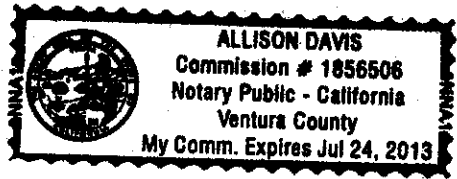
Contractor's License No. C-27 562 295

State of California)
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 2nd day of June, 2011, by Linda D. Burr, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Allison Davis

(Signature of Notary Public) (Notary Seal)



27

AGENCY: James R. Bozajian
James R. Bozajian,
Mayor

6/15/11
Date

ATTESTED: Gwen Peirce
Gwen Peirce, CMC,
City Clerk

6/16/11
Date

APPROVED AS TO FORM: Yana Welinder
Yana Welinder,
City Attorney

6/3/11
Date

(EXECUTE IN DUPLICATE)

PAYMENT BOND

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE
MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF
SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT
DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA
(2-YEAR CONTRACT)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

WHEREAS, the City of Calabasas, as AGENCY has awarded to, as CONTRACTOR, a contract for the above stated project.

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material persons, and other persons as provided by law;

NOW THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held and firmly bound unto AGENCY in the sum of (\$ 605,161.98) which is one hundred percent (100%) of the total contract amount for the above stated project, for which payment well and truly to be made we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION IS SUCH that if said CONTRACTOR, its heirs, executors, administrators, successors, assigns or subcontractors, shall fail to pay any of the persons named in Civil Code Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor withheld, and paid over to the Employment Development Department from the wages of employees of the CONTRACTOR and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to such work and labor, that the surety or sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorney's fee to the plaintiff's and the AGENCY in an amount to be fixed by the court.

This bond shall inure to the benefit to any of the persons named in Civil Code Section 3181 as to give a right of action to such persons or their assigns in any suit brought upon this bond.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying same shall in any manner affect its obligations on this bond. The SURETY hereby waives notice of any such change, extension, alteration or addition and hereby waives the requirements of Section 2845 of the Civil Code as a condition precedent to any remedies AGENCY may have.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this 15th day of April 2011

Contractor* Venco Western, Inc. 2400 Eastman, Oxnard CA 93030 (805)981-2400

David D. Bu

Surety* Arch Insurance Company 865 S Figueroa St, 27th Floor, Los Angeles CA 90017 (213)283-3513

M. Linda Terry M. Linda Terry, Attorney-in-Fact

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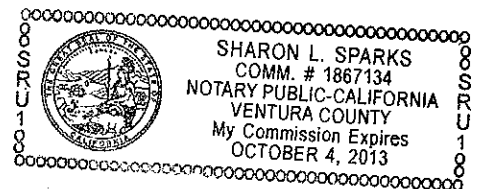
State of California)
County of Ventura)

Subscribed and sworn to (or affirmed) before me on this 14th day of April 2011 by M. Linda Terry, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Sharon L Sparks
(Signature of Notary Public)

(Notary Seal)

(EXECUTE IN DUPLICATE)



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M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

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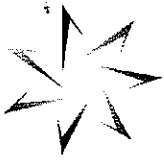
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"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.



ARCH INSURANCE COMPANY

Bond Number : SU 1109769

ENDORSEMENT

To be attached to and form a part of **Faithful Performance Bond, Payment Bond and Maintenance Bond**, issued by the undersigned company, as Surety on behalf of Venco Western, Inc. as Principal, in favor of **City of Calabasas** as Obligee,

Effective **June 1, 2011**, the Principal and the Surety hereby agree to amend the attached bond as follows:

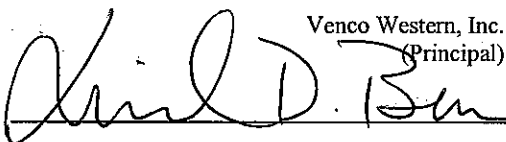
The term of the bond shall be amended to May 25th, 2011 to May 25th, 2013.

All else remains the same.

Provided that the liability under this endorsement shall be part of, and not in addition to, the liability under the attached Bond, and in no event shall be cumulative.

Nothing herein contained shall vary, alter or extend any of the provisions, conditions, or other terms of this bond except as above stated.

SIGNED, SEALED, DATED: June 1, 2011

By: 
Venco Western, Inc.
(Principal)

By: 
Arch Insurance Company
(Surety)
M. Linda Terry, Attorney In Fact

City of Calabasas
(Obligee)

By: _____

Obligee: Please sign endorsement and return to our office.

Endorsement Number: 1

DIRECT CORRESPONDENCE TO:

ARCH CONTRACTORS & DEVELOPERS GROUP, 865 S. FIGUEROA ST., 27TH FLOOR, LOS ANGELES, CA 90017
PHONE (626) 639-5200 • FAX (626) 639-5210

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of: California
 County of: Ventura

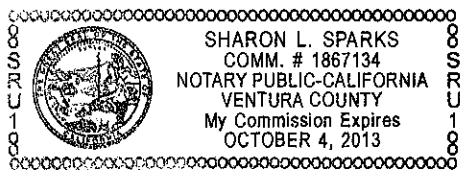
On 06/01/11 before me, Sharon L. Sparks, Notary Public,

personally appeared M. Linda Terry,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I Certify under PENALTY OF PERJURY under the laws of The State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Sharon L. Sparks
 Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- INDIVIDUAL
- CORPORATE OFFICER

- TITLES(S)
- PARTNERS
 - LIMITED
 - GENERAL
 - ATTORNEY-IN-FACT
 - TRUSTEE(S)
 - GUARDIAN/CONSERVATOR
 - OTHER

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
 NAME OF PERSON(S) OR ENTITY(IES)

SIGNER(S) OTHER THAN NAMED ABOVE

POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.

**ACTION AGENDA
REGULAR MEETING
WEDNESDAY, MAY 25, 2011**

CALL TO ORDER: 7:02 p.m.

ROLL CALL: *All present.*

APPROVAL OF AGENDA: *Approved.*

ANNOUNCEMENTS/INTRODUCTIONS

ORAL COMMUNICATIONS - PUBLIC COMMENT: *5 speakers.*

CONSENT ITEMS

1. Approval of meeting minutes from April 27, 2011. ***Approved.***
2. Approval of a five year service subscription and sublicense agreement with Digital Map Products (DMP) in an amount not to exceed \$25,000 per year, to perform professional geographic information systems (GIS) management services. ***Approved.***
3. Recommendation to approve a professional services agreement with Restoration Landscape Design, for the Mulholland Highway Landslide Repair Project Slope Planting and Environmental Restoration in an amount not to exceed \$75,000.00. ***Approved.***
4. Recommendation to award nine contracts in a total amount not to exceed \$605,161.98 for nine sections of Specification No. 10-11-02 to Venco Western, Inc. for the Landscape Maintenance of Common Areas located within Bellagio HOA (Zone 4), Calabaras Hills HOA (Zone 6), Classic Calabaras Park HOA (Zone 7), Las Villas HOA (Zone 11), Westridge HOA (Zone 20) within Landscape Lighting Act District 22 and Common Benefit Areas (CBA) CBA-1 (Zone 21), CBA-4 (Zone 24), CBA-5 (Zone 25), and CBA-6 (Zone 26) within Landscape Maintenance District 22. ***Approved.***

UNFINISHED BUSINESS

5. Recommendations from the Planning Commission regarding the wireless telecommunications facility ordinance update. ***Provided direction for a proposed ordinance and directed City Attorney to draft an ordinance for a moratorium on cell tower installation in the City.***
6. Recommendation to modify the zoning code to transfer review for wireless telecommunication facilities in public right-of-way. ***Approved staff's recommendation.***

7. Introduction of Ordinance No. 2011-284, amending the Calabasas Plumbing Code with respect to Onsite Wastewater Treatment Systems (OWTS). ***Introduced Ordinance No. 2011-284 with revisions and directed staff to schedule a workshop to gather input for a new OWTS ordinance.***
8. Adoption of Resolution No. 2011-1287, formalizing the establishment of the Calabasas Arts Council; and introduction of Ordinance No. 2011-279, amending chapter 2.41 of the Municipal Code by adding a sixth member to the Parks, Recreation and Education Commission which shall be the Chair of the Arts Council. ***Adopted Resolution No. 2011-1287 and introduced Ordinance No. 2011-279.***
9. Approval of Mayor Bozajian's appointment to the Parks, Recreation and Education Commission and Councilmember Martin's appointment to the Planning Commission. ***Appointed Myra Turek to PRE and Bob Lia to Planning Commission.***

INFORMATIONAL REPORTS

10. Check Register for the period of April 15, 2011 to May 11, 2011. ***No Action Taken.***

TASK FORCE REPORTS

CITY MANAGER'S REPORT

FUTURE AGENDA ITEMS

ADJOURN: 11:59 p.m.



CITY of CALABASAS

Date: June 8, 2011

To: Venco Western, Inc.
ATTN: Linda Burr, President
2400 Eastman Avenue
Oxnard CA 93030

Re: **Contracts for Specification No. 10-11-02, Landscape Maintenance of Common Benefit Areas with Landscape Maintenance District 22 and Common Benefit Areas of Specified Homeowner Associations with Landscape Lighting Act District in the City of Calabasas**

Dear Ms. Burr:

The City Attorney has returned the nine Landscape Maintenance contracts that were awarded to your company (Bellagio HOA, Calabasas Hills HOA / Calabasas Hills Estates HOA, Calabasas Park HOA, Las Villas HOA, Westridge HOA, CBA-1, CBA-4, CBA-5, CBA-6) and has approved them as to form. Please review the following Public Contract Code references added to your contract and acknowledge that you received them by signing and returning this letter to the City.

- Public Contract Code § 6109: Requires a contract provision prohibiting a contractor from performing work with a subcontractor who is debarred pursuant to Labor Code §§ 1777.1 or 1777.7.
- Public Contract Code § 7103.5: Requires that the contract specifications provide for the assignment of unfair business practices claims (Clayton Act and Cartwright Act) from the contractor to the public agency.
- Public Contract Code § 20104.50: Requires a contract to reference to Article 1.7 provisions requiring the public agency to make timely payment to contractor of all progress payments property due under the contract and to pay interest on any late payments.
- Public Contract Code § 22300: Mandates that provisions permitting the contractor to substitute securities for retainage funds are included in the invitation for bids and contract documents and sets forth an escrow form for such substitutions.

Your acknowledgement of receipt of this letter will be attached with your executed contract.

Sincerely,

Robert B. Yalda, P.E., T.E.
Public Works Director/City Engineer

File

C Calabasas City Clerk
Matt Baumgardner, Associate Civil Engineer
Steve Ball, Landscape Districts Maintenance Manager

Acknowledged by CONTRACTOR:

Linda Burr, President
Venco Western, Inc.

CONTRACT AGREEMENT

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA

(2-Year Contract)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

THIS CONTRACT AGREEMENT is made and entered into for the ZONE 6, CALABASAS HILLS AND CALABASAS HILLS ESTATES HOMEOWNERS ASSOCIATION section of the above stated project this 25th day of May, 2011, BY AND BETWEEN the City of Calabasas, hereafter designated as "AGENCY", and VENCO WESTERN, INC., hereafter designated as "CONTRACTOR".

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Bid Proposal, Bid Schedule, Standard Specifications, Special Provisions, Vicinity Map, and all referenced specifications, details, standard drawings, and appendices; together with two (2) signed copies of the Contract Agreement, two (2) signed copies of required bonds; one (1) copy of the insurance certificates, permits, notices, and affidavits; and also, including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to insure its completion in an acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and equipment and perform all work required for the above stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the prices set forth in the Bid Proposal and Bid Schedule as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance, including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also, including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein

contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents.

ARTICLE V

CONTRACTOR acknowledges that this contract is subject to the provisions of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works and public agencies and agrees to be bound by all the provisions thereof as though set forth in full herein. Full compensation for conforming to the requirements of said Labor Code and with other Federal, State and local laws related to labor, and rules, regulations and ordinances which apply to any work performed pursuant to this contract shall be considered as included in the price for all contract items of work involved.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1775 concerning penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the AGENCY, forfeit not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the applicable State and/or Federal prevailing wage rates as referenced and incorporated herein for the work or craft in which the worker is employed for any public work done under the contract by CONTRACTOR or by any subcontractor.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that CONTRACTOR is responsible for compliance with Section 1777.5 by all of its subcontractors.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1813 concerning penalties for workers who work excess hours. The CONTRACTOR shall, as a penalty to the AGENCY, forfeit twenty-five dollars (\$25) for each worker employed in the execution of the contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any 1 calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the California Labor Code, and in particular, Section 1810 to 1815, thereof, inclusive, except that work performed by employees of CONTRACTOR and/or Subcontractors in excess of 8 hours per day, and 40 hours per week, shall be permitted upon compensation for all hours worked in excess of 8 hours per day at not less than one and one half times the basic rate of pay, as provided in said Section 1815.

In accordance with California Labor Code Section 1860 and 3700, every Contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, CONTRACTOR, by signing this contract, certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract."

ARTICLE VI

With respect to performance of work under this contract, CONTRACTOR shall maintain and shall require all of its subcontractors to maintain insurance as required in the Standard Specifications of the Project Specifications.

ARTICLE VII

CONTRACTOR agrees to indemnify and hold harmless AGENCY and all of its officers and agents from any claims, demands, or causes of action, including related expenses, attorney's fees, and costs, based on, arising out of, or in any way related to the work undertaken by CONTRACTOR hereunder.

ARTICLE VIII

The City and the Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents. This contract is not assignable nor the performance of either party's duties delegable without the prior written consent of the other party. Any attempted or purported assignment or delegation of any of the rights of obligations of either party without the prior written consent of the other shall be void and of no force and effect.

ARTICLE IX

In any action brought to declare the rights granted herein or to enforce any of the terms of this contract, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the court.

ARTICLE X

CONTRACTOR is and shall at all times remain as to the AGENCY, a wholly independent Contractor. Neither the AGENCY nor any of its agents shall have control of the conduct of CONTRACTOR or any of the Contractor's employees, except as herein set forth. CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of AGENCY.

ARTICLE XI

The CONTRACTOR is responsible for paying all retail, sales and use, transportation, export, import, special, or other taxes and duties applicable to, and assessable against any work, materials, equipment, services, processes and operations incidental to or involved in this contract. The CONTRACTOR is responsible for ascertaining and arranging to pay them. The prices established in this contract shall include compensation for any taxes the CONTRACTOR is required to pay by laws and regulations in effect as of the bid opening date.

ARTICLE XII

All notices and communications shall be sent in writing to the parties at the following addresses:

<u>CITY: Robert B. Yalda</u>	<u>CONTRACTOR: Linda Burr</u>
<u>Director of Public Works</u>	<u>President</u>
<u>CITY OF CALABASAS</u>	<u>VENCO WESTERN, INC.</u>
<u>100 Civic Center Way</u>	<u>2400 Eastman Avenue</u>
<u>Calabasas, California 91302-3172</u>	<u>Oxnard, California 93030-5187</u>
<u>PHONE: (818) 224-1600</u>	<u>PHONE: (805) 981-2400</u>
<u>FAX: (818) 225-7338</u>	<u>FAX: (805) 981-2450</u>

ARTICLE XIII

This contract supersedes any and all other agreements either oral or written, between the parties and contains all of the covenants and agreements between the parties pertaining to the work of improvements described herein. Each party to this contract acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statements or promise not

contained in this contract shall not be valid or binding. Any modification of this contract will be effective only if signed by the party to be charged.

ARTICLE XIV

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest herein.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Contract Agreement to be executed in duplicate by setting hereunto their names, titles, hands, and seals this 2nd day of June, 2011.

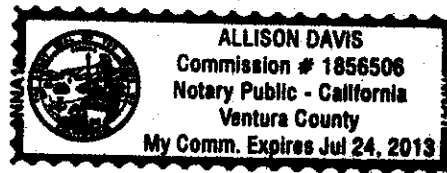
CONTRACTOR: Linda Burr
Linda Burr
President
(Title)

Contractor's License No. C-27 S62295

State of California)
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 2nd day of June, 2011, by Linda D. Burr, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Allison Davis
(Signature of Notary Public) (Notary Seal)



~~BY~~

AGENCY: James R. Bozajian
James R. Bozajian,
Mayor

6/15/11
Date

ATTESTED: Gwen Peirce
Gwen Peirce, CMC,
City Clerk

6/16/11
Date

APPROVED AS TO FORM: Yana Welinder
Yana Welinder,
City Attorney

6/8/2011
Date

(EXECUTE IN DUPLICATE)

PAYMENT BOND

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE
MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF
SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT
DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA
(2-YEAR CONTRACT)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

WHEREAS, the City of Calabasas, as AGENCY has awarded to, as CONTRACTOR, a contract for the above stated project.

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material persons, and other persons as provided by law;

NOW THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held and firmly bound unto AGENCY in the sum of (\$ 605,161.98) which is one hundred percent (100%) of the total contract amount for the above stated project, for which payment well and truly to be made we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION IS SUCH that if said CONTRACTOR, its heirs, executors, administrators, successors, assigns or subcontractors, shall fail to pay any of the persons named in Civil Code Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor withheld, and paid over to the Employment Development Department from the wages of employees of the CONTRACTOR and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to such work and labor, that the surety or sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorney's fee to the plaintiffs and the AGENCY in an amount to be fixed by the court.

This bond shall inure to the benefit to any of the persons named in Civil Code Section 3181 as to give a right of action to such persons or their assigns in any suit brought upon this bond.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying same shall in any manner affect its obligations on this bond. The SURETY hereby waives notice of any such change, extension, alteration or addition and hereby waives the requirements of Section 2845 of the Civil Code as a condition precedent to any remedies AGENCY may have.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this 15th day of April 2011

Contractor* Venco Western, Inc. 2400 Eastman, Oxnard CA 93030 (805)981-2400
Neil D. Bu

Surety* Arch Insurance Company 865 S Figueroa St, 27th Floor, Los Angeles CA 90017 (213)283-3513
M. Linda Terry M. Linda Terry, Attorney-in-Fact

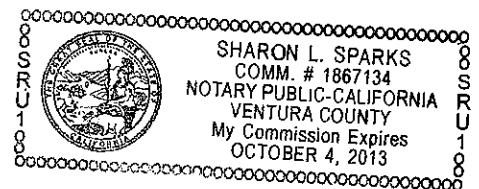
*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

State of California)
County of Ventura)

Subscribed and sworn to (or affirmed) before me on this 14th day of April 2011, by M. Linda Terry, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Sharon L Sparks
(Signature of Notary Public) (Notary Seal)

(EXECUTE IN DUPLICATE)



POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

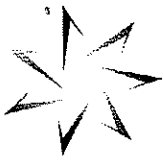
The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.



ARCH INSURANCE COMPANY

Bond Number : SU 1109769

ENDORSEMENT

To be attached to and form a part of **Faithful Performance Bond, Payment Bond and Maintenance Bond**, issued by the undersigned company, as Surety on behalf of Venco Western, Inc. as Principal, in favor of **City of Calabasas** as Obligee,

Effective **June 1, 2011**, the Principal and the Surety hereby agree to amend the attached bond as follows:

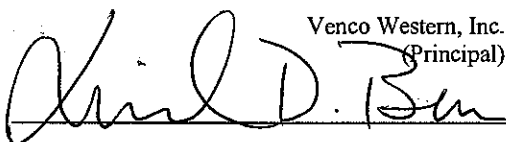
The term of the bond shall be amended to May 25th, 2011 to May 25th, 2013.


All else remains the same.

Provided that the liability under this endorsement shall be part of, and not in addition to, the liability under the attached Bond, and in no event shall be cumulative.

Nothing herein contained shall vary, alter or extend any of the provisions, conditions, or other terms of this bond except as above stated.

SIGNED, SEALED, DATED: June 1, 2011

By: 
Venco Western, Inc.
(Principal)

By: 
Arch Insurance Company
(Surety)
M. Linda Terry, Attorney In Fact

By: _____
City of Calabasas
(Obligee)

By: _____

Obligee: Please sign endorsement and return to our office.

Endorsement Number: 1

DIRECT CORRESPONDENCE TO:

ARCH CONTRACTORS & DEVELOPERS GROUP, 865 S. FIGUEROA ST., 27TH FLOOR, LOS ANGELES, CA 90017
PHONE (626) 639-5200 • FAX (626) 639-5210

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

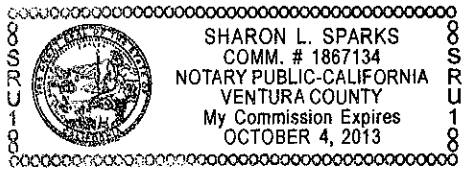
State of: California
 County of: Ventura

On 06/01/11 before me, Sharon L. Sparks, Notary Public,
 personally appeared M. Linda Terry,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies) and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I Certify under PENALTY OF PERJURY under the laws of The State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Sharon L. Sparks
 Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

<p style="text-align: center;">CAPACITY CLAIMED BY SIGNER</p> <p><input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> CORPORATE OFFICER</p>	<p style="text-align: center;">DESCRIPTION OF ATTACHED DOCUMENT</p>
<p style="text-align: center;">TITLES(S)</p> <p><input type="checkbox"/> PARTNERS <input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL</p> <p><input checked="" type="checkbox"/> ATTORNEY-IN-FACT <input type="checkbox"/> TRUSTEE(S) <input type="checkbox"/> GUARDIAN/CONSERVATOR <input type="checkbox"/> OTHER</p>	<p style="text-align: center;">TITLE OR TYPE OF DOCUMENT</p>
<p>SIGNER IS REPRESENTING: NAME OF PERSON(S) OR ENTITY(IES)</p>	<p style="text-align: center;">NUMBER OF PAGES</p>
	<p style="text-align: center;">DATE OF DOCUMENT</p>
	<p style="text-align: center;">SIGNER(S) OTHER THAN NAMED ABOVE</p>

POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.

**ACTION AGENDA
REGULAR MEETING
WEDNESDAY, MAY 25, 2011**

CALL TO ORDER: 7:02 p.m.

ROLL CALL: *All present.*

APPROVAL OF AGENDA: *Approved.*

ANNOUNCEMENTS/INTRODUCTIONS

ORAL COMMUNICATIONS - PUBLIC COMMENT: *5 speakers.*

CONSENT ITEMS

1. Approval of meeting minutes from April 27, 2011. ***Approved.***
2. Approval of a five year service subscription and sublicense agreement with Digital Map Products (DMP) in an amount not to exceed \$25,000 per year, to perform professional geographic information systems (GIS) management services. ***Approved.***
3. Recommendation to approve a professional services agreement with Restoration Landscape Design, for the Mulholland Highway Landslide Repair Project Slope Planting and Environmental Restoration in an amount not to exceed \$75,000.00. ***Approved.***
4. Recommendation to award nine contracts in a total amount not to exceed \$605,161.98 for nine sections of Specification No. 10-11-02 to Venco Western, Inc. for the Landscape Maintenance of Common Areas located within Bellagio HOA (Zone 4), Calabaras Hills HOA (Zone 6), Classic Calabaras Park HOA (Zone 7), Las Villas HOA (Zone 11), Westridge HOA (Zone 20) within Landscape Lighting Act District 22 and Common Benefit Areas (CBA) CBA-1 (Zone 21), CBA-4 (Zone 24), CBA-5 (Zone 25), and CBA-6 (Zone 26) within Landscape Maintenance District 22. ***Approved.***

UNFINISHED BUSINESS

5. Recommendations from the Planning Commission regarding the wireless telecommunications facility ordinance update. ***Provided direction for a proposed ordinance and directed City Attorney to draft an ordinance for a moratorium on cell tower installation in the City.***
6. Recommendation to modify the zoning code to transfer review for wireless telecommunication facilities in public right-of-way. ***Approved staff's recommendation.***

7. Introduction of Ordinance No. 2011-284, amending the Calabasas Plumbing Code with respect to Onsite Wastewater Treatment Systems (OWTS). ***Introduced Ordinance No. 2011-284 with revisions and directed staff to schedule a workshop to gather input for a new OWTS ordinance.***
8. Adoption of Resolution No. 2011-1287, formalizing the establishment of the Calabasas Arts Council; and introduction of Ordinance No. 2011-279, amending chapter 2.41 of the Municipal Code by adding a sixth member to the Parks, Recreation and Education Commission which shall be the Chair of the Arts Council. ***Adopted Resolution No. 2011-1287 and introduced Ordinance No. 2011-279.***
9. Approval of Mayor Bozajian's appointment to the Parks, Recreation and Education Commission and Councilmember Martin's appointment to the Planning Commission. ***Appointed Myra Turek to PRE and Bob Lia to Planning Commission.***

INFORMATIONAL REPORTS

10. Check Register for the period of April 15, 2011 to May 11, 2011. ***No Action Taken.***

TASK FORCE REPORTS

CITY MANAGER'S REPORT

FUTURE AGENDA ITEMS

ADJOURN: 11:59 p.m.



CITY of CALABASAS

Date: June 8, 2011

To: Venco Western, Inc.
ATTN: Linda Burr, President
2400 Eastman Avenue
Oxnard CA 93030

Re: **Contracts for Specification No. 10-11-02, Landscape Maintenance of Common Benefit Areas with Landscape Maintenance District 22 and Common Benefit Areas of Specified Homeowner Associations with Landscape Lighting Act District in the City of Calabasas**

Dear Ms. Burr:

The City Attorney has returned the nine Landscape Maintenance contracts that were awarded to your company (Bellagio HOA, Calabasas Hills HOA / Calabasas Hills Estates HOA, Calabasas Park HOA, Las Villas HOA, Westridge HOA, CBA-1, CBA-4, CBA-5, CBA-6) and has approved them as to form. Please review the following Public Contract Code references added to your contract and acknowledge that you received them by signing and returning this letter to the City.

- Public Contract Code § 6109: Requires a contract provision prohibiting a contractor from performing work with a subcontractor who is debarred pursuant to Labor Code §§ 1777.1 or 1777.7.
- Public Contract Code § 7103.5: Requires that the contract specifications provide for the assignment of unfair business practices claims (Clayton Act and Cartwright Act) from the contractor to the public agency.
- Public Contract Code § 20104.50: Requires a contract to reference to Article 1.7 provisions requiring the public agency to make timely payment to contractor of all progress payments property due under the contract and to pay interest on any late payments.
- Public Contract Code § 22300: Mandates that provisions permitting the contractor to substitute securities for retainage funds are included in the invitation for bids and contract documents and sets forth an escrow form for such substitutions.

Your acknowledgement of receipt of this letter will be attached with your executed contract.

Sincerely,

Robert B. Yalda, P.E., T.E.
Public Works Director/City Engineer

File

C Calabasas City Clerk
Matt Baumgardner, Associate Civil Engineer
Steve Ball, Landscape Districts Maintenance Manager

Acknowledged by CONTRACTOR:

Linda Burr, President
Venco Western, Inc.

CONTRACT AGREEMENT

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA

(2-Year Contract)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

THIS CONTRACT AGREEMENT is made and entered into for the ZONE 7, CALABASAS PARK HOMEOWNERS ASSOCIATION section of the above stated project this 25th day of May, 2011, BY AND BETWEEN the City of Calabasas, hereafter designated as "AGENCY", and VENCO WESTERN, INC., hereafter designated as "CONTRACTOR".

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Bid Proposal, Bid Schedule, Standard Specifications, Special Provisions, Vicinity Map, and all referenced specifications, details, standard drawings, and appendices; together with two (2) signed copies of the Contract Agreement, two (2) signed copies of required bonds; one (1) copy of the insurance certificates, permits, notices, and affidavits; and also, including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to insure its completion in an acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and equipment and perform all work required for the above stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the prices set forth in the Bid Proposal and Bid Schedule as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance, including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also, including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein

contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents.

ARTICLE V

CONTRACTOR acknowledges that this contract is subject to the provisions of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works and public agencies and agrees to be bound by all the provisions thereof as though set forth in full herein. Full compensation for conforming to the requirements of said Labor Code and with other Federal, State and local laws related to labor, and rules, regulations and ordinances which apply to any work performed pursuant to this contract shall be considered as included in the price for all contract items of work involved.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1775 concerning penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the AGENCY, forfeit not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the applicable State and/or Federal prevailing wage rates as referenced and incorporated herein for the work or craft in which the worker is employed for any public work done under the contract by CONTRACTOR or by any subcontractor.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that CONTRACTOR is responsible for compliance with Section 1777.5 by all of its subcontractors.

CONTRACTOR agrees to comply with the provisions of California Labor Code Section 1813 concerning penalties for workers who work excess hours. The CONTRACTOR shall, as a penalty to the AGENCY, forfeit twenty-five dollars (\$25) for each worker employed in the execution of the contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any 1 calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the California Labor Code, and in particular, Section 1810 to 1815, thereof, inclusive, except that work performed by employees of CONTRACTOR and/or Subcontractors in excess of 8 hours per day, and 40 hours per week, shall be permitted upon compensation for all hours worked in excess of 8 hours per day at not less than one and one half times the basic rate of pay, as provided in said Section 1815.

In accordance with California Labor Code Section 1860 and 3700, every Contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, CONTRACTOR, by signing this contract, certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract."

ARTICLE VI

With respect to performance of work under this contract, CONTRACTOR shall maintain and shall require all of its subcontractors to maintain insurance as required in the Standard Specifications of the Project Specifications.

ARTICLE VII

CONTRACTOR agrees to indemnify and hold harmless AGENCY and all of its officers and agents from any claims, demands, or causes of action, including related expenses, attorney's fees, and costs, based on, arising out of, or in any way related to the work undertaken by CONTRACTOR hereunder.

ARTICLE VIII

The City and the Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents. This contract is not assignable nor the performance of either party's duties delegable without the prior written consent of the other party. Any attempted or purported assignment or delegation of any of the rights of obligations of either party without the prior written consent of the other shall be void and of no force and effect.

ARTICLE IX

In any action brought to declare the rights granted herein or to enforce any of the terms of this contract, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the court.

ARTICLE X

CONTRACTOR is and shall at all times remain as to the AGENCY, a wholly independent Contractor. Neither the AGENCY nor any of its agents shall have control of the conduct of CONTRACTOR or any of the Contractor's employees, except as herein set forth. CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of AGENCY.

ARTICLE XI

The CONTRACTOR is responsible for paying all retail, sales and use, transportation, export, import, special, or other taxes and duties applicable to, and assessable against any work, materials, equipment, services, processes and operations incidental to or involved in this contract. The CONTRACTOR is responsible for ascertaining and arranging to pay them. The prices established in this contract shall include compensation for any taxes the CONTRACTOR is required to pay by laws and regulations in effect as of the bid opening date.

ARTICLE XII

All notices and communications shall be sent in writing to the parties at the following addresses:

CITY: Robert B. Yalda

CONTRACTOR: Linda Burr

Director of Public Works

President

CITY OF CALABASAS

VENCO WESTERN, INC.

100 Civic Center Way

2400 Eastman Avenue

Calabasas, California 91302-3172

Oxnard, California 93030-5187

PHONE: (818) 224-1600

PHONE: (805) 981-2400

FAX: (818) 225-7338

FAX: (805) 981-2450

ARTICLE XIII

This contract supersedes any and all other agreements either oral or written, between the parties and contains all of the covenants and agreements between the parties pertaining to the work of improvements described herein. Each party to this contract acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statements or promise not

contained in this contract shall not be valid or binding. Any modification of this contract will be effective only if signed by the party to be charged.

ARTICLE XIV

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest herein.

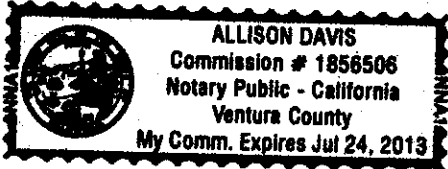
IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Contract Agreement to be executed in duplicate by setting hereunto their names, titles, hands, and seals this 2nd day of June, 2011.

CONTRACTOR: Linda Burr
Linda Burr
President
(Title)
Contractor's License No. C-27 562295

State of California)
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 2nd day of June, 2011, by Linda D. Burr, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Allison Davis
(Signature of Notary Public) (Notary Seal)



~~BY~~

AGENCY: James R. Bozajian
James R. Bozajian,
Mayor 6/15/11
Date

ATTESTED: Gwen Peirce
Gwen Peirce, CMC,
City Clerk 6/16/11
Date

APPROVED AS TO FORM: Yana Welinder
Yana Welinder,
City Attorney 6/3/2011
Date

(EXECUTE IN DUPLICATE)

PAYMENT BOND

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE
MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF
SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT
DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA
(2-YEAR CONTRACT)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

WHEREAS, the City of Calabasas, as AGENCY has awarded to, as CONTRACTOR, a contract for the above stated project.

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material persons, and other persons as provided by law;

NOW THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held and firmly bound unto AGENCY in the sum of (\$ 605,161.98) which is one hundred percent (100%) of the total contract amount for the above stated project, for which payment well and truly to be made we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION IS SUCH that if said CONTRACTOR, its heirs, executors, administrators, successors, assigns or subcontractors, shall fail to pay any of the persons named in Civil Code Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor withheld, and paid over to the Employment Development Department from the wages of employees of the CONTRACTOR and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to such work and labor, that the surety or sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorney's fee to the plaintiffs and the AGENCY in an amount to be fixed by the court.

This bond shall inure to the benefit to any of the persons named in Civil Code Section 3181 as to give a right of action to such persons or their assigns in any suit brought upon this bond.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying same shall in any manner affect its obligations on this bond. The SURETY hereby waives notice of any such change, extension, alteration or addition and hereby waives the requirements of Section 2845 of the Civil Code as a condition precedent to any remedies AGENCY may have.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this 15th day of April 2011

Contractor* Venco Western, Inc. 2400 Eastman, Oxnard CA 93030 (805)981-2400

Neil D. Bu

Surety* Arch Insurance Company 865 S Figueroa St, 27th Floor, Los Angeles CA 90017 (213)283-3513

M. Linda Terry M. Linda Terry, Attorney-in-Fact

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

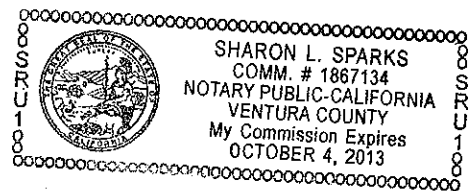
State of California)
County of Ventura)

Subscribed and sworn to (or affirmed) before me on this 14th day of April 2011, by M. Linda Terry, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Sharon L. Sparks
(Signature of Notary Public)

(Notary Seal)

(EXECUTE IN DUPLICATE)



MAINTENANCE BOND

LANDSCAPE MAINTENANCE OF COMMON BENEFIT AREAS WITHIN LANDSCAPE MAINTENANCE DISTRICT 22 AND COMMON AREA LANDSCAPE MAINTENANCE OF SPECIFIED HOMEOWNER ASSOCIATIONS WITHIN LANDSCAPE LIGHTING ACT DISTRICT 22 IN THE CITY OF CALABASAS, CALIFORNIA (2-YEAR CONTRACT)

(SPECIFICATION NO. 10-11-02)

SPRING 2011

KNOW ALL PERSONS BY THESE PRESENTS THAT WHEREAS, the City of Calabasas, as AGENCY has awarded to Venco Western, Inc., as CONTRACTOR, a contract for the above stated project.

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract guaranteeing maintenance thereof;

NOW, THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held firmly bound unto AGENCY in the sum of ** See Below Dollars (\$ 302,580.99), which is fifty percent (50%) of the total contract amount for the above stated project to be paid to AGENCY, its successors and assigns, for which payment well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents. ** Three Hundred Two Thousand Five Hundred Eighty and 99/100

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that if said CONTRACTOR shall remedy without cost to AGENCY any defects which may develop during a period of one (1) year from the date of recordation of the Notice of Completion of the work performed under said contract, provided such defects are caused by defective or inferior materials or work, then this obligation shall be void; otherwise it shall be and remain in full force and effect. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorneys fee to the AGENCY in an amount to be fixed by the court.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this 15th day of April, 2011.

CONTRACTOR* Venco Western, Inc.
2400 Eastman, Oxnard CA 93030 (805)981-2400
[Signature]
SURETY* Arch Insurance Company
865 S. Figueroa St. 27th Floor, Los Angeles CA 90017 (213)283-3513
[Signature]
M. Linda Terry Attorney-in-Fact

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

State of California)
County of Ventura)


Subscribed and sworn to (or affirmed) before me on this 15th day of April 2011, by M. Linda Terry, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

[Signature]
(Signature of Notary Public)

(Notary Seal)

(EXECUTE IN DUPLICATE)

SHARON L. SPARKS
COMM. # 1867134
NOTARY PUBLIC-CALIFORNIA
VENTURA COUNTY
My Commission Expires
OCTOBER 4, 2013



POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

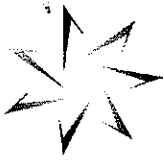
The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.



ARCH INSURANCE COMPANY

Bond Number : SU 1109769

ENDORSEMENT

To be attached to and form a part of Faithful Performance Bond, Payment Bond and Maintenance Bond, issued by the undersigned company, as Surety on behalf of Venco Western, Inc.as Principal, in favor of City of Calabasas as Obligee,

Effective June 1, 2011, the Principal and the Surety hereby agree to amend the attached bond as follows:

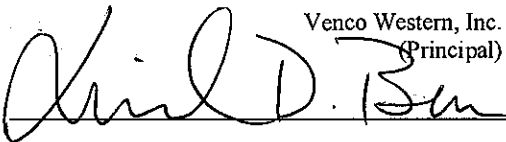
The term of the bond shall be amended to May 25th, 2011 to May 25th, 2013.

All else remains the same.

Provided that the liability under this endorsement shall be part of, and not in addition to, the liability under the attached Bond, and in no event shall be cumulative.

Nothing herein contained shall vary, alter or extend any of the provisions, conditions, or other terms of this bond except as above stated.

SIGNED, SEALED, DATED: June 1, 2011

By: 
Venco Western, Inc.
(Principal)

By: 
Arch Insurance Company
(Surety)
M. Linda Terry, Attorney In Fact

City of Calabasas
(Obligee)

By: _____

Obligee: Please sign endorsement and return to our office.

Endorsement Number: 1

DIRECT CORRESPONDENCE TO:
ARCH CONTRACTORS & DEVELOPERS GROUP, 865 S. FIGUEROA ST., 27TH FLOOR, LOS ANGELES, CA 90017
PHONE (626) 639-5200 • FAX (626) 639-5210

POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

M. Linda Terry, Shirley Rhoads, Kip Keller and H. Randall Kinsling of Ventura, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.

**ACTION AGENDA
REGULAR MEETING
WEDNESDAY, MAY 25, 2011**

CALL TO ORDER: 7:02 p.m.

ROLL CALL: *All present.*

APPROVAL OF AGENDA: *Approved.*

ANNOUNCEMENTS/INTRODUCTIONS

ORAL COMMUNICATIONS - PUBLIC COMMENT: *5 speakers.*

CONSENT ITEMS

1. Approval of meeting minutes from April 27, 2011. ***Approved.***
2. Approval of a five year service subscription and sublicense agreement with Digital Map Products (DMP) in an amount not to exceed \$25,000 per year, to perform professional geographic information systems (GIS) management services. ***Approved.***
3. Recommendation to approve a professional services agreement with Restoration Landscape Design, for the Mulholland Highway Landslide Repair Project Slope Planting and Environmental Restoration in an amount not to exceed \$75,000.00. ***Approved.***
4. Recommendation to award nine contracts in a total amount not to exceed \$605,161.98 for nine sections of Specification No. 10-11-02 to Venco Western, Inc. for the Landscape Maintenance of Common Areas located within Bellagio HOA (Zone 4), Calabaras Hills HOA (Zone 6), Classic Calabaras Park HOA (Zone 7), Las Villas HOA (Zone 11), Westridge HOA (Zone 20) within Landscape Lighting Act District 22 and Common Benefit Areas (CBA) CBA-1 (Zone 21), CBA-4 (Zone 24), CBA-5 (Zone 25), and CBA-6 (Zone 26) within Landscape Maintenance District 22. ***Approved.***

UNFINISHED BUSINESS

5. Recommendations from the Planning Commission regarding the wireless telecommunications facility ordinance update. ***Provided direction for a proposed ordinance and directed City Attorney to draft an ordinance for a moratorium on cell tower installation in the City.***
6. Recommendation to modify the zoning code to transfer review for wireless telecommunication facilities in public right-of-way. ***Approved staff's recommendation.***

7. Introduction of Ordinance No. 2011-284, amending the Calabasas Plumbing Code with respect to Onsite Wastewater Treatment Systems (OWTS). **Introduced Ordinance No. 2011-284 with revisions and directed staff to schedule a workshop to gather input for a new OWTS ordinance.**
8. Adoption of Resolution No. 2011-1287, formalizing the establishment of the Calabasas Arts Council; and introduction of Ordinance No. 2011-279, amending chapter 2.41 of the Municipal Code by adding a sixth member to the Parks, Recreation and Education Commission which shall be the Chair of the Arts Council. **Adopted Resolution No. 2011-1287 and introduced Ordinance No. 2011-279.**
9. Approval of Mayor Bozajian's appointment to the Parks, Recreation and Education Commission and Councilmember Martin's appointment to the Planning Commission. **Appointed Myra Turek to PRE and Bob Lia to Planning Commission.**

INFORMATIONAL REPORTS

10. Check Register for the period of April 15, 2011 to May 11, 2011. **No Action Taken.**

TASK FORCE REPORTS

CITY MANAGER'S REPORT

FUTURE AGENDA ITEMS

ADJOURN: 11:59 p.m.



CITY of CALABASAS

Date: June 8, 2011

To: Venco Western, Inc.
ATTN: Linda Burr, President
2400 Eastman Avenue
Oxnard CA 93030

Re: **Contracts for Specification No. 10-11-02, Landscape Maintenance of Common Benefit Areas with Landscape Maintenance District 22 and Common Benefit Areas of Specified Homeowner Associations with Landscape Lighting Act District in the City of Calabasas**

Dear Ms. Burr:

The City Attorney has returned the nine Landscape Maintenance contracts that were awarded to your company (Bellagio HOA, Calabasas Hills HOA / Calabasas Hills Estates HOA, Calabasas Park HOA, Las Villas HOA, Westridge HOA, CBA-1, CBA-4, CBA-5, CBA-6) and has approved them as to form. Please review the following Public Contract Code references added to your contract and acknowledge that you received them by signing and returning this letter to the City.

- Public Contract Code § 6109: Requires a contract provision prohibiting a contractor from performing work with a subcontractor who is debarred pursuant to Labor Code §§ 1777.1 or 1777.7.
- Public Contract Code § 7103.5: Requires that the contract specifications provide for the assignment of unfair business practices claims (Clayton Act and Cartwright Act) from the contractor to the public agency.
- Public Contract Code § 20104.50: Requires a contract to reference to Article 1.7 provisions requiring the public agency to make timely payment to contractor of all progress payments property due under the contract and to pay interest on any late payments.
- Public Contract Code § 22300: Mandates that provisions permitting the contractor to substitute securities for retainage funds are included in the invitation for bids and contract documents and sets forth an escrow form for such substitutions.

Your acknowledgement of receipt of this letter will be attached with your executed contract.

Sincerely,

Robert B. Yalda, P.E., T.E.
Public Works Director/City Engineer

File

C Calabasas City Clerk
Matt Baumgardner, Associate Civil Engineer
Steve Ball, Landscape Districts Maintenance Manager

Acknowledged by CONTRACTOR:

Linda Burr, President
Venco Western, Inc.

TRUST AGREEMENT

Dated as of [DATED DATE]

by and among

U.S. BANK NATIONAL ASSOCIATION,

as Trustee,

CITY OF CALABASAS FACILITIES CORPORATION

and the

THE CITY OF CALABASAS

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TRUST AGREEMENT

This Trust Agreement (this “Trust Agreement”) dated as of [DATED DATE] by and among U.S. Bank National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States (the “Trustee”), the City of Calabasas Facilities Corporation, a California nonprofit public benefit corporation (the “Corporation”), and the City of Calabasas (the “City”);

W I T N E S S E T H

WHEREAS, the City of Calabasas (the “City”) desires to (i) refinance certain outstanding 2006 Certificates of Participation (Civic Center Project) (the “Prior Certificates”; and the refinancing of the Prior Certificates is referred to as the “Refunding Project”) and (ii) finance a portion of the costs of the construction acquisition and improvement of senior facilities and related infrastructure, equipment and furnishings (the “Construction Project,” and together with the Refunding Project, the “Project”), and pay capitalized interest with respect to the Certificates (as defined below), fund a Reserve Account for the Certificates, and pay the costs incurred in connection with the execution and delivery of the Certificates;

WHEREAS, in order to finance and refinance the Project, the City will lease certain real property owned by the City (the “Leased Property”) to the Corporation pursuant to a Lease, dated as of the date hereof (the “Lease”), and the City will sublease the Leased Property back from the Corporation pursuant to a Sublease, dated as of the date hereof (the “Sublease”);

WHEREAS, the City proposes to make base rental payments (“Base Rental Payments”) and additional rental payments for the use and occupancy of the Leased Property on the terms and conditions contained in the Sublease;

WHEREAS, the City and the Corporation have determined that it would be in the best interests of the City and the Corporation to provide the funds necessary to finance the Project through the sale and delivery of certificates of participation (the “2015 Certificates”) evidencing direct, fractional undivided interests in the Base Rental Payments to be made by the City under the Sublease;

WHEREAS, all rights to receive such base rental payments have been assigned without recourse by the Corporation to the Trustee pursuant to an Assignment Agreement, dated as of the date hereof;

WHEREAS, in consideration of such assignment and the execution of this Trust Agreement, the Trustee has agreed to execute and deliver the Certificates, each evidencing a direct, fractional undivided interest in such base rental payments; and

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

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

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS; EQUAL SECURITY

SECTION 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any amendment hereof or supplement hereto and of the Certificates and of any certificate, opinion, request or other document mentioned herein or therein have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

Additional Certificates

The term “Additional Certificates” means the certificates of participation authorized by a Supplemental Trust Agreement that are executed and delivered by the Trustee under and pursuant to Article II hereof.

Additional Rental

The term “Additional Rental” means the additional rental payments payable by the City under and pursuant to Section 5.01(b) of the Sublease.

Assignment Agreement

The term “Assignment Agreement” has the meaning set forth in the preamble hereto.

Authorized Denominations

The term “Authorized Denominations” means \$5,000 or any integral multiple thereof.

Base Rental Payment Fund

The term “Base Rental Payment Fund” means the fund by that name established in accordance with Section 5.01 hereof.

Base Rental Payments

The term “Base Rental Payments” means the base rental payments with interest components and principal components payable by the City under and pursuant to Section 5.01(a) of the Sublease, including any Additional Base Rental Payments.

Business Day

The term “Business Day” means a day other than (i) Saturday or Sunday or (ii) a day on which banking institutions in Los Angeles, California, New York, New York, the city or cities in which the principal corporate trust office of the Trustee is located are authorized or required by law to be closed or (iii) a day on which the New York Stock Exchange is closed.

Capitalized Interest Account

“Capitalized Interest Account” means the account by that name established pursuant to Section 5.02 hereof.

Certificate Insurance Policy

The term “Certificate Insurance Policy” means each municipal bond insurance policy, if any, issued by the applicable Certificate Insurer and guaranteeing, in whole or in part, the payment of principal or accreted value of and interest on a Series of Certificates.

Certificate Insurer

The term “Certificate Insurer” means any issuer or issuers of a policy or policies of municipal bond insurance obtained by the Agency to insure the payment of principal or Accreted Value of and interest on a Series of Certificates executed and delivered under the Indenture, when due otherwise than by acceleration, and which, in fact, are at any time insuring such Series of Certificates. For the purposes of this definition, all consents, approvals or actions required by the Certificate Insurer shall be by action of a majority of all Certificate Insurers (based upon the aggregate principal amount of Outstanding Certificates insured by each such Certificate Insurer) if there is more than a single Certificate Insurer. There is no Certificate Insurer with respect to the Series 2015 Certificates.

Certificate of Completion

The term “Certificate of Completion” means a Certificate of the City stating the fact and date of completion of the portion of the Construction Project relating to the improvements financed with each Series of Certificates and stating that all of the costs of construction thereof and incidental expenses have been determined and paid (or that all of such costs and expenses have been paid less specified claims which are subject to dispute and for which a retention in the Construction Fund is to be maintained in the full amount of such claims until such dispute is resolved).

Certificate of the City

The term “Certificate of the City” means an instrument in writing signed by the City Manager or the Chief Financial Officer of the City. If and to the extent required by the provisions of Section 12.06 hereof, each Certificate of the City shall include the statements provided for in Section 12.06 hereof.

Certificate of the Corporation

The term “Certificate of the Corporation” means an instrument in writing signed by the President, Vice-President or Treasurer of the Corporation. If and to the extent required by the provisions of Section 12.06 hereof, each Certificate of the Corporation shall include the statements provided for in Section 12.06 hereof.

Certificate Reserve Fund

The term “Certificate Reserve Fund” means the fund by that name established in accordance with Section 3.02 hereof.

Certificate Reserve Fund Requirement

The term “Certificate Reserve Fund Requirement” means, with respect to each Series of Certificates, an amount equal to an amount equal to the least of (i) maximum prospective annual Base Rental Payments with respect to Outstanding Certificates to be made by the City under the Sublease, (ii) 10% of the proceeds of the Certificates or (iii) 125% of the average annual Base Rental Payments with respect to Outstanding Certificates to be made by the City under the Sublease. The Certificate Reserve Fund Requirement with respect to any Series of Certificates may be satisfied by crediting to the account established within the Certificate Reserve Fund for such Series of Certificates a Reserve Facility.

Certificates

The term “Certificates” means the 2015 Certificates and any Additional Certificates executed and delivered by the Trustee pursuant hereto.

Certificates of Participation Purchase Agreement

The term “Certificates of Participation Purchase Agreement” means any agreement providing for the purchase of 2015 Certificates or any Series of Additional Certificates on the Issue Date thereof.

Chief Financial Officer

The term “Chief Financial Officer” means the Chief Financial Officer of the City or another official designated in writing by the City and authorized to act on behalf of the City under or with respect to this Trust Agreement and all other agreements related hereto.

City

The term “City” means the City of Calabasas, a municipal corporation organized and existing under the laws of the State of California.

Code

The term “Code” means the Internal Revenue Code of 1986, as amended.

Completion Date

The term “Completion Date” means each date upon which the City delivers a Certificate of Completion to the Trustee.

Construction Fund

The term “Construction Fund” means the fund by that name established in accordance with Section 3.02 hereof.

Corporation

The term “Corporation” means the City of Calabasas Facilities Corporation, a nonprofit public benefit corporation organized and existing under and by virtue of the laws of the State of California.

Cost of Issuance Fund

The term “Cost of Issuance Fund” means the fund by that name established in accordance with Section 3.05 hereof.

Costs of Issuance

The term “Costs of Issuance” means all the costs of execution and delivery any Certificates, including, but not limited to, all printing and document preparation expenses in connection with this Trust Agreement, the Lease, the Sublease, the Assignment Agreement, any Certificates and any preliminary official statement and final official statement pertaining to any Certificates; rating agency fees; CUSIP Service Bureau charges; market study fees; legal fees and expenses of counsel with respect to the financing of the Leased Property and the Project; any computer and other expenses incurred in connection with any Certificates; the fees and expenses of the Trustee until the Completion Date; and other fees and expenses incurred in connection with the execution of the Certificates or the implementation of the financing and refinancing for the Project, to the extent such fees and expenses are approved by the Corporation.

DTC

The term “DTC” means The Depository Trust Company, New York, New York, a limited-purpose trust company organized under the laws of the State of New York, and its

successors as securities depository for the Certificates including any such successor appointed pursuant to Section 2.07 hereof.

Electronic Means

The term “Electronic Means” means telecopy, telegraph, telex, facsimile transmission or other similar electronic means of communication, including a telephonic communication confirmed by writing or written transmission.

Escrow Agreement

The term “Indenture” means the Escrow Agreement between the Trustee and the City, dated as of [DATED DATE], as originally executed and as it may from time to time be amended or supplemented in accordance herewith.

Event of Default

The term “Event of Default” means any occurrence or event specified in and defined by Section 7.01 hereof.

Insurance Proceeds and Condemnation Awards Fund

The term “Insurance Proceeds and Condemnation Awards Fund” means the fund by that name established in accordance with Section 5.03 hereof.

Interest Fund

The term “Interest Fund” means the fund by that name established in accordance with Section 5.02 hereof.

Interest Payment Date

The term “Interest Payment Date” means each June 1 and December 1, commencing December 1, 2015.

Issue Date

The term “Issue Date” means, as to any Certificates, the date on which such Certificates are delivered to the Purchaser thereof.

Lease

The term “Lease” has the meaning set forth in the preamble hereto.

Lease Year

The term “Lease Year” means the period from each December 2 to and including the following December 1, during the term hereof; provided that the first Lease Year shall be from the Issue Date of the 2015 Certificates to December 1, 2015.

Leased Property

The term “Leased Property” means the real property, together with any improvements thereon or to be located thereon, as described in Exhibit A to the Sublease (as the same may be changed from time to time by Removal, Addition or Substitution, as defined in the Sublease).

MSRB

The term “MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

Opinion of Counsel

The term “Opinion of Counsel” means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the City or the Corporation.

Outstanding

The term “Outstanding” when used as of any particular time with reference to Certificates, means (subject to the provisions of Section 9.02, hereof) all Certificates except:

- (1) Certificates previously cancelled by the Trustee or delivered to the Trustee for cancellation;
- (2) Certificates no longer entitled to the benefits of this Trust Agreement;
- (3) Certificates paid or deemed to have been paid within the meaning of Section 10.01 hereof; and
- (4) Certificates in lieu of or in substitution for which other Certificates shall have been executed and delivered by the Trustee pursuant to Section 2.10 hereof.

Owner

The term “Owner” means the registered owner of any Outstanding Certificate as indicated in the registration books of the Trustee.

Permitted Investments

The term “Permitted Investments” means any of the following to the extent then permitted by applicable laws and any investment policies of the City:

A. The Certificate Insurer will allow the following obligations to be used as Permitted Investments for all purposes, including defeasance investments in refunding escrow accounts (Ambac Assurance does not give a premium credit for the investment of accrued and/or capitalized interest.):

- (1) cash (insured at all times by the Federal Deposit Insurance Corporation); and
- (2) obligations of, or obligations guaranteed as to principal and interest by, the U.S. or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the U.S. including:
 - U.S. treasury obligations
 - all direct or fully guaranteed obligations
 - Farmers Home Administration
 - General Services Administration
 - Guaranteed Title XI financing
 - Government National Mortgage Association (GNMA)
 - State and Local Government Series

Any security used for defeasance must provide for the timely payment of principal and interest and cannot be callable or prepayable prior to maturity or earlier redemption of the rated debt (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date).

B. The Certificate Insurer will allow the following Obligations to be used as Permitted Investments for all purposes other than defeasance investments in refunding escrow accounts:

- (1) obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:
 - Export-Import Bank
 - Rural Economic Community Development Administration
 - U.S. Maritime Administration
 - Small Business Administration
 - U.S. Department of Housing & Urban Development (PHAs)

- Federal Housing Administration
 - Federal Financing Bank
- (2) direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:
- senior debt obligations issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC)
 - obligations of the Resolution Funding Corporation (REFCORP)
 - senior debt obligations of the Federal Home Loan Bank System
 - senior debt obligations of other Government Sponsored Agencies approved by the Certificate Insurer
- (3) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "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);
- (4) commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P and which matures not more than 270 calendar days after the date of purchase;
- (5) investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;
- (6) pre-refunded Municipal Obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice;
- (A) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P or any successors thereto; or
 - (B) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph A(2) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any,

on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

- (7) Municipal Obligations rated “AAA” or general obligations of States with a rating of “A” or higher by S&P;
- (8) investment Agreements approved in writing by the Certificate Insurer (supported by appropriate opinions of counsel);
- (9) the Local Agency Investment Fund of the State of California;
- (10) the Los Angeles County Pooled Surplus Investments Fund; and
- (11) other forms of investments (including repurchase agreements) approved in writing by the Certificate Insurer.

C. The value of the above investments shall be determined as follows:

- (1) for the purpose of determining the amount in any fund, all Permitted Investments credited to such fund shall be valued at fair market value. The Trustee shall determine the fair market value based on accepted industry standards and from accepted industry providers. Accepted industry providers shall include but are not limited to pricing services provided by Financial Times Interactive Data Corporation, Merrill Lynch, Salomon Smith Barney, Bear Stearns, or Lehman Brothers;
- (2) as to certificates of deposit and bankers’ acceptances: the face amount thereof, plus accrued interest thereon; and
- (3) as to any investment not specified above: the value thereof established by prior agreement among the City, the Trustee, and the Certificate Insurer.

Prepayment Fund

The term “Prepayment Fund” means the fund by that name established in accordance with Section 5.02 hereof.

Principal Corporate Trust Office

The term “Principal Corporate Trust Office” means the principal corporate trust office of the Trustee, which principal corporate trust office, with respect to the Trustee, is located in Los Angeles, California; provided that with respect to the presentation of Certificates 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 shall be conducted.

Principal Fund

The term “Principal Fund” means the fund by that name established in accordance with Section 5.02 hereof.

Principal Payment Date

The term “Principal Payment Date” means a date on which the principal evidenced by the Certificates becomes due and payable.

Prior Obligations

The term “Prior Obligations” means the outstanding “City of Calabasas 2006 Certificates of Participation (Civic Center Project).”

Project; Construction Project; Refunding Project

The term “Project” means the Construction Project and the Refunding Project.

The term “Construction Project” means the project described in Exhibit A hereto, and such additional construction projects as may be added by the City from time to time.

The term “Refunding Project” means the refinancing of the Prior Obligations.

Purchaser

The term “Purchaser” means Citigroup Global Markets Inc., the purchaser of the 2015 Certificates and any underwriter or purchaser of any Series of Additional Certificates.

Rating Agency

The term “Rating Agency” means an agency which is providing a credit rating on any Certificates and shall include Standard & Poor’s Ratings Services, or any successor thereto (but only so long as it is providing such rating).

Rebate Fund

The term “Rebate Fund” means the fund by that name created in Section 6.09 hereof.

Rebate Requirement

The term “Rebate Requirement” means the Rebate Requirement as defined in the Tax Certificate.

Record Date

The term “Record Date” means the close of business on the fifteenth day of the month immediately preceding any Interest Payment Date, whether or not such day is a Business Day.

Rental Payments

The term “Rental Payments” means, collectively, the Base Rental Payments and the Additional Rental.

Representation Letter

The term “Representation Letter” means each Letter of Representations from the City and the Trustee to DTC, or any successor securities depository for the Certificates, in which the City and the Trustee make certain representations with respect to the Certificates, the payment with respect thereto and delivery of notices with respect thereto.

Reserve Facility

The term “Reserve Facility” means a letter of credit or other credit facility issued by a financial institution or other form of credit enhancement and any replacements thereto, including, but not limited to, surety bonds and guarantees delivered to the Trustee to meet all or a portion of the Certificate Reserve Fund Requirement.

Securities Depositories

The term “Securities Depositories” means: The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax - (516) 227-4039 or 4190; or to such other addresses and/or such other securities depositories as the Authority may designate in writing to the Trustee.

Serial Certificates

The term “Serial Certificates” means any Certificates which mature on consecutive semi-annual or annual dates other than by reason of sinking fund installments.

Serial Maturity Dates

The term “Serial Maturity Dates” means the dates on which the Serial Certificates mature.

Sublease

The term “Sublease” has the meaning set forth in the preamble hereto.

Supplemental Trust Agreement

The term “Supplemental Trust Agreement” means an agreement amending or supplementing the terms hereof entered into pursuant to the terms hereof.

Surety Bond

The term “Surety Bond” means the surety bond issued by _____ guaranteeing certain payments into the Reserve Fund with respect to the Certificates as provided therein and subject to the limitations set forth therein.

Tax Certificate

The term “Tax Certificate” means any certificate executed by the City at the time of execution and delivery of any Series of Certificates relating to the requirements of Section 148 of the Code, as such certificate may be amended or supplemented.

Trust Agreement

The term “Trust Agreement” has the meaning set forth in the preamble hereto.

Trustee

The term “Trustee” means U.S. Bank National Association, a national banking association organized under the laws of the United States, and any other bank or trust company which may at any time be substituted in the place of the Trustee, as provided in Section 8.02 hereof.

2015 Certificates

The term “2015 Certificates” means the \$XX,000,000 City of Calabasas 2015 Certificates of Participation (Civic Center Project).

2015 Certificates Account

The term “2015 Certificates Account” means the account by that name established within the Cost of Issuance Fund, the Certificate Reserve Fund, the Base Rental Payment Fund, the Interest Fund, the Principal Fund and the Prepayment Fund.

Written Request of the City

The term “Written Request of the City” means an instrument in writing signed by the City Manager, the Chief Financial Officer or other officers who are specifically authorized

by resolution of the governing board of the City to sign or execute such a document on its behalf, as reflected in a Certificate of the City to such effect delivered to the Trustee.

SECTION 1.02 Interpretation.

(a) In this Trust Agreement, unless the context otherwise requires:

(i) the terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Trust Agreement, refer to this Trust Agreement, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this Trust Agreement;

(ii) words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(iii) words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(iv) any headings preceding the text of the several Articles and Sections of this Trust Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Trust Agreement, nor shall they affect its meaning, construction or effect; and

(v) any reference to agreements shall refer to such agreements as they may be revised and amended as permitted in accordance with their terms.

(b) Whenever in this Trust Agreement the City, the Corporation or the Trustee is named or referred to, it shall include, and shall be deemed to include, the respective successors and assigns of such entity whether so expressed or not. All of the covenants, stipulations, obligations and agreements by or on behalf of, and other provisions for the benefit of, the City, the Corporation or the Trustee contained in this Trust Agreement shall bind and inure to the benefit of each of their respective successors and assigns and shall bind and inure to the benefit of any officer, board, commission, authority, agency or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the City or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions of this Trust Agreement.

(c) Nothing in this Trust Agreement expressed or implied is intended or shall be construed to confer upon, or to give to, any person other than the City, the Corporation, the Trustee, including their respective agents, and the Owners of the Certificates, any right, remedy or claim under or by reason of this Trust Agreement or any covenant, condition or stipulation hereof. All of the covenants, stipulations, promises and agreements in this Trust Agreement

contained by or on behalf of the City shall be for the sole benefit of the City, the Corporation, the Trustee, including their respective agents, and the Owners.

SECTION 1.03 Equal Security. In consideration of the acceptance of the Certificates by the Owners, this Trust Agreement shall be deemed to be and shall constitute a contract between the Trustee and the Owners to secure the full and final payment of the interest and principal evidenced by the Certificates which may be executed and delivered hereunder, subject to each of the agreements, conditions, covenants and terms contained herein; and all agreements, conditions, covenants and terms contained herein required to be observed or performed by or on behalf of the Trustee shall be for the equal and proportionate benefit, protection and security of all Owners without distinction, preference or priority as to security or otherwise of any Certificates over any other Certificates by reason of the number or date thereof or the time of execution or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein.

ARTICLE II

TERMS AND CONDITIONS OF CERTIFICATES

SECTION 2.01 Preparation of Certificates. The Trustee is hereby authorized and directed and, upon the Written Request of the City, to execute and deliver the Certificates in the aggregate principal amount of \$XX,000,000, such Certificates together evidencing the aggregate principal components of the Base Rental Payments payable and each evidencing a fractional undivided interest in the Base Rental Payments. The Certificates shall be numbered, with or without prefixes, as determined by the Trustee.

SECTION 2.02 Denomination, Medium and Dating of Certificates. The Certificates shall be designated “City of Calabasas 2015 Certificates of Participation (Civic Center Project)” and shall be in substantially the form of Exhibit B hereto. The Certificates shall be prepared in the form of fully registered Certificates, without coupons, in Authorized Denominations and shall be payable in lawful money of the United States of America.

Each Certificate shall be dated as of the date of execution of such Certificate. Each Certificate shall evidence interest from the Interest Payment Date to which interest has been paid or duly provided for next preceding its date of execution, unless such date of execution shall be (i) prior to the close of business on the Record Date for the first Interest Payment Date with respect to such Certificate, in which case such Certificate shall evidence interest from the date of execution thereof, (ii) subsequent to a Record Date but before the related Interest Payment Date, in which case such Certificate shall evidence interest from such Interest Payment Date, or (iii) an Interest Payment Date to which interest has been paid in full or duly provided for, in which case such Certificate shall evidence interest from such date of execution; provided, however, that if, as shown by the records of the Trustee, interest shall be in default, each Certificate shall evidence interest from the last date to which interest has been paid in full or duly provided for or, if no interest has been paid or duly provided for, from the date of execution thereof.

SECTION 2.03 Payment Dates of Certificates; Interest.

(a) Method and Place of Payment. The principal evidenced by the Certificates shall be payable, subject to prior optional and mandatory prepayment, including, without limitation, Mandatory Sinking Account Payments, on December 1 of the years, in the amounts, and shall accrue interest at the rates per annum set forth below:

<u>Principal Payment Date</u> <u>(December 1)</u>	<u>Principal Component</u>	<u>Interest Rate</u>
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2030		
2035		
2041		

Except as otherwise provided in the Representation Letter, the interest evidenced by the Certificates shall be payable on each Interest Payment Date by check or draft mailed on the Interest Payment Date by the Trustee to the respective Owners of the Certificates as of the Record Date for such Interest Payment Date at their addresses shown on the books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof. Payments of defaulted interest with respect to any Certificate shall be paid by check or draft to the Owner as of a special record date to be fixed by the Trustee, notice of which special record date shall be mailed to the Owner of the Certificate not less than 10 days prior thereto. The principal and premium, if any, evidenced by the Certificates shall be payable upon presentation and surrender thereof on maturity or on prepayment prior thereto at the Principal Corporate Trust Office of the Trustee.

The Owner of \$1,000,000 or more in aggregate principal amount evidenced by the Certificates may request in writing that the Trustee pay the interest evidenced by such Certificates by wire transfer and the Trustee shall comply with such request for all Interest Payment Dates following the 15th day after receipt of such request until such request is rescinded.

(b) Computation of Interest. The interest evidenced by the Certificates shall be payable on each Interest Payment Date to and including their Principal Payment Date(s) or prepayment prior thereto, and shall evidence the sum of the portions of the Base Rental

Payments designated as interest components coming due on the Interest Payment Dates in each year. The principal evidenced by the Certificates shall be payable on their respective Principal Payment Date(s) and Mandatory Sinking Account Payment Dates in each year and shall evidence the sum of the portions of the Base Rental Payments designated as principal components coming due on the Principal Payment Date(s) and Mandatory Sinking Account Payment Dates in each year.

Interest evidenced by the Certificates shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Payment shall be made on each Interest Payment Date for unpaid interest accrued from and including the previous Interest Payment Date to but not including such Interest Payment Date.

SECTION 2.04 Form of Certificates. The Certificates and the assignment to appear thereon shall be in substantially the form of Exhibit C hereto, with necessary or appropriate insertions, omissions and variations as permitted or required hereby. Any Additional Certificates and the assignment to appear thereon shall be substantially in the form included in the Supplemental Trust Agreement providing for such Additional Certificates.

SECTION 2.05 Execution of Certificates and Replacement Certificates. The Certificates shall be executed by the Trustee by the manual signature of an authorized signatory of the Trustee. The Trustee shall deliver replacement Certificates in the manner and as contemplated by this Article. Such replacement Certificates shall be executed as herein provided and shall be in Authorized Denominations. All Certificates for which such replacement Certificates are delivered shall be deemed canceled.

SECTION 2.06 Transfer and Payment of Certificates; Exchange of Certificates. Each Certificate is transferable by the Owner thereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, on the books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof, upon surrender of such Certificate for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee. The Trustee may treat the Owner of any Certificate as the absolute owner of such Certificate for all purposes, whether or not the principal or interest evidenced by such Certificate shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest and principal evidenced by such Certificate shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge the liability evidenced by such Certificate to the extent of the sum or sums so paid.

Whenever any Certificate shall be surrendered for transfer, the Trustee shall execute and deliver a new Certificate or Certificates evidencing principal in the same aggregate amount and having the same Stated Principal Payment Date. The Trustee shall require the payment by any Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. The cost of printing Certificates and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the City.

Each Certificate may be exchanged at the Principal Corporate Trust Office of the Trustee, for Certificates evidencing principal in a like aggregate principal amount, having the same stated Principal Payment Date and in such Authorized Denominations as the Owner thereof may request. The Trustee shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. The cost of printing Certificates and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the City.

The Trustee shall not be required to transfer or exchange any Certificate during the period from the Record Date nextpreceding each Interest Payment Date to such Interest Payment Date, nor shall the Trustee be required to transfer or exchange any Certificate or portion thereof selected for prepayment from and after the date of mailing the notice of prepayment thereof.

SECTION 2.07 Book-Entry Certificates.

(a) Except as otherwise provided in subsections (b) and (c) of this Section 2.07, the Certificates initially executed and delivered hereunder shall be registered in the name of Cede & Co., as nominee for DTC, or such other nominee as DTC may request. Payment of the principal and interest with respect to each Certificate registered in the name of Cede & Co. shall be made to the account, in the manner and at the address indicated in or pursuant to the Letter of Representations.

(b) The Certificates executed and delivered hereunder shall be in the form of a single executed fully registered certificate for each maturity. Upon initial execution of any Certificates, the ownership of all such Certificates shall be registered in the registration books maintained by the Trustee pursuant to Section 2.08 in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC may request. The Trustee, the Corporation and the City may treat DTC (or its nominee) as the sole and exclusive owner of the Certificates registered in its name for the purposes of payment of the principal and interest with respect to such Certificates, selecting any Certificates or portions thereof to be prepaid, giving any notice permitted or required to be given to an Owner hereunder, registering the transfer of Certificates, obtaining any consent or other action to be taken by the Owners and for all other purposes whatsoever; and neither the Trustee, the Corporation nor the City shall be affected by any notice to the contrary. Neither the Trustee nor the City shall have any responsibility or obligation to any Participant (which shall mean, for purposes of this Section 2.07, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Certificates under or through DTC or any Participant, or any other person which is not shown on the registration records as being an Owner, with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC or any Participant of any amount in respect of the principal or interest evidenced by such Certificates, (iii) any notice which is permitted or required to be given to the Owners hereunder, (iv) the selection by DTC or any Participant of any person to receive payment in the event, if any, of a partial prepayment of the Certificates, or (v) any consent given or other action taken by DTC as Owner. The Trustee shall pay all principal and premium, if any, and interest with respect to the Certificates only at the times, to

the accounts, at the addresses and otherwise in accordance with the Representation Letter. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the Certificates will be transferable to such new nominee in accordance with subsection (f) of this Section 2.07.

(c) In the event that the City determines that it is in the best interests of the beneficial owners of the Certificates that they be able to obtain Certificates, the Trustee shall, upon the written instruction of the City, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of Certificates. In such event, the Certificates will be transferable in accordance with subsection (f) of this Section 2.07. DTC may determine to discontinue providing its services with respect to the Certificates at any time by giving written notice of such discontinuance to the City and the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Certificates will be transferable in accordance with subsection (f) of this Section 2.07. Whenever DTC requests the City and the Trustee to do so, the Trustee and the City will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all certificates evidencing the Certificates then Outstanding. In such event, the Certificates will be transferable to such securities depository in accordance with subsection (f) of this Section 2.07, and thereafter, all reference in this Trust Agreement to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of this Trust Agreement to the contrary, so long as all Certificates Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal and interest evidenced by each such Certificate and all notices with respect to each such Certificate shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) The City shall execute and deliver the Representation Letter and, in connection with any successor nominee for DTC and any successor depository, enter into comparable arrangements, and shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this Trust Agreement.

(f) In the event that any transfer or exchange of Certificates is authorized under subsection (b) or (c) of this Section 2.07, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the Certificates to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Section 2.06. In the event Certificates are issued to holders other than Cede & Co., its successor as nominee for DTC as holder of all the Certificates, another securities depository as holder of all the Certificates, or the nominee of such successor securities depository, the provisions of this Trust Agreement shall also apply to, among other things, the registration, exchange and transfer of the Certificates and the method of payment of principal, premium, if any, and interest with respect to the Certificates.

SECTION 2.08 Certificate Registration Books. The Trustee will keep at its Principal Corporate Trust Office, sufficient books for the registration and transfer of the Certificates, which books shall be available for inspection by the Corporation or the City at

reasonable hours and under reasonable conditions; and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer the Certificates on such registration books as hereinabove provided. The Trustee shall, upon written request, make copies of such registration books available to any Owner or his agent duly authorized in writing.

SECTION 2.09 Temporary Certificates. The Certificates may be initially delivered in temporary form exchangeable for definitive Certificates when ready for delivery, which temporary Certificates shall be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Trustee, shall be in fully registered form and shall contain such reference to any of the provisions hereof as may be appropriate. Every temporary Certificate shall be executed and delivered by the Trustee upon the same conditions and terms and in substantially the same manner as definitive Certificates. If the Trustee executes and delivers temporary Certificates, it shall prepare and execute definitive Certificates without delay, and thereupon the temporary Certificates may be surrendered at the Principal Corporate Trust Office of the Trustee, in exchange for such definitive Certificates, and until so exchanged such temporary Certificates shall be entitled to the same benefits hereunder as definitive Certificates executed and delivered hereunder.

SECTION 2.10 Certificates Mutilated, Lost, Destroyed or Stolen. If any Certificate shall become mutilated, the Trustee, at the expense of the Owner thereof, shall execute and deliver a new Certificate evidencing a like principal amount and having the same stated Principal Payment Date and number in exchange and substitution for the Certificate so mutilated, but only upon surrender to the Trustee of the Certificate so mutilated. Every mutilated Certificate so surrendered to the Trustee shall be canceled by it. If any Certificate shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee, and if such evidence is satisfactory to the Trustee an indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Owner thereof, shall execute and deliver a new Certificate evidencing a like principal amount and having the same stated Principal Payment Date, numbered as the Trustee shall determine, in lieu of and in substitution for the Certificate so lost, destroyed or stolen. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Certificate executed and delivered by it under this Section and of the expenses which may be incurred by it under this Section. Any Certificate executed and delivered under the provisions of this Section in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits hereof with all other Certificates executed and delivered hereunder, and the Trustee shall not be required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining the amount of Certificates which may be executed and delivered hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder, but both the original and replacement Certificate shall be treated as one and the same. Notwithstanding any other provision of this Section, in lieu of executing and delivering a new Certificate for a Certificate which has been lost, destroyed or stolen and which has matured or will mature within 30 days after the Trustee has received all required indemnity and payments on account of a lost, destroyed or stolen Certificate, the Trustee may make payment of such Certificate to the Owner thereof if so instructed by the City.

SECTION 2.11 Execution and Delivery of Additional Certificates. In addition to the 2015 Certificates, the City, the Corporation and the Trustee may by execution of a Supplemental Trust Agreement without the consent of the Owners, provide for the execution and delivery of Additional Certificates representing additional Base Rental Payments, the Trustee may execute and deliver to or upon the request of the City, such Additional Certificates, in such principal amount as shall reflect the additional principal components of the Base Rental Payments and the proceeds of such Additional Certificates may be applied to any lawful purposes of the Corporation or the City, but such Additional Certificates may only be executed and delivered upon compliance by the City with the provisions of Section 2.12 hereof and subject to the following specific conditions, which are hereby made conditions precedent to the execution and delivery of any such Additional Certificates:

(a) the City and the Corporation shall not be in default under the Trust Agreement, any Supplemental Trust Agreement, the Lease or the Sublease;

(b) said Supplemental Trust Agreement shall provide that from such proceeds or other sources an amount shall be deposited in the Certificate Reserve Fund so that following such deposit there shall be on deposit in the Certificate Reserve Fund an amount at least equal to the Certificate Reserve Fund Requirement;

(c) the Additional Certificates shall be payable as to principal on December 1 of each year in which principal components are due and shall be payable as to interest on June 1 and December 1 of each year commencing after their date of execution and delivery;

(d) the aggregate principal amount of Certificates executed and delivered and at any time Outstanding hereunder (including the 2015 Certificates and any Additional Certificates) or under any Supplemental Trust Agreement shall not exceed any limit imposed by law, by this Trust Agreement or by any Supplemental Trust Agreement;

(e) the Sublease shall have been amended so as to increase the Base Rental Payments payable by the City thereunder by an aggregate amount equal to the principal and interest represented by such Additional Certificates, payable at such times and in such manner as may be necessary to provide for the payment of the principal and interest represented by such Certificates; provided, however, that no such amendment shall be made such that the sum of Base Rental Payments, including any such amendment, plus Additional Rental shall be in excess of the fair rental value of the Leased Property after taking into account the use of the proceeds of any Additional Certificates executed and delivered in connection therewith (evidence of the satisfaction of this condition shall be made by a Certificate of the City); and

(f) said Supplemental Trust Agreement shall provide Principal Payment Dates and/or mandatory prepayments of Additional Certificates in amounts sufficient to provide for payment of the Additional Certificates when principal and interest components of Base Rental Payments are due.

Any Additional Certificates shall be on a parity with the Certificates and each Owner thereof shall have the same rights upon an Event of Default as the Owner of any other

Certificates executed and delivered under this Trust Agreement, except as otherwise provided in the Supplemental Trust Agreement under which Additional Certificates are executed and delivered.

SECTION 2.12 Proceedings for Authorization of Additional Certificates.

Whenever the City and the Corporation shall determine to authorize the execution and delivery of any Additional Certificates pursuant to Section 2.11 hereof, the City, the Corporation and the Trustee shall enter into a Supplemental Trust Agreement without the consent of the Owners of any Certificates, providing for the execution and delivery of such Additional Certificates, specifying the maximum principal amount of such Additional Certificates and prescribing the terms and conditions of such Additional Certificates.

Such Supplemental Trust Agreement shall prescribe the form or forms of such Additional Certificates and, subject to the provisions of Section 2.11 hereof, shall provide for the distinctive designation, denominations, method of numbering, dates, Principal Payment Dates, interest rates, Interest Payment Dates, provisions for prepayment (if desired) and places of payment of principal and interest.

Before such Additional Certificates shall be executed and delivered, the City and the Corporation shall file or cause to be filed the following documents with the Trustee:

(a) an Opinion of Counsel setting forth (1) that such Counsel has examined the Supplemental Trust Agreement and the amendment to the Sublease required by Section 2.11(e) hereof; (2) that the execution and delivery of the Additional Certificates have been sufficiently and duly authorized by the City and the Corporation; (3) that said amendment to the Sublease and the Supplemental Trust Agreement, when duly executed by the City and the Corporation, will be valid and binding obligations of the City and the Corporation; (4) that the amendment to the Sublease has been duly authorized, executed and delivered and has been duly recorded; and (5) that the amendment to the Sublease does not adversely affect the tax-exempt status of interest evidenced by any then Outstanding Certificates;

(b) a Certificate of the City that the requirements of Section 2.11 hereof have been met, which shall include a Certificate by the City as to the fair rental value of the Leased Property, after giving effect to the new execution and delivery of the Additional Certificates and to the use of proceeds received therefrom;

(c) certified copies of the resolutions of the Corporation and the City authorizing the execution of the amendments to the Sublease required by Section 2.11 hereof;

(d) an executed counterpart or duly authenticated copy of the amendment to the Sublease required by Section 2.11(e) hereof;

(e) certified copies of the policies of insurance required by Article VI of the Sublease or certificates thereof, which shall evidence that the amounts of the insurance required under Section 6.03(1) and (2) of the Sublease have been increased, if applicable, to cover the amount of such Additional Certificates;

(f) a CLTA title insurance policy or other appropriate form of policy in the amount of the Additional Certificates of the type and with the endorsements described in Section 6.05 of the Sublease;

(g) in the event of any Addition of Additional Property in connection with the execution and deliver of such Additional Certificates, such other certificates and opinions as are required by Section 2.06 of the Sublease and not otherwise covered by clauses (a) through (f) above; and

(h) in the event of the execution and delivery of Additional Certificates, other than Additional Certificates executed and delivered in connection with the refunding of existing Certificates, the written consent of the Certificate Insurer.

Upon the delivery to the Trustee of the foregoing instruments and upon the Trustee's being satisfied from an examination of said instruments that all applicable provisions of this Trust Agreement have been complied with, so as to permit the execution and delivery of the Additional Certificates in accordance with the Supplemental Trust Agreement then delivered to the Trustee, the Trustee shall execute and deliver said Additional Certificates, in the aggregate principal amount specified in such Supplemental Trust Agreement, to, or upon the request of, the City.

ARTICLE III

PROCEEDS OF CERTIFICATES

SECTION 3.01 Delivery of Certificates. The Trustee is hereby authorized to execute and deliver the Certificates to the respective Purchaser pursuant to the respective Certificates of Participation Purchase Agreement upon receipt of a Written Request of the City and upon receipt of the proceeds of sale thereof.

SECTION 3.02 Deposit of Proceeds of 2015 Certificates and Other Moneys; Establishment of Funds and Accounts; Surety Bond Deposit. The proceeds received from the sale of the 2015 Certificates shall be deposited by the Trustee in the following respective funds and accounts, as directed by a Written Request of the City:

(a) From the proceeds of the 2015 Certificates the Trustee shall deposit in the Cost of Issuance Fund established pursuant to Section 3.05 hereof the amount of \$_____.

(b) From the proceeds of the 2015 Certificates the Trustee shall deposit in escrow account established under the Escrow Agreement the amount of \$_____.

(c) From the proceeds of the 2015 Certificates the Trustee shall deposit in the Construction Fund established pursuant to Section 3.03 hereof the amount of \$_____.

(d) From the proceeds of the 2015 Certificates the Trustee shall deposit in the Capitalized Interest Account of the Interest Fund established pursuant to Section 5.02 hereof the amount of \$_____.

[The Trustee shall deposit the Surety Bond in the Certificate Reserve Fund established pursuant to Section 3.04 hereof.]

SECTION 3.03 Use of Moneys in the Construction Fund. The Trustee shall establish and maintain a separate fund to be known as the "Construction Fund". All moneys in the Construction Fund shall be held by the Trustee in trust and applied by the Trustee to the payment of the costs of the Construction Project and of expenses incident thereto (or for making reimbursements to the Corporation, the City or any other person, firm or corporation for such costs theretofore paid by him or it), including, without limitation, architectural and engineering fees and expenses, furniture and equipment, tests and inspections, surveys, land acquisition, insurance premiums and losses during construction not insured against because of deductible amounts.

Before any payment is made from the Construction Fund, the City shall cause to be filed with the Trustee a Written Request of the City showing with respect to each payment to be made:

- (1) the item number of the payment;
- (2) the name of the person, corporation or entity to whom payment is due;
- (3) the amount to be paid;
- (4) the purpose for which the obligation to be paid was incurred; and
- (5) shall state that obligations in the stated amounts are a proper charge against the Construction Fund.

Upon receipt of each such Written Request, the Trustee will pay the amount set forth in such Written Request as directed by the terms thereof. The Trustee need not make any such payment if it has received written notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys to be so paid, which has not been released or will not be released simultaneously with such payment, unless a payment bond has been posted with the Trustee in the full amount of such lien or claim.

Upon completion of the Construction Project evidenced by delivery of a Certificate of Completion, provided that the City shall have determined not to use any remaining amounts in the Construction Fund for any other lawful purposes, the Trustee shall transfer and deposit any remaining balance in the Construction Fund (but less the amount of any retention as specified in the Certificate of Completion) to the Certificate Reserve Fund to the extent the amount on deposit therein is less than the Certificate Reserve Fund Requirement and the remainder, if any, to the Base Rental Fund.

SECTION 3.04 Certificate Reserve Fund.

(a) The Trustee shall establish and maintain a separate fund to be known as the “Certificate Reserve Fund.” Moneys in the Certificate Reserve Fund shall be used and withdrawn by the Trustee solely for the purposes set forth in this Section 3.04. [There shall be deposited in the Reserve Fund the Surety Bond pursuant to Section 3.02 hereof.] The City, upon notice to the Rating Agencies, reserves the right to substitute, at any time and from time to time, one or more Reserve Facilities from a financial institution, the long-term unsecured obligations of which are rated in the two highest rating categories of the Rating Agency in substitution for or in place of all or any portion of the Surety Bond or the moneys, if any, on deposit in the Reserve Fund, which satisfy the Certificate Reserve Fund Requirement, under the terms of which the Trustee is unconditionally entitled to draw amounts when required for the purposes hereof. Upon deposit by the City with the Trustee of any such Reserve Facility(ies), the Trustee shall, on or after the date of such deposit, transfer to the City such amounts as are on deposit in the Certificate Reserve Fund in excess of the Certificate Reserve Fund Requirement after application of the Reserve Facility(ies) thereto. The City shall, subject to any investment instructions contained in the Tax Certificate, use any such amounts transferred from the Certificate Reserve Fund for any lawful purpose of the City which will not adversely affect any current or past exclusion from gross income for federal income tax purposes of the interest component of Base Rental, if and to the extent such interest component is currently or has in the past been so excluded. Any amounts paid pursuant to any Reserve Facility shall be deposited in the Reserve Fund. The moneys in the Reserve Fund and any Reserve Facility shall be held in trust by the Trustee and shall be used and disbursed only for the purposes and uses herein authorized.

(b) Amounts on deposit in the Reserve Fund which were not derived from payments under any Reserve Facility credited to the Reserve Fund to satisfy a portion of the Reserve Requirement shall be used and withdrawn by the Trustee prior to using and withdrawing any amounts derived from payments under any such Reserve Facility. In order to accomplish such use and withdrawal of such amounts not derived from payments under any such Reserve Facility, the Trustee shall, as and to the extent necessary, liquidate any investments purchased with such amounts. If and to the extent that, more than one Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Reserve Requirement, drawings thereunder, and repayment of expenses with respect thereto, shall be made on a pro-rata basis (calculated by reference to the policy limits available thereunder).

(c) If, on any Interest Payment Date, the amount on deposit in any account within the Interest Fund is insufficient to pay the interest due with respect to the corresponding Series of Certificates on such Interest Payment Date, the Trustee shall transfer from the corresponding account within the Certificate Reserve Fund and deposit in such account within the Interest Fund an amount sufficient to make up such deficiency. If a Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Certificate Reserve Requirement, the Trustee shall make a claim for payment under such Reserve Facility, in accordance with the provisions thereof, in an amount which, together with other available moneys in the Reserve Fund, will be sufficient to make said deposit in the Interest Fund.

(d) If, on any Principal Payment Date or any Mandatory Sinking Account Payment Date, the amount on deposit in any account within the Principal Fund is insufficient to pay the principal due with respect to the corresponding Series of Certificates on such Principal Payment Date or Mandatory Sinking Account Payment Date, the Trustee shall transfer from the corresponding account within the Certificate Reserve Fund and deposit in such account within the Principal Fund an amount sufficient to make up such deficiency. If a Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Certificate Reserve Requirement, the Trustee shall make a claim for payment under such Reserve Facility, in accordance with the provisions thereof, in an amount which, together with other available moneys in the Reserve Fund, will be sufficient to make said deposit in the Principal Fund.

(e) In the event of any withdrawal or transfer from the Certificate Reserve Fund, the Trustee shall, within 5 days thereafter, provide written notice to the City of the amount and the date of such transfer. If there are no amounts currently due under any Reserve Facility and the sum of the amount on deposit in the Reserve Fund, plus the amount available under any Reserve Facilities, shall be reduced below the Reserve Requirement, the first of Base Rental Payments thereafter received from the City under the Sublease and not needed to pay the interest and principal components of the Certificates on the next Interest Payment Date, Principal Payment Date or Mandatory Sinking Account Payment Date shall be used, first, to reinstate the amounts available under the Reserve Facilities that have been drawn upon and, second, to increase the amount on deposit in the Reserve Fund, so that the amount available under the Reserve Facilities, when added to the amount on deposit in the Reserve Fund, shall equal the Reserve Requirement. In the event there are insufficient funds to remedy any deficiencies in all such accounts, moneys shall be deposited pro rata in each such account.

(f) If at any time the balance in any account within the Certificate Reserve Fund shall be in excess of the Certificate Reserve Fund Requirement for such fund, the Trustee shall transfer such excess to any other account within the Certificate Reserve Fund with a balance less than the Certificate Reserve Fund Requirement for such fund to make up such deficiency, and thereafter pro rata to each account within the Base Rental Payment Fund except the Prepayment Fund.

(g) At the termination of the Sublease in accordance with its terms, any balance remaining in the Certificate Reserve Fund shall be released and may be transferred to such other fund or account of the City, or otherwise used by the City for any other lawful purposes, as the City may direct. For purposes of determining the amount on deposit in the Certificate Reserve Fund, all investments shall annually be valued at the cost thereof (exclusive of accrued but unpaid interest, but inclusive of commissions). Except as provided in this paragraph from Base Rental Payments not needed to pay the interest and principal components of the Certificates and from amounts available to be transferred from the Cost of Issuance Fund pursuant to Section 3.05 hereof, the City shall have no obligation to replenish the Certificate Reserve Fund.

SECTION 3.05 Cost of Issuance Fund. There is hereby established in trust a special fund designated as the "Cost of Issuance Fund" and within such fund a separate account for each Series of Certificates which shall be held by the Trustee and which shall be kept

separate and apart from all other funds and accounts held by the Trustee. The Trustee shall disburse moneys from each account within the Cost of Issuance Fund on such dates and in such amounts as are necessary to pay Costs of Issuance for the corresponding Series of Certificates, in each case upon the Written Request of the City, with the approval of the Chief Financial Officer of the City, 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 the Cost of Issuance Fund. Upon receipt of the Certificate of Completion described in Section 3.03 hereof, the Trustee shall transfer any amounts then remaining in any account established with respect to any Series of Certificates within the Cost of Issuance Fund to the Certificate Reserve Fund to the extent the amount on deposit therein is less than the Certificate Reserve Fund Requirement, and such remainder to the Base Rental Fund. At any time prior to receipt of the Certificate of Completion, upon receipt of a Written Request of the City stating that all Costs of Issuance have been paid, the Trustee shall transfer any amounts remaining in the Cost of Issuance Fund to the Construction Fund.

ARTICLE IV

PREPAYMENT OF CERTIFICATES

SECTION 4.01 Terms of Prepayment. The Certificates shall be subject to prepayment prior to their stated Principal Payment Dates only as set forth in subsections (a) and (b) hereof.

(a) The Certificates are subject to prepayment on any date prior to their stated Principal Payment Dates, as a whole, or in part, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a prepayment price equal to the sum of the principal amount evidenced thereby plus accrued interest evidenced thereby to the date fixed for prepayment, without premium.

(b) The Certificates maturing on or after [**December 1, 2026**, shall be subject to optional prepayment prior to maturity, at the option of the City, on or after **December 1, 2025**], in whole at any time or in part (by lot within any maturity), on any date, a prepayment price equal to the principal amount to be prepaid, plus accrued interest to the date fixed for prepayment, without premium. The City shall provide written notice to the Trustee at least 45 days prior to the prepayment date (or such lesser period of time acceptable to the Trustee in its sole discretion) specifying the principal amount evidenced by and maturities of the Certificates to be redeemed.

SECTION 4.02 Selection of Certificates for Prepayment. Whenever less than all of the Outstanding Series of Certificates are to be prepaid on any one date, the City shall determine which Series of Certificates are to be prepaid. Whenever less than all the Outstanding Certificates of any Series are to be prepaid on any one date, the Trustee shall select the Certificates to be prepaid in any manner that the Trustee deems fair and appropriate, consistent with Section 5.05 of the Sublease, which decision shall be final and binding upon the City, the Corporation and the Owners, and the Trustee shall promptly notify the Corporation and the City

in writing of the numbers of the Certificates so selected for prepayment on such date. For purposes of such selection, any Certificate may be prepaid in part in Authorized Denominations.

SECTION 4.03 Notice of Prepayment. Notice of prepayment shall be mailed by first class mail by the Trustee, on behalf and at the expense of the City, not less than 30 nor more than 60 days prior to the prepayment date to the respective Owners of Certificates designated for prepayment at their addresses appearing on the bond registration books of the Trustee. The Trustee shall also provide such additional notice of prepayment of Certificates at the time and as may be required by the MSRB. Each notice of prepayment shall state the date of such notice, the Certificates to be redeemed, the Series and date of issue of such Certificates, the prepayment date, the prepayment price, the place or places of prepayment (including the name and appropriate address or addresses), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity are to be redeemed, the distinctive certificate numbers of the Certificates of such maturity to be redeemed and, in the case of Certificates to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that such prepayment may be rescinded by the City and that, unless such prepayment is so rescinded, and provided that on said date funds are available for payment in full of the Certificates then called for prepayment, on said date there will become due and payable on each of such Certificates the prepayment price thereof or of said specified portion of the principal amount thereof in the case of a Certificate to be redeemed in part only, together with interest accrued thereon to the prepayment date, and that from and after such prepayment date interest thereon shall cease to accrue, and shall require that such Certificates be then surrendered at the address or addresses of the Trustee specified in the prepayment notice.

Failure by the Trustee to give notice pursuant to this Section to any one or more of the information services or securities depositories, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for prepayment. The failure of any Owner to receive any prepayment notice mailed to such Owner and any defect in the notice so mailed shall not affect the sufficiency of the proceedings for prepayment.

The City shall have the right to rescind any optional prepayment by written notice to the Trustee on or prior to the date fixed for prepayment. Any notice of prepayment shall be cancelled and annulled if for any reason funds are not available on the date fixed for prepayment for the payment in full of the Certificates then called for prepayment, and such cancellation shall not constitute an Event of Default hereunder. The Trustee shall mail notice of such rescission of prepayment in the same manner as the original notice of prepayment was sent.

SECTION 4.04 Partial Prepayment of Certificates. Upon surrender of any Certificate prepaid in part only, the Trustee shall execute and deliver to the Owner thereof a new Certificate or Certificates evidencing the unprepaid principal amount of the Certificate surrendered.

SECTION 4.05 Effect of Prepayment. If notice of prepayment has been duly given as aforesaid and moneys for the payment of the prepayment price of the Certificates to be prepaid are held by the Trustee, then on the prepayment date designated in such notice the Certificates so called for prepayment shall become payable at the prepayment price specified in

such notice; and from and after the date so designated interest evidenced by the Certificates so called for prepayment shall cease to accrue, such Certificates shall cease to be entitled to any benefit or security hereunder and the Owners of such Certificates shall have no rights in respect thereof except to receive payment of the prepayment price thereof. The Trustee shall, upon surrender for payment of any of the Certificates to be prepaid, pay such Certificates at the prepayment price thereof.

All Certificates prepaid pursuant to the provisions of this Article shall be canceled by the Trustee and shall not be redelivered.

ARTICLE V

RENTAL PAYMENTS

SECTION 5.01 Pledge of Base Rental Payments and Additional Rental; Base Rental Payment Fund. In order to secure the City's obligations hereunder and under the Sublease, the Corporation and the City hereby irrevocably pledge and transfer to the Trustee, for the benefit of the Owners of each Series of Certificates, all of their right, title and interest, if any, in and to all amounts on deposit from time to time in the funds and accounts established hereunder (other than the Rebate Fund) with respect to such Series and in and to Base Rental Payments, which shall be used for the punctual payment of the interest and principal evidenced by such Certificates, and the Base Rental Payments shall not be used for any other purpose while any of the Certificates remain Outstanding. This pledge shall constitute a first and exclusive lien on the funds and accounts established hereunder (other than the Rebate Fund) and the Base Rental Payments in accordance with the terms hereof subject in all events to the power of the Trustee to execute and deliver Additional Certificates pursuant to Section 2.11 hereof which shall be on a parity with all Outstanding Certificates and any Additional Certificates Outstanding.

All Base Rental Payments shall be paid directly by the City to the Trustee, and if received by the Corporation at any time shall be deposited by the Corporation with the Trustee within one Business Day after the receipt thereof. All Base Rental Payments paid by the City, the proceeds of rental interruption insurance and liquidated damages with respect to the Leased Property, if any, shall be deposited by the Trustee pro rata in separate accounts for each Series of Certificates within the Base Rental Payment Fund and all amounts on deposit therein shall be held in trust by the Trustee, which fund and accounts the Trustee hereby agrees to establish and maintain until all required Base Rental Payments with respect to such Series of Certificates are paid in full pursuant to the Sublease or until such date as no Certificates of such Series are Outstanding, for the benefit of the Owners thereof from time to time. The moneys in the Base Rental Payment Fund shall be held in trust by the Trustee for the benefit of the Owners and shall be disbursed only for the purposes and uses herein authorized.

SECTION 5.02 Deposit of Base Rental Payments. The Trustee shall deposit the amounts on deposit in the separate accounts established with respect to each Series of Certificates within the Base Rental Payment Fund at the time and in the manner hereinafter provided in the following respective funds and accounts, each of which the Trustee shall

establish and maintain until all required Base Rental Payments with respect to such Series are paid in full pursuant to the Sublease or until such date as no Certificates of such Series are Outstanding, and the moneys in each of such funds and accounts shall be disbursed only for the purposes and uses hereinafter authorized.

(a) Interest Fund and Capitalized Interest Account. The Trustee, on each Interest Payment Date, shall deposit in each account within the Interest Fund that amount of moneys evidencing the portion of the Base Rental Payments designated as the interest component coming due on such Interest Payment Date; provided, however, that on each Interest Payment Date occurring on or before the later of December 1, 2016 or the delivery to the Trustee of the Certificate of Completion, before making said deposit, if and to the extent available in the Capitalized Interest Account within the Interest Fund, an amount equal to the aggregate amount of interest component coming due on such Interest Payment Date with respect to the Construction Project (which is equal to __.% of the interest component coming due on each such date), shall be transferred from the Capitalized Interest Account within the Interest Fund to the Interest Fund; it being acknowledged that the Base Rental Payments Schedule attached to the Sublease as Exhibit B assumes the Trustee's deposit from the Capitalized Interest Fund for such period until the depletion thereof. Moneys in the Interest Fund shall be used by the Trustee for the purpose of paying the interest evidenced by the Certificates and the Additional Certificates when due and payable. Upon the later of December 1, 2016 or the delivery to the Trustee of the Certificate of Completion, the Trustee shall transfer any amounts then remaining in the Capitalized Interest Account to the Interest Fund.

(b) Principal Fund. The Trustee, on each Principal Payment Date and Mandatory Sinking Account Payment Date, shall deposit in each account within the Principal Fund that amount of moneys evidencing the portion of the Base Rental Payments designated as the principal component coming due on such Principal Payment Date or Mandatory Sinking Account Payment Date with respect to the corresponding Series of Certificates.

(c) Prepayment Fund. The Trustee, on the prepayment date specified in the Written Request of the City filed with the Trustee at the time that any prepaid Base Rental Payment is paid to the Trustee pursuant to the Sublease, shall deposit in the account established in the Prepayment Fund with respect to the Series of Certificates to be prepaid that amount of moneys evidencing the portion of the Base Rental Payments designated as prepaid Base Rental Payments. Moneys in such account within the Prepayment Fund shall be used and withdrawn by the Trustee for the purpose of paying the interest, premium, if any, and principal evidenced by such Certificates to be prepaid.

SECTION 5.03 Application of Insurance Proceeds and Condemnation Awards. The Trustee shall collect, adjust and receive all moneys which may become due and payable under any insurance policies obtained pursuant to Section 6.03 of the Sublease, may compromise any and all claims thereunder and shall apply the proceeds of such insurance as provided in Section 7.01 of the Sublease. All policies of insurance required by the Sublease shall provide that the Trustee shall be given 30 days' notice of each expiration thereof or any intended cancellation thereof or reduction of the coverage provided thereby. The Trustee shall not be responsible for the sufficiency of any insurance required by the Sublease and shall be fully

protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the City.

The City shall provide a Certificate of the City as to compliance with the insurance requirements set forth herein and in the Sublease pursuant to Section 6.03 of the Sublease. Delivery to the Trustee of the schedule of insurance policies under the Sublease shall not confer responsibility upon the Trustee as to the sufficiency of coverage or amounts of such policies. The Trustee may request, in writing, that the City deliver to the Trustee certificates or duplicate originals or certified copies of each insurance policy described in the schedule required to be delivered by the City to the Trustee pursuant to Section 6.03 of the Sublease.

Except as hereinafter provided, in the event of any damage to or destruction of any part of the Leased Property, caused by the perils covered by the policies of insurance required to be maintained by the City pursuant to Section 6.03 of the Sublease, the City shall cause the proceeds of such insurance to be utilized for the repair, reconstruction or replacement of the damaged or destroyed portion of the Leased Property. The Trustee shall hold said proceeds in a separate fund to be established and maintained by the Trustee and designated the "Insurance Proceeds and Condemnation Awards Fund", to the end that such proceeds shall be applied to the repair, reconstruction or replacement of the Leased Property to at least the same good order, repair and condition as it was in prior to the damage or destruction, insofar as the same may be accomplished by the use of said proceeds. The Trustee shall permit withdrawals of said proceeds from time to time upon receiving the Written Request of the City, stating that the City or the Corporation has expended moneys or incurred liabilities in an amount equal to the amount therein requested to be paid over to it for the purpose of repair, reconstruction or replacement, and specifying the items for which such moneys were expended, or such liabilities were incurred. Any balance of said proceeds not required for such repair, reconstruction or replacement as evidenced by a Certificate of the City to the effect that such repair, reconstruction or replacement has been completed and all amounts owing therefor have been paid or provision for the payment therefor has been made shall be treated by the Trustee as prepaid Base Rental Payments and transferred to the account within the Prepayment Fund corresponding to the Series of Certificates to be selected for prepayment by the City and applied in the manner provided by Section 4.01(a) hereof. Alternatively, the City, at its option, if the proceeds of such insurance together with any other moneys then available for the purpose are at least sufficient to prepay all Outstanding Certificates of any Series, may elect not to repair, reconstruct or replace the damaged or destroyed portion of the Leased Property and thereupon shall cause said proceeds to be transferred to the account established with respect to such Series of Certificates within the Prepayment Fund and used for the prepayment of all Outstanding Certificates of such Series pursuant to Section 4.01(a) hereof, so long as the fair rental value of the remaining portion of the Leased Property is not less than the Base Rental Payments payable pursuant to the Sublease with respect to all Series of Certificates remaining Outstanding. Notwithstanding the foregoing, the City shall cause the proceeds of such insurance to be utilized for the purpose of repair, reconstruction or replacement in the event the City is directed to do so by the Corporation, and the proceeds of such insurance are sufficient to pay the costs of all of such repair, reconstruction or replacement or, if such proceeds are insufficient for that purpose, the Corporation shall deposit or provide for deposit with the Trustee, prior to the commencement of the work of repair, reconstruction or replacement, an amount equal to the amount by which such proceeds are less

than the amount necessary to complete such repair, reconstruction or replacement. The proceeds of any award in eminent domain shall be deposited by the Trustee in the account established within the Prepayment Fund with respect to the Series of Certificates selected for prepayment by the City and shall be applied to the prepayment of Outstanding Certificates of such Series pursuant to Section 4.01(a) hereof, so long as the fair rental value of the remaining portion of the Leased Property is not less than the Base Rental Payments payable pursuant to the Sublease with respect to all Series of Certificates remaining Outstanding. The City shall provide a Certificate of the City to the Trustee stating that the fair rental value of the remaining portion of the Lease Property is not less than the Base Rental Payments payable pursuant to the Sublease with respect to all Series of Certificates remaining Outstanding.

SECTION 5.04 Title Insurance. Proceeds of any policy of title insurance received by the Trustee in respect of the property upon which any portion of the Leased Property is located shall be applied and disbursed by the Trustee as follows:

(a) if the City determines that the title defect giving rise to such proceeds has not materially affected the operation of the Leased Property and will not result in an abatement of Rental Payments payable by the City under the Sublease, upon Written Requests of the City to the Trustee, a portion of such proceeds shall be first transferred pro rata to each account within the Interest Fund and then the Principal Fund established with respect to any Series of Certificates, to the extent of any amounts then owing with respect to such Certificates, and second, deposited into the Certificate Reserve Fund to the extent that the amount therein is less than the Certificate Reserve Fund Requirement. Amounts not required to be so deposited shall be remitted to the City and used for any lawful purpose thereof; or

(b) if any portion of the Leased Property has been affected by such title defect, and if the City determines that such title defect will result in an abatement of Rental Payments payable by the City under the Sublease, then the Trustee shall immediately deposit such proceeds in the Prepayment Fund and such proceeds shall be applied to the prepayment of Certificates in the manner provided in Section 4.01(a) hereof.

ARTICLE VI

COVENANTS

SECTION 6.01 Compliance With Trust Agreement. The Trustee will not execute or deliver any Certificates in any manner other than in accordance with the provisions hereof, and the Corporation and the City will not suffer or permit any default by them to occur hereunder, but will faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms hereof required to be complied with, kept, observed and performed by them.

SECTION 6.02 Compliance With Lease and Sublease. The Corporation and the City will faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms contained in the Lease and Sublease required to be complied

with, kept, observed and performed by them and, together with the Trustee, will enforce the Lease and Sublease against the other party thereto in accordance with their respective terms.

SECTION 6.03 Observance of Laws and Regulations. The Corporation, the City and the Trustee will faithfully comply with, keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on them by contract, or prescribed by any law of the United States of America or of the State of California, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of each and every franchise, right or privilege now owned or hereafter acquired by them, including their right to exist and carry on their respective businesses, to the end that such franchises, rights and privileges shall be maintained and preserved and shall not become abandoned, forfeited or in any manner impaired.

SECTION 6.04 Other Liens. The City will keep the Leased Property and all parts thereof free from judgments and materialmen's and mechanics' liens and free from all claims, demands, encumbrances and other liens of whatever nature or character, and free from any claim or liability which materially impairs the City in conducting its business or utilizing the Leased Property, and the Trustee at its option (after first giving the City 10 days' written notice to comply therewith and failure of the City to so comply within such ten-day period) may but will not have the obligation to defend against any and all actions or proceedings in which the validity hereof is or might be questioned, or may pay or compromise any claim or demand asserted in any such actions or proceedings; provided, however, that, in defending against any such actions or proceedings or in paying or compromising any such claims or demands, the Trustee shall not in any event be deemed to have waived or released the City from liability for or on account of any of its agreements and covenants contained herein, or from its liability hereunder to defend the validity hereof and to perform such agreements and covenants. The Trustee shall have no liability with respect to any determination made in good faith to proceed or decline to defend, pay or compromise any such claim or demand.

So long as any Certificates are Outstanding, neither the Corporation nor the City will create or suffer to be created any pledge of or lien on the Base Rental Payments other than the pledge and lien hereof.

SECTION 6.05 Prosecution and Defense of Suits. The City will promptly take such action from time to time as may be necessary or proper, in its reasonable discretion, to remedy or cure any known cloud upon or defect in the title to the Leased Property or any portion thereof, whether now existing or hereafter developing, and will prosecute all actions, suits or other proceedings as may be appropriate for such purpose.

SECTION 6.06 Accounting Records and Statements. The Trustee will keep proper accounting records in which complete and correct entries shall be made of all transactions made by if relating to the receipt, deposit and disbursement of the Base Rental Payments, and such accounting records shall be available for inspection by the Corporation or the City at reasonable hours and under reasonable conditions with reasonable notice. The Trustee will, upon written request, at the expense of the City, make copies of the foregoing available to any Owner or his agent duly authorized in writing.

SECTION 6.07 Recordation and Filing. The Corporation will file, record, register, renew, refile and rerecord all such documents, including financing statements (or continuation statements in connection therewith), as may be required by law in order to maintain the Lease, the Sublease, the Assignment Agreement and this Trust Agreement at all times as a security interest in the Base Rental Payments, all in such manner, at such times and in such places as may be required and to the extent permitted by law in order to fully perfect, preserve and protect the security of the Owners and the rights and security interests of the Trustee, and the Corporation will do whatever else may be necessary or be reasonably required in order to perfect and continue the lien of the Lease, the Sublease, the Assignment Agreement and this Trust Agreement.

SECTION 6.08 Further Assurances. Whenever and so often as requested to do so by the Trustee or any Owner, the Corporation and the City will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the Owners all advantages, benefits, interests, powers, privileges and rights conferred or intended to be conferred upon them hereby or by the Assignment Agreement, the Sublease or the Lease.

SECTION 6.09 Rebate Fund; Tax Covenants.

(a) In addition to the other funds and accounts created pursuant hereto, the Trustee shall establish and maintain a fund, and within such fund a separate account for each Series of Certificates, which such fund shall be held separate from any other fund or account established and maintained hereunder and shall be designated the “City of Calabasas 2015 Certificates of Participation Rebate Fund” (the “Rebate Fund”). There shall be deposited in each account within the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Certificate. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement, for payment to the United States of America. Notwithstanding defeasance of any Certificates pursuant to Article X hereof or anything to the contrary contained herein, all amounts required to be deposited into or on deposit in the Rebate Fund shall be governed exclusively by this Section 6.09 and by the Tax Certificate (which is incorporated herein by reference). The Trustee shall be deemed conclusively to have complied with such provisions if it follows the written directions of the City, and shall have no liability or responsibility to enforce compliance by the City with the terms of the Tax Certificate. The City shall make or cause to be made all calculations of the Rebate Requirement. The Trustee may rely conclusively upon the City’s determinations, calculations and certifications required by this Section and the Tax Certificate. The Trustee shall have no responsibility to independently make any calculation or determination or to review the City’s calculations hereunder.

(b) Any funds remaining in any account within the Rebate Fund after payment in full of all of the Certificates of the Series with respect to which such account was established and after payment of any amounts described in this Section 6.09, shall be withdrawn by the Trustee and remitted to the City.

SECTION 6.10 Continuing Disclosure. The City and the Trustee, in its capacity as dissemination agent, hereby covenant and agree that they will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of the Trust Agreement, failure of the City or the Trustee to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee at the written request of the Purchasers or the Owners of at least 25% aggregate principal amount of Outstanding Certificates, shall) or any Owner or Beneficial Owner of Certificates may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or the Trustee, as the case may be, to comply with its obligations under this Section 6.10; *provided*, that the Trustee shall only be required to take an action under this Section 6.10 to the extent funds have been provided to it or it has been otherwise indemnified to its reasonable satisfaction from any cost, liability, expense or additional charges of the Trustee whatsoever, including, without limitation, fees and expenses of its attorneys.

ARTICLE VII

DEFAULT AND LIMITATIONS OF LIABILITY

SECTION 7.01 Events of Default. The following events shall be Events of Default with respect to any Series of Certificates:

(a) default in the due and punctual payment of the principal of or premium, if any, on any Certificate of such Series when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for prepayment, by declaration or otherwise;

(b) default in the due and punctual payment of any installment of interest on any Certificate of such Series when and as such interest installment shall become due and payable;

(c) default by the City in the observance of any of the covenants, agreements or conditions on its part in this Trust Agreement contained, if such default shall have continued for a period of 60 days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the City and the Corporation by the Trustee, or to the City, the Corporation and the Trustee by the Owners of not less than 25% in aggregate principal amount of the Certificates of such Series at the time Outstanding; provided, however, that if such default can be remedied but not within such 60 day period and if the City has taken all action reasonably possible to remedy such default within such 60 day period, such default shall not become an Event of Default for so long as the City shall diligently proceed to remedy the same in accordance with and subject to any directions or limitations of time reasonably established by the Trustee;

(d) an event of default shall have occurred and be continuing under the Sublease; or

(e) an Event of Default shall have occurred with respect to any other Series of Certificates.

SECTION 7.02 Action on Default. In each and every case during the continuance of an Event of Default, the Trustee or the Owners of not less than a majority in aggregate principal amount evidenced by the Certificates of such Series at the time Outstanding shall be entitled, upon notice in writing to the City and the Corporation, to exercise any of the remedies granted to the City under the Lease or to the Corporation under the Sublease, and in addition, to take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee pursuant to the Assignment Agreement or to protect and enforce any of the rights vested in the Trustee or such Owners by this Trust Agreement or by such Certificates, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement or for the enforcement of any other legal or equitable right, including any one or more of the remedies set forth in Section 7.03(a), (b) or (c) hereof. Anything in this Trust Agreement to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default as defined herein, the Certificate 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 this Trust Agreement.

SECTION 7.03 Other Remedies of the Trustee. The Trustee shall have the right:

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

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

(c) by suit in equity upon the happening of any default hereunder to require the Corporation and the City to account as the trustee of an express trust.

SECTION 7.04 Non-Waiver. A waiver of any default or breach of duty or contract by the Trustee shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Trustee to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Trustee by law or by this Article may be enforced and exercised from time to time and as often the Trustee shall deem expedient.

If any action, proceeding or suit to enforce any right or to exercise any remedy is abandoned or determined adversely to the Trustee or any Owner or Owners, then subject to any adverse determination, the Trustee or such Owner or Owners and the Corporation and the City

shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

SECTION 7.05 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by any law. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 7.06 No Liability by the Corporation to the Owners. Except as expressly provided herein, the Corporation shall not have any obligation or liability to the Owners with respect to the payment when due of the Base Rental Payments by the City, or with respect to the performance by the City of the other agreements and covenants required to be performed by it contained in the Sublease or herein, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained herein.

SECTION 7.07 No Liability by the City to the Owners. Except for the payment when due of the Base Rental Payments and the performance of the other agreements and covenants required to be performed by it contained in the Sublease or herein, the City shall not have any obligation or liability to the Owners with respect to the Trust Agreement or the preparation, execution, delivery or transfer of the Certificates or the disbursement of the Base Rental Payments by the Trustee to the Owners, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained herein.

SECTION 7.08 No Liability of the Trustee to the Owners. Except as expressly provided herein, the Trustee shall not have any obligation or liability to the Owners with respect to the payment when due of the Base Rental Payments by the City, or with respect to the performance by the City or the Corporation of the other agreements and covenants required to be performed by them, respectively contained in the Lease, the Sublease, or herein.

SECTION 7.09 Application of Amounts After Default. All payments received by the Trustee with respect to the rental of the Leased Property after a default by the City pursuant to Section 10.01 of the Sublease, and all damages or other payments received by the Trustee for the enforcement of any rights and powers of the Trustee under such Section 10.01 of the Sublease, shall be deposited into the Base Rental Payment Fund and as soon as practicable thereafter applied:

- (a) to the payment of all amounts due the Trustee under Section 8.03 hereof;
- and
- (b) to the payment of all amounts then due with respect to the Certificates for principal and interest, in respect of which or for the benefit of which, money has been collected (other than Certificates which have matured or otherwise become payable prior to such Event of Default and money for the payment of which is held by the Trustee), ratably without preference

or priority of any kind, according to the amounts due and payable on such Certificates, for principal and interest respectively.

SECTION 7.10 Trustee May Enforce Claims Without Possession of Certificates. All rights of action and claims under this Trust Agreement or the Certificates may be prosecuted and enforced by the Trustee without the possession of any of the Certificates or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Owners of the Certificates in respect of which such judgment has been recovered.

SECTION 7.11 Limitation on Suits. No Owner of any Certificate shall have any right to institute any proceeding, judicial or otherwise, with respect to this Trust Agreement, or for the appointment of a receiver or Trustee, or for any other remedy hereunder, unless (a) such Owner has previously given written notice to the Trustee of a continuing Event of Default; (b) the Owners of not less than 25% in principal amount of the Outstanding Certificates of the Series with respect to which such Event of Default has occurred shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder; (c) such Owner or Owners shall have afforded to the Trustee indemnity reasonably satisfactory to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; (d) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such proceedings; and (f) no direction inconsistent with such written request has been given to the Trustee during such 60 day period by the Owners of a majority in principal amount of the Outstanding Certificates of such Series; it being understood and intended that no one or more Owners of Certificates shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Trust Agreement to affect, disturb or prejudice the rights of any other Owner of Certificates, or to obtain or seek to obtain priority or preference over any other Owner or to enforce any right under this Trust Agreement, except in the manner herein provided and for the equal and ratable benefit of all the Owners of Certificates. Nothing in this Trust Agreement contained shall, however, affect or impair the right of any Owner to enforce the payment of the principal component of or the prepayment price of and the interest component of the Base Rental Payments evidenced by any Certificate at and after the maturity or earlier prepayment.

ARTICLE VIII

THE TRUSTEE

SECTION 8.01 Employment of the Trustee. The Corporation and the City hereby appoint and employ the Trustee to receive, deposit and disburse the Rental Payments payable with respect to the Series of Certificates for which the Trustee is trustee, to prepare, execute, deliver and transfer such Certificates and to perform the other functions contained herein; all in the manner provided herein and subject to the conditions and terms hereof. By executing and delivering the Trust Agreement, the Trustee accepts the appointment and employment hereinabove referred to and accepts the rights and obligations of the Trustee

provided herein, subject to the conditions and terms hereof. Other than when an Event of Default has occurred and is continuing, the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Trust Agreement, and no implied covenants or obligations shall be read into this Trust Agreement against the Trustee. In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Trust Agreement, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

SECTION 8.02 Duties, Removal and Resignation of the Trustee. The Corporation and the City may by an instrument in writing remove the Trustee initially a party hereto and any successor thereto unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee initially a party hereto and any successor thereto if at any time (a) requested to do so by an instrument or concurrent instruments in writing signed by the Owners of a majority in aggregate principal amount evidenced by the Certificates of such Series at the time Outstanding (or their attorneys duly authorized in writing), or (b) the Trustee shall cease to be eligible in accordance with the following sentence, and shall appoint a successor Trustee, but any such successor Trustee shall be a trust company or bank in good standing located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than \$75,000,000 and acceptable to the Certificate Insurer and subject to supervision or examination by federal or state authorities. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Trustee may be removed at any time, at the request of the Certificate Insurer, for any breach of the Trust set forth herein.

The Trustee may at any time resign by giving written notice of such resignation to the Corporation and the City by first-class mail, postage prepaid, of such resignation to the Owners of the Certificates at their addresses appearing on the books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof. The Certificate Insurer shall receive prior written notice of any Trustee resignation. Upon receiving such notice of resignation, the Corporation and the City shall promptly appoint a successor Trustee by an instrument in writing; provided, however, that in the event the Corporation and the City do not appoint a successor Trustee within 30 days following receipt of such notice of resignation, the resigning Trustee may, at the expense of the City, petition the appropriate court having jurisdiction to appoint a successor Trustee. Notwithstanding any other provision of this Trust Agreement, no removal, resignation or termination of the Trustee shall take effect until a successor, acceptable to the Certificate Insurer, shall be appointed. Any resignation or removal of a Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee.

SECTION 8.03 Compensation and Indemnification of the Trustee. The City shall from time to time, subject to any written agreement then in effect with the Trustee, pay

the Trustee reasonable compensation for all its services rendered hereunder and reimburse the Trustee for all its advances and expenditures (which shall not include “overhead expenses” except as such expenses are included as a component of the Trustee’s stated annual fees) hereunder, including but not limited to reasonable advances to and reasonable fees and reasonable expenses of accountants, agents, appraisers, consultants or other experts, and counsel not directly employed by the Trustee but an attorney or firm of attorneys retained by the Trustee, employed by it in the exercise and performance of its rights and obligations hereunder; provided, however, that the Trustee shall not have any lien for such compensation or reimbursement against any moneys held by it in any of the funds or accounts established hereunder or under the Sublease (except that such compensation or reimbursement may be made from the appropriate account within the Cost of Issuance Fund to the extent provided in Section 3.05 hereof or from the appropriate account within the Construction Fund to the extent provided for in Section 3.03 hereof or as provided in Section 7.09 hereof). The City, to the extent permitted by law, shall indemnify the Trustee, its directors, officers, employees and agents, and hold them harmless against any loss, claim, liability, expenses or advances, including, but not limited to fees and expenses of counsel and other experts, incurred or made without negligence or willful misconduct on the part of the Trustee arising out of: (i) the Trustee’s acceptance or administration of the trust under this Trust Agreement, or the exercise or performance of any of its powers or duties hereunder; or (ii) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading in any official statement or other offering circular utilized in connection with the sale of the Certificates. The Trustee may take whatever legal actions are lawfully available to it directly against the Corporation or the City. The rights of the Trustee hereunder are in addition to the rights granted to the Trustee pursuant to Section 9.03 of the Sublease. Notwithstanding anything to the contrary herein contained, the Trustee shall not be entitled to seek indemnity from the City as a condition precedent to paying holders of any Certificates any amounts due such holders hereunder or effecting any mandatory prepayment of any Certificates pursuant to Section 4.01(a) and (c).

Except as otherwise expressly provided herein, no provision of this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers hereunder.

SECTION 8.04 Protection of the Trustee. The Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any affidavit, bond, certificate, consent, notice, request, requisition, resolution, statement, telegram, voucher, waiver or other paper or document which it shall in good faith believe to be genuine and to have been adopted, executed or delivered by the proper party or pursuant to any of the provisions hereof, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee shall not be bound to recognize any person as an Owner of any Certificate or to take any action at the request of any such person unless such Certificate shall be deposited with the Trustee or satisfactory evidence of the ownership of such Certificate shall be furnished to the Trustee. The Trustee shall

be under no obligation to exercise any of the rights or powers vested in it by this Trust Agreement at the request or direction of any of the Owners of the Certificates of the Series with respect to which the Trustee serves pursuant to this Trust Agreement, unless such Owners shall have offered to the Trustee security or indemnity reasonably satisfactory to the Trustee, against the reasonable costs, expenses and liabilities which might be incurred by it in compliance with such request or direction. The Trustee may consult with counsel, who may be counsel to the Corporation or the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect to any action taken or suffered by it hereunder in good faith in accordance therewith. If requested by the City, counsel to the Trustee shall be experienced in the field of law relating to municipal bonds.

The Trustee shall not be responsible for the sufficiency of the Certificates, the Lease, the Sublease, or of the assignment made to it by the Assignment Agreement, or for statements made in the preliminary or final official statement relating to any Certificates, or of the title to or value of the Leased Property.

The Trustee shall not be required to take notice or be deemed to have notice of any default or Event of Default hereunder, except failure of any of the payments to be made to the Trustee required to be made hereunder unless the Trustee shall be specifically notified in writing of such default or Event of Default by the City, the Corporation or by the Owners of not less than 25% in aggregate principal amount of the Certificates then Outstanding.

Whenever in the administration of its rights and obligations hereunder 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 City or a Certificate of the Corporation, and such certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions hereof upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it deems reasonable.

The Trustee may buy, sell, own, hold and deal in any of the Certificates and may join in any action which any Owner may be entitled to take with like effect as if the Trustee were not a party hereto. The Trustee, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Corporation or the City, and may act as agent, depository or trustee for any committee or body of Owners or of owners of obligations of the Corporation or the City as freely as if it were not the Trustee hereunder.

The Trustee may, to the extent reasonably necessary, execute any of the trusts or powers hereof and perform any rights and obligations required of it hereunder by or through agents, attorneys or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its rights and obligations hereunder, and the Trustee shall not be answerable for the negligence or misconduct of any such agent, attorney or receiver selected by it with reasonable care; provided, however, that in the event of any negligence or misconduct of any such agent, attorney or receiver, the Trustee shall diligently pursue all remedies of the Trustee against such agent, attorney or receiver. The Trustee shall not be liable for any error of judgment made by it

in good faith unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

The Trustee shall not be answerable for the exercise of any trusts or powers hereunder or for anything whatsoever in connection with the funds established hereunder, except only for its own willful misconduct, negligence or breach of an obligation hereunder.

The Trustee may, on behalf of the Owners, intervene in any judicial proceeding to which the Corporation or the City is a party and which, in the opinion of the Trustee and its counsel, affects the Certificates or the security therefor, and shall do so if requested in writing by the Owners of at least 5% of the aggregate principal evidenced by Certificates then Outstanding, provided, the Trustee shall have no duty to take such action unless it has been indemnified to its reasonable satisfaction against all risk or liability arising from such action.

The Trustee's rights to immunities and protection from liability hereunder and its rights to payment of its fees and expenses shall survive its resignation or removal and final payment or defeasance of the Certificates. All indemnifications and releases from liability granted herein to the Trustee shall extend to the directors, officers, employees and agents of the Trustee.

The Trustee shall have no responsibility or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the execution and delivery of these Certificates.

Any corporation, association or agency into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, provided that such entity meets the combined capital and surplus requirements of this Section, *ipso facto*, shall be and become successor trustee under this Trust Agreement and vested with all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 8.05 Relation of Adverse Affect to Certificate Insurance Policy.
Notwithstanding any other provision of this Trust Agreement, in determining whether the rights of the Owners will be adversely affected by any action taken pursuant to the terms and provisions of this Trust Agreement, the Trustee shall consider the effect on the Owners as if there were no Certificate Insurance Policy.

ARTICLE IX

AMENDMENT OF OR SUPPLEMENT TO TRUST AGREEMENT

SECTION 9.01 Amendment or Supplement. The Trust Agreement and the rights and obligations of the Corporation, the City, the Owners and the Trustee hereunder may be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding when the written consents of the Owners of a majority in aggregate principal amount of each Series of Certificates then Outstanding, exclusive of Certificates disqualified as provided in Section 9.02 hereof, are filed with the Trustee. No such amendment or supplement shall (1) extend the stated Principal Payment Date of any Certificate or reduce the rate of interest evidenced thereby or extend the time of payment of such interest or reduce the amount of principal evidenced thereby or reduce the amount of any Mandatory Sinking Account Payment or change the prepayment terms and provisions or the provisions regarding delivery of notice of prepayment without the prior written consent of the Owner of each Certificate so affected, or (2) reduce the percentage of Owners whose consent is required for the execution of any amendment hereof or supplement hereto without the prior written consent of the Owners of all Certificates then Outstanding, or (3) modify any of the rights or obligations of the Trustee without the prior written consent of the affected party thereto, or (4) amend this Section 9.01 without the prior written consent of the Owners of all Certificates then Outstanding.

The Trust Agreement and the rights and obligations of the Corporation, the City, the Owners and the Trustee hereunder may also be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding upon execution, which consent shall not be unreasonably withheld, but without the written consents of any Owners, but only to the extent permitted by law and after receipt of an unqualified approving Opinion of Counsel and only for any one or more of the following purposes:

(a) to add to the agreements, conditions, covenants and terms required by the Corporation or the City to be observed or performed herein other agreements, conditions, covenants and terms thereafter to be observed or performed by the Corporation or the City, or to surrender any right or power reserved herein to or conferred herein on the Corporation or the City, and which in either case shall not materially adversely affect the interests of the Owners;

(b) to provide for additional or substitute projects as may be requested from time to time by the City in accordance with the Sublease;

(c) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which the Corporation or the City may deem desirable or necessary and not inconsistent herewith, and which shall not materially adversely affect the interests of the Owners;

(d) to provide for the execution and delivery of Additional Certificates in accordance with Sections 2.11 and 2.12 hereof;

(e) make such additions, deletion or modifications as may be necessary or appropriate to assure the exclusion from gross income for federal income tax purposes of interest evidenced by the Certificates; or

(f) for any other reason, provided such amendment or supplement does not materially adversely affect the interests of the Owners, provided further that the Corporation, the City and the Trustee may rely in entering into any such amendment or supplement upon an Opinion of Counsel stating that the requirements of this subsection (f) have been met with respect to such amendment or supplement.

The Trustee shall not be required to enter into or consent to any supplemental indenture which, in the sole judgment of the Trustee, might adversely affect the rights, obligations, powers, privileges, indemnities, immunities provided the Trustee herein.

SECTION 9.02 Disqualified Certificates. Certificates owned or held by or for the account of the City (but excluding Certificates held in any pension or retirement fund of the City) shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Certificates provided in this Article, and shall not be entitled to consent to or take any other action provided in this Article, and the Trustee may adopt appropriate regulations to require each Owner, before such Owner's consent provided for herein shall be deemed effective, to reveal if the Certificates as to which such consent is given are disqualified as provided in this Section. The Trustee shall not be deemed to have knowledge that any Certificate is owned by the City unless the City is the registered Owner.

SECTION 9.03 Endorsement or Replacement of Certificates After Amendment or Supplement. After the effective date of any action taken as hereinabove provided in this Article IX, the Trustee may determine that the Certificates may bear a notation by endorsement in form approved by the Trustee as to such action, and in that case upon demand of the Owner of any Outstanding Certificate and presentation of such Certificate for such purpose at the Principal Corporate Trust Office of the Trustee a suitable notation as to such action shall be made on such Certificate. If the Trustee shall receive an Opinion of Counsel advising that new Certificates modified to conform to such action are necessary, modified Certificates shall be prepared, and in that case upon demand of the Owner of any Outstanding Certificates such new Certificates shall be exchanged at the Principal Corporate Trust Office of the Trustee, without cost to each Owner for Certificates then Outstanding upon surrender of such Outstanding Certificates.

SECTION 9.04 Amendment by Mutual Consent. The provisions of this Article shall not prevent any Owner from accepting any amendment as to the particular Certificates owned by such Owner, provided that due notation thereof is made on such Certificates.

SECTION 9.05 Attorney's Opinion Re: Supplemental Trust Agreements. The Trustee may obtain an opinion of counsel that any Supplemental Trust Agreement complies with the provisions of this Article IX, and the Trustee may conclusively rely upon such opinion. The Trustee may in its discretion, but shall not be obligated to, enter into any amendment or

supplement hereto authorized by Section 9.01 of this Trust Agreement which adversely affects the Trustee's own rights or immunities under this Trust Agreement or otherwise.

ARTICLE X

DEFEASANCE

SECTION 10.01 Discharge of Certificates and Trust Agreement.

(a) If the Trustee shall pay or cause to be paid or there shall otherwise be paid to the Owners of all Outstanding Certificates of any Series the interest and principal evidenced thereby at the times and in the manner stipulated herein and therein, then such Owners shall cease to be entitled to the pledge of and lien on the Base Rental Payments as provided herein, and all agreements and covenants of the Corporation, the City and the Trustee to such Owners hereunder shall thereupon cease, terminate and become void and shall be discharged and satisfied. Notwithstanding anything herein to the contrary, in the event that the principal and/or interest evidenced by the Certificates shall be paid by the Certificate Insurer pursuant to the Certificate Insurance Policy, the Certificates shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the City, and the assignment and pledge of the Trust Estate and all covenants, agreements and other obligations of the City to the registered owners shall continue to exist and shall run to the benefit of the Certificate Insurer, and the Certificate Insurer shall be subrogated to the rights of such registered owners.

(b) Any Outstanding Certificate or Certificates of such Series shall, prior to the maturity or prepayment date thereof, be deemed to have been paid within the meaning and with the effect expressed in this Section 10.01 if (i) in case said Certificates are to be redeemed on any date prior to their maturity, the City shall have given to the Trustee in form satisfactory to the Trustee irrevocable instructions to mail, in accordance with the provisions of Article IV of this Trust Agreement, notice of prepayment of such Certificates on said prepayment date, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or securities specified in clause (1) of the definition of Permitted Investments in Section 1.01 hereof which are not callable or subject to prepayment prior to their respective maturity dates, the principal and interest evidenced by the Certificates which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Trustee at the same time, shall be sufficient (as verified by a report of an independent certified public accountant), to pay when due the principal with respect to or prepayment price (if applicable) of, and interest due and to become due with respect to, said Certificates on and prior to the prepayment date or maturity date thereof, as the case may be, and (iii) in the event any of said Certificates are not to be prepaid within the next succeeding 60 days, the City shall have given the Trustee in form satisfactory to the Trustee irrevocable instructions to mail, as soon as practicable in the same manner as a notice of prepayment is mailed pursuant to Article IV of this Trust Agreement, a notice to the Owners of such Certificates and to the securities depositories and information services specified clauses (b) and (c) of Section 4.03 hereof that the deposit required by (ii) above has been made with the Trustee and that said Certificates are deemed to have been paid in accordance with this Section 10.01(b) and stating such maturity or prepayment dates upon which moneys are to be available for the payment of the

principal with respect to or prepayment price (if applicable) of said Certificates. Neither the securities nor moneys deposited with the Trustee pursuant to this Section 10.01(b) nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, and pledged to, the payment of the principal with respect to or prepayment price (if applicable) of, and interest with respect to said Certificates; provided that any cash received from such principal or interest payments on such obligations deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, and at the direction of the City, be reinvested in securities specified in (ii) above maturing at times and in amounts, together with the other moneys and payments with respect to securities then held by the Trustee pursuant to this Section, sufficient to pay when due the principal or prepayment price (if applicable) of, and interest to become due with respect to said Certificates on and prior to such prepayment date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the City, as received by the Trustee, free and clear of any trust, lien or pledge. Nothing in this Section 10.01(b) shall preclude prepayments pursuant to Section 4.01 hereof.

Any release under this Section 10.01(b) shall be without prejudice to the right of the Trustee to be paid reasonable compensation for all services rendered by it under this Trust Agreement and all its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees, incurred on and about the administration of trusts by this Trust Agreement created and the performance of its powers and duties under this Trust Agreement; provided however, that the Trustee shall have no right, title or interest in, or lien on, any moneys or securities deposited pursuant to this Article X.

(c) After the payment of all the interest and principal evidenced by all Outstanding Certificates of any Series as provided in this Section, the Trustee shall execute and deliver to the Corporation and the City all such instruments as may be necessary or desirable to evidence the discharge and satisfaction of the Trust Agreement with respect to such Series of Certificates, and the Trustee shall pay over or deliver to the City all moneys or securities held by it pursuant hereto which are not required for the payment of the interest and principal evidenced by such Certificates. Notwithstanding the discharge and satisfaction of this Trust Agreement with respect to any Series of Certificates, Owners of Certificates of such Series shall thereafter be entitled to payments due under such Certificates pursuant to the Sublease, but only from amounts deposited pursuant to Section 10.01(a) hereof and from no other source, and such amounts shall be pledged to such payment.

SECTION 10.02 Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Trustee in trust for the payment and discharge of the interest or principal evidenced by any of the Certificates which remain unclaimed for 2 years after the date when the principal and interest evidenced by such Certificates have become payable, if such moneys were held by the Trustee at such date, or for 2 years after the date of deposit of such moneys if deposited with the Trustee after the date when the interest and principal evidenced by such Certificates have become payable, shall at the Written Request of the City be repaid by the Trustee to the City as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the City for the payment of the interest and principal evidenced by such Certificates;

provided, however, that before being required to make any such payment to the City, the Trustee shall, at the expense of the City, cause to be published once a week for 2 successive weeks in a Financial Newspaper a notice that such moneys remain unclaimed and that after a date named in such notice, which date shall not be less than 30 days after the date of the first publication of such notice, the balance of such moneys then unclaimed will be returned to the City.

ARTICLE XI

THE CERTIFICATE INSURANCE POLICY AND SURETY BOND

SECTION 11.01 Payments Under Certificate Insurance Policy. As long as the Certificate Insurance Policy shall be in full force and effect, the Trustee agrees to comply with the following provisions:

[To be used if Insurance obtained]

SECTION 11.02 Payments Under Surety Bond. As long as the Surety Bond shall be in full force and effect, the Trustee agrees to comply with the following provisions:

[To be used if Surety bond obtained]

SECTION 11.03 Insurer to Be Deemed Owner; Rights of Insurer.

(a) For the purposes of (i) the giving of consents to amendments to this Trust Agreement under of Section 9.01 hereof, (ii) the giving of any other consent of the Owners hereunder, and (iii) the control and direction of all rights and remedies upon the occurrence of an Event of Default, the Certificate Insurer shall be deemed to be the sole Owner of the Certificates for so long as it has not failed to comply with its payment obligations under the Certificate Insurance Policy; provided, however, that, notwithstanding the foregoing, the Certificate Insurer shall not be deemed to be the Owner of the Certificates for any consent to an amendment to this Trust Agreement that (1) extends the Principal Payment Date of any Certificate or reduces the rate of interest represented thereby or extends the time of payment of such interest or reduces the amount of principal represented thereby, (2) reduces the percentage of Owners whose consent is required for the execution of any amendment hereof or supplement hereto, or (3) amends Section 9.01 hereof.

(b) So long as the Certificate Insurer is not in default under the Certificate Insurance Policy, any reorganization or liquidation plan with respect to the City must be acceptable to the Certificate Insurer. In the event of any reorganization or liquidation, the Certificate Insurer shall have the right to vote on behalf of all Owners who hold Certificates absent a default under the Certificate Insurance Policy.

(c) Notwithstanding anything to the contrary in this Trust Agreement, so long as the Certificate Insurer is not in default under the Certificate Insurance Policy, upon the occurrence and continuance of an Event of Default as defined herein, the Certificate 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 Trust Agreement.

(d) Any provision of this Trust Agreement expressly recognizing or granting rights in or to the Certificate Insurer may not be amended in a manner which affects the rights of the Certificate Insurer hereunder without the prior written consent of the Certificate Insurer.

SECTION 11.04 Effect of Certificate Insurance Policy. Notwithstanding any other provision of this Trust Agreement, in determining whether any actions taken pursuant to the terms and provisions of this Trust Agreement or under either Sublease are adverse to the interests of the Owners of the Certificates, the effect on the Owners shall be considered as if there were no Certificate Insurance Policy.

SECTION 11.05 Certificate Insurer as Third Party Beneficiary. To the extent that this Trust Agreement confers upon or gives or grants to the Certificate Insurer any right, remedy or claim under or by reason of this Trust Agreement, the Certificate Insurer is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

ARTICLE XII

MISCELLANEOUS

SECTION 12.01 Benefits of Trust Agreement Limited to Parties; Certificate Insurer as Third Party Beneficiary. Nothing in this Trust Agreement expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the City, the Trustee, the Certificate Insurer, and the registered owners of the Certificates, any right, remedy or claim under or by reason of this Trust Agreement or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Trust Agreement contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Certificate Insurer, the Trustee and the Owners. To the extent that this Trust Agreement confers upon or gives or grants to the Certificate Insurer any right, remedy or claim under or by reason of this Trust Agreement, the Certificate Insurer is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

SECTION 12.02 Successor Deemed Included in all References to Predecessor. Whenever either the Corporation, the City or the Trustee or any officer thereof is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Corporation, the City or the Trustee or such officer, and all agreements, conditions, covenants and terms required hereby to be observed or performed by or on behalf of the Corporation, the City or the Trustee or any officer thereof shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

SECTION 12.03 Execution of Documents by Owners. Any declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing. The fact and date of the execution by any Owner or his attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer, or by such other proof as the Trustee may accept which it may deem sufficient.

The ownership of any Certificates and the amount, payment date, number and date of owning the same may be proved by the registration books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof.

Any declaration, request or other instrument in writing of the Owner of any Certificate shall bind all future Owners of such Certificate with respect to anything done or suffered to be done by the Corporation or the City or the Trustee in good faith and in accordance therewith.

SECTION 12.04 Waiver of Personal Liability. Notwithstanding anything contained herein to the contrary, no member, officer or employee of the City shall be individually or personally liable for the payment of any moneys, including without limitation, the interest or principal evidenced by the Certificates, but nothing contained herein shall relieve any member, officer or employee of the City from the performance of any official duty provided by any applicable provisions of law or by the Lease, the Sublease or hereby.

SECTION 12.05 Acquisition of Certificates by City. All Certificates acquired by the City, whether by purchase or gift or otherwise, shall be surrendered to the Trustee for cancellation.

SECTION 12.06 Content of Certificates. Every Certificate of the City or of the Corporation with respect to compliance with any agreement, condition, covenant or term contained herein shall include (a) a statement that the person or persons making or giving such certificate have read such agreement, condition, covenant or term and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such agreement, condition, covenant or term has been complied with; and (d) a statement as to whether, in the opinion of the signers, such agreement, condition, covenant or term has been complied with.

Any Certificate of the City or of the Corporation may be based, insofar as it relates to legal matters, upon an Opinion of Counsel unless the person making or giving such

certificate knows that the Opinion of Counsel with respect to the matters upon which such person's certificate may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous. Any Opinion of Counsel may be based, insofar as it relates to factual matters, upon information with respect to which is in the possession of the City or the Corporation upon a representation by an officer or officers of the City or the Corporation, as the case may be, unless the counsel executing such Opinion of Counsel knows that the representation with respect to the matters upon which such counsel's opinion may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

SECTION 12.07 Funds and Accounts. Any fund or account required to be established and maintained herein by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with prudent corporate trust industry standards to the extent practicable, and with due regard for the protection of the security of the Certificates and the rights of the Owners.

The Trustee may commingle any of the moneys held by it hereunder for investment purposes only; provided, however, that the Trustee shall account separately for the moneys in each fund or account established pursuant to this Trust Agreement.

SECTION 12.08 Investments. Any moneys held by the Trustee in the funds and accounts established hereunder shall be invested by the Trustee upon the Written Request of the City, filed with the Trustee at least one Business Day in advance of the making of such investment, only in Permitted Investments. In the absence of such direction, moneys shall be invested by the Trustee only in Permitted Investments described in clause B(5) of the definition thereof and the Trustee may act as principal or agent in the acquisition or disposition of any such investment. The Trustee shall not be liable or responsible for any loss suffered in connection with any such investment made by it under the terms of and in accordance with this Section. The Trustee may sell or present for redemption any obligations so purchased whenever it shall be necessary in order to provide moneys to meet any payment of the funds so invested, and the Trustee shall not be liable or responsible for any losses resulting from any such investment sold or presented for redemption. Prior to the Completion Date, any interest or profits on such investments shall be transferred to the Construction Fund. After the Completion Date, any interest or profits on such investments shall be deposited in the Certificate Reserve Fund to the extent that the amount on deposit therein is less than the Certificate Reserve Fund Requirement and any remainder shall be deposited pro rata in the separate accounts within the Base Rental Payment Fund excluding the Prepayment Fund. The Trustee may rely upon any investment direction by the City as a certification to it that such investment constitutes a Permitted Investment.

The City acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive brokerage confirmations of security transactions as they occur, the City specifically will not receive such

confirmations to the extent permitted by law. The Trustee will furnish the City periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

Notwithstanding the foregoing, interest or profits on any investment of amounts in the Rebate Fund shall be deposited in the fund or account to which such investment relates. The investment of any amounts held in the Capitalized Interest Account shall be subject to the approval of the Certificate Insurer.

SECTION 12.09 Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms required herein to be observed or performed by or on the part of the Corporation, the City or the Trustee shall be contrary to law, then such agreement or agreements, such condition or conditions, such covenant or covenants or such term or terms shall be null and void to the extent contrary to law and shall be deemed separable from the remaining agreements, conditions, covenants and terms hereof and shall in no way affect the validity hereof or of the Certificates, and the Owners shall retain all the benefit, protection and security afforded to them under any applicable provisions of law. The Corporation, the City and the Trustee hereby declare that they would have executed this Trust Agreement, and each and every other Article, Section, paragraph, subsection, sentence, clause and phrase hereof and would have authorized the execution and delivery of the Certificates pursuant hereto irrespective of the fact that any one or more Articles, Sections, paragraphs, subsections, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

SECTION 12.10 California Law. This Trust Agreement shall be construed and governed in accordance with the laws of the State of California.

SECTION 12.11 Notices; Special Notices to Rating Agency.

(a) All written notices to be given hereunder shall be given by facsimile transmission or by first-class mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the City:

City of Calabasas
26135 Mureau Road, Suite 200
Calabasas, California 91302-3172
Attention: Chief Financial Officer
Facsimile: (818) 878-4215

If to the Corporation:

City of Calabasas Facilities Corporation
c/o City of Calabasas
26135 Mureau Road, Suite 200
Calabasas, California 91302-3172
Attention: Chief Financial Officer
Facsimile: (818) 878-4215

If to the Trustee: U.S. Bank National Association
633 W. 5th Street, 24th Floor
Los Angeles, California 90071
Attention: Corporate Trust Services

If to the Certificate Insurer: [Not Applicable]

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by electronic communication, whether by telex, telegram or telecopier, upon the sender's receipt of an appropriate answer back or other written acknowledgement or confirmation of receipt of the entire notice, approval, demand, report or other communication, (c) if given by first class or registered or certified mail, return receipt requested, deposited in the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail, (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier, or (d) if given by any other means, upon delivery at the address specified in this Section 12.11.

(b) The City shall cause to be given to each Rating Agency notice of any substitution or resignation of the Trustee, any material change in the Trust Agreement or the Sublease, or prepayment or defeasance of all of the Outstanding Certificates of any Series.

SECTION 12.12 Effective Date. This Trust Agreement shall become effective upon its execution and delivery.

SECTION 12.13 Execution in Counterparts. This Trust Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed and attested (as to the City and the Corporation) this Trust Agreement by their officers hereunto duly authorized as of the day and year first written above.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

CITY OF CALABASAS FACILITIES
CORPORATION

Attest:

By: _____
Treasurer

Secretary

CITY OF CALABASAS

By: _____
Chief Financial Officer

Attest:

City Clerk

EXHIBIT A

CONSTRUCTION PROJECT DESCRIPTION

The Construction Project is a civic center senior facility, which is expected to consist of an approximately _____ square foot senior center; and associated landscaping, site work and related infrastructure, equipment and furnishings. Project expenditures include capitalized interest with respect to __._% of the Certificates through December 1, 2016, [the costs of providing for Surety bond for the Reserve Fund for the 2015 Certificates] and the costs incurred in connection with the execution and delivery of the 2015 Certificates.

EXHIBIT B

FORM OF CERTIFICATE OF PARTICIPATION

Unless this Certificate is presented by an authorized representative of The Depository Trust Company to the Trustee for registration of transfer, exchange or payment, and any Certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the Registered Owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

No. R-1

\$ _____

CITY OF CALABASAS
2015 Certificates OF PARTICIPATION
(Civic Center Project)

Evidencing a Fractional
Undivided Interest of the Owner Hereof
in Base Rental Payments to Be Made
by the

CITY OF CALABASAS

to the

CITY OF CALABASAS FACILITIES CORPORATION

Under and Pursuant to a
SUBLEASE

Interest Rate	Principal Payment Date	Dated	CUSIP
_____	December 1, ____	_____	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

THIS IS TO CERTIFY that the registered owner identified above of this Certificate of Participation (the "Certificate") is the owner of a fractional undivided interest in

the right to receive the Base Rental Payments under and pursuant to that certain Sublease executed and entered into as of [DATED DATE], by and between the City of Calabasas Facilities Corporation, a nonprofit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California (the "Corporation"), and the City of Calabasas, a municipal corporation duly organized and existing under the laws of the State of California (the "City") (as it may from time to time be amended or supplemented, the "Sublease"), all of which rights to receive such Base Rental Payments have been assigned without recourse by the Corporation to U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States at its Principal Corporate Trust Office in Los Angeles, California, or such other office as designated by it, as trustee (the "Trustee"), acting in its capacity as such under the Trust Agreement dated as of [DATED DATE], by and among the City, the Corporation and the Trustee (as it may from time to time be amended or supplemented, the "Trust Agreement"), or any successor as therein provided. Copies of the Trust Agreement are on file at the office of the Trustee, and reference is hereby made to the Trust Agreement and to any and all amendments thereof and supplements thereto for a description of the agreements, conditions, covenants and terms securing the Certificates, for the nature, extent and manner of enforcement of such agreements, conditions, covenants and terms, for the rights and remedies of the registered owners of the Certificates with respect thereto and for the other agreements, conditions, covenants and terms upon which the Certificates are executed and delivered thereunder. Unless the context otherwise requires, capitalized terms not defined herein shall have the meanings ascribed to them in the Trust Agreement.

This Certificate is one of the duly authorized certificates of participation entitled "City of Calabasas 2015 Certificates of Participation." Certificates having a principal amount of \$XX,000,000 have been executed by the Trustee under and pursuant to the Trust Agreement.

Each Certificate shall evidence interest from the Interest Payment Date (as defined below) to which interest has been paid or duly provided for next preceding its date of execution, unless such date of execution shall be (i) prior to the close of business on the Record Date (as defined below) for the first Interest Payment Date, in which case such Certificate shall evidence interest from the date of execution thereof, (ii) subsequent to a Record Date but before the related Interest Payment Date, in which case such Certificate shall evidence interest from such Interest Payment Date, or (iii) an Interest Payment Date to which interest has been paid in full or duly provided for, in which case such Certificate shall evidence interest from such date of execution; provided, however, that if, as shown by the records of the Trustee, interest shall be in default, each Certificate shall evidence interest from the last date to which interest has been paid in full or duly provided for or, if no interest has been paid or duly provided for, from the date of execution thereof. The term "Interest Payment Date" means each June 1 and December 1, commencing December 1, 2015. The term "Record Date" means the close of business on the fifteenth day of the month immediately preceding any Interest Payment Date.

The principal evidenced by the Certificates shall be payable, subject to prior prepayment as provided in the Trust Agreement.

Except as otherwise provided in the Representation Letter, the interest evidenced by the Certificates shall be payable on each Interest Payment Date by check or draft mailed on

the Interest Payment Date by the Trustee to the respective Owners of the Certificates as of the Record Date for such Interest Payment Date at their addresses shown on the books required to be kept by the Trustee pursuant to the provisions of the Trust Agreement. Payments of defaulted interest with respect to any Certificate shall be paid by check or draft to the Owner as of a special record date to be fixed by the Trustee, notice of which special record date shall be mailed to the Owner of the Certificate not less than 10 days prior thereto. The principal and premium, if any, evidenced by the Certificates shall be payable upon presentation and surrender thereof on maturity or on prepayment prior thereto at the Principal Corporate Trust Office of the Trustee in Los Angeles, California, or such other office as designated by it.

The Owner of \$1,000,000 or more in aggregate principal amount evidenced by the Certificates may request in writing that the Trustee pay the interest evidenced by such Certificates by wire transfer and the Trustee shall comply with such request for all Interest Payment Dates following the 15th day after receipt of such request until such request is rescinded.

Interest evidenced by the Certificates shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Payment shall be made on each Interest Payment Date for unpaid interest accrued from and including the previous Interest Payment Date to but not including such Interest Payment Date. The Certificates are authorized to be executed and delivered in the form of fully registered Certificates in denominations of \$5,000 or any integral multiple thereof (each an "Authorized Denomination").

This Certificate is transferable by the Owner thereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee in Los Angeles, California or such other office as designated by the Trustee, on the books required to be kept by the Trustee pursuant to the provisions of the Trust Agreement, but only in the manner, subject to the limitations, and upon payment of the charges provided in the Trust Agreement upon surrender of this Certificate for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee. The Trustee may treat the Owner of any Certificate as the absolute owner of such Certificate for all purposes, whether or not the principal or interest evidenced by such Certificate shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest and principal evidenced by such Certificate shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge the liability evidenced by such Certificate to the extent of the sum or sums so paid.

Whenever this Certificate shall be surrendered for transfer or exchange, the Trustee shall execute and deliver a new Certificate or Certificates evidencing the same principal amount. The Trustee shall not be required to transfer or exchange any Certificate during the period from the Record Date next preceding each Interest Payment Date to such Interest Payment Date, nor shall the Trustee be required to transfer or exchange any Certificate or portion thereof selected for prepayment from and after the date of mailing the notice of prepayment thereof.

Under the terms of the Trust Agreement, the City, the Corporation and the Trustee may by execution of a supplemental trust agreement without the consent of the Owners, provide for the execution and delivery of Additional Certificates representing additional Base Rental

Payments. Any Additional Certificates shall be on a parity with the Certificates and each Owner thereof shall have the same rights upon an Event of Default as the Owner of any other Certificates executed and delivered under the Trust Agreement, except as otherwise provided in the Supplemental Trust Agreement under which Additional Certificates are executed and delivered.

The Certificates are subject to prepayment on the terms and conditions set forth in the Trust Agreement.

Whenever less than all of the Outstanding Series of Certificates are to be prepaid on any one date, the Trustee shall determine which Series of Certificates are to be prepaid. Whenever less than all the Outstanding Certificates of any Series are to be prepaid on any one date, the Trustee shall select the Certificates to be prepaid according to the provisions of the Trust Agreement, which decision shall be final and binding upon the City, the Corporation and the Owners, and the Trustee shall promptly notify the Corporation and the City in writing of the numbers of the Certificates so selected for prepayment on such date. For purposes of such selection, any Certificate may be prepaid in part in Authorized Denominations.

As provided in the Trust Agreement, notice of prepayment thereof or of any part thereof shall be mailed, by first class mail, postage prepaid, at least 30) but not more than 60 days prior to the prepayment date, to the registered Owners of the Certificates at their addresses appearing on the registration books required to be kept by the Trustee as of the close of business on the day before such notice of prepayment is given.

The actual receipt by the Owner or any of the securities depositories or services specified in the Trust Agreement of any notice of such prepayment shall not be a condition precedent to prepayment, and neither failure to receive such notice nor any defect therein shall affect the validity of the proceedings for the prepayment of such Certificates or the cessation of interest evidenced thereby on the date fixed for prepayment. A certificate by the Trustee that notice of prepayment has been given to Owners or any of the securities depositories or services shall be conclusive as against all parties, and no Owner whose Certificate is called for prepayment may object thereto or object to the cessation of interest evidenced thereby on the fixed prepayment date by any claim or showing that said Owner failed to actually receive such notice of prepayment.

To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement and the rights and obligations of the Corporation, the City, the Owners and the Trustee thereunder, may be amended or supplemented at any time by an amendment thereof or supplement thereto which shall become binding in accordance to the provisions in the Trust Agreement, in some instances without the consent of the registered owners of Certificates. No such amendment or supplement shall (1) extend the stated Principal Payment Date of any Certificate or reduce the rate of interest evidenced thereby or extend the time of payment of such interest or reduce the amount of principal evidenced thereby or reduce the amount of any Mandatory Sinking Account Payment or changed the prepayment terms and provisions or the provisions regarding delivery of notice of prepayment without the prior written consent of the Owner or each Certificate so affected, or (2) reduce the percentage of Owners whose consent is required for the execution of any amendment of or supplement to the Trust

Agreement without the prior written consent of the Owners of all Certificates then Outstanding, or (3) modify any rights or obligations of the Trustee without the prior written consent of the affected party thereto, or (4) amend the section of the Trust Agreement with respect to amendments or supplements thereof without the prior written consent of the Owners of all Certificates then Outstanding.

The obligation of the City to pay Base Rental Payments does not constitute an indebtedness of the City 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 obligation of the City to pay Base Rental Payments does not constitute an indebtedness of the City, the State of California, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction. The obligation of the City to make the Base Rental Payments is subject to abatement during any period in which, by reason of material damage, destruction or title defect, there is substantial interference with the use and occupancy of the Leased Property or portions thereof or if the Leased Property or portions thereof are taken under the power of eminent domain, all as more particularly provided in the Sublease to which reference is hereby made.

The Trustee has no obligation or liability to the registered owners of the Certificates for the payment of the interest or principal or prepayment premiums, if any, evidenced by the Certificates; but rather the Trustee's sole obligation is to administer, for the benefit of the City and the Corporation and the registered owners of the Certificates, the various funds established under the Trust Agreement. The Corporation has no obligation or liability whatsoever to the registered owners of the Certificates.

The Trust Agreement provides that the occurrences of certain events constitute Events of Default. Subject to certain limitations, the Trustee or the Owners of not less than a majority in aggregate principal amount evidenced by the Certificates at the time Outstanding shall be entitled to take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee.

IN WITNESS WHEREOF, this Certificate has been executed by the manual signature of an authorized officer of the Trustee acting pursuant to the Trust Agreement.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Date of Execution: _____

By: _____
Authorized Officer

STATEMENT OF INSURANCE
(IF ANY)

[FORM OF ASSIGNMENT]

For value received, the undersigned do(es) hereby sell, assign and transfer unto _____ the within Certificate and do(es) hereby irrevocably constitute and appoint _____ attorney to transfer such Certificate on the register of the Trustee, with full power of substitution in the premises.

Dated: _____

SIGNATURE GUARANTEED BY:

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular, without alteration or enlargement or any change whatsoever, and the signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: APRIL 13, 2015

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM:  ROBERT YALDA, PUBLIC WORKS DIRECTOR / CITY ENGINEER
 STEVE BALL, LANDSCAPE DISTRICTS MAINTENANCE MANAGER

SUBJECT: ADOPTION OF RESOLUTION NO. 2015-1447, INITIATING PROCEEDINGS FOR THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN LANDSCAPE MAINTENANCE DISTRICT NO. 22 AND LANDSCAPE LIGHTING ACT DISTRICT NOS. 22, 24, 27 AND 32 AND ORDERING A PRELIMINARY ENGINEER'S REPORT; RESOLUTION NO. 2015-1448, APPROVING A PRELIMINARY ENGINEER'S REPORT WITH RESPECT TO THE LEVY AND COLLECTION OF ASSESSMENTS IN CONNECTION WITH LANDSCAPE LIGHTING ACT DISTRICT NOS. 22, 24, 27 AND 32 FOR FISCAL YEAR 2015-2016; RESOLUTION NO. 2015-1449, DECLARING ITS INTENT TO LEVY AND COLLECT ASSESSMENTS WITHIN LANDSCAPE MAINTENANCE DISTRICT NO. 22 AND LANDSCAPE LIGHTING ACT DISTRICTS NOS. 22, 24, 27 AND 32 AND SETTING A TIME AND PLACE FOR PUBLIC HEARING

MEETING DATE: APRIL 22, 2015

DATE:

BACKGROUND:

The City of Calabasas administers four (4) landscape assessment districts, pursuant to the Landscape and Lighting Act of 1972:

Landscape Lighting Act District No. 22 - Calabasas Park Area (LLAD 22)

Landscape Lighting Act District No. 24 - Lost Hills Road & The
Saratogas (LLAD 24)

Landscape Lighting Act District No. 27 - Las Virgenes Road (LLAD 27)

Landscape Lighting Act District No. 32 – Agoura Road/Lost Hills Road Commercial District (LLAD 32)

The City also levies one assessment in a District formed pursuant to the Improvement Act of 1911:

Landscape Maintenance District No. 22 - Calabasas Park Area (LMD 22)

The Districts were transferred to the City from Los Angeles County, July 1, 1995, at the request of property owners within the boundaries of the existing districts. In 1997, following the adoption of Proposition 218 by the state electorate, the assessment methodologies of the 1972 Act districts were affirmatively balloted by the property owners within those Districts. Since then, assessments have been increased in several Zones of the districts, with the approval of parcel owners in assessment ballot proceedings.

DISCUSSION/ANALYSIS:

The assessment formula in LLAD 22 for Fiscal Year 2015-2016 will be the same as the previous year.

The assessment formula is specific to each Zone and reflects the cost for maintenance of landscaping, pest control, trees, utilities and annual fire break clearance/weed abatement, divided equally amongst those parcel owners. Each Zone will have a 'not to exceed' budget established by the number of parcels times the amount of the assessment. For example, a Zone with 400 parcels at \$621.43 per parcel per year will generate \$248,572.00 in revenue, to be used for the maintenance within that Zone. A reserve fund must be maintained in order to provide for cash flow in the first half of the next fiscal year. A landscape maintenance contract for LMD/LLAD 22 was bid in the first quarter of Fiscal Year 2010-2011. For four of the Zones within LLAD 22 a new landscape maintenance contract was executed in June, 2014.

In addition, this year the City will implement a 1.35% CPI inflation adjustment to Landscape Maintenance District No. 22 and all Landscape Lighting Act District No. 22 Zones.

Landscape Lighting Act Districts 24, 27 and 32 will remain the same as last year (aside from implementation of a 1.35% CPI inflation adjustment) and will not be balloted.

The Council will be asked to approve three resolutions initiating the annual assessment district administration process. If the Council approves the resolutions a sequence of events follows which includes a Public Hearing on June 10, 2015. If changes are required due to public input, the Final Engineer's Report and the tax

roll will be modified to reflect those changes. The tax roll must be submitted to the Los Angeles County Assessor's Office by August 10, 2015.

FISCAL IMPACT/SOURCE OF FUNDING:

The Landscape Lighting Act Districts are funded by assessments, which are earmarked for use within specific boundaries. The Landscape Maintenance District is funded by ad valorem funds.

REQUESTED ACTION:

Adoption of Resolution No. 2015-1447, initiating proceedings for the levy and collection of assessments within Landscape Lighting Act District Nos. 22, 24, 27 and 32 for Fiscal Year 2015-2016; Resolution No. 2015-1448, approving a Preliminary Engineer's Report with respect to the levy and collection of assessments in connection with Landscape Lighting Act District Nos. 22, 24, 27 and 32 for Fiscal Year 2015-2016; Resolution No. 2015-1449 declaring its intent to levy and collect assessments within Landscape Lighting Act District Nos. 22, 24, 27 and 32 for Fiscal Year 2015-2016.

ATTACHMENTS:

1. Resolution No. 2015-1447 Initiating Proceedings
2. Resolution No. 2015-1448 Approving the Engineer's Report
3. Resolution No. 2015-1449, Declaring Intent to Levy
4. Preliminary Engineer's Report

RESOLUTION NO. 2015-1447

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA, INITIATING PROCEEDINGS FOR THE LEVY AND COLLECTION OF ASSESSMENTS IN CONNECTION WITH LANDSCAPE MAINTENANCE DISTRICT NO. 22 AND LANDSCAPING LIGHTING ACT DISTRICT NOS. 22, 24, 27, AND 32 FOR FISCAL YEAR 2015-16 AND ORDERING PREPARATION OF A PRELIMINARY ENGINEER'S REPORT.

WHEREAS, as part the City's Landscape Maintenance Districts Program, the City Council annually levies assessments in connection with four existing assessment districts, Landscape Lighting Act District No. 22, Landscape Lighting Act District No. 24, Landscape Lighting Act District No. 27, and Landscape Lighting Act District No. 32 (collectively the "Districts" and each a "District") pursuant to the Landscaping and Lighting Act of 1972 (California Streets & Highways Code Section 22500 *et seq.*) (the "Assessment Law"); and

WHEREAS, the City also levies annual ad valorem assessments in connection with Landscape Maintenance District No. 22; and

WHEREAS, the City Council desires to initiate proceedings to levy these assessments for Fiscal Year 2015-16.

THE CITY COUNCIL OF THE CITY OF CALABASAS HEREBY FINDS, CONCLUDES, AND RESOLVES AS FOLLOWS:

Section 1. The foregoing recitals are true and correct.

Section 2. The City Council hereby initiates proceedings to levy the Fiscal Year 2015-16 assessment in connection with Landscape Maintenance District No. 22, Landscaping Lighting Act District No. 22, Landscaping Lighting Act District No. 24, Landscaping Lighting Act District No. 27, and Landscaping Lighting Act District No. 32.

Section 3. The general nature of the improvements shall not be changed from prior years. However, the specific improvements to be maintained, installed or serviced in connection with each District shall be modified as determined by the interactive process conducted by the City and homeowner's associations in connection with the bidding process for landscape maintenance services.

Section 4. The City Council designates AndersonPenna Partners, Inc. as Assessment Engineer and directs the Assessment Engineer to prepare and file with

the City Clerk a preliminary engineers report with respect to the Fiscal Year 2015-16 levy of the assessments in connection with the Districts. Such report shall comply with all requirements of Assessment Law and Article XIII D of the California Constitution.

Section 5. The City Clerk shall certify as to the adoption of this resolution and shall cause the same to be processed in the manner required by law.

PASSED, APPROVED AND ADOPTED this 22nd day of April, 2015.

Lucy M. Martin, Mayor

ATTEST:

Maricela Hernandez, MMC, City Clerk

APPROVED AS TO FORM:

Scott H. Howard, City Attorney

RESOLUTION NO. 2015-1448

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA, APPROVING A PRELIMINARY ENGINEER'S REPORT WITH RESPECT TO THE LEVY AND COLLECTION OF ASSESSMENTS IN CONNECTION WITH LANDSCAPE LIGHTING ACT DISTRICT NOS. 22, 24, 27 AND 32 FOR FISCAL YEAR 2015-2016.

WHEREAS, by prior resolution, the City Council initiated proceedings to Levy and Collect Assessments for Fiscal Year 2015-2016 in connection Landscape Lighting Act District No. 22, Landscape Lighting Act District No. 24, Landscape Lighting Act District No. 27, and Landscape Lighting Act District No. 32 (collectively the "Districts" and each a "District") pursuant to the Landscaping and Lighting Act of 1972 (California Streets & Highways Code Section 22500 *et seq.*) (the "Assessment Law"), as well as in connection with with Landscape Maintenance District No. 22; and

WHEREAS, by prior resolution, the City Council designated AndersonPenna Partners, Inc. to serve as Assessment Engineer with respect to the Districts and directed the Assessment Engineer to prepare and file a report with respect to the Fiscal Year 2015-2016 assessments levied in connection with the Districts; and

WHEREAS, a report of the Assessment Engineer, entitled "Preliminary Engineer's Report for Landscape Lighting Act Districts No. 22, 24, 27 & 32, City of Calabasas" dated April 22, 2015, (the "Report") is on file in the Office of the City Clerk and available for public inspection; and

WHEREAS, the City Council has carefully examined and reviewed the Report as filed and desires to approve the Report as filed.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CALABASAS DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The foregoing recitals are all true and correct.

Section 2. The City Council finds that the Report meets all requirements of Article 4 of Chapter 1 of the Assessment Law and Article XIII D of the California Constitution.

Section 3. The Report is hereby approved as filed, without modification.

PASSED, APPROVED AND ADOPTED this 22nd day of April, 2015.

Lucy M. Martin, Mayor

ATTEST:

Maricela Hernandez, MMC, City Clerk

APPROVED AS TO FORM:

Scott H. Howard, City Attorney

RESOLUTION NO. 2015-1449

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA, DECLARING ITS INTENT TO LEVY AND COLLECT ASSESSMENTS WITHIN LANDSCAPE MAINTENANCE DISTRICT NO. 22 AND LANDSCAPE LIGHTING ACT DISTRICT NOS. 22, 24, 27 AND 32 AND SETTING A TIME AND PLACE FOR PUBLIC HEARING.

WHEREAS, by prior resolution, the City Council initiated proceedings to levy and collect assessments for Fiscal Year 2015-16 in connection with Landscape Lighting Act District No. 22, Landscape Lighting Act District No. 24, Landscape Lighting Act District No. 27, and Landscape Lighting Act District No. 32 (collectively the "Districts" and each a "District") pursuant to the Landscaping and Lighting Act of 1972 (California Streets & Highways Code Section 22500 *et seq.*) (the "Assessment Law"), as well as in connection with Landscape Maintenance District No. 22; and

WHEREAS, by prior resolution, the City Council approved the Report of AndersonPenna Partners, Inc., as Assessment Engineer, entitled "Preliminary Engineer's Report for Landscape Lighting Act Districts No. 22, 24, 27 & 32, City of Calabasas" and dated April 22, 2015, (the "Report"), which Report is on file in the office of the City Clerk and available for public inspection; and

WHEREAS, the City Council desires to move forward with proceedings to levy the Fiscal Year 2015-16 assessments.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CALABASAS DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The foregoing recitals are all true and correct.

Section 2. The City Council declares its intention to levy and collect an assessment for Fiscal Year 2015-16 in connection with the Districts.

Section 3. The proposed improvements to be maintained in connection with the Districts are generally described as landscape maintenance, tree trimming and brush clearance. No substantial changes are proposed in the nature of improvements funded through the Districts, though modifications to the precise plan of services are set forth in the Report and documents incorporated therein.

Section 4. The distinctive designations of the Districts are (i) "Landscaping Lighting Act District No. 22", which is generally located in the Calabasas Park Area, (ii) "Landscaping Lighting Act District No. 24", which is generally located in

the Malibu Lost Hills and Saratogas Developments, (iii) "Landscaping Lighting Act District No. 27", which is generally located in the Las Virgenes Canyon Area, and (iv) "Landscaping Lighting Act District No. 32", which is generally located in the Malibu Hills Road, Agoura Road, Lost Hills Road Commercial District. The ad valorem assessment district designated "Landscape Maintenance District No. 22" is generally located in the Calabasas Park area.

Section 5. Reference is made to the Report for a full and detailed description of the public facilities to be maintained in connection with the Districts, of the boundaries of the Districts, and of the proposed assessments upon assessable lots and parcels of land within the Districts.

Section 6. The amount of the assessment is unchanged from Fiscal Year 2014-2015 except a 1.35% CPI inflation adjustment as approved in previous years proceedings under Article XIID of the California Constitution (Proposition 218).

Section 7. The City Council will hold a hearing (the "Hearing") on the Fiscal Year 2015-16 levy of assessments in connection with the Districts and in connection with Landscape Maintenance District No. 22, on June 10, 2015, at 7:00 p.m., or as soon thereafter as feasible, in the Council Chambers located at Calabasas City Hall, 100 Civic Center Way, Calabasas California. At the Hearing, all interested persons shall be permitted to present written and/or oral testimony regarding the proposed assessment.

Section 8. The City Clerk is ordered to give notice of the Hearing as required by Section 22626(a) of the Assessment Law.

Section 9. The City Council designates Steve Ball, Landscape Districts Maintenance Manager, who may be contacted at (818) 224-1600, as the person whom interested parties may contact for information.

PASSED, APPROVED AND ADOPTED this 22nd day of April, 2015.

Lucy M. Martin, Mayor

ATTEST:

APPROVED AS TO FORM:

Maricela Hernandez, MMC, City Clerk

Scott H. Howard, City Attorney

CITY OF CALABASAS

PRELIMINARY ENGINEER'S REPORT

**LANDSCAPE LIGHTING ACT DISTRICTS NOS. 22, 24, 27 & 32
(1972 Act Districts)**

FISCAL YEAR 2015-16



CITY of CALABASAS

Landscape Lighting Act District No. 22 (CALABASAS PARK AREA)

Landscape Lighting Act District No. 24 (LOST HILLS ROAD & THE SARATOGAS)

Landscape Lighting Act District No. 27 (LAS VIRGENES ROAD)

**Landscape Lighting Act District No. 32 (AGOURA ROAD/LOST HILLS ROAD COMMERCIAL
DISTRICT)**

Prepared by AndersonPenna Partners, Inc.

APRIL 22, 2015



**CITY OF CALABASAS
LANDSCAPE LIGHTING ACT DISTRICT NOS. 22, 24, 27 & 32 (1972 Act Districts)
PRELIMINARY ENGINEER'S REPORT
FISCAL YEAR 2015-16**

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**CITY OF CALABASAS
LANDSCAPING LIGHTING ACT DISTRICT NOS. 22, 24, 27 & 32 (1972 Act Districts)
PRELIMINARY ENGINEER'S REPORT
FISCAL YEAR 2015-16**

BACKGROUND AND INTRODUCTION

BACKGROUND

Prior to the incorporation of the City of Calabasas, the County of Los Angeles formed the following Districts pursuant to the Landscaping and Lighting Act of 1972 (Streets & Highways Code Section 22500 *et seq.*):

Landscape Lighting Act District No. 22 (CALABASAS PARK AREA) (Formed in 1979)

Landscape Lighting Act District No. 24 (LOST HILLS ROAD AND THE SARATOGAS) (Formed in 1984)

Landscape Lighting Act District No. 27 (LAS VIRGENES ROAD) (Formed in 1984)

Landscape Lighting Act District No. 32 (AGOURA ROAD/LOST HILLS ROAD COMMERCIAL DISTRICT) (Formed in 1989)

In July 1995, the County of Los Angeles transferred all four Districts to the City of Calabasas.

These 1972 Act Districts fund landscape maintenance services and are funded by annual benefit assessments levied against each parcel in each District. The word "lighting" was apparently included in their names as a reference to the Landscaping and Lighting Act of 1972.

In Fiscal Year 1997-98, assessment ballot proceedings were conducted pursuant to Proposition 218 (Articles XIII C and XIII D of the California Constitution) for each of the four Districts. There was not a majority protest against any of the assessments, and the assessment methodology was approved by the City Council. The approved methodology reserved to the City Council the right each year to implement an inflation adjustment in these Districts. Implementation of the annual inflation adjustment, which is based on the Consumer Price Index (CPI), does not constitute an assessment increase for purposes of Proposition 218, because landowners in the Fiscal Year 1997-98 assessment ballot and subsequent ballotings authorized these adjustments.

INTRODUCTION

This report was prepared in response to the City Council action ordering a report for the levy of assessments for the fiscal year commencing July 1, 2015 and ending June 30, 2016. This report is prepared in compliance with the requirements of Proposition 218, and the Landscaping and Lighting Act of 1972.

This report presents the engineering analysis for the annual administration of the four Districts. Through the levy and collection of benefit assessments, the four Districts fund maintenance and operation of landscape improvements. For Fiscal Year 2015-16, Landscape Lighting Act District Nos. 22, 24, 27 and 32 assessments will be levied based on the previously approved methodology, at the same rate as was in effect in Fiscal Year 2014-15, plus a 1.35% CPI inflation adjustment as recommended by the City of Calabasas' Chief Financial Officer. As the assessments are levied on the basis of benefit, they are not considered a tax, and, therefore, are not governed by Article XIII A of the Constitution of the State of California. The assessments are governed by Articles XIII D of the Constitution.

Landscaping Improvements

These Districts provide for the installation, operation, maintenance, and servicing of landscape improvements. The Landscaping and Lighting Act of 1972 allows the Districts to provide funding for the installation, maintenance, operation, servicing and administration of the following landscape improvements:

- The installation or planting of landscape;
- The installation or construction of statuary, fountains, or other ornamental structures;
- The installation or construction of public lighting facilities (*by City policy limited to lighting of parkland and major landscaping*);
- The installation or construction of facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance and servicing thereof, including, but not limited to grading, clearing, removal of debris, the installation or construction of curbs, gutters, sidewalks, walls, paving, or water, irrigation, drainage or electrical facilities;
- The installation of park or recreational improvements;
- The maintenance or servicing, or both, of any of the foregoing;
- The acquisition of land for park, recreational, or open space purposes;
- The acquisition of any existing improvement otherwise authorized pursuant to section 22525 of the Streets and Highways Code.

“Maintenance” means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Repair, removal or replacement of all or any part of any improvement;
- Providing for the life, growth, health, and beauty of landscape, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for plant disease or injury;
- The removal of trimmings, rubbish, debris, and other solid waste from common area landscape or hardscape,
- Cleaning and sandblasting to remove or cover graffiti;

“Servicing” means the furnishing of:

- Water for irrigation of any landscaping, operation of any fountains or maintenance of any other improvements;
- Electrical current or energy, gas, or other illuminating agent for any public lighting facilities or for lighting or operation of any other improvements.

Note that the four Districts do not necessarily provide every service authorized under the 1972 Act. For example, while these Districts provide electrical current to power irrigation systems, fountains, landscape lighting, Calabasas Lake aeration systems, and Association Park lake sidewalk lighting, they do not fund LLAD residential or commercial district street lighting.

**CITY OF CALABASAS
LANDSCAPE LIGHTING ACT DISTRICT NOS. 22, 24, 27 & 32 (1972 ACT DISTRICTS)
PRELIMINARY ENGINEER'S REPORT
FISCAL YEAR 2015-16**

PLANS AND SPECIFICATIONS

Several items related to the Districts are on file and available for review at the City of Calabasas Public Works Department, Landscape Maintenance Division office. The items listed below are incorporated into this Engineer's Report by reference.

The lines and dimensions of each lot or parcel within the Assessment Districts are those lines and dimensions shown on the maps of the Assessor of the County of Los Angeles for the year when this Report is prepared. The Assessor's maps and records are incorporated by reference herein and made part of this Report.

Plans and specifications showing each District's exterior boundaries; and indicating the general nature, location and extent of improvements.

For Landscape Lighting Act District No. 22, each member HOA has an individual maintenance contract. The member HOAs have been designated as "Zones"; each Zone has been given a number. The City has on file for each Zone a maintenance contract listing the work contracted and a diagram(s) detailing maintenance service work areas.

**CITY OF CALABASAS
LANDSCAPE LIGHTING ACT DISTRICT NOS. 22, 24, 27 & 32 (1972 ACT DISTRICTS)
PRELIMINARY ENGINEER'S REPORT
FISCAL YEAR 2015-16**

IMPROVEMENTS

The landscape lighting act Districts provide funds for the operation, maintenance and services for the landscape improvements in each District. District Nos. 22, 24, 27, and 32 typically may provide the following landscape maintenance services for the improvements listed in each District below:

- Installation, maintenance, repair, removal or replacement of landscape improvements in a manner that provides for the life, growth, health, and beauty of the landscape;
- Tree installation, tree trimming or tree removal;
- Landscape rodent and pest control;
- Fertilization or treating for plant disease or injury;
- Removal of trimmings, rubbish, debris, and other solid waste from common area landscape or hardscape;
- Graffiti removal;
- Maintenance, repair, and replacement as necessary of all irrigation systems;
- Energy costs of the irrigation control system;
- Furnishing of irrigation water;
- Exterior inspection and cleaning only of drainage structures; not interior inspection, repair or replacement;
- Annual weed abatement/brush clearance for fuel reduction/fire safety.

The landscape improvements maintained by each District are generally described as follows:

Landscape Lighting Act District No. 22

LLAD 22 provides for the maintenance of landscape of the common areas and open space areas located within member homeowner associations (HOA) referred to as "Zones". The HOA common areas are either owned in common or privately owned, with easements granted to the District for landscape maintenance purposes. The maintenance of landscape also includes greenbelt and slope areas as well as annual weed abatement/brush clearance for fuel reduction/fire safety.

Landscape Lighting Act District No. 24

LLAD 24 provides maintenance of landscape within street right-of-way and open space areas. The open space areas include slopes and creek banks. Maintenance of landscape on streets within right-of-way includes parkways, center medians, adjacent turf areas, trees, and annual weed abatement/brush clearance for fuel reduction/fire safety.

Landscape Lighting Act District No. 27

LLAD 27 provides maintenance of landscape within street right-of-way. Maintenance of landscape on streets within right-of-way includes parkways, center medians, and street trees.

Landscape Lighting Act District No. 32

LLAD 32 provides maintenance of landscape within street right-of-way. Maintenance of landscape on streets within right-of-way includes center medians and street trees.

**CITY OF CALABASAS
LANDSCAPE LIGHTING ACT DISTRICT NOS. 22, 24, 27 & 32 (1972 ACT DISTRICTS)
PRELIMINARY ENGINEER'S REPORT
FISCAL YEAR 2015-16**

ESTIMATE OF COST

The estimated budget for Fiscal Year 2015-16 for each District is shown in the table below. The beginning fund balance estimated for July 1, 2015, is projected from 2014-2015 budget year. These fund balances are used to finance all work from July 1, 2015 until June 30, 2016. The first deposit from the County Assessor's Office to the District's accounts is December 2015. The projected carryover from FY 2014-15 will be the beginning fund balance for Fiscal Year 2015-2016 and so forth.

CITY OF CALABASAS LANDSCAPE LIGHTING ACT DISTRICT NOS. 22, 24, 27 & 32 SOURCES AND USES FOR FY 2015-16				
	LLAD 22	LLAD 24	LLAD 27	LLAD 32
<u>SOURCES</u>				
BEGINNING BALANCE (Est.)	253,200	223,900	100,900	6,100
BENEFIT ASSESSMENT	2,811,500	189,400	32,300	33,100
OTHER CITY FUNDS*	1,000,000			
INTEREST	3,800	3,400	1,500	100
TOTAL SOURCES	4,068,500	416,700	134,700	39,300
<u>USES</u>				
CITY ADMINISTRATIVE COSTS (SALARIES, CONSULTANTS, INCIDENTAL COSTS, ETC.)	160,500	10,600	3,500	2,800
UTILITIES (IRRIGATION WATER & ELECTRICAL TO POWER IRRIGATION CONTROLLERS)	803,500	29,800	3,400	6,000
MAINTENANCE CONTRACTS/PEST CONTROL	1,332,200	115,300	33,000	22,600
TREE MAINTENANCE (INSTALLATION, TRIMMING, REMOVALS)	238,000	55,800	30,100	-
FIRE BREAK / BRUSH CLEARANCE	340,500	20,700	-	-
CAPITAL IMPROVEMENTS	-	-	-	-
GENERAL BENEFIT LANDSCAPING IMPROVEMENTS*	1,000,000	-	-	-
TOTAL USES	3,874,700	232,200	70,000	31,400
ENDING BALANCE CARRYOVER	193,800	184,500	64,700	7,900

*Other City Funds – funds the maintenance of general benefit landscape improvements. See LLAD No. 22 General Benefit.

The City of Calabasas' Chief Financial Officer provided the FY 2015-16 Budget Sources and Uses and Consumer Price Index increase.

The detailed records for the costs, utilities, maintenance contracts and other uses are on file at the City of Calabasas.

**CITY OF CALABASAS
LANDSCAPE LIGHTING ACT DISTRICT NOS. 22, 24, 27 & 32
PRELIMINARY ENGINEER'S REPORT
FISCAL YEAR 2015-16**

METHOD OF APPORTIONMENT OF ASSESSMENT

Proposition 218 requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. The Articles provide that only special benefits are assessable. The City must separate the general benefits from the special benefits conferred on a parcel; a special benefit being a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the district.

In Fiscal Year 1997-98, the four Districts conducted an assessment ballot proceeding pursuant to Proposition 218; the assessment methodology was approved by a majority of District parcel owners and the City Council. The City reserves the right to implement the previously approved inflation adjustment in these Districts. Implementation of the annual inflation adjustment, which is based on the annual Consumer Price Index (CPI), does not constitute an assessment increase for purposes of Proposition 218, because parcel owners in the Fiscal Year 1997-98 assessment ballot and subsequent ballots authorized these adjustments.

Assessments for the Districts are subject to an increase each year equal to the 12-month average percent change in the annual Consumer Price Index, All Urban Consumers, for the Los Angeles-Riverside-Orange County Area ("CPI"), from January 1st through December 31st of the fiscal year prior to the subject fiscal year. Future annual budgets within this limit may be approved by the City Council without additional property owner ratification. A CPI increase may be exceeded only by a majority parcel owner approval. For Fiscal Year 2015-16, Landscape Lighting Act District Nos. 22, 24, 27, and 32 assessments will be increased by the 1.35% annual CPI inflation adjustment per the City of Calabasas' Chief Financial Officer.

Each District will be discussed in terms of background, special benefit, general benefit, and assessment formula. Certain terms used throughout the Method of Assessment are defined below.

DEFINITIONS

Special Benefit: Articles XIII C and XIII D of the California Constitution define special benefit as "a particular and distinct benefit over and above the general benefits conferred on real property located in the District or to the public at large. General enhancement of property value does not constitute 'special benefit.'" The following Method of Apportionment of Assessment for each District analyzes the special benefit each parcel receives from the improvements funded in each District. The cost of landscape maintenance is distributed to parcels in each District based on the special benefit each parcel receives by an assessment formula. Within the Districts, zones of benefit may be designated based on spreading the cost of the improvements associated with each Zone over the parcels within that Zone.

Each assessed parcel within each District receives a particular and distinct Special Benefit from the improvements. The operation and maintenance of the landscape improvements provides a Special

Benefit to the parcels within each District even though there may not be landscaping immediately adjacent to a particular parcel. Special Benefits associated with landscaped improvements are:

- The proper maintenance of landscape along streets provides noise abatement and visual barriers to reduce the negative impact of the streets upon nearby parcels within the District.
- Landscape improvements provide environmental enhancement to nearby parcels through erosion control, dust and debris control, and weed abatement for fire safety.
- The aesthetic desirability of parcels within the District is specifically enhanced by the presence of well-maintained open space, greenbelts, street medians, and frontage landscape.
- Having properly maintained landscape readily accessible to properties within the District means the owners of the assessed parcels may enjoy the benefits of having such improvements available for use while avoiding the effort and expense of individually installing and maintaining similar improvements.
- Where the District is providing maintenance along easements on privately held property, it is providing landscape services that otherwise would be direct expenses of the owners of such property.
- State and City laws generally hold property owners individually responsible for the safe and proper maintenance of their frontages.

Zones: Landscape Lighting Act District No. 22 (1972 Act District) Calabasas Park Area has been divided into "Zones" of benefit by individual communities or neighborhoods that receive distinct Special Benefit. In most cases, Zones are defined by the boundaries of a homeowners association. In a few cases, the Zone is based on master plan boundaries (Old Town Master Plan) or street boundaries. The landscape maintenance activities that provide a Special Benefit are separately identified by the City for each Zone. Based on an assessment formula, the cost of these landscape maintenance activities is then spread to the parcels within that Zone.

Assessment Units: The assessment units assigned to each parcel are used in the assessment formula to compute the assessment amount. If the zone has one single land use, then each parcel is assigned one assessment unit. Where more than one land use exists within a zone, traffic generation factors are used as a means to define the benefit a single family residence receives as compared to an apartment or a commercial property. The following traffic generation factors for the City of Calabasas and resulting Assessment Units are incorporated in this Report. Per Parcel

Land Use	Traffic Generation Factor	Assessment Unit
Single Family Residential (Houses and Condominiums)	10 trips per day	1.0 (10 trips/10 trips) per parcel
Multi-Family Residential (Apartments)	6 trips per day	0.6 (6 trips/10 trips) per unit)
Commercial Parcel	40 trips per day	4.0 (40 trips/10 trips) per acre

Note: Traffic Generation Factor is based on information provided by the City of Calabasas in 1997-98. Due to minor changes in development in the area since this time, these results continue to be representative of the traffic generated in the assessment district.

The Method of Assessment for each District is provided in the following sections.

LANDSCAPE LIGHTING ACT DISTRICT NO. 22 (1972 ACT DISTRICT) (CALABASAS PARK AREA)

METHOD OF APPORTIONMENT OF ASSESSMENTS

For Fiscal Year 2015-16, Landscape Lighting Act District No. 22 (LLAD 22) assessments will be levied based on previously approved methodology and will be levied at the same rate as in Fiscal Year 2014-15 with a 1.35 % annual CPI inflation adjustment.

IMPROVEMENTS

LLAD 22 provides for the maintenance of landscape of the common areas and open space areas located within member homeowner associations (HOA). The HOA common areas are either owned in common or privately owned, with easements granted to the District for landscape maintenance purposes. The maintenance of landscape also includes greenbelt and slope areas as well as annual weed abatement/brush clearance for fuel reduction/fire safety.

LLAD 22 provides funding for the installation, maintenance, operation, and administration of the following landscape improvements:

“Improvement” means one or any combination of the following:

- The installation or planting of landscape;
- The installation of trees;
- The installation or construction of statuary, fountains, or other ornamental structures;
- The installation or construction, of public lighting facilities (*by City policy limited to lighting of parkland and major landscaping*);
- The installation or construction of facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance and servicing thereof, including, but not limited to grading, clearing, removal of debris, the installation or construction of curbs, gutters, sidewalks, walls, or paving, or water, irrigation, drainage or electrical facilities;
- The installation of park or recreational improvements;
- The maintenance or servicing, or both, of any of the foregoing;
- The acquisition of land for park, recreational, or open space purposes;
- The acquisition of any existing improvement otherwise authorized pursuant to section 22525 of the Streets and Highways Code.

“Maintenance” means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Providing for the life, growth, health, and beauty of landscape, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for plant disease or injury;

- Repair, removal or replacement of all or any part of any improvement;
- The removal of weeds, trimmings, rubbish, debris, and other solid waste from common area landscape or hardscape;
- Cleaning and sandblasting to remove or cover graffiti;
- Exterior inspection and cleaning only of drainage structures; not interior inspection, repair or replacement;
- Annual weed abatement/brush clearance for fuel reduction/fire safety;
- Landscape rodent and pest control;
- Trimming or removal of trees.

“Servicing” means the furnishing of:

- Water for irrigation of any landscape, operation of any fountains or maintenance of any other improvements;
- Electrical to power irrigation systems, fountains, and landscape lighting.

METHODOLOGY

The following methodology described pertains to Landscape Lighting Act District No. 22 (1972 Act). The landscape services provided to all properties within the district boundary have been reviewed to identify the General Benefit and Special Benefit conferred to each parcel.

GENERAL BENEFIT

Articles XIII C and XIII D of the California Constitution require that the benefit to the public at large be identified for any improvements being funded through an assessment district. This so-called "general" benefit may not be assessed to the parcels through an assessment district. The following Method of Apportionment of Assessment for the District analyzes the benefit to the public at large from the landscape improvements provided by the City for the District.

In LLAD 22, certain portions of improvements are identified as providing general benefit. The costs associated with these improvements are not included in the LLAD 22 budget assessed to parcels in the District. Instead, these costs are funded through Landscape Maintenance District No. 22 (LMD 22), via an existing ad valorem tax levy. Proposition 218 does not govern the ad valorem levy, and the proceeds of this ad valorem levy may be used toward any landscape improvements providing general benefit within the LMD 22/LLAD 22 boundary.

The following landscape improvements provide general benefit and are funded solely by LMD 22, via the existing ad valorem tax levy and are not funded by LLAD 22. Maintenance of landscape on major thoroughfare roadways, including portions of Calabasas Road, Civic Center Way, Park Capri, Park Entrada, Park Granada, median islands on Park Helena and Park Sienna, Park Ora, certain parkway areas on Park Sorrento, Parkway Calabasas, Association Park, Calabasas Lake, and natural areas such as McCoy Creek, and open space areas within the district boundary.

The roadways are thoroughfares for the community, providing access to schools, shops, freeways, and recreational facilities, and therefore, confer a General Benefit to the community. The landscape along these streets includes parkway landscape that serves to improve the stabilization of slopes adjacent to these roadway sections within the District.

SPECIAL BENEFIT

With the exception of the major public thoroughfare roadways located within the boundaries of District LLAD 22 as described above in General Benefit, all of the areas maintained by LLAD 22 are either owned in common or are privately owned and are solely accessible to (or primarily accessible to) owners of the assessed properties, their tenants, and/or guests. These areas have easements granted to LLAD 22 for landscape maintenance purposes.

The local landscape improvements associated within member homeowner associations, provide special benefits to the properties within those developments, and have no benefit to the public at large, to individuals rather than property, or to properties located outside of the district. The landscape improvements of the common areas located within member homeowner associations are of direct and special benefit to the assessed properties. Consequently, 100% of these costs are allocated to special benefit.

In order for the methodology to be in compliance with Articles XIII C and XIII D of the California Constitution, a thorough study of the landscape funded by the District was performed in 1997-98. The District was divided by tracts into member homeowner associations and a commercial district that are called "Zones". These Zones receive distinct special benefit. In a few cases, the Zone is based on master plan boundaries (Old Town Master Plan) or street boundaries. Each Zone's specific usage and landscape maintenance activities were identified to determine the level of special benefit each property receives within that Zone.

The landscape maintenance activities that provide a Special Benefit have been determined for each Zone. The LLAD 22 Zones are as follows:

Bellagio	Calabasas Country Estates	Calabasas Hills
Classic Calabasas Park	Calabasas Park Estates	Calabasas Rd. Commercial*
Clairidge	Las Villas	Oak Creek
Oak Park	The Oaks of Calabasas **	Palatino
	Vista Pointe	Westridge

* Calabasas Rd. Commercial includes Old Town

**The Oaks of Calabasas Zone is comprised of The Oaks of Calabasas and The Estates of The Oaks of Calabasas HOAs.

A complete landscape maintenance service level was developed for each Zone to determine the Zone's aggregate LLAD 22 assessment levy and detail the Special Benefit each Zone receives from the District.

The aggregate LLAD 22 assessment levy for each Zone includes costs associated with maintaining improvements that specially benefit the given Zone. Many of the costs are for local landscape improvements that can be accessed only by member homeowner association parcel owners, their tenants, or guests. In virtually all cases, the improvements were part of a condition of development and the assessed properties are responsible for the ongoing landscape maintenance.

PARCEL CLASSIFICATION

These costs are apportioned to each parcel within each Zone based on the Special Benefit associated with the type of land use. The benefit relationship between land uses is based on the assignment of vehicle trip generation factors. Trip rates are used as a measure of benefit because they are a representative land use comparison factor for the type of improvements being funded, namely street landscape, slopes, common areas, parks, and open space. From the traffic generation factors Assessment Units are calculated. The Assessment Unit for each land use is computed based on its traffic generation compared to the traffic generated by a single-family residence.

Single Family Residence parcels in the City of Calabasas generate an average of 10 trips per day. A parcel is classified as a Single Family Residential use upon recordation of a subdivision map for houses or condominiums. The Single Family Residences are assigned the base Assessment Unit of 1 and are used as the basis of comparison for all other land uses in the District.

At this time, there are no *Multiple Family Residential* parcels (apartments) in the District. If at a later date, any parcel in the District comes under this land use, it would be assessed to reflect the available data that indicates Multiple Family Residential. Parcels in the City of Calabasas generate an average of 6 trips per day, or 0.6 Assessment Unit per unit. Therefore, the Assessment Units assigned to a multiple family parcel would be the product of the number of dwelling units on a parcel and 0.6 Assessment Units per unit. For instance, a 20-unit apartment house would be assigned $20 \times 0.6 = 12$ Assessment Units.

Residential Vacant (unsubdivided but buildable) property receives a Special Benefit from the improvements as a result of the increased desirability of a parcel that is located in an area with landscape and park amenities. In addition, vacant parcels specially benefit from the availability of a landscape program and access to the City's landscape manager.

Commercial property within the City of Calabasas generates on average 40 trips per day. Therefore, the Assessment Units assigned to a commercial property is 4.0 Assessment Units per acre. At this time, all commercial properties in the District are within the Calabasas Road/ Old Town Commercial Zone, which also encompasses the Old Town Master Plan area. The commercial properties in the Calabasas Road/ Old Town Commercial Zone receive benefit from Calabasas Road maintenance. The cost for these specific improvements will be distributed to the properties within the Zone based on each parcel's land area (acreage).

Public Agency parcels within the District that have people working on the premises and have parkway landscape maintained by the District, benefit from the landscape improvements to their parkway maintenance, as do other similar parcels. The only Public Agency parcels subject to the assessment are the Civic Center and the Tennis and Swim Center. For purposes of the assessment, these parcels are considered part of the Calabasas Road Commercial/Old Town Master Plan Zone. Therefore, the Civic Center and the Tennis and Swim center will receive the same per acre charge as the Commercial properties in the Calabasas Road Commercial/Old Town Master Plan Zone.

Homeowner's Association and Common Area parcels within the District are not assessed. These parcels include large park parcels, small sliver parcels, and parking lot parcels that cannot be developed. These 'unbuildable' properties do not receive a special benefit from the District's improvements and are not assessed. In many cases, the common area parcels provide the same use and function that the District funded improvements provide. In addition, the property owners paying the Homeowner's Association

bill are already paying for the District's funded improvements by their parcel's assessment. The common area property is incidental to the primary residential parcels. Therefore, the assessment will go directly to the source and assess the properties that benefit from the Zone's improvements and maintenance.

FORMULA OF ASSESSMENT

The District budget requirements for the special benefit improvement costs have been assembled in order to determine the aggregate levy of assessment for Landscape Lighting Act District No. 22 (1972 Act) by Zone. The total aggregate levy for each LLAD 22 Zone is divided by the number of assessment units to determine the assessment amount per unit. The assessment amount per unit is multiplied by the number of assessment units assigned to the parcel to determine each parcel's assessment. See Exhibit A for the Landscape Lighting Act District No. 22 (1972 Act) Assessments by Zone.

For example, a Zone that only has single-family residence parcels is assigned 1 assessment unit per parcel, and the assessment per parcel is calculated as follows:

$$\frac{\text{Zone Total Levy Amount}}{\text{Zone Total Assessment Units (Parcels)}} = \text{Assessment Amount per Unit (Parcel)}$$

**LANDSCAPE LIGHTING ACT DISTRICT NO. 24 (1972 ACT DISTRICT)
(LOST HILLS)**

METHOD OF APPORTIONMENT OF ASSESSMENTS

For the Fiscal Year 2015-16, the assessments in Landscape Lighting Act District No. 24 (LLAD 24) will be levied at the same rate as in Fiscal Year 2014-15 plus a 1.35% CPI annual inflation adjustment.

IMPROVEMENTS

LLAD 24 provides maintenance of landscape within street right-of-way and open space areas. The open space areas include slopes and creek banks. Maintenance of landscape on streets within right-of-way includes parkways, center medians, adjacent turf areas, trees, and annual weed abatement/brush clearance for fuel reduction/fire safety.

Roadways with landscape in the public right-of-way includes landscaped center medians, trees, and adjacent turf areas that are conditions of development and are maintained by the District to soften and mitigate the impacts of traffic on the residential tracts within the District. The landscape improvements are located on the residential roadway serving the Malibu Lost Hills community, including Lost Hills Road south of Malibu Hills Road to Las Virgenes Road, Calabasas Hills Road, Meadow Creek Lane, portions of Las Virgenes Road, and designated slope areas along Las Virgenes Creek.

LLAD 24 provides funding for the installation, maintenance, operation, and administration of the following landscape improvements:

“Improvement” means one or any combination of the following:

- The installation or planting of landscape;
- The installation of trees;
- The installation or construction of statuary, fountains, or other ornamental structures;
- The installation or construction, of public lighting facilities (*by City policy limited to lighting of parkland and major landscaping*);
- The installation or construction of facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance and servicing thereof, including, but not limited to grading, clearing, removal of debris, the installation or construction of curbs, gutters, sidewalks, walls, or paving, or water, irrigation, drainage or electrical facilities;
- The installation of park or recreational improvements;
- The maintenance or servicing, or both, of any of the foregoing;
- The acquisition of land for park, recreational, or open space purposes;
- The acquisition of any existing improvement otherwise authorized pursuant to section 22525 of the Streets and Highways Code.

•
“Maintenance” means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for plant disease or injury;
- Repair, removal or replacement of all or any part of any improvement;
- The removal of weeds, trimmings, rubbish, debris, and other solid waste from landscape or hardscape;
- Cleaning and sandblasting to remove or cover graffiti;

- Exterior inspection and cleaning only of drainage structures; not interior inspection, repair or replacement;
- Annual weed abatement/brush clearance for fuel reduction/fire safety;
- Landscape rodent and pest control;
- Trimming or removal of trees.

“Servicing,” means the furnishing of:

- Water for the irrigation of any landscape, the operation of any fountains or the maintenance of any other improvements;
- Electrical to power irrigation systems, fountains, and landscape lighting.

METHODOLOGY

The following methodology described pertains to the Landscape Lighting Act District No. 24 (1972 Act) herein referred to in this section as LLAD 24. The landscape services provided to all properties within the district boundary have been reviewed to identify the General Benefit and Special Benefit conferred to each parcel.

GENERAL/SPECIAL BENEFIT

The local landscape improvements provide special benefits to the properties within those developments, and have no benefit to the public at large, to individuals rather than property, or to properties located outside of the district. The maintenance of landscape improvements within street right-of-way and open space located within the District are of direct and special benefit to the assessed properties. Consequently, 100% of these costs are allocated to special benefit, and the special benefits associated with the landscaped improvements include:

- The aesthetic desirability of parcels within the District is specifically enhanced by the presence of well-maintained open space, greenbelts, street medians, and frontage landscaping.
- Public rights-of-way with landscaped center medians, trees, and adjacent turf areas maintained by the District provide noise abatement and visual barrier to mitigate the negative impact of streets upon nearby parcels within the District.
- The special benefits derived from the maintenance of these landscape improvements provide environmental enhancement to nearby parcels through erosion control, dust and debris control, and weed abatement for safety.
- Additional special benefits of landscape maintenance are described earlier in this Report.

Other residential areas of the City that are not included in an assessment district receive a minimal standard of City-funded landscape maintenance. The standard City landscaping for streets includes minimal median and parkway landscape. The City policy, therefore, is to have homeowner associations or landscaping and lighting districts fund certain landscaping maintenance, enhancements, and servicing. As a result, there is no general benefit from the funded improvements.

FORMULA OF ASSESSMENT

In order for the methodology to be in compliance with Articles XIII C and XIII D enacted by Proposition 218, in 1997-98 a thorough study of the landscape provided to each Zone within the District was performed. Specific usage and services were identified by zones of benefit to determine the level of benefit received by each Zone within the District. The District was divided into naturally bounded communities, usually by tracts, but sometimes by street boundaries, and within each community, there is a single residential land use. The Zones located within the District are as follows:

Archstone Calabasas	Deer Springs	El Encanto	Lone Oak
Mira Monte	Saratoga Hills	Saratoga Ranch	Steeplechase

Residential Parcels within the District all receive direct and special benefit. All of the parcels in this District are residential and each parcel is assigned 1 Assessment Unit per parcel.

Public Agency parcels within the District that have people working on the premises and have parkway landscape maintained by the District that benefit from the landscape improvements to their parkway maintenance, similar to other parcels. However, at this time, there are no Public Agency parcels in LLAD 24.

Homeowner's Association and Common Area parcels within the District are not assessed. These parcels include large park parcels, small sliver parcels, and parking lot parcels that cannot be developed. These 'unbuildable' parcels do not receive a special benefit from the District's improvements and are not assessed. In many cases, the common area parcels provide the same use and function that the District funded improvements provide. In addition, the parcel owners paying the Homeowner's Association bill are already paying for the District's funded improvements by their parcel's assessment. The common area property is incidental to the primary residential parcels. Therefore, the assessment will go directly to the source and assess the properties that benefit from the Zone's improvements and maintenance.

The assessment per assessment unit is determined by dividing the total aggregate levy by Zone by the number of assessment units in the Zone. The assessment per parcel is determined by multiplying the assessment per assessment unit by the number of units assigned to the parcel. See Exhibit B for the Landscape Lighting Act District No. 24 (1972 Act) Assessments by Zone.

For example, a Zone that only has residential parcels is assigned 1 assessment unit per parcel, and the assessment per parcel is calculated as follows:

$$\frac{\text{Zone Total Levy Amount}}{\text{Zone Total Assessment Units (Parcels)}} = \text{Assessment Amount per Unit (Parcel)}$$

**LANDSCAPE LIGHTING ACT DISTRICT NO. 27 (1972 ACT DISTRICT)
(LAS VIRGENES)**

METHOD OF APPORTIONMENT OF ASSESSMENTS

For Fiscal Year 2015-16, the assessments in Landscape Lighting Act District No. 27 (LLAD 27) will be levied at the same rate as in Fiscal Year 2014-15 plus a 1.35% CPI annual inflation adjustment.

IMPROVEMENTS

LLAD 27 provides maintenance of landscape within street right-of-way. Maintenance of landscape on streets within right-of-way includes parkway, center medians, and street trees.

The area of landscape improvements are: On Las Virgenes Road, the east sidewalk and center medians beginning at 3560 Las Virgenes Road and continuing north to Thousand Oaks Blvd.; on Las Virgenes Road north of Thousand Oaks Blvd., the east sidewalk area north to the end of Las Virgenes Rd.; at the northwest corner of Thousand Oaks Blvd. and Ruthwood Drive the public right-of-way area located immediately behind the sidewalk; on the south side of Thousand Oaks Blvd., the sidewalk area from Las Virgenes Road to the flood control channel; and the sidewalk area on the north side of Thousand Oaks Blvd. from Las Virgenes Road to Ruthwood Drive.

LLAD 27 provides for the installation, maintenance, operation, and administration of the following landscape improvements:

“Improvement” means one or any combination of the following:

- The installation or planting of landscape;
- The installation of trees;
- The installation or construction of statuary, fountains, or other ornamental structures;
- The installation or construction, of public lighting facilities (*by City policy limited to lighting of parkland and major landscaping*);
- The installation or construction of facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance and servicing thereof, including, but not limited to grading, clearing, removal of debris, the installation or construction of curbs, gutters, sidewalks, walls, or paving, or water, irrigation, drainage or electrical facilities;
- The maintenance or servicing, or both, of any of the foregoing;
- The acquisition of any existing improvement otherwise authorized pursuant to section 22525 of the Streets and Highways Code.

“Maintenance” means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Repair, removal or replacement of all or any part of any improvement;
- The removal of weeds, trimmings, rubbish, debris, and other solid waste from landscape or hardscape;
- Cleaning and sandblasting to remove or cover graffiti;
- Landscape rodent and pest control;
- Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for plant disease or injury;
- Trimming or removal of trees.

"Servicing" means the furnishing of:

- Water for the irrigation of any landscaping, the operation of any fountains or the maintenance of any other improvements;
- Electrical to power irrigation systems, fountains, and landscape lighting.

METHODOLOGY

The following methodology described pertains to Landscape Lighting Act District No. 27 (1972 Act) herein referred to in this section as LLAD 27.

GENERAL BENEFIT/SPECIAL BENEFIT

The local landscape improvements provide special benefits to the properties within those developments, and have no benefit to the public at large, to individuals rather than property, or to properties located outside of the district. The landscape improvements within the street right-of-way located within the District are of direct and special benefit to the assessed properties. Consequently, 100% of these costs are allocated to special benefit. The special benefits of landscape maintenance are described earlier in this Report.

Other residential areas of the City that are not included in an assessment district receive a minimal standard of City-funded landscape maintenance. The standard City performed landscape for arterial streets in the City includes minimal median and parkway landscape maintenance. The City policy, therefore, is to have fronting property in the District fund the enhanced landscape maintenance, operation, and servicing of arterial streets. The parcels in the District are funding only the cost of their frontage landscape maintenance. As a result, there is no General Benefit from the funded improvements.

FORMULA OF ASSESSMENT

In order for the methodology to be in compliance with Articles XIII C and XIII D enacted by Proposition 218, in 1997-98 a thorough study of the landscape provided to zones of benefit within the District was performed. Specific usage and services were identified for each Zone to determine the level of benefit received by each Zone within LLAD 27. The District was divided into naturally bounded neighborhoods, usually by tracts, but sometimes by street boundaries, and within each neighborhood there is a single land use, and each parcel is assigned 1 assessment unit. The Zones are as follows:

Casden Malibu Canyon LP
Las Virgenes Park
Las Virgenes Village

Public Agency parcels within the District that have people working on the premises and have parkway landscape maintained by the District that benefit from the landscape improvements to their parkway maintenance, similar to other parcels. There are no Public Agency parcels in LLAD 27 at this time.

Homeowner's Association and Common Area parcels within the District that are not assessed. These parcels include large park parcels, small sliver parcels, and parking lot parcels that cannot be developed. These 'unbuildable' parcels do not receive a special benefit from the District's improvements and are not assessed. In many cases, the common area parcels provide the same use and function that the District funded improvements provide. In addition, the parcel owners paying the Homeowner's Association bill are already paying for the District's funded improvements by their parcel's assessment. The common area parcel is incidental to the primary residential parcels.

Therefore, the assessment will go directly to the source and assess the parcels that benefit from the Zone's improvements and maintenance.

The assessment per assessment unit is determined by dividing the total aggregate levy by Zone by the number of assessment units in the Zone. The assessment per parcel is determined by multiplying the assessment per assessment unit by the number of units assigned to the parcel. See Exhibit C for the Landscape Lighting Act District No. 27 (1972 Act) Assessments by Zone.

For example, a Zone that only has single family residence parcels is assigned 1 assessment unit per parcel, and the assessment per parcel is calculated as follows:

$$\frac{\text{Zone Total Levy Amount}}{\text{Zone Total Assessment Units (Parcels)}} = \text{Assessment Amount per Unit (Parcel)}$$

**CITY OF CALABASAS
LANDSCAPE LIGHTING ACT DISTRICT NO. 32 (1972 ACT DISTRICT)
(AGOURA ROAD / LOST HILLS ROAD COMMERCIAL DISTRICT)**

METHOD OF APPORTIONMENT OF ASSESSMENTS

For the Fiscal Year 2015-16, the assessments in Landscape Lighting Act District No. 32 (LLAD 32) will be levied at the same rate as in Fiscal Year 2014-15 plus a 1.35% annual CPI inflation adjustment.

IMPROVEMENTS

LLAD 32 provides maintenance of landscape within street right-of-way. Maintenance of landscape of street medians and street trees.

The landscape improvements maintained by the District are located on the major streets serving the Lost Hills Commercial Area, including Agoura Road from the west side of Malibu Hills Road to the eastern boundary of 26750 Agoura Road, Malibu Hills Road, Shadow Hills Road, and the portion of Lost Hills Road from Interstate 101 to the south side of Malibu Hills Road.

LLAD 32 provides for funding for the installation, maintenance, operation, and administration of the following landscape improvements:

“Improvement” means one or any combination of the following:

- The installation or planting of landscape;
- The installation of trees;
- The installation or construction, of public lighting facilities (*by City policy limited to lighting of parkland and major landscaping*);
- The installation or construction of facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance and servicing thereof, including, but not limited to grading, clearing, removal of debris, the installation or construction of curbs, gutters, sidewalks, walls, or paving, or water, irrigation, drainage or electrical facilities;
- The maintenance or servicing, or both, of any of the foregoing;
- The acquisition of any existing improvement otherwise authorized pursuant to section 22525 of the Streets and Highways Code.

“Maintenance” means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Repair, removal or replacement of all or any part of any improvement;
- The removal of weeds, trimmings, rubbish, debris, and other solid waste from landscape or hardscape,
- Cleaning and sandblasting to remove or cover graffiti;
- Landscape rodent and pest control;
- Providing for the life, growth, health, and beauty of landscaping, including cultivation irrigation, irrigation, trimming, spraying, fertilizing, or treating for plant disease or injury;
- Trimming or removal of trees.

“Servicing” means the furnishing of:

- Water for the irrigation of any landscaping, the operation of any fountains or the maintenance of any other improvements;
- Electrical to power irrigation systems, fountains, and landscape lighting.

METHODOLOGY

The following methodology described pertains to the Landscape Lighting Act District No. 32 (1972 Act) herein referred to in this section as LLAD 32.

GENERAL BENEFIT/SPECIAL BENEFIT

The local landscape improvements provide special benefits to the properties within those developments, and have no benefit to the public at large, to individuals rather than property, or to properties located outside of the district. The landscape improvements of the common areas located within member homeowner associations are of direct and special benefit to the assessed properties. Consequently, 100% of these costs are allocated to special benefit. The special benefits of landscape maintenance are described earlier in this Report.

FORMULA OF ASSESSMENT

In order for the methodology to be in compliance with Articles XIII C and XIII D enacted by Proposition 218, in 1997-98 a thorough study of the landscape provided to the District was performed. Specific usage and services were identified to determine the level of benefit each parcel within the District receives. These costs are apportioned to each parcel based on the Special Benefit associated with the type of land use. Two land uses exist in LLAD 32: Commercial and Public Agency (a sheriff station and a community center).

Because there is basically a single land use in the District, commercial, each parcel is assigned 1 assessment unit. The assessment levy is spread equally to each parcel. The only nonconforming land use in the District is related to the Community Center, which is owned by the City of Calabasas and the City of Agoura Hills. The Community Center parcel's frontage landscape will be funded by the District, similar to the commercial properties in the District. Therefore, the Community Center benefits from the assessment and will be assessed as a parcel.

Common Area or Easement parcels within the District include primarily open space parcels that cannot be developed and parking lots that are considered 'unbuildable'. These parcels do not receive special benefit and will not be assessed. In many cases, the common area parcels provide the same use and function that the District funded improvements provide. Furthermore, these parcels are incidental to the primary parcels. Therefore, the assessment will go directly to the source and assess the parcels that benefit from the Districts improvements and maintenance.

The assessment per assessment unit is determined by dividing the total aggregate levy by parcel by the number of assessment units in the District. The assessment per parcel is determined by multiplying the assessment per assessment unit by the number of units assigned to the parcel. See Exhibit D for the Landscape Lighting Act District No. 32 (1972 Act) Assessments by parcel.

For example, a District that only has commercial land use parcels is assigned 1 assessment unit per parcel, and the assessment per parcel is calculated as follows:

$$\frac{\text{District Total Levy Amount}}{\text{District Total Assessment Units (Parcels)}} = \text{Assessment Amount per Unit (Parcel)}$$

ASSESSMENT ROLL

The proposed amounts of assessment for the Fiscal Year 2015-16 Landscape Lighting Act Districts are apportioned to each parcel as shown on the latest roll at the County of Los Angeles Assessor's office and submitted in a separate document titled "City of Calabasas Landscaping Lighting Act District Nos. 22, 24, 27 and 32 Assessment Rolls" on file with the City Clerk.

In conclusion, it is my opinion that the assessments within the City of Calabasas Landscape Lighting Act District Nos. 22, 24, 27, and 32 are apportioned by a formula that fairly distributes special benefit assessments in accordance with the special benefits that are received by each parcel.

ENGINEER'S REPORT SUBMITTED BY:



Lisa M. Penna., P.E., R.C.E. No. 59166 April 15, 2015

**CITY OF CALABASAS
LANDSCAPE AND LIGHTING DISTRICTS
PRELIMINARY ENGINEER'S REPORT
FISCAL YEAR 2015-16**

ANNEXATIONS AND DETACHMENTS

Annexation of territory to an existing assessment district is provided by the 1972 Act, commencing with Section 22605. The 1972 Act further provides that an assessment district may consist of contiguous or non-contiguous areas. Annexation proceedings are limited to the territory proposed to be annexed. The history of annexations and detachments are listed as follows:

LLAD 22 (1972 ACT DISTRICT)

For 2002-03 fiscal year, fifteen (15) parcels located in the City of Calabasas were annexed into the Commercial Area, Calabasas Road. The Assessor Parcel Numbers are as follows:

2068-002-023	2069-009-021	2069-009-900
2068-002-035	2069-009-027	2069-032-025
2069-009-008	2069-009-029	2069-032-027
2069-009-012	2069-009-030	2069-032-900
2069-009-020	2069-009-031	2069-032-901

For 2009-10 fiscal year, Zone 15, Park Sorrento Condominium HOA was detached from LLAD 22.

For 2011-12 fiscal year, Zone 18, Calabasas Ridge HOA was detached from LLAD 22.

LLAD 24 (1972 ACT DISTRICT)

For 2000-01 fiscal year, Mira Monte (Tract No. 52150) (Assessor's Parcel No. 2064-004-91 and its successor parcels) was annexed into LLAD 24.

For 2000-01 fiscal year, Zone, Calabasas View HOA, was detached from LLAD 24.

For 2002-03 fiscal year, two hundred seventy (270) parcels in Saratoga Ranch and Saratoga Hills HOAs were annexed into LLAD 24.

LLAD 27 (1972 ACT DISTRICT)

No annexations or detachments to date.

LLAD 32 (1972 ACT DISTRICT)

For 2000-01 fiscal year, Mira Monte (Tract No. 52150) (Assessor's Parcel No. 2064-004-91 and its successor parcels) was detached from LLAD 32 and annexed into LLAD 24.

EXHIBITS A, B, C, & D

LANDSCAPE LIGHTING ACT DISTRICTS (1972 ACT DISTRICTS)

MAINTENANCE COSTS AND ASSESSMENTS BY ZONES

EXHIBIT A
City of Calabasas LLAD 22
Maintenance Costs and Assessment by Zone

ZONE	FY 15-16 Maintenance Costs & Benefit Assessment	Land Use	No. of Parcels	No. of Acres	FY 14-15 Asmt Rate (includes 1.08% CPI Increase)	FY 15-16 Asmt Rate (includes 1.35% CPI Increase)	Per Parcel/ Acre
Bellagio	\$ 147,886.40	SFR	160		\$ 911.97	\$ 924.29	Parcel
Calabasas Country Estates	\$ 60,872.40	SFR	37		\$ 1,623.28	\$ 1,645.20	Parcel
Calabasas Hills	\$ 364,300.30	SFR	490		\$ 733.56	\$ 743.47	Parcel
Classic Calabasas Park	\$ 369,028.92	SFR	458		\$ 795.00	\$ 805.74	Parcel
Calabasas Park Estates	\$ 426,126.25	SFR	425		\$ 989.29	\$ 1,002.65	Parcel
Calabasas Rd Comm / Old Town	\$ 37,062.26	Commercial	66	117.89	\$ 310.19	\$ 314.38	Acre
Clairidge	\$ 130,619.50	SFR	34		\$ 3,790.57	\$ 3,841.75	Parcel
Las Villas	\$ 114,284.01	SFR	89		\$ 1,266.98	\$ 1,284.09	Parcel
Oak Creek	\$ 7,711.20	Condo	17		\$ 447.55	\$ 453.60	Parcel
Oak Park	\$ 174,923.60	Condo	268		\$ 644.00	\$ 652.70	Parcel
Palatino	\$ 89,216.40	SFR	120		\$ 733.56	\$ 743.47	Parcel
The Oaks of Calabasas	\$ 414,856.26	SFR	558		\$ 733.56	\$ 743.47	Parcel
Vista Pointe	\$ 297,194.94	SFR	189		\$ 1,551.51	\$ 1,572.46	Parcel
Westridge	\$ 177,479.01	SFR	111		\$ 1,577.61	\$ 1,598.91	Parcel
TOTAL	\$ 2,811,561.45		3,022	117.89			

Detailed LLAD Operation and Maintenance Landscaping Services budgets are on file at the City.

EXHIBIT B
City of Calabasas LLAD 24
Maintenance Costs and Assessment by Zone

ZONE	FY 15-16 Maintenance Costs & Benefit Assessment	Land Use	No. of Parcels	Dwelling Units	FY 14-15 Asmt Rate Per Dwelling Units (1.08% CPI increase)	FY 15-16 Asmt Rate Per Dwelling Units (1.35% CPI increase)
Deer Springs	\$ 42,061.74	Residential	301	301	\$ 137.87	\$ 139.74
Steeplechase	\$ 33,537.60	Residential	240	240	\$ 137.87	\$ 139.74
El Encanto	\$ 6,008.82	Residential	43	43	\$ 137.87	\$ 139.74
Archstone Calabasas	\$ 83,844.00	Residential	2	600	\$ 137.87	\$ 139.74
Lone Oak	\$ 6,707.52	Residential	48	48	\$ 137.87	\$ 139.74
Mira Monte (Tract 52150)	\$ 4,751.16	Residential	34	34	\$ 137.87	\$ 139.74
District 24 Subtotal	\$ 176,910.84		668	1,266		
Saratoga Ranch	\$ 2,276.05	Residential	49	49	\$ 45.83	\$ 46.45
Saratoga Hills	\$ 10,265.45	Residential	221	221	\$ 45.83	\$ 46.45
Saratogas Subtotal	\$ 12,541.50		270	270		
DISTRICT TOTAL	\$ 189,452.34		938	1,536		

Detailed LLAD Operation and Maintenance Landscaping Services budget is on file at the City.

EXHIBIT C
City of Calabasas LLAD 27
Maintenance Costs and Assessment by Zone

ZONE	FY 15-16 Maintenance Costs & Benefit Assessment	No. of Parcels	FY 14-15 Asmt Rate Per Parcel (1.08% CPI Increase)	FY 15-16 Asmt Rate Per Parcel (1.35% CPI Increase)
Casden Malibu Canyon	\$ 313.50	3	\$ 103.11	\$ 104.50
Las Virgenes Park	\$ 15,048.00	144	\$ 103.11	\$ 104.50
Las Virgenes Village	\$ 16,929.00	162	\$ 103.11	\$ 104.50
TOTAL	\$ 32,290.50	309		

Detailed LLAD Operation and Maintenance Landscaping Services budget is on file at the City.

EXHIBIT D
City of Calabasas LLAD 32
Maintenance Costs and Assessment

ZONE	FY 15-16 Maintenance Costs and Benefit Assessment	Land Use	No. of Parcels	FY 14-15 Asmt Rate Per Parcel (1.08% CPI Increase)	FY 15-16 Asmt Rate Per Parcel (1.35% CPI Increase)
TOTAL	\$ 33,095.53	Commercial	19	\$ 1,718.67	\$ 1,741.87

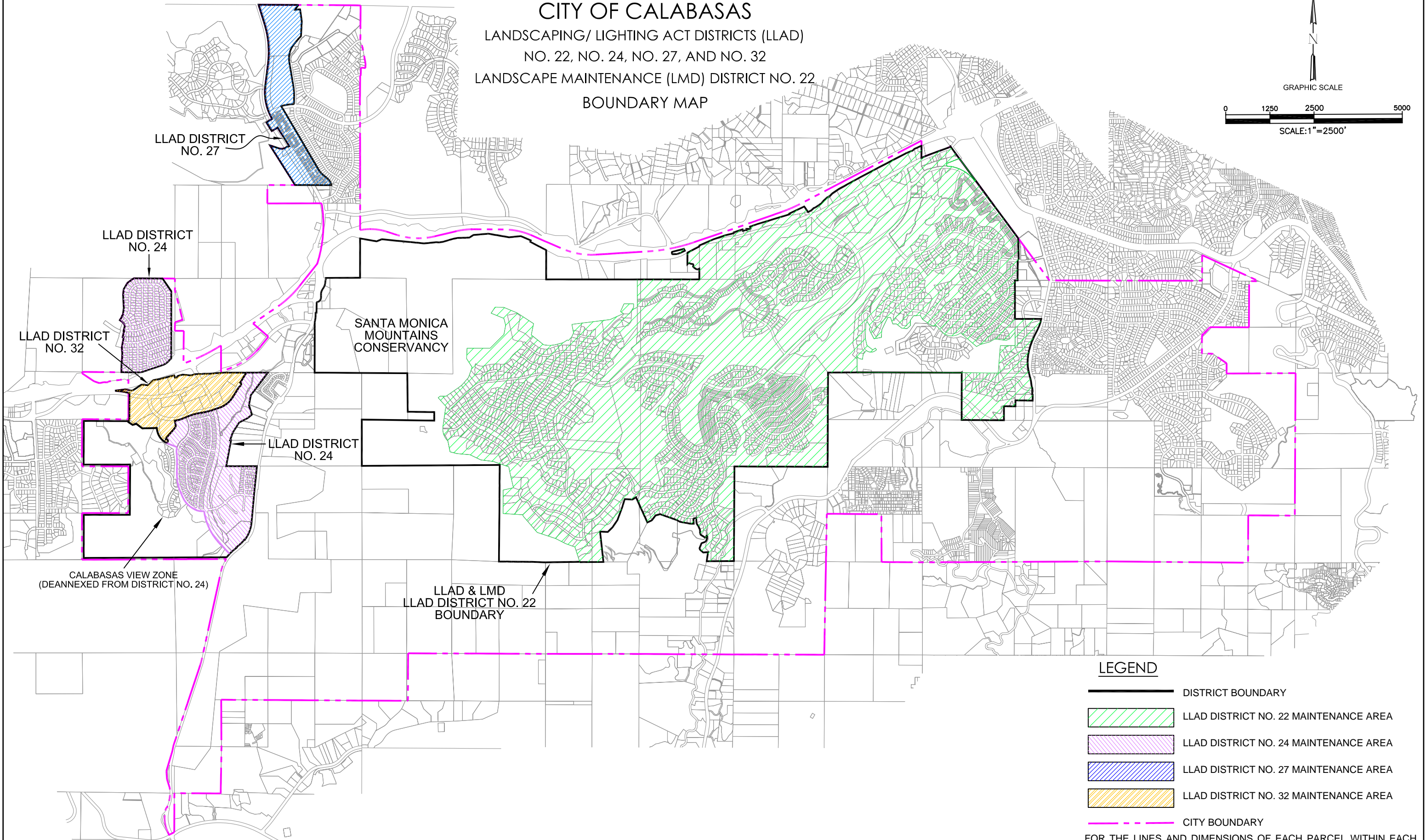
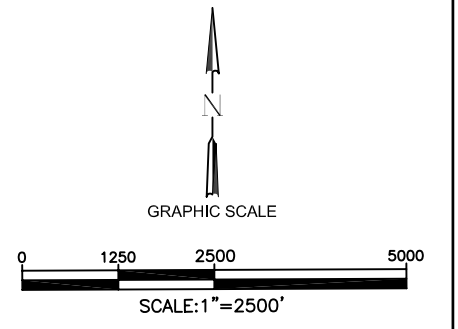
20 Parcel numbers to be assessed. Two parcel numbers share one parcel. Total number of parcels equals 19.

Detailed LLAD Operation and Maintenance Landscaping Services budget is on file at the City.

EXHIBIT F

LANDSCAPE LIGHTING ACT DISTRICTS BOUNDARY DIAGRAM

EXHIBIT A
CITY OF CALABASAS
 LANDSCAPING/ LIGHTING ACT DISTRICTS (LLAD)
 NO. 22, NO. 24, NO. 27, AND NO. 32
 LANDSCAPE MAINTENANCE (LMD) DISTRICT NO. 22
 BOUNDARY MAP

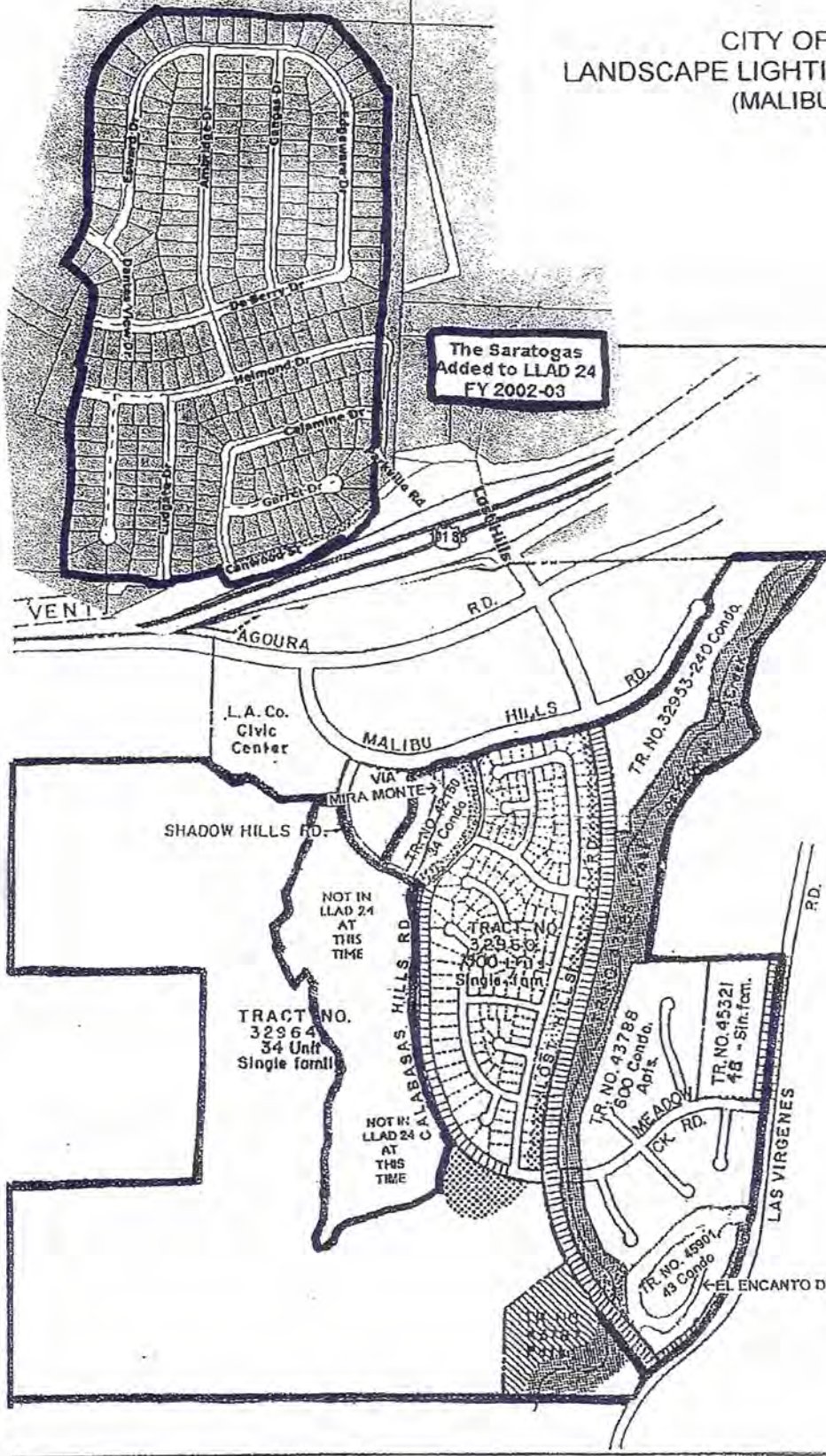


LEGEND

	DISTRICT BOUNDARY
	LLAD DISTRICT NO. 22 MAINTENANCE AREA
	LLAD DISTRICT NO. 24 MAINTENANCE AREA
	LLAD DISTRICT NO. 27 MAINTENANCE AREA
	LLAD DISTRICT NO. 32 MAINTENANCE AREA
	CITY BOUNDARY

FOR THE LINES AND DIMENSIONS OF EACH PARCEL WITHIN EACH DISTRICT, SEE THE LOS ANGELES COUNTY ASSESSOR'S PARCEL MAPS, WHICH IS HEREBY MADE A PART OF THIS DIAGRAM.

CITY OF CALABASAS
 LANDSCAPE LIGHTING ACT DISTRICT NO. 24
 (MALIBU LOST HILLS)



The Saratogas
 Added to LLAD 24
 FY 2002-03

LEGEND

- PLANTED SLOPE: 2.53 Ac.
- CREEK AREA: 6.0 Ac.
- PARK (TURF): 8.5 Ac.
- STREET TREES & WELLS: 345
- PLANTED MEDIANS & PARKWAYS (TURF): 1.61 Ac.
- LOT BOUNDARIES
- DISTRICT BOUNDARY

APPROXIMATE QUANTITIES

- 5 - CONTROLLERS
- 70 - VALVES
- 1150 - HEADS



(NO SCALE)

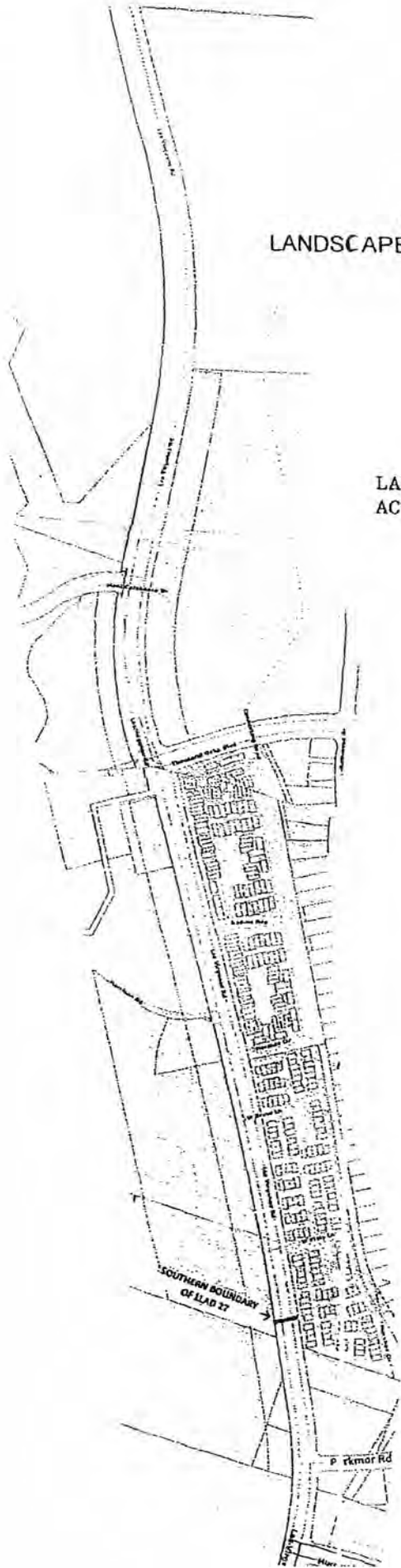
EXHIBIT A
MALIBU
LOST HILLS
L.L.A. DISTRICT No. 24

B & E ENGINEERS
 Civil Engineering - Surveying
 Land Planning

 876 Colorado Blvd. - Suite 212
 Los Angeles, CA 90041 • (213) 214-6131 • (818) 509-0217

CITY OF CALABASAS
LANDSCAPE LIGHTING ACT DISTRICT NO. 27
(LAS VIRGENES)

LANDSCAPE LIGHTING
ACT DISTRICT NO. 27





The nineteen parcels
that make up Landscape
Maintenance District 32

Encompasses Malibu Hills Rd,
Shadow Hills Rd & portions of
Lost Hills Rd & Agoura Rd



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CITY of CALABASAS
CITY COUNCIL AGENDA REPORT

DATE: APRIL 13, 2015

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: MAUREEN TAMURI, COMMUNITY DEVELOPMENT DIRECTOR
ROBERT YALDA, PUBLIC WORKS DIRECTOR, CITY ENGINEER
TOM BARTLETT, CITY PLANNER
ANDREW COHEN-CUTLER, ASSOCIATE PLANNER

[Handwritten initials and signatures in blue ink next to the names in the FROM field.]

SUBJECT: ADOPTION OF RESOLUTION NO. 2015-1446 TO APPROVE A SUMMARY VACATION OF 1,103.78 SQUARE FEET OF REAL PROPERTY KNOWN AS HUMMINGBIRD WAY LOCATED ADJACENT TO 22969 HUMMINGBIRD WAY WITHIN THE RESIDENTIAL SINGLE-FAMILY ZONING DISTRICT.

MEETING DATE: APRIL 22, 2015

SUMMARY RECOMMENDATION:

Staff recommends that Council adopt City Council Resolution No. 2015-1446 authorizing the summary street vacation of 1,103.78 square feet of Hummingbird Way, to subsequently be purchased by the adjoining property owner for the fair market value of \$4,250.00.

BACKGROUND:

On June 10, 2014 an application requesting a Street Vacation and a Lot Line Adjustment was submitted. Following the submittal of corrected plans and additional materials and documents, the application was deemed complete on November 8, 2014.

The applicant is seeking the vacation of a portion (a "paper street") of Hummingbird Way that is immediately adjacent to the subject property. The existing property line bisects the driveway and is 4.5' from the existing garage.

This paper street portion of Hummingbird Way has never been used as a public road.

The street vacation application was analyzed by staff and reviewed by the Development Review Committee (DRC) on November 9, 2005. The DRC members recommended approval of the street vacation commenting that there are no existing or future plans to widen Hummingbird Way and there are no plans to utilize the 1,103.78 square-feet for any street purposes.

The property to be vacated by the City has been appraised by Marvin E. Lopata & Associates, Real Estate Appraisers and Consultants (Certified General Real Estate Appraiser, California Certificate Number AG002057). The 1,103.78 square-foot area has been appraised at \$3.85 a square-foot. Consequently, the value of this portion of the vacated street is \$4,250.00. This sum will be tendered by the applicant to the City in consideration for the street vacation.

On March 19, 2015, the Planning Commission reviewed this project pursuant to California Government Code Section 65402 and Chapter 4 of part 3 of Division 9 of the California Streets and Highway Code. These statutes require the Planning Commission to evaluate the proposed Summary Vacation for conformance to the Calabasas 2030 General Plan. The Planning Commission unanimously determined that the proposed project for summary vacation of 1,103.78 square-feet of Hummingbird Way conforms to the policies and programs of the Calabasas 2030 General Plan (P.C. Resolution 2015-577, Attachment C).

DISCUSSION/ANALYSIS:

The City may use the "summary vacation" process to vacate a street, highway or public service easement under certain conditions. A Summary Vacation may be used when: 1) The street or highway has been impassable for vehicular travel for at least five (5) consecutive years; and, 2) No public money was expended for maintenance on the street or highway during such period. Because the proposed vacation is comprised of an unimproved or "paper" street, there is no roadway. It is therefore impossible to use the subject land for vehicular travel. The subject right-of-way has been in its present condition for well over five (5) years because the subdivision and street layout has been in existence since 1924. Additionally, because there is no street or highway present on the subject land, there has been no maintenance of a street or highway during the same five (5) year period.

Environmental Review:

This project is exempt from environmental review in accordance with Section 21084 of the California Environmental Quality Act (CEQA) and Sections

15061(b)(3)of the CEQA Guidelines because the proposed Vacation will have no significant effect on the environment; and Section15315 Class 15 (Minor Land Divisions) of the CEQA Guidelines.

REQUESTED ACTION:

Staff requests that the City Council adopt City Council Resolution No. 2015-1446, authorizing the summary street vacation of 1,103.78 square feet of Hummingbird Way to be purchased by the adjoining property owner for the fair market value of \$4,250.00.

ATTACHMENTS:

- A – City Council Resolution No. 2015-1446
- B – Planning Commission Staff Report, March 19, 2015
- C – Planning Commission Resolution 2015-557
- D – Location Map
- E – Legal Description
- F – Vacation Map
- G - Marvin E. Lopata & Associates Appraisal
- H - Tract Map

**ITEM 6 ATTACHMENT A
RESOLUTION NO. 2015-1446**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA, DECLARING THAT A PUBLIC SERVICE EASEMENT LOCATED AT 22969 HUMMINGBIRD WAY IS UNNECESSARY FOR PRESENT OR PROSPECTIVE PUBLIC USE AND VACATING THE SAME PURSUANT TO STREETS AND HIGHWAYS CODE SECTION 8330 ET SEQ.

WHEREAS, the City of Calabasas ("City") has a certain public service easement ("Easement") that was intended to provide a wider roadway surface and enlarge the intersection at Hummingbird Way and Meadow Lark Drive; and

WHEREAS, the Easement generally traverses the real property located at 22969 Hummingbird Way; APN: 2079-003-051; Tract No. 9893 Lot 71, and is more specifically described in the attached Attachment "E" and depicted in the Map attached as Attachment "F"; and

WHEREAS, the Easement has not been used for its dedicated or acquired purpose for five (5) consecutive years immediately preceding the proposed vacation; and

WHEREAS, the City has no further use for the Easement and the City Council desires to summarily vacate the Easement; and

WHEREAS, pursuant to Section 8334.5 of the California Streets and Highways Code, there are no in-place public utility facilities that are in use and would be affected by the proposed vacation; and

WHEREAS, Section 8333 of the California Streets and Highways Code authorizes the City Council to summarily vacate a public service easement when the Easement has not been used for its dedicated or acquired purpose for five (5) consecutive years immediately preceding the proposed vacation; and

WHEREAS, this vacation of the Easement is made pursuant to the requirements of California Streets and Highways Code, Division 9. – Change of Grade and Vacation, Part 3. – Public Streets, Highways, and Service Easements Vacation Law (sections 8300 et seq.), Chapter 4. – Summary Vacation; and

WHEREAS, the Planning Commission at a Public Hearing on March 19, 2015 determined that the vacation conforms to the policies and programs of the Calabasas 2030 General Plan; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED determined and ordered by the City Council of the City of Calabasas:

SECTION 1. Incorporation of Recitals. The City Council hereby finds and determines that the Recitals herein are true and correct.

SECTION 2. Order of Vacation. The City Council under the authority vested in it by the California Streets and Highways Code, Division 9. – Change of Grade and Vacation, Part 3. – Public Streets, Highways, and Service Easements Vacation Law (Section 8300 et seq.), Chapter 4. – Summary Vacation, hereby orders the vacation of the Easement and any and all interests that the City may have therein, as more particularly described and depicted in the attached Exhibits A and B, respectively.

SECTION 3. Certification, Recordation and Retention. The City Clerk shall cause a certified copy of this Resolution of vacation, attested by the City Clerk under seal, to be recorded without acknowledgment, certificate of acknowledgment, or further proof in the Office of the Los Angeles County Recorder. Pursuant to Streets and Highways Code Section 8336, no fee shall be charged for such recordation. The City Clerk shall permanently maintain a true and correct copy of this Resolution in the City Clerk’s Office.

SECTION 4. Effective Date. This Resolution shall become effective upon its adoption. Upon the recordation required hereby, the vacation is complete, and the public service easement vacated will no longer constitute a public service easement of the City.

APPROVED and **ADOPTED**, this 22nd day of April, 2015, by the following vote:

Lucy M. Martin, Mayor

ATTEST:

APPROVED AS TO FORM:

Maricela Hernandez, MMC
City Clerk

Scott H. Howard, City Attorney



CITY of CALABASAS

ITEM 6 ATTACHMENT B

PLANNING COMMISSION AGENDA REPORT

MARCH 19, 2015

TO: Members of the Planning Commission

FROM: Maureen Tamuri, Community Development Director
Robert Yalda, Public Works Director/City Engineer
Andrew Cohen-Cutler, Associate Planner

FILE NO.: 140000672

PROPOSAL: A request for a Street Vacation at 22969 Hummingbird Way within the Residential Single-Family (RS) zoning district.

APPLICANT: Fan Fan

OWNER: Fan Fan

STAFF RECOMMENDATION:

The Commission finds that the proposed Summary Street Vacation is consistent with the Calabasas 2030 General Plan and recommends that the City Council approve the Summary Street Vacation of a portion of Hummingbird Way.

REVIEW AUTHORITY:

The Planning Commission is reviewing this project pursuant to the Government Code Section 65402 and Chapter 4 of part 3 of division 9 of the Streets and Highway Code. These statutes require the Planning Commission to evaluate the proposed Summary Vacation for conformance to the Calabasas 2030 General Plan.

BACKGROUND:

On June 10, 2014 an application requesting a Street Vacation and a Lot Line Adjustment was submitted. Staff determined that the application was incomplete and notified the applicant on July 9, 2014. Additional materials and documents were submitted and the application was deemed complete on November 8, 2014.

The applicant is seeking the vacation of a portion (a "paper street") of Hummingbird Way that is immediately adjacent to the subject property. The existing property line

bisects the driveway and is 4.5' from the existing garage. This paper street portion of Hummingbird Way has never been used as a public road.

The property to be vacated by the City has been appraised by Marvin E. Lopata & Associates, Real Estate Appraisers and Consultants (Certified General Real Estate Appraiser, California Certificate Number AG002057). The 1,103.78 square-foot area has been appraised at \$3.85 a square-foot. Consequently, the value of this portion of the vacated street is \$4,250.00. This sum will be tendered by the applicant to the City in consideration for the street vacation.

STAFF ANALYSIS:

- A. The street vacation application was analyzed by staff (Planning and Public Works) and reviewed by the Development Review Committee (DRC) on July 1, 2014. The DRC members recommended approval of the street vacation commenting that this portion of the street was not suitable or required for public use, (with the exception of a 5-foot wide easement for future sidewalks), due to its location and proximity to the applicant's residence. Upon the advice of the City Attorney, a Summary Street Vacation has been determined to be the proper vehicle to accomplish the requested vacation. Public Works has reviewed the request and concluded that this portion of the street is not needed for public use.

The request for a Summary Street Vacation of the 1,103.78 square-foot portion of Hummingbird Way is consistent with the Calabasas 2030 General Plan in the following ways:

Policy IV-10 Preserve existing trees unless they are detrimental to public health and safety;

There is one Heritage Oak within the area to be vacated. By vacating the proposed area it will ensure that the mature Heritage Oak is preserved, as the vacation will remove the possibility of later use of the easement as a street.

Because the requested street vacation will ensure the survival of the existing Heritage Oak tree located within the requested vacation area of Hummingbird Way, the vacation of the requested portion of Hummingbird Way is consistent with the 2030 General Plan preserving an existing oak tree.

Policy VI-1 Avoiding adverse impacts to sensitive environmental features and residents' quality of life are higher priorities than improving traffic levels of service;

There is one Heritage Oak located within the paper street to be vacated. By approving this request for a Summary Vacation, the end result would protect an adverse impact to a protected resource and environmental feature that otherwise might be destroyed if the street were developed.

Because the requested street vacation will ensure the survival of the existing Heritage Oak tree located within the requested vacation area of Hummingbird Way, the vacation of the requested portion of Hummingbird Way consistent with the 2030 General Plan.

Policy VI-19 Provide neighborhood streets that are walkable and that contribute to the physical safety and comfort of pedestrians;

The proposed vacation includes a 5-foot wide easement to allow for future sidewalks thereby providing an opportunity to build sidewalks; therefore, a safe and comfortable alternative to walking in the street.

Because the requested vacation sets aside a 5-foot easement for sidewalks that could be built in the future, the requested vacation makes provisions for the improvement of facilities for walking; therefore, the vacation of the requested portion of Hummingbird Way consistent with the 2030 General Plan.

Policy IX-34 Improve facilities along streets for walking and bicycling;

The proposed vacation includes a 5-foot wide easement to allow for future sidewalks thereby providing an opportunity to build sidewalks; therefore, improving the street in the area of the vacation by providing for future sidewalks for ease of walking and bicycling for residents.

Because the requested vacation sets aside a 5-foot easement for sidewalks that could be built in the future, the requested vacation permits the future construction of sidewalks; improving existing facilities for walking; therefore, the vacation of the requested portion of Hummingbird Way consistent with the 2030 General Plan.

Policy IX-36 Maintain abundant open space and the small-scale, semi-rural character of existing neighborhoods;

By vacating the requested area, the City will ensure that the street cannot be widened to the point where it will adversely affect the surrounding tree covered streets and the semi-rural feeling that the existing environment provides.

Because the end result of the requested street vacation will preserve the semi-rural character of the existing neighborhood by maintaining the existing street width, the vacation of the requested portion of Hummingbird Way consistent with the 2030 General Plan.

Policy IX-39 Allow widening of streets only as necessary for public safety purposes;

There are no plans by Public Works to widen the street in the future. Also, in the past 14 years there has only been one reported accident at this intersection; therefore, the widening of the street for public safety is unnecessary.

Because there are no public safety concerns, no plans to widen the street, and there is a 5-foot easement preserved for sidewalks to provide a safer walking environment in the future, the vacation of the requested portion of Hummingbird Way consistent with the 2030 General Plan.

REQUESTED ACTION:

The planning commission should find that the requested street vacation is consistent with the 2030 General Plan and approve Resolution 2015-577

ENVIRONMENTAL REVIEW:

This project is exempt from environmental review in accordance with Section 21084 of the California Environmental Quality Act (CEQA) and Sections 15061(b)(3) because the proposed Vacation will have no significant effect on the environment and 15315 Class 15 (Minor Land Divisions) where the division is in conformance with the General Plan, zoning, no variances or exceptions are required, all services and access to the proposed parcel to local standards are available, the parcel was not involved with the division of a larger parcel within the previous 2 years, and the parcel does not have an average slope greater than 20 percent.

PREVIOUS REVIEWS:

Development Review Committee (DRC):

July 1, 2014

No major concerns, recommend approval of vacation.

ATTACHMENTS:

- Exhibit A: Planning Commission Resolution No. 2014-577
- Exhibit B: Legal Description
- Exhibit C: Vacation Map
- Exhibit D: Tract Map

LOCATION MAP:



AREA TO BE VACATED

**ITEM 6 ATTACHMENT C
P.C. RESOLUTION NO. 2015-577**

**A RESOLUTION OF THE PLANNING COMMISSION
OF THE CITY OF CALABASAS TO CONFIRM THAT
FILE NO. 140000672, A REQUEST FOR A STREET
VACATION AT 22969 HUMMINGBIRD WAY WITHIN
THE RESIDENTIAL SINGLE-FAMILY (RS) ZONING
DISTRICT IS IN CONFORMANCE WITH THE
CALABASAS 2030 GENERAL PLAN.**

Section 1. The Planning Commission has considered all of the evidence submitted into the administrative record which includes, but is not limited to:

1. Agenda reports were prepared by the Community Development Department.
2. Staff presentation at the public hearing held on March 19, 2015 before the Planning Commission.
3. The City of Calabasas Land Use and Development Code, General Plan, and all other applicable regulations and codes.
4. Public comments, both written and oral, received and/or submitted at or prior to the public hearing, supporting and/or opposing the applicant's request.
5. Testimony and/or comments from the applicant and its representatives submitted to the City in both written and oral form at or prior to the public hearing.
6. All related documents received and/or submitted at or prior to the public hearing.

Section 2. Based on the foregoing evidence, the Planning Commission finds that:

1. On June 10, 2014 the applicant submitted an application for a Street Vacation in File No. 140000672.
2. On July 9, 2014 staff determined that the application was incomplete and the applicant was duly notified.
3. Additional materials were submitted on October 8, 2014 and the application was deemed complete on November 6, 2014.

4. On December 4, 2014 the applicant signed and consented to extend the project review period in order to obtain an appraisal of the land to be vacated.
5. Notice of the March 19, 2015 Planning Commission public hearing was posted at Juan Bautista de Anza Park, the Calabasas Tennis and Swim Center, Gelson's market, the Agoura/Calabasas Community Center and at Calabasas City Hall.
6. Notice of the March 19, 2015 Planning Commission public hearing was provided to property owners within 500 feet of the property as shown on the latest equalized assessment roll.
7. Notice of the Planning Commission public hearing was mailed or delivered at least ten (10) days prior to the hearing to the project applicant.
8. The land proposed to be vacated is a "paper street" and has never been used as a public road for vehicular travel.
9. The surrounding land uses around the subject property are zoned Residential Single-Family (RS).
10. Notice of Planning Commission public hearing included the notice requirements set forth in Government Code Section 65009 (b) (2).

Section 3. In view of all of the evidence and based on the foregoing findings, the Planning Commission concludes as follows:

FINDINGS

Government Code Section 65402 and Chapter 4 of part 3 of division 9 of the Streets and Highway Code, requires that the City Planning Commission evaluate the proposed Summary Street Vacation for conformance to the Calabasas 2030 General Plan.

The request for a Summary Street Vacation of the 1,103.78 square-foot portion of Hummingbird Way is consistent with the Calabasas 2030 General Plan in the following ways:

Policy IV-10 Preserve existing trees unless they are detrimental to public health and safety;

There is one Heritage Oak within the area to be vacated. By vacating the proposed area it will ensure that the mature Heritage Oak is preserved, as the vacation will remove the possibility of later use of the easement as a street.

Because the requested street vacation will ensure the survival of the existing Heritage Oak tree located within the requested vacation

area of Hummingbird Way, the vacation of the requested portion of Hummingbird Way consistent with the 2030 General Plan by preserving an existing oak tree.

Policy VI-1 Avoiding adverse impacts to sensitive environmental features and residents' quality of life are higher priorities than improving traffic levels of service;

There is one Heritage Oak located within the paper street to be vacated. By approving this request for a Summary Vacation, the end result would protect an adverse impact to a protected resource and environmental feature that otherwise might be destroyed if the street were developed.

Because the requested street vacation will ensure the survival of the existing Heritage Oak thereby avoiding an adverse impact to the sensitive and protected environment located within the requested vacation area of Hummingbird Way, the vacation of the requested portion of Hummingbird Way consistent with the 2030 General Plan.

Policy VI-19 Provide neighborhood streets that are walkable and that contribute to the physical safety and comfort of pedestrians;

The proposed vacation includes a 5-foot wide easement to allow for future sidewalks thereby providing an opportunity to build sidewalks; a safe and comfortable alternative to walking in the street.

Because the requested vacation sets aside a 5-foot easement for sidewalks that could be built in the future, the requested vacation makes provisions for the improvement of facilities for walking; therefore, the vacation of the requested portion of Hummingbird Way consistent with the 2030 General Plan.

Policy IX-34 Improve facilities along streets for walking and bicycling;

The proposed vacation includes a 5-foot wide easement to allow for future sidewalks thereby providing an opportunity to build sidewalks; therefore, improving the street in the area of the vacation by providing for future sidewalks for ease of walking and bicycling for residents.

Because the requested vacation sets aside a 5-foot easement for sidewalks that could be built in the future, the requested vacation permits the future construction of sidewalks, improving existing

facilities for walking; therefore, the vacation of the requested portion of Hummingbird Way consistent with the 2030 General Plan.

Policy IX-36 Maintain abundant open space and the small-scale, semi-rural character of existing neighborhoods;

By vacating the requested area, the City will ensure that the street cannot be widened to the point where it will adversely affect the surrounding tree covered streets and the semi-rural feeling that the existing environment provides.

Because the end result of the requested street vacation will preserve the semi-rural character of the existing neighborhood by maintaining the existing street width and tree cover, the vacation of the requested portion of Hummingbird Way consistent with the 2030 General Plan.

Policy IX-39 Allow widening of streets only as necessary for public safety purposes;

There are no plans by Public Works to widen the street in the future. Also, in the past 14 years there has only been one reported accident at this intersection; therefore, the widening of the street for public safety is unnecessary.

Because there are no public safety concerns, no plans to widen the street, and there is a 5-foot easement preserved for sidewalks to provide a safer walking environment in the future, the vacation of the requested portion of Hummingbird Way consistent with the 2030 General Plan.

The proposed Street Vacation is in compliance with the California Environmental Quality Act (CEQA).

This project is exempt from environmental review in accordance with Section 21084 of the California Environmental Quality Act (CEQA) and Sections 15061(b)(3) and 15315 Class 15 (Minor Land Divisions) where the division is in conformance with the General Plan, zoning, no variances or exceptions are required, all services and access to the proposed parcel to local standards are available, the parcel was not involved with the division of a larger parcel within the previous 2 years, and the parcel does not have an average slope greater than 20 percent. A Notice of Exemption has been prepared. Therefore, the proposed project meets this finding.

In view of all of the evidence and based on the foregoing the findings and conclusions, the Planning Commission finds that the proposed Street Vacation in File No. 140000672 is in conformance with CALABASAS 2030 GENERAL PLAN.

Section 5: All documents described in Section 1 of PC Resolution No. 2014-577 are deemed incorporated by reference as set forth at length.

PLANNING COMMISSION RESOLUTION NO. 1015-577 PASSED,
APPROVED AND ADOPTED this 19th DAY OF MARCH 2015.

Robert J. Lia, Chairperson

ATTEST:

Maureen Tamuri
Community Development Director

APPROVED AS TO FORM:

Assistant City Attorney

Planning Commission Resolution No. 2014-577, was adopted by the Planning Commission at a regular meeting held March 19, 2015, and that it was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

“The Secretary of the Planning Commission shall certify the adoption of this Resolution, and transmit copies of this Resolution to the applicant along with proof of mailing in the form required by law and enter a copy of this Resolution in the book of Resolutions of the Planning Commission. Section 1094.6 of the Civil Code of Procedure governs the time in which judicial review of this decision may be sought.”



ITEM 6
ATTACHMENT E

LEGAL DESCRIPTION

Portion of Humming Bird Way and Meadow Lark Drive to be Vacated within the City of Calabasas,
County of Los Angeles, State of California

THAT PORTION OF HUMMING BIRD WAY, 30 FEET WIDE, AND MEADOW LARK DRIVE, 40 FEET WIDE, AS SHOWN ON THE MAP OF TRACT NO. 9893, IN THE CITY OF CALABASAS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 163, PAGES 1 THRU 4 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEASTERLY CORNER OF LOT 71 OF SAID TRACT, SAID CORNER BEING A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF SAID HUMMING BIRD DRIVE, 30 FEET WIDE;

THENCE, NORTH 84°7'20" WEST 49.58 FEET ALONG THE WESTERLY PROLONGATION OF SAID NORTHERLY LINE TO THE INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF THE LAND DESCRIBED IN THE GRANT DEED TO FAN FAN, A SINGLE WOMAN, RECORDED APRIL 16, 2014 AS INSTRUMENT NO. 20140386044 OF OFFICIAL RECORDS, SAID POINT BEING THE TRUE POINT OF BEGINNING;

THENCE, CONTINUING ALONG THE WESTERLY PROLONGATION OF SAID NORTHERLY RIGHT OF WAY LINE NORTH 84°7'20" WEST 35.36 FEET, TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 25 FEET;

THENCE, WESTERLY AND NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 96°48'00", AN ARC DISTANCE OF 42.24 FEET TO THE INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THE EASTERLY RIGHT OF WAY OF SAID MEADOW LARK DRIVE, 40 FEET WIDE;

THENCE, NORTH 12°40'40" EAST 67.58 FEET ALONG SAID SOUTHERLY PROLONGATION TO THE INTERSECTION WITH THE WESTERLY LINE OF SAID LOT 71, THENCE SOUTHERLY ALONG A NON-TANGENT CURVE, CONCAVE NORTHEASTERLY HAVING A RADIUS OF 85 FEET, THE RADIAL TO SAID POINT BEARS SOUTH 77°19'20" EAST, SAID CURVE ALSO BEING THE RIGHT OF WAY LINE OF SAID MEADOW LARK DRIVE AND SAID HUMMING BIRD WAY;


THENCE, SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 74°24'15", AN ARC DISTANCE OF 110.38 FEET TO THE INTERSECTION WITH THE EASTERLY LINE OF SAID GRANT DEED TO FAN FAN;

THENCE, SOUTH ALONG THE SOUTHERLY PROLONGATION OF LAST SAID EASTERLY LINE, SOUTH 4°25'00" WEST 6.41 FEET TO THE TRUE POINT OF BEGINNING;

RESERVING THEREFROM A STRIP OF LAND 5 FEET WIDE ADJOINING TO AND NORTHERLY, CONCENTRIC WITH, AND EASTERLY OF THE SOUTHERLY, 25 FOOT RADIUS CURVE, AND WESTERLY LINES, RESPECTIVELY, OF THE ABOVE DESCRIBED VACATED LAND.

As shown on Exhibit "B" attached hereto and by this reference made a part hereof

Prepared under my supervision:

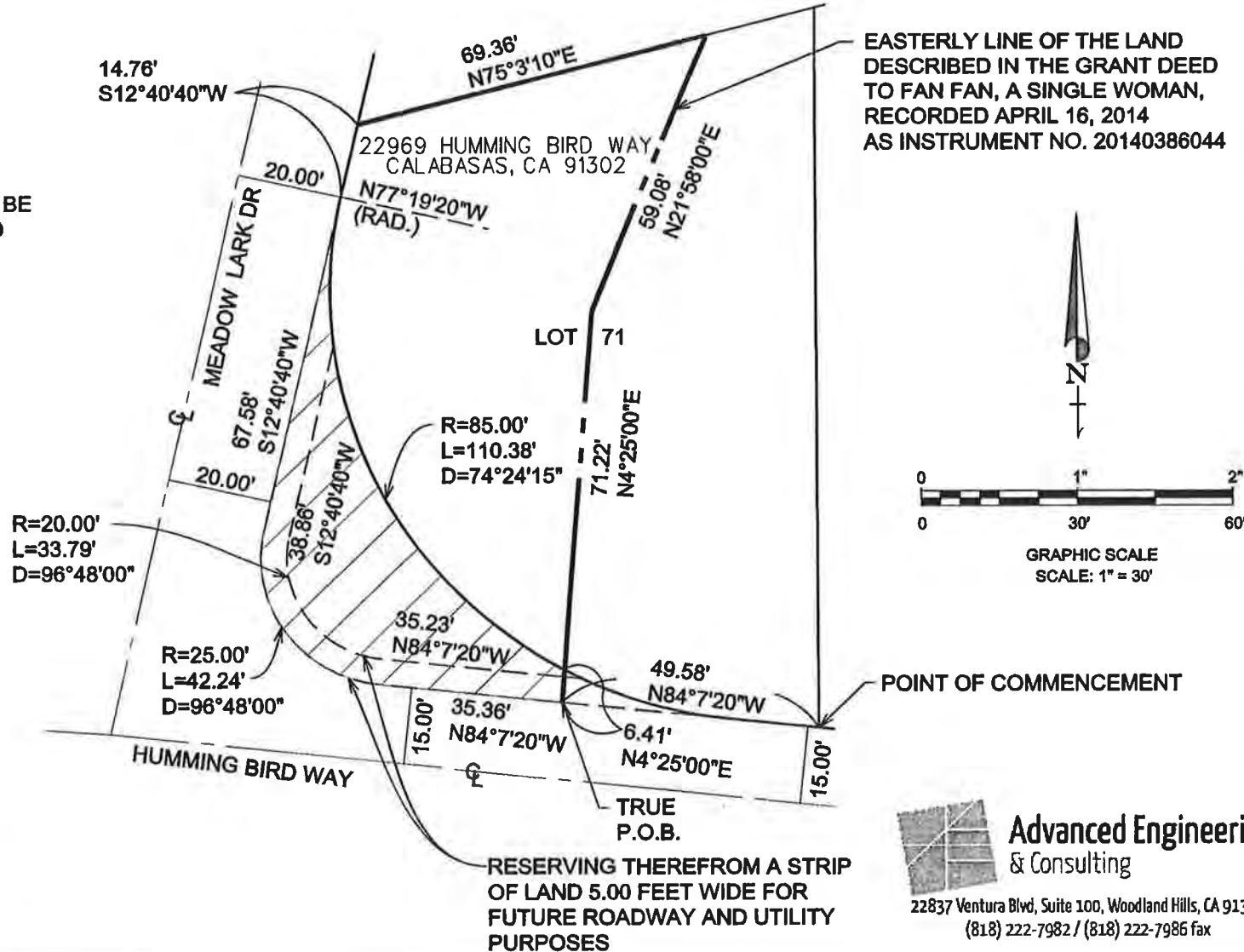

August 18, 2014
JOEL C. SILVERMAN DATE
RCE 16844
EXP. 06-30-15



HUMMING BIRD WAY VACATION AREA



AREA TO BE VACATED



*Telephone (818) 884-2600
Fax (818) 884-2330
Email mel@jel@aol.com*

*Marvin E. Lopata & Associates
Real Estate Appraisers and Consultants*

*6700 Fallbrook Ave., Suite 125-L
West Hills, CA 91307*

December 11, 2014

City of Calabasas
100 Civic Center Way
Calabasas, California 91302

Attn: Andy Cohen-Cutler
Associate Planner

Re: Vacation of Land
22969 Humming Bird Way
Calabasas, California
File No. 03814

Dear Mr. Cohen-Cutler:

Pursuant to your request, I have inspected the exterior of the afore listed property for the purpose of rendering the current "drive-by" value of a proposed vacation of a portion of the site. The purpose of this vacation is to move the lot line to a more logical place and normalize the property. The vacation is located at the northeast corner of Humming Bird Way and Meadow Lark Drive. It consists of 1,103.78 square feet and is not a buildable site. A legal description of this vacation is attached hereto, in addition to plat map by Advanced Engineering & Consultants and Los Angeles County Assessor's map, all of which is made a part of same. This is not an appraisal of the entire property but rather a cursory "drive-by" opinion of that taking.

Title to the property is vested to Fan Fan, a single women.

Vacation of Land
22969 Humming Bird Way
Calabasas, California
Page 2

There have been land sales within the general vicinity of the subject vacation ranging from a low of \$10.68 to a high of \$80.18 per square foot, and ranging from 0.22± acres to 10.06± acres. None of these sales were for vacation purposes, and in fact, all were for buildable sites with frontage to major thoroughfares. The low price per square foot of the range is for a current escrow for the largest site. It has about one acre that is level, but above street grade. The balance of this site is very steep hillside, some of which will require extensive grading while a large portion is not buildable. The escrow price of this site is \$5,000,000. The high sale at \$80.18 per square foot is for a 100.0% usable flat parcel, with a total sales price of \$1,250,000.

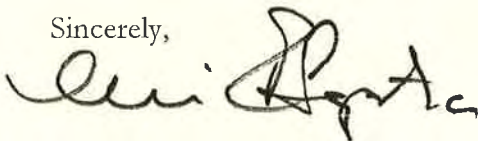
When taking into consideration that the subject vacation is not a buildable site, the value is minimal, at best. Using the 10.06± acre property as a guide, and allocating the \$80.18 per square foot from the high price per square foot to the one acre level area of this property, the remainder equates to \$3.85± per square foot (rounded).

It is my opinion that a minimum value is based on \$3.85 per square foot. Therefore, based upon the aforementioned, it is my opinion that the "drive-by" Market Value of the Fee Simple Estate of the subject vacation, is as follows:

1,103.78± Square Feet @ \$3.85± \$4,250

Attached, please find a copy of the Los Angeles County Assessor' map showing the entire parcel, the aforementioned Advanced Engineering & Consulting map and legal description.

Sincerely,



Marvin E. Lopata
Real Estate Appraiser

Certified General Real Estate Appraiser
California Certificate
Number AG002057

CERTIFICATION

The undersigned appraiser certify that he has personally inspected the property described herein; that he has no past, present, or prospective, direct or indirect interest in said property; nor personal interest or bias toward the parties involved; that his employment in this "drive-by" appraisal is not in any manner contingent upon returning appraisal findings in any specified or implied amount or otherwise contingent upon anything other than delivery of this report; that to the best of his knowledge and belief, all of the statements of fact contained in this "drive-by" appraisal report, upon which the analysis, opinions, and conclusions expressed herein is based, are true and accurate subject to the Limiting Conditions herein set forth; that no other than the undersigned appraiser prepared the analysis, conclusions, and opinions concerning real estate that are set forth in this appraisal report; and this appraisal has been made in conformity with the code of Professional Ethics and Standard of Professional Conduct of the Appraisal Institute.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Marvin E. Lopata". The signature is fluid and cursive, with the first name being the most prominent.

Marvin E. Lopata
Real Estate Appraiser

Certified General
Real Estate Appraiser
California Certificate
Number AG002057

LIMITING CONDITIONS

This report is made expressly subject to the conditions and stipulations, as follows:

1. This is a “drive-by” appraisal report.
2. No responsibility is assumed by the appraiser for matters that are legal in nature.
3. No opinion of title is rendered; the property is appraised as though free of all encumbrances and the title marketable.
4. This “drive-by” appraisal covers only the property described herein.
5. No survey of the boundaries of the subject property has been made. Any sketches, drawings or maps in this report may show approximate dimensions and/or locations and are included to assist the reader. All areas and dimensions are assumed to be correct.
6. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.
7. Sources of information and data are believed to be correct and, where feasible, have been verified. No warranty is given to the accuracy of this information and data.
8. It is assumed that all required licenses, certificates of occupancy, consent, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
9. By reason of this “drive-by” appraisal, the appraiser is not required to give testimony or to be in attendance in court, or give any governmental or other hearing with reference to this property without prior arrangements having been made relative to such additional employment.
10. Disclosure of the contents of this “drive-by” appraisal report is governed by the Code of Professional Ethics of the Appraisal Institute.
11. Neither all nor any part of the contents of this report will be conveyed to any person or entity, other than the appraiser's or firm's client, through advertising, solicitation materials, public relations, news, sales, or other media without the written consent and approval of the authors, particularly as to valuation conclusions, the identity of the appraiser or firm with which the appraiser is connected, or a reference or any reference to the affiliation with any professional appraisal organization or designation. Further, the appraiser or firm assumes no obligation, liability, or accountability to any third party. If this report is placed in the hands of anyone but the client, the client will make such party aware of all the assumptions and limiting conditions of the assignment.
12. The appraiser reserves the right to make such revisions to the valuation as reported herein, as may be required by consideration of any additional or more reliable data that becomes available.
13. Unless stated otherwise, the subject property is appraised without regard to compliance with the requirements of the Americans with Disabilities Act (ADA). The presence of barriers of any type that are structural in nature, that restrict access by any disabled, could have an adverse effect on the subject property's value, marketability, or utility.

TRACT No 9893

IN THE COUNTY OF LOS ANGELES

BEING A SUBDIVISION OF A PORTION OF THE SOUTH ONE HALF OF THE NORTHEAST ONE QUARTER OF SECTION 26, T.1N., R.17W., S.6M., AND THAT PORTION OF OLD TOPANGA CANYON ROAD AS VACATED IN BOOK PAGE OFFICIAL RECORDS OF LOS ANGELES COUNTY.

SURVEYED BY CHAS. C. MILLER, MAY, 1929 SCALE 1"=80'

10 AM
163
2

Miller
File



NOT A PART OF THIS SUBDIVISION

NOT A PART OF THIS SUBDIVISION

SEE SHEET No 9

SEE SHEET No 9

5.0° 01' 50" W
131.458

131.458

131.458

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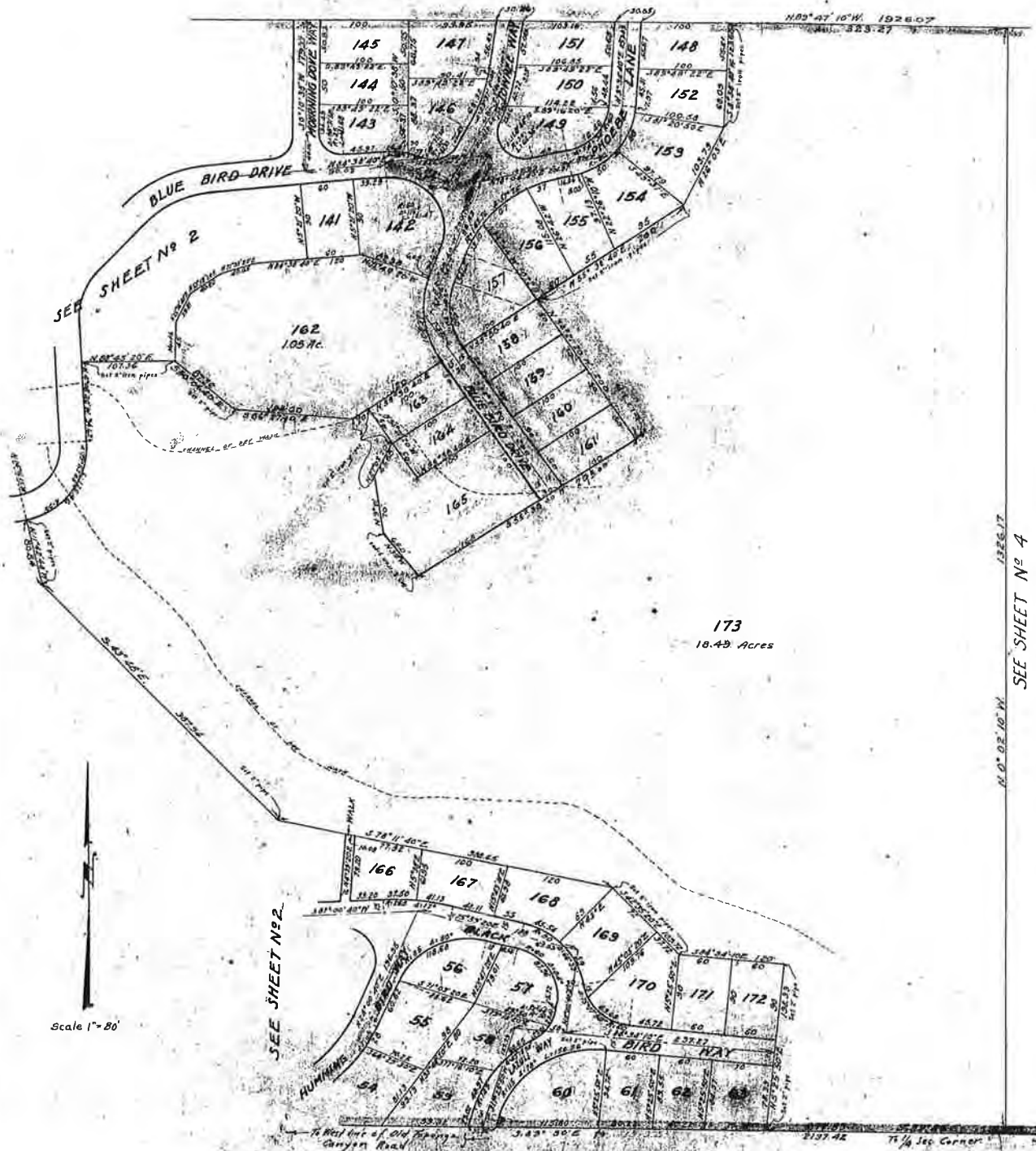
131.458

131.458

TRACT No 9893

IN THE COUNTY OF LOS ANGELES

RECORDED
MAY 27 1926
10 A.M.
163
BY P.S.
COUNTY, CAL.
J. B. ...
P.M.C.



Scale 1" = 80'

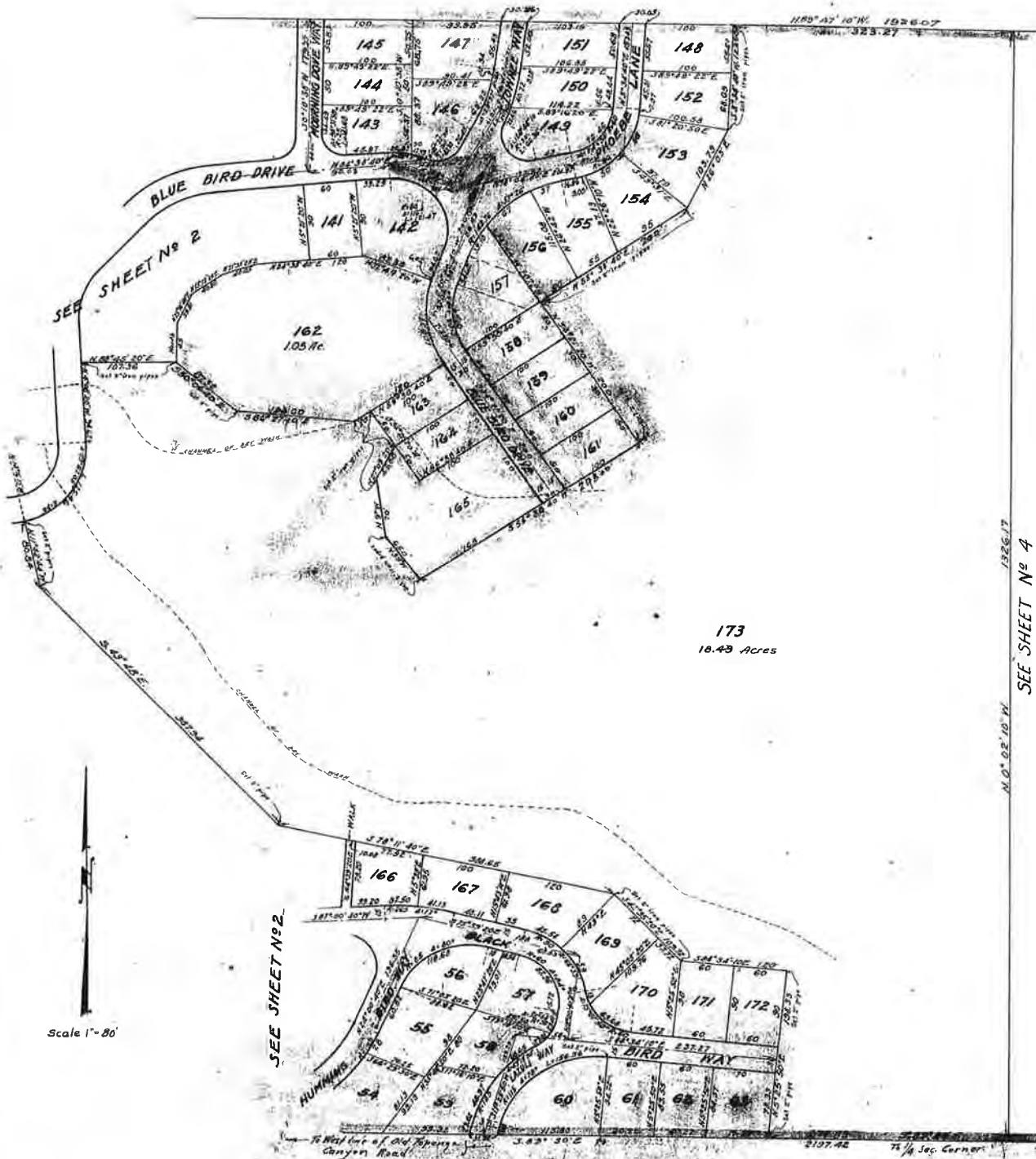
SEE SHEET No 4

TRACT No 9893

IN THE COUNTY OF LOS ANGELES

SHEET No 3

RECORDED
MAY 27 1929
10 A.M.
163
EQUIPOS
COUNTY, CAL.
J. B. Bate
Recorder



Scale 1" = 80'

SEE SHEET No 2

SEE SHEET No 2

SEE SHEET No 4

N. 0° 02' 10" W

1326.17

7/4 Sec. Corner

TRACT N^o 9893

IN THE COUNTY OF LOS ANGELES

RECORDED SHEET N^o 4
MAY 27 1904

45 10 A.M.
163
4

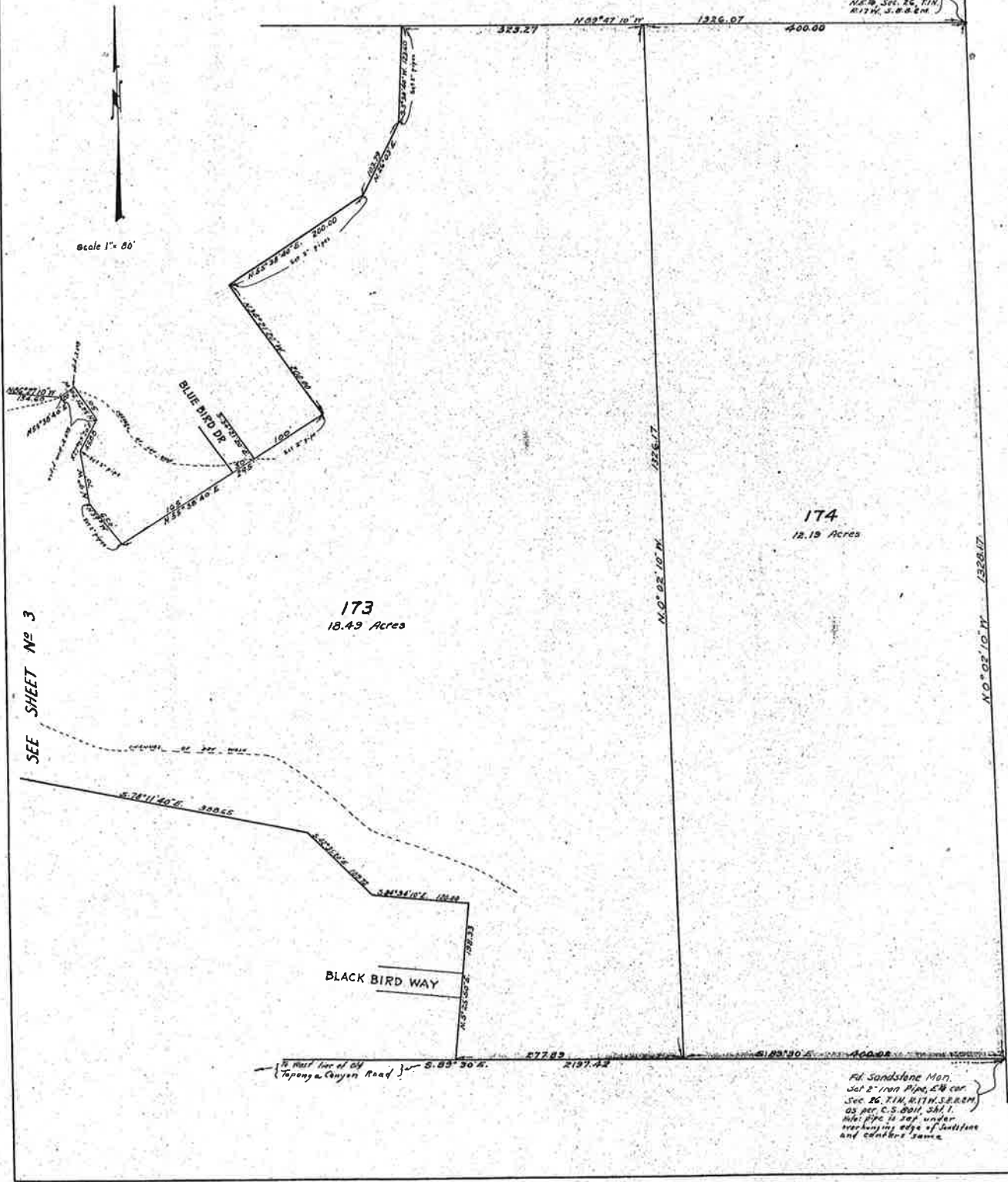
G. Westerman
Surveyor

N. 89° 59' 20" W. 1656.22
This is not the true section line

1/2" Iron Pipe in mound of rocks, NE cor. Sec. 26, T. 11 N., R. 17 W., S. 8. R. 8. M. as per C.S. 8011, 2411.

3/4" Iron Pipe NE cor. of S.E. 1/4, NE 1/4 Sec. 26, T. 11 N., R. 17 W., S. 8. R. 8. M.

Scale 1" = 80'



173
18.49 Acres

174
12.19 Acres

SEE SHEET N^o 3

to true line of 04 Tapaya Canyon Road } S. 89° 50' N. 2197.42

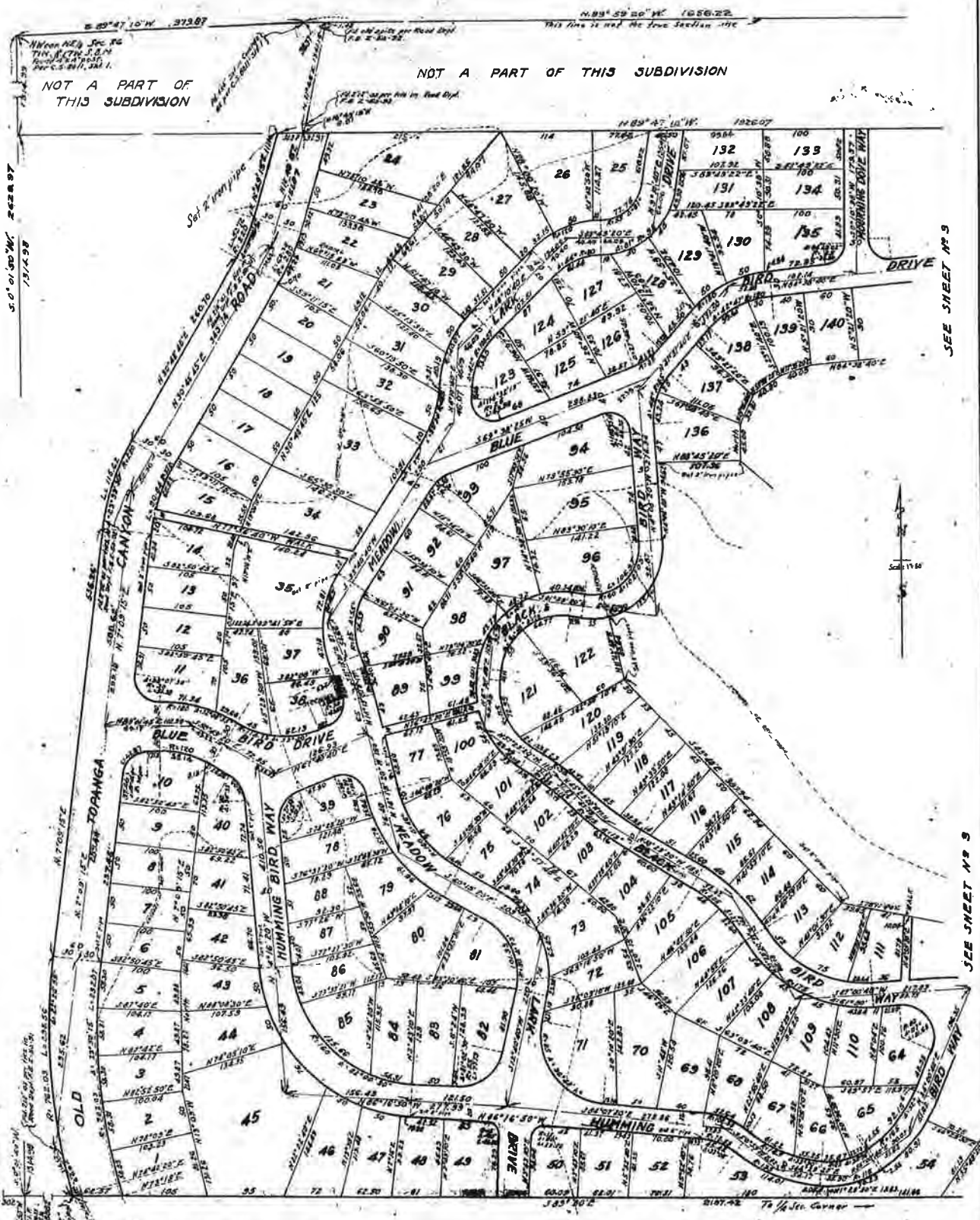
1/2" Sandstone Mon. 3/4" Iron Pipe, NE cor. Sec. 26, T. 11 N., R. 17 W., S. 8. R. 8. M. as per C.S. 8011, 2411. Note: Pipe is set under rock on edge of section and center same.

TRACT No 9893

IN THE COUNTY OF LOS ANGELES

BEING A SUBDIVISION OF A PORTION OF THE SOUTH ONE HALF OF THE NORTHEAST ONE QUARTER OF SECTION 26, T.1N., R.17W., S. B. M. AND THAT PORTION OF OLD TOPANGA CANYON ROAD AS VACATED IN BOOK PAGE OFFICIAL RECORDS OF LOS ANGELES COUNTY.

SURVEYED BY CHAS. C. MILLER, MAY, 1929 SCALE 1"=80'



NOT A PART OF THIS SUBDIVISION

NOT A PART OF THIS SUBDIVISION

SEE SHEET No 3

SEE SHEET No 3



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: APRIL 8, 2015

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: SCOTT H. HOWARD, CITY ATTORNEY
MARICELA HERNANDEZ, MMC, CITY CLERK *Mor*

SUBJECT: INTRODUCTION OF ORDINANCE NO. 2015-324 PERTAINING TO
CHAPTER 8.12, SECOND HAND SMOKE CONTROL OF THE
CALABASAS MUNICIPAL CODE TO CORRECT A CLERICAL ERROR

MEETING

DATE: APRIL 22, 2014

SUMMARY RECOMMENDATION:

That the Council consider introduction of Ordinance No. 2015-324 pertaining to Chapter 8.12, Second Hand Smoke Control of the Calabasas Municipal Code to correct a clerical error.

DISCUSSION:

Ordinance No. 2006-217 regulating second hand smoke was first adopted in February 2006. An update to this section of the Code was adopted in 2008 with Ordinance No. 2008-239. Also in 2008, a switch of municipal code publishing companies took effect. For some unknown reason the update to Ordinance No. 2008-239 did not transfer when the new code publishing company took over. Definition G of Ordinance 2008-239 was updated to include the following language: "Multi-Unit Residence does not include a condominium as that term is defined in Section 17.90.020 of this code." The word "associated" of Definition W did not transfer either. This text was subsequently dropped apparently during the transition from one code publishing company to another.

Another update to this section of the Code occurred in 2014 when the "e" cigarettes section was added with Ordinance No. 2014-315. Because the original update to Ordinance 2008-239 was not in place, Ordinance 2014-315 was also adopted without the language from the 2008 update.

It was not until recently that staff discovered that the municipal code did not contain the changes adopted with Ordinance No. 2008-239.

SUMMARY RECOMMENDATION:

To correct and document the changes intended with Ordinance No. 2008-239, Second Hand Smoke Control under Chapter 8.12 of the Calabasas Municipal Code, it is recommended that the Council introduce and later adopt Ordinance number 2015-324.

ATTACHMENT:

- A. Ordinance No. 2015-324 redlined
- B. Ordinance No. 2015-324

**ITEM 7 ATTACHMENT A
ORDINANCE NO. 2015-324**

**AN ORDINANCE OF THE CITY OF CALABASAS
REGULATING SECOND-HAND SMOKE IN MULTI-FAMILY
RENTAL HOUSING AND AMENDING THE CALABASAS
MUNICIPAL CODE.**

**THE CITY COUNCIL OF THE CITY OF CALABASAS DOES ORDAIN AS
FOLLOWS:**

SECTION 1. Chapter 8.12 related to the Second Hand Smoke Control of the Calabasas Municipal Code is hereby amended to read as follows:

8.12.030 - Definitions.

The following definitions shall govern construction of this chapter unless the context clearly requires otherwise:

A. "Business" means any sole proprietorship, partnership, joint venture, corporation, association, or other entity formed for profit-making purposes or that has an Employee.

B. "Common area at a shopping mall" means any indoor or outdoor common area of a shopping mall accessible to and usable by the occupants or customers of more than one (1) retail establishment, including, but not limited to, halls, lobbies, outdoor eating areas, playgrounds and parking lots.

C. "Electronic or "e" cigarette" means an electronic or battery operated device that delivers vapors for inhalation. This term shall include every variation and type of such devices whether they are manufactured, distributed, marketed or sold as an electronic cigarette, an "e" cigarette, an electronic cigar, an electronic cigarillo, an electronic pipe, an electronic hookah or any other product name or descriptor.

D. "Employee" means any person who is employed or retained as an independent contractor by any employer or any person who volunteers his or her services for an employer, association, or nonprofit entity.

E. "Employer" means any person, partnership, corporation, association, nonprofit or other entity who or which employs or retains the service of one (1) or more employees.

F. "Enclosed area" means:

- (1) Any covered or partially covered area having more than fifty (50) percent of its perimeter walled or otherwise closed to the outside such as, for example, a covered porch with more than two (2) walls; or
- (2) Any space open to the sky (hereinafter "uncovered") having more than seventy-five (75) percent of its perimeter walled or otherwise closed to the outside such as, for example, a courtyard;
- (3) Except that an uncovered space of three thousand (3,000) square feet or more is not an enclosed area, such as, for example, a field in an open-air arena.

G. "Landlord" means any person other than a sublessor who owns real property leased as residential property, who lets residential property, or who manages such property.

~~(H). "Multi-Unit Residence" means a Premises that contains two or more Units rented or available to be rented and not occupied by a Landlord of the Premises. Multi-Unit Residence does not include a condominium as that term is defined in section 17.90.020 of this code. "Multi-Unit Residence" means a Premises that contains two or more Units not occupied by a Landlord of the Premises.~~

I. "Multi-unit residence common area" means any indoor or outdoor area of a multi-unit residence accessible to and usable by residents of more than one (1) unit, including, but not limited to, halls and paths, lobbies, laundry rooms, common cooking areas, outdoor eating areas, playgrounds, swimming pools, and parking areas.

J. "Nonprofit entity" means any entity that meets the requirements of California Corporations Code section 5003 as well as any corporation, unincorporated association or other entity created for charitable, religious, philanthropic, educational, political, social or similar purposes, the net proceeds of which are committed to the promotion of the objectives of the entity and not to private gain. A public agency is not a nonprofit entity within the meaning of this section.

K. "Place of employment" means any area under the legal or de facto control of an employer, business or nonprofit entity that an employee or the general public may enter in the normal course of operations, but regardless of the hours of operation, including, for example, indoor and outdoor work areas, construction sites, vehicles used in employment or for business purposes, taxis, employee lounges, conference and banquet rooms, bingo and gaming facilities, long-term health facilities, warehouses, and, while employees, children or patients are

present, private residences that are used as child-care or health-care facilities subject to licensing requirements.

L. "Playground" means any park or recreational area designed in part to be used by children that has play or sports equipment installed or has been designated or landscaped for play or sports activities, or any similar facility located on public or private school grounds, or on city property.

M. "Premises" means a parcel of land and any improvements upon it such as is usually described in a deed, deed of trust or mortgage, and includes legally separate but contiguous pieces of land that are owned by the same natural person or by legal persons under common control.

N. "Present" means within a reasonable distance.

O. "Private enforcer" is defined in Section 8.12.080(b) of this code.

P. "Public place" means any public or private place open to the general public regardless of any fee or age requirement, including, for example, streets, sidewalks, plazas, bars, restaurants, clubs, stores, stadiums, parks, playgrounds, taxis, and buses.

Q. "Reasonable distance" means a distance of twenty (20) feet or, with respect to a designated smoking area, such larger area as the city manager reasonably determines in writing to be necessary in a given circumstance to ensure that occupants of an area in which smoking is prohibited are not exposed to secondhand smoke created by smokers outside the area.

R. "Recreational area" means any public or private area open to the public for recreational purposes whether or not any fee for admission is charged, including without limitation, parks, gardens, sporting facilities, stadiums, and playgrounds.

S. "Shopping mall" means any parcel of land zoned and used for retail sales by more than one (1) retailer that is jointly operated or which includes shared parking facilities.

T. "Smoking" or to "smoke" means possessing or to possess:

- (1) A lighted tobacco product, lighted tobacco paraphernalia, any other lighted weed or plant (including, but not limited to, a lighted pipe, lighted hookah pipe, lighted cigar, or lighted cigarette of any kind), or the lighting of a tobacco product, tobacco paraphernalia, or any other weed or plant (including, but not limited to, a pipe, a hookah pipe, cigar, or cigarette of any kind, or

(2) An operating electronic (e) cigarette.

U. "Tobacco product" means any substance containing tobacco leaf, including, but not limited to, cigarettes, cigars, pipe tobacco, snuff, chewing tobacco, dipping tobacco, bidis, or any other preparation of tobacco.

V. "Unenclosed area" means any area which is not an enclosed area.

W. "Unit" means:

(1) A dwelling space consisting of essentially complete independent living facilities for one (1) or more persons, including, for example, permanent provisions for living and sleeping, and any associated private outdoor spaces such as balconies and patios; and

(2) Senior citizen housing and single room occupancy hotels, as defined in California Health and Safety Code section 50519(b)(1), even where lacking private cooking or plumbing facilities. "Unit" does not include lodging in a hotel or motel that meets the requirements set forth in California Civil Code section 1940(b)(2).

SECTION 2. CONSTRUCTION. The City Council intends this Ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this Ordinance shall be construed in light of that intent. To the extent the provisions of the Calabasas Municipal Code as amended by this Ordinance are substantially the same as the provisions of that Code prior to the effectiveness of this ordinance, then those amended provisions shall be construed as continuations of the earlier provisions and not as new enactments.

SECTION 3. EFFECTIVE DATE. This Ordinance shall take effect thirty days after its adoption pursuant to California Government Code section 36937.

SECTION 4. CERTIFICATION. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

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

Lucy M. Martin, Mayor

ATTEST:

APPROVED AS TO FORM:

Maricela Hernandez, MMC
City Clerk

Scott H. Howard, City Attorney

**ITEM 7 ATTACHMENT B
ORDINANCE NO. 2015-324**

**AN ORDINANCE OF THE CITY OF CALABASAS
REGULATING SECOND-HAND SMOKE IN MULTI-FAMILY
RENTAL HOUSING AND AMENDING THE CALABASAS
MUNICIPAL CODE.**

**THE CITY COUNCIL OF THE CITY OF CALABASAS DOES ORDAIN AS
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B. "Common area at a shopping mall" means any indoor or outdoor common area of a shopping mall accessible to and usable by the occupants or customers of more than one (1) retail establishment, including, but not limited to, halls, lobbies, outdoor eating areas, playgrounds and parking lots.

C. "Electronic or "e" cigarette" means an electronic or battery operated device that delivers vapors for inhalation. This term shall include every variation and type of such devices whether they are manufactured, distributed, marketed or sold as an electronic cigarette, an "e" cigarette, an electronic cigar, an electronic cigarillo, an electronic pipe, an electronic hookah or any other product name or descriptor.

D. "Employee" means any person who is employed or retained as an independent contractor by any employer or any person who volunteers his or her services for an employer, association, or nonprofit entity.

E. "Employer" means any person, partnership, corporation, association, nonprofit or other entity who or which employs or retains the service of one (1) or more employees.

F. "Enclosed area" means:

- (1) Any covered or partially covered area having more than fifty (50) percent of its perimeter walled or otherwise closed to the outside such as, for example, a covered porch with more than two (2) walls; or
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- (3) Except that an uncovered space of three thousand (3,000) square feet or more is not an enclosed area, such as, for example, a field in an open-air arena.

G. "Landlord" means any person other than a sublessor who owns real property leased as residential property, who lets residential property, or who manages such property.

H. "Multi-Unit Residence" means a Premises that contains two or more Units rented or available to be rented and not occupied by a Landlord of the Premises. Multi-Unit Residence does not include a condominium as that term is defined in section 17.90.020 of this code.

I. "Multi-unit residence common area" means any indoor or outdoor area of a multi-unit residence accessible to and usable by residents of more than one (1) unit, including, but not limited to, halls and paths, lobbies, laundry rooms, common cooking areas, outdoor eating areas, playgrounds, swimming pools, and parking areas.

J. "Nonprofit entity" means any entity that meets the requirements of California Corporations Code section 5003 as well as any corporation, unincorporated association or other entity created for charitable, religious, philanthropic, educational, political, social or similar purposes, the net proceeds of which are committed to the promotion of the objectives of the entity and not to private gain. A public agency is not a nonprofit entity within the meaning of this section.

K. "Place of employment" means any area under the legal or de facto control of an employer, business or nonprofit entity that an employee or the general public may enter in the normal course of operations, but regardless of the hours of operation, including, for example, indoor and outdoor work areas, construction sites, vehicles used in employment or for business purposes, taxis, employee lounges, conference and banquet rooms, bingo and gaming facilities, long-term health facilities, warehouses, and, while employees, children or patients are

present, private residences that are used as child-care or health-care facilities subject to licensing requirements.

L. "Playground" means any park or recreational area designed in part to be used by children that has play or sports equipment installed or has been designated or landscaped for play or sports activities, or any similar facility located on public or private school grounds, or on city property.

M. "Premises" means a parcel of land and any improvements upon it such as is usually described in a deed, deed of trust or mortgage, and includes legally separate but contiguous pieces of land that are owned by the same natural person or by legal persons under common control.

N. "Present" means within a reasonable distance.

O. "Private enforcer" is defined in Section 8.12.080(b) of this code.

P. "Public place" means any public or private place open to the general public regardless of any fee or age requirement, including, for example, streets, sidewalks, plazas, bars, restaurants, clubs, stores, stadiums, parks, playgrounds, taxis, and buses.

Q. "Reasonable distance" means a distance of twenty (20) feet or, with respect to a designated smoking area, such larger area as the city manager reasonably determines in writing to be necessary in a given circumstance to ensure that occupants of an area in which smoking is prohibited are not exposed to secondhand smoke created by smokers outside the area.

R. "Recreational area" means any public or private area open to the public for recreational purposes whether or not any fee for admission is charged, including without limitation, parks, gardens, sporting facilities, stadiums, and playgrounds.

S. "Shopping mall" means any parcel of land zoned and used for retail sales by more than one (1) retailer that is jointly operated or which includes shared parking facilities.

T. "Smoking" or to "smoke" means possessing or to possess:

- (1) A lighted tobacco product, lighted tobacco paraphernalia, any other lighted weed or plant (including, but not limited to, a lighted pipe, lighted hookah pipe, lighted cigar, or lighted cigarette of any kind), or the lighting of a tobacco product, tobacco paraphernalia, or any other weed or plant (including, but not limited to, a pipe, a hookah pipe, cigar, or cigarette of any kind, or

- (2) An operating electronic (e) cigarette.

U. "Tobacco product" means any substance containing tobacco leaf, including, but not limited to, cigarettes, cigars, pipe tobacco, snuff, chewing tobacco, dipping tobacco, bidis, or any other preparation of tobacco.

V. "Unenclosed area" means any area which is not an enclosed area.

W. "Unit" means:

- (1) A dwelling space consisting of essentially complete independent living facilities for one (1) or more persons, including, for example, permanent provisions for living and sleeping, and any associated private outdoor spaces such as balconies and patios; and
- (2) Senior citizen housing and single room occupancy hotels, as defined in California Health and Safety Code section 50519(b)(1), even where lacking private cooking or plumbing facilities. "Unit" does not include lodging in a hotel or motel that meets the requirements set forth in California Civil Code section 1940(b)(2).

SECTION 2. CONSTRUCTION. The City Council intends this Ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this Ordinance shall be construed in light of that intent. To the extent the provisions of the Calabasas Municipal Code as amended by this Ordinance are substantially the same as the provisions of that Code prior to the effectiveness of this ordinance, then those amended provisions shall be construed as continuations of the earlier provisions and not as new enactments.

SECTION 3. EFFECTIVE DATE. This Ordinance shall take effect thirty days after its adoption pursuant to California Government Code section 36937.

SECTION 4. CERTIFICATION. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

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

Lucy M. Martin, Mayor

ATTEST:

APPROVED AS TO FORM:

Maricela Hernandez, MMC
City Clerk

Scott H. Howard, City Attorney



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: APRIL 13, 2015

TO: HONORABLE MAYOR AND COUNCILMEMBERS

**FROM:  ROBERT YALDA, PE. T.E., PUBLIC WORKS DIRECTOR/CITY ENGINEER
ALEX FARASSATI, PH.D., ENVIRONMENTAL SERVICES SUPERVISOR**

SUBJECT: ADOPTION OF RESOLUTION NO. 2015-1451 CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE CALIFORNIA HERO PROGRAM TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES, ENERGY AND WATER EFFICIENCY IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE

MEETING DATE: APRIL 22, 2015

SUMMARY RECOMMENDATION:

Adopt Resolution No. 2015-1451 consenting to inclusion of properties within the City's jurisdiction in the California HERO Program to finance distributed generation renewable energy sources, energy and water efficiency improvements and electric vehicle charging infrastructure; and authorize the City Manager to execute the Amendment to the Joint Powers Agreement adding the City of Calabasas as an associate member of the Western Riverside Council of Governments to permit the provision of Property Assessed Clean Energy Program services within the City.

BACKGROUND:

Assembly Bill (AB) 811, signed into law on July 21, 2008, amended Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California ("Chapter 29") to authorize legislative bodies to designate an area within which

authorized public officials and willing property owners may enter into voluntary contractual assessments to finance the installation of renewable energy sources and energy efficiency improvements that are permanently fixed to real property.

AB 474, effective January 1, 2010, expanded the amendment of Chapter 29 to include financing for water efficiency improvements. Participating property owners repay the cost of the improvements through an assessment levied against their property which is payable in semi-annual installments on property tax bills. A lien is filed against the property as security until the assessment is re-paid. The assessment remains with the property should the owner transfer or sell the property before the loan is re-paid.

DISCUSSION:

The California HERO programs allows property owners in participating cities and counties to finance environmentally sustainable projects for renewable energy, energy and water efficiency improvements, and electric vehicle charging infrastructure on their properties.

If a property owner chooses to participate, the improvements to be installed on the owner's property would be financed by the issuance of bonds by a joint power authority, Western Riverside Council of Governments ("WRCOG"), and secured by a voluntary contractual assessment levied on the owner's property. Participation in the program is entirely voluntary. Property owners who wish to participate in the program agree to repay the money through the voluntary contractual assessment which is added to the owner's annual property tax assessment.

Qualifying owners may choose property improvement options from several thousand products in 50 different categories that are eligible for HERO financing. Generally, energy and water efficient products and renewable energy systems are eligible such as electric car charging stations, rainwater catchment systems, graywater systems, drought tolerant landscaping, solar/photovoltaic systems, efficient pool pumps and heaters, automatic pool covers, energy audits and radiant heating to name a few. A list of eligible products can be found at:

www.heroprogram.com.

Benefits to the property owner include:

- a) Save natural resources and money;
- b) Voluntary program allows property owners the option to participate at their discretion, subject to qualification criteria;
- c) Payment obligation is tied to the property upon transfer of ownership; and
- d) New financing opportunities enable owners to improve their properties for renewable energy, energy and water efficiency, or electric vehicle charging

infrastructure, when alternative financing options were not historically available.

Under Chapter 29, a voluntary contractual assessment stays with the property, so an owner may sell an upgraded property prior to realizing the ultimate return on investment (ROI). For example, photovoltaic systems generally have a 15 year ROI.

A property owner may be more interested in the environmental benefits such a system provides, rather than the actual reduction in an electric bill. But with traditional financing, the owner has no incentive to install such a system if required to continue paying for that system past the sale of the property to someone else. Participation in a PACE-type program alleviates this situation. Certain residential conforming mortgage providers will, however, require the assessment be paid off at the time the property is refinanced or sold.

Benefits to participating agencies include:

- a) An increase in local construction-related jobs;
- b) An increase in property values;
- c) An increase in sales, payroll and property tax revenue;
- d) The participating agency is not obligated to repay the bonds or to pay any delinquent assessments levied on the participating properties;
- e) Little to no agency staff time is needed to participate in the program since all program and assessment administration, bond issuance and bond administration functions are handled by California HERO; and
- f) Leveraging an existing program offers financing quicker, easier, and much less inexpensively than by establishing a new local program;

The HERO program has been very successful in Western Riverside County since its launch in late 2011. Because of its success, HERO has been offered to additional California cities and counties as a turnkey program that can save time, cost, and resources that would otherwise be needed to develop a new local program. The bonds for the program are issued by the WRCOG, a joint powers authority. Jurisdictions interested in becoming Associate Members can do so by adopting a resolution and approving an amendment to the WRCOG joint exercise of powers agreement related to the HERO program. The WRCOG Joint Powers Agreement may be found at the following web address:

http://www.wrcog.cog.ca.us/uploads/media_items/jpa-as-of-060413.original.pdf

The WRCOG will provide all assessment administration, bond issuance and bond administration functions for the California HERO Program. As a participant, the City of Calabasas is not obligated to repay the bonds issued by the JPA or collect or pay the assessments levied on the participating properties.

Approximately 50 cities in Los Angeles County are now participating in HERO including Malibu, Santa Monica, Hermosa Beach, Lawndale, Monrovia, and La Canada Flintridge, with 230 communities participating statewide, however, the County of Los Angeles is preparing its own program with multiple vendors that will offer financing opportunities to all of Los Angeles County. HERO is anticipated to be among the vendors chosen. The County program is not likely to be implemented until late 2015 or early 2016.

If City Council authorizes the City's participation, property owners will be able to use PACE financing for permanently fixed renewable energy, energy and water efficiency improvements, and electric vehicle charging infrastructure on their properties sooner. If the program is successful in Calabasas, natural resources can be more readily conserved as well.

Under the JPA agreement, the City can withdraw from participation as an associate member at any time upon 30 days written notice to the WRCOG Authority. The Authority may withdraw upon six months notification to the City. Withdrawal from the program will not affect the validity of the loans created and loan applications received before the withdrawal.

It must be noted that the Calabasas Environmental Commission reviewed the HERO PACE program and unanimously recommended the adoption of the attached resolution to the City Council.

FISCAL IMPACT/SOURCE OF FUNDING:

There is no fiscal impact to the City. All administrative costs are intrinsic to the program and included in the property owner's voluntary contractual assessments.

REQUESTED ACTION:

That the City Council adopt Resolution No. 2015-1451 consenting to inclusion of properties within the City's jurisdiction in the California HERO Program to finance distributed generation renewable energy sources, energy and water efficiency improvements and electric vehicle charging infrastructure; and authorize the City Manager to execute the Amendment to the Joint Powers Agreement adding the City of Calabasas as an associate member of the Western Riverside Council of Governments to permit the provision of Property Assessed Clean Energy (PACE) Program services within the City.

ATTACHMENT:

Resolution No. 2015-1451

**ITEM 8 ATTACHMENT
RESOLUTION NO. 2015-1451**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALABASAS,
CALIFORNIA, CONSENTING TO INCLUSION OF PROPERTIES WITHIN
THE CITY'S JURISDICTION IN THE CALIFORNIA HERO PROGRAM TO
FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY
SOURCES, ENERGY AND WATER EFFICIENCY IMPROVEMENTS AND
ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING
THE AMENDMENT TO A CERTAIN JOINT POWERS AGREEMENT
RELATED THERETO.**

WHEREAS, the Western Riverside Council of Governments ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the "Authority JPA"); and

WHEREAS, Authority has established the California HERO Program to provide for the financing of renewable energy distributed generation sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

WHEREAS, City of Calabasas (the "City") is committed to development of renewable energy sources and energy efficiency improvements, reduction of greenhouse gases, protection of our environment, and reversal of climate change; and

WHEREAS, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

WHEREAS, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the California HERO Program would promote the purposes cited above; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy and water efficiency and independence, and in doing so cooperate with Authority in order to efficiently and economically assist property owners the City in financing such Improvements; and

WHEREAS, Authority has established the California HERO Program, which is such a voluntary contractual assessment program, as permitted by the Act, the Authority JPA, originally made and entered into April 1, 1991, as amended to date, and the Amendment to Joint Powers Agreement Adding the City of Calabasas as an Associate Member of the Western Riverside Council of Governments to Permit the Provision of Property Assessed Clean Energy (PACE) Program Services within the City (the "JPA Amendment"), by and between Authority and the City, a copy of which is attached as Exhibit "A" hereto, to assist property owners within the jurisdiction of the City in financing the cost of installing Improvements; and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the California HERO Program to finance the installation of the Improvements.
2. This City Council consents to inclusion in the California HERO Program of all of the properties in the jurisdictional boundaries of the City and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.
3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the California HERO Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.
4. This City Council hereby approves the JPA Amendment (Exhibit A) and authorizes the execution thereof by the City Manager.
5. City Manager is authorized and directed to coordinate with Authority staff to facilitate operation of the California HERO Program within the City, and report back periodically to this City Council on the success of such program.

6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority Executive Committee.

Lucy M. Martin, Mayor

ATTEST:

Maricela Hernandez, MMC
City Clerk

APPROVED AS TO FORM:

Scott H. Howard, City Attorney

EXHIBIT A

AMENDMENT TO THE JOINT POWERS AGREEMENT ADDING CITY OF CALABASAS AS AN ASSOCIATE MEMBER OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS TO PERMIT THE PROVISION OF PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM SERVICES WITHIN SUCH CITY.

This Amendment to the Joint Powers Agreement ("JPA Amendment") is made and entered into on the __ day of _____, 2015, by City of Calabasas ("City") and the Western Riverside Council of Governments ("Authority") (collectively the "Parties").

RECITALS

WHEREAS, Authority is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Joint Exercise of Powers Act") and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the "Authority JPA"); and

WHEREAS, as of October 1, 2012, Authority had 18 member entities (the "Regular Members"); and

WHEREAS, Chapter 29 of the Improvement Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") authorizes cities, counties, and cities and counties to establish voluntary contractual assessment programs, commonly referred to as a Property Assessed Clean Energy ("PACE") program, to fund certain renewable energy sources, energy and water efficiency improvements, and electric vehicle charging infrastructure (the "Improvements") that are permanently fixed to residential, commercial, industrial, agricultural or other real property; and

WHEREAS, Authority has established a PACE program to be known as the "California HERO Program" pursuant to Chapter 29 which authorizes the implementation of such PACE financing program for cities and counties throughout the state; and

WHEREAS, City desires to allow owners of property within its jurisdiction to participate in the California HERO Program and to allow Authority under Chapter 29, as it is now enacted or may be amended hereafter, to finance Improvements to be installed on such properties; and

WHEREAS, this JPA Amendment will permit City to become an Associate Member of Authority and to participate in California HERO Program for the purpose of facilitating the implementation of such program within the jurisdiction of City; and

WHEREAS, pursuant to the Joint Exercise of Powers Act, the Parties are approving this JPA Agreement to allow for the provision of PACE services through the California HERO Program, including the operation of such PACE financing program, within the incorporated territory of City; and

WHEREAS, the JPA Amendment sets forth the rights, obligations and duties of City and Authority with respect to the implementation of the California HERO Program within the incorporated territory of City.

MUTUAL UNDERSTANDINGS

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

A. JPA Amendment.

1. The Authority JPA. City agrees to the terms and conditions of the Authority JPA, attached.

2. Associate Membership. By adoption of this JPA Amendment, City shall become an Associate Member of Authority on the terms and conditions set forth herein and the Authority JPA and consistent with the requirements of the Joint Exercise of Powers Act. The rights and obligations of City as an Associate Member are limited solely to those terms and conditions expressly set forth in this JPA Amendment for the purposes of implementing the California HERO Program within the incorporated territory of City. Except as expressly provided for by the this JPA Amendment, City shall not have any rights otherwise granted to Authority's Regular Members by the Authority JPA, including but not limited to the right to vote on matters before the Executive Committee or the General Assembly, the right to amend or vote on amendments to the Authority JPA, and the right to sit on committees or boards established under the Authority JPA or by action of the Executive Committee or the General Assembly, including, without limitation, the General Assembly and the Executive Committee. City shall not be considered a member for purposes of Section 9.1 of the Authority JPA.

3. Rights of Authority. This JPA Amendment shall not be interpreted as limiting or restricting the rights of Authority under the Authority JPA. Nothing in this JPA Amendment is intended to alter or modify Authority Transportation Uniform Mitigation Fee (TUMF) Program, the PACE Program administered by Authority within the jurisdictions of its Regular Members, or any other programs

administered now or in the future by Authority, all as currently structured or subsequently amended.

B. Implementation of California HERO Program within City Jurisdiction.

1. Boundaries of the California HERO Program within City Jurisdiction. The boundaries within which contractual assessments may be entered into under the California HERO Program (the "Program Boundaries") shall include the entire incorporated territory of City.

2. Determination of Eligible Improvements. Authority shall determine the types of distributed generation renewable energy sources, energy efficiency or water conservation improvements, electric vehicle charging infrastructure or such other improvements as may be authorized pursuant to Chapter 29 (the "Eligible Improvements") that will be eligible to be financed under the California HERO Program.

3. Implementation of California HERO Program Within the Program Boundaries. Authority will undertake such proceedings pursuant to Chapter 29 as shall be legally necessary to enable Authority to make contractual financing of Eligible Improvements available to eligible property owners within the Program Boundaries.

4. Financing the Installation of Eligible Improvements. Authority shall implement its plan for the financing of the purchase and installation of the Eligible Improvements under the California HERO Program within the Program Boundaries.

5. Ongoing Administration. Authority shall be responsible for the ongoing administration of the California HERO Program, including but not limited to producing education plans to raise public awareness of the California HERO Program, soliciting, reviewing and approving applications from residential and commercial property owners participating in the California HERO Program, establishing contracts for residential, commercial and other property owners participating in such program, establishing and collecting assessments due under the California HERO Program, adopting and implementing any rules or regulations for the California HERO Program, and providing reports as required by Chapter 29. City will not be responsible for the conduct of any proceedings required to be taken under Chapter 29; the levy or collection of assessments or any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

6. Phased Implementation. The Parties recognize and agree that implementation of the California HERO Program as a whole can and may be phased as additional other cities and counties execute similar agreements. City entering

into this JPA Amendment will obtain the benefits of and incur the obligations imposed by this JPA Amendment in its jurisdictional area, irrespective of whether cities or counties enter into similar agreements.

C. Miscellaneous Provisions.

1. Withdrawal. Authority may withdraw from this JPA Amendment upon six (6) months written notice to City; provided, however, there is no outstanding indebtedness of Authority within City. The provisions of Section 6.2 of the Authority JPA shall not apply to City under this JPA Amendment. City may withdraw approval for conduct of the HERO Program within the jurisdictional limits of City upon thirty (30) written notice to WRCOG without liability to the Authority or any affiliated entity. City withdrawal shall not affect the validity of any voluntary assessment contracts (a) entered prior to the date of such withdrawal or (b) entered into after the date of such withdrawal so long as the applications for such voluntary assessment contracts were submitted to and approved by WRCOG prior to the date of City's notice of withdrawal.

2. Mutual Indemnification and Liability. Authority and City shall mutually defend, indemnify and hold the other party and its directors, officials, officers, employees and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries of any kind, in law or equity, to property or persons, including wrongful death, to the extent arising out of the willful misconduct or negligent acts, errors or omissions of the indemnifying party or its directors, officials, officers, employees and agents in connection with the California HERO Program administered under this JPA Amendment, including without limitation the payment of expert witness fees and attorneys fees and other related costs and expenses, but excluding payment of consequential damages. Without limiting the foregoing, Section 5.2 of the Authority JPA shall not apply to this JPA Amendment. In no event shall any of Authority's Regular Members or their officials, officers or employees be held directly liable for any damages or liability resulting out of this JPA Amendment.

3. Environmental Review. Authority shall be the lead agency under the California Environmental Quality Act for any environmental review that may be required in implementing or administering the California HERO Program under this JPA Amendment.

4. Cooperative Effort. City shall cooperate with Authority by providing information and other assistance in order for Authority to meet its obligations hereunder. City recognizes that one of its responsibilities related to the California HERO Program will include any permitting or inspection requirements as established by City.

5. Notice. Any and all communications and/or notices in connection with this JPA Amendment shall be either hand-delivered or sent by United States first class mail, postage prepaid, and addressed as follows:

Authority:

Western Riverside Council of Governments
4080 Lemon Street, 3rd Floor. MS1032
Riverside, CA 92501-3609
Attn: Executive Director

City:

City of Calabasas
100 Civic Center Way
Calabasas, CA 91302
Attn: Anthony Coroalles, City Manager

6. Entire Agreement. This JPA Amendment, together with the Authority JPA, constitutes the entire agreement among the Parties pertaining to the subject matter hereof. This JPA Amendment supersedes any and all other agreements, either oral or in writing, among the Parties with respect to the subject matter hereof and contains all of the covenants and agreements among them with respect to said matters, and each Party acknowledges that no representation, inducement, promise of agreement, oral or otherwise, has been made by the other Party or anyone acting on behalf of the other Party that is not embodied herein.

7. Successors and Assigns. This JPA Amendment and each of its covenants and conditions shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns. A Party may only assign or transfer its rights and obligations under this JPA Amendment with prior written approval of the other Party, which approval shall not be unreasonably withheld.

8. Attorney's Fees. If any action at law or equity, including any action for declaratory relief is brought to enforce or interpret the provisions of this Agreement, each Party to the litigation shall bear its own attorney's fees and costs.

9. Governing Law. This JPA Amendment shall be governed by and construed in accordance with the laws of the State of California, as applicable.

10. No Third Party Beneficiaries. This JPA Amendment shall not create any right or interest in the public, or any member thereof, as a third party beneficiary hereof, nor shall it authorize anyone not a Party to this JPA Amendment to maintain a suit for personal injuries or property damages under the provisions of this JPA Amendment. The duties, obligations, and responsibilities of the Parties to this JPA Amendment with respect to third party beneficiaries shall remain as imposed under existing state and federal law.

11. Severability. In the event one or more of the provisions contained in this JPA Amendment is held invalid, illegal or unenforceable by any court of competent jurisdiction, such portion shall be deemed severed from this JPA Amendment and the remaining parts of this JPA Amendment shall remain in full force and effect as though such invalid, illegal, or unenforceable portion had never been a part of this JPA Amendment.

12. Headings. The paragraph headings used in this JPA Amendment are for the convenience of the Parties and are not intended to be used as an aid to interpretation.

13. Amendment. This JPA Amendment may be modified or amended by the Parties at any time. Such modifications or amendments must be mutually agreed upon and executed in writing by both Parties. Verbal modifications or amendments to this JPA Amendment shall be of no effect.

14. Effective Date. This JPA Amendment shall become effective upon the execution thereof by the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this JPA Amendment to be executed and attested by their officers thereunto duly authorized as of the date first above written.

For WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS:

By:

Executive Committee Chair
Western Riverside Council of Governments

Date: _____

For CITY OF CALABASAS:

By:

Anthony Coroalles, City Manager

Date: _____

ATTEST:



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: APRIL 13, 2015

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: DR. GARY J. LYSIK, CHIEF FINANCIAL OFFICER

SUBJECT: ADOPTION OF RESOLUTION 2015-1452 APPROVING DOCUMENTS RELATED TO THE ISSUANCE OF THE SERIES 2015 CERTIFICATES OF PARTICIPATION (CIVIC CENTER) AND THE EXECUTION AND DELIVERY OF THESE CERTIFICATES OF PARTICIPATION IN AN AMOUNT NOT TO EXCEED \$43,000,000.

MEETING DATE: APRIL 22, 2015

SUMMARY RECOMMENDATION:

Staff recommends that City Council:

1. Approve the execution of sale documents, a trust agreement, a lease, a sub-lease agreement, assignment agreement, continuing disclosure agreement, and preliminary official statement,
2. Authorize the funding of the Series 2015 Certificates of Participation in an amount not-to-exceed \$43,000,000. Final bond size to be determined at time of competitive bid
3. Authorize the taking of certain actions in connection with the execution and delivery of such Certificates of Participation, and
4. Convene to the City of Calabasas Facilities Corporation (the "Corporation") and have the Corporation approve documents in connection with the execution and delivery of the Series 2015 Certificates of Participation (Civic Center) in an amount not-to-exceed \$43,000,000.

BACKGROUND:

In November 2006, the City of Calabasas issued Series 2006 Certificates of Participation with an aggregate principal amount of \$35,000,000 for the purpose of financing the construction of the City Hall, the Library, and the Civic Center Facility, and to purchase necessary furniture, fixtures, and equipment associated with that project.

Since that time, Council has decided to construct a new Senior Center in the parking lot immediately south of and adjacent to the City Hall and Library buildings. The total expected cost for the design and construction of the new Senior Center, including project management costs, landscaping, parking lot, and furniture, fixtures, and equipment will be less than \$6M.

The average coupon rate for the Series 2006 COPs is 4.39%, and currently the amount of the outstanding principal balance is \$33,450,000. Annual debt service for this issue averages \$1.7M per year through 2017, and will then increase to \$2.2M per year until maturity in 2041.

The anticipated true interest cost for the proposed new issue would be approximately 3.44%, representing a rate reduction of nearly 1.0%. The final true interest will be determined at the time the bonds are sold by competitive bid in mid-May. The annual debt service for the new issue, including borrowing an additional \$6M, is expected to be \$1.6M per year through FY 2018, then increasing to \$2.5M per year until maturity in 2041. (Note: The maturity date for the new issue would not change from the current debt structure.)

The real advantages of refunding the existing Series 2006 COP is to take advantage of lower interest rates while maintaining a healthy City reserve level. Without adding an additional \$6M to the amount currently outstanding, refunding would yield a total Net Present Value (NPV) Savings of \$1.6M based on current rates. Whether the City adds an additional \$6M or not, it should at least refund the existing debt to take advantage of the currently lower interest rates.

During the Council Meeting dated April 8, 2015, Council voted to approve the refunding of the Series 2006 Certificates of Participation, and issue new Series 2015 Refunding Bonds for the purpose of taking advantage of lower interest rates while adding an additional \$6M for the estimated cost of construction and completion of a new Senior Center.

DISCUSSION / ANALYSIS:

At this time, based on construction and other cost estimates related to the Senior Center Project, the City's Chief Financial Officer indicates that given today's interest rates (3.44%) and a term of 26 years, estimated annual debt service

payments on a debt amount not-to-exceed \$43,000,000 could be structured whereby the annual debt service payments will be approximately \$1.6 million until FY 2019, at which time annual debt service payments will increase to approximately \$2.5 million. The annual increase of \$900K of debt service payments in 2019 will be partially offset by \$500K per year from the retirement of debt service payments in December 2016 associated with the 2005 Refunding Certificates of Participation used to purchase Creekside Park.

If the City were to issue debt in the amount of \$43,000,000 (it is currently estimated that the bond will be bid at premium and the issuance amount may be closer to \$39 million), it is estimated that approximately \$393K of that amount will be used for the cost of issuance, the underwriter's discount, and the purchase of a bond reserve fund surety. Approximately \$378K will be set aside to cover capitalized interest, leaving \$35.3M to be used to refund the 2006 Bonds and \$6.0M for the Senior Center construction costs, Furniture, Fixtures & Equipment, project management costs, etc. Any amount remaining after the completion of the Project will be used to make initial debt service payments.

The Process:

As is currently the case with the Series 2006 Bonds, the City will lease the Civic Center site and the improvements thereon (the "Leased Property") to the Calabasas Facilities Corporation pursuant to a Lease. The Corporation will then leaseback the Leased Property to the City who will make lease payments to the Corporation. Pursuant to the Assignment Agreement, the lease payments will be assigned to a Trustee. Each owner of the COPs will have an undivided interest in the lease payments. The lease payments have an interest and principal component and will be payable semiannually.

It is proposed that the bonds will be sold at competitive sale in mid May 2015 with multiple underwriting bids expected. . The underlying rating on the City's Series 2006 COPs was an AA+ from Standard & Poor's and a similar underlying rating is expected for this new issue. The average interest rate on the bonds is expected to be roughly 3.44% based on current market conditions and the rate will be fixed for 26 years. Final interest rates will depend on bond market conditions at the time of sale.

The proceeds from the sale, excluding the cost of issuance, will be safeguarded and invested by an investment group designated by the City. Regular payments associated with the cost of construction of the Project will first be taken from the proceeds of the bond sale, with monies being drawn from the City's General Fund last.

It is appropriate at this meeting to consider for adoption the resolution of the City authorizing the execution and delivery of the Series 2015 COPs.

General Summary of Security:

The Series 2015 COPs are payable from the lease payments to be made by the City. The City covenants to annually budget and appropriate for the lease payments from its general fund and maintain insurance on the Leased Property. There is also a reserve fund for the Certificates.

Description of Documents:

Lease: Document in which the City leases the Leased Property to the Calabasas Facilities Corporation. It is drafted by Special Counsel and executed by the City and the Corporation.

Sub-lease Agreement: Key legal document in which the Authority leases back the Leased Property to the City for lease payments. It also contains the City's covenants to appropriate and maintain insurance and prepayment provisions. It is drafted by Special Counsel and executed by the City and the Corporation.

Trust Agreement: Another key legal document that lays out the legal structure and terms of the COPs. It specifies payment dates, maturity dates; revenues and accounts specifically pledged to the repayment of the COPs; flow of funds, additional debt requirements; default and remedy provisions; and defeasance provisions in the event the COPs are prepaid. It is drafted by Special Counsel and executed by the City, the Corporation, and Trustee.

Assignment Agreement: Document in which the lease payment to the Calabasas Facilities Corporation are assigned to the Trustee. It is drafted by Special Counsel and executed by the Trustee and the Corporation.

Official Statement: This document describes the security and discloses potential risks to prospective investors. It will generally describe the sources of payment for the COPs, the City's financial state, particularly its general fund, economic and demographic characteristics of the City, and inherent known risk factors associated with the security. It's important that this document not contain any material misstatements or omissions. The Preliminary Official Statement (often referred to as the "POS") is distributed to prospective investors prior to the sale so that they can make informed purchase decisions. The POS should be as close to final as possible with the actual terms of the pricing (interest rates and principal amounts) left necessarily blank. The Final Official Statement will be prepared shortly after the sale and must be available in time for closing. The POS and FOS are drafted by Special Counsel, acting as disclosure counsel and is executed by the City.

Continuing Disclosure Agreement: This agreement, attached as an appendix of the POS, outlines the updated information related to the security that the City will agree to provide to the bond markets. Disclosure is required annually, and on an

exceptional basis for any major “material” event. This document is drafted by Special Counsel and executed by City.

Notice of Sale and Bid Form: The COPs, with a term ending no later than on December 1, 2041, will be sold on a competitive basis to the underwriting firm offering the City the lowest combination of total interest cost and underwriting fees, on a present value basis, otherwise known as the true interest cost. The maximum true interest rate cannot exceed 4.25%, and the maximum allowable discount rate on the bonds cannot exceed 1%. The sale of the COPs is scheduled for late May 2015 at the offices of the C.M. de Crinis, Financial Advisor, at which time the City Manager or Chief Financial Officer will award the COPs to the best bidder. The bid will be published nationally and all underwriters will be allowed to bid. The bids will be received electronically over the internet and a good faith deposit of \$500,000 will be required. The bid form is submitted electronically by potential underwriters on the day of the bond sale, and specifies the actual principal amounts, interest rates and prices at which the COPs will be purchased. In it, the underwriter commits, at closing, to purchase the COPs at the agreed upon prices and amounts subject to certain closing conditions.

FINANCIAL IMPACT / SOURCE OF FUNDING:

It is expected that annual debt service payments associated with the issuance of the Series 2015 COPs will be approximately \$1.6 million per year through June 2018, after which time they will increase to, and remain at approximately \$2.5 million per year until final payment has been made in 2041. Lease payments currently being made for the Series 2005 Refunding Certificates of Completion used to finance Creekside Park will end in December 2016, two years before the increase in the payments associated with the new issuance. In this way, total debt service payments made by the City for its outstanding debt will actually decrease by approximately \$0.2 million per year relative to debt service payments as they are currently structured.

In addition to the issuance of the Series 2015 COPs, no additional City funding is anticipated to be required to complete the build of the new Senior Center. In this way, there will not be any additional drain on the City’s General Fund reserve balance or Management Reserve.

REQUESTED ACTION:

Staff recommends that City Council takes action on the following 4 items as it relates to the Series 2015 Certificates of Participation (Civic Center):

1. Approve the execution of sale documents, a trust agreement, a lease, a sub-lease agreement, assignment agreement, continuing disclosure agreement, and preliminary official statement,

2. Authorize the funding of the Series 2006 Certificates of Participation in an amount not-to-exceed \$43,000,000,
3. Authorize the taking of certain actions in connection with the execution and delivery of such Certificates of Participation, and
4. Convene to the City of Calabasas Facilities Corporation (the "Corporation") and have the Corporation approve documents in connection with the execution and delivery of the Series 2015 Certificates of Participation (Civic Center) in an amount not-to-exceed \$43,000,000.

ATTACHMENTS:

1. Resolution No. 2015-1452
2. Lease Agreement
3. Sublease Agreement
4. Trust Agreement
5. Assignment Agreement
6. Preliminary Official Statement
7. Continuing Disclosure Agreement
8. Notice Inviting Bids
9. Series 2015 Refunding COPs Analysis

**ITEM 9 ATTACHMENT 1
RESOLUTION NO. 2015-1452**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALABASAS AUTHORIZING THE EXECUTION AND DELIVERY OF VARIOUS DOCUMENTS, INCLUDING A LEASE, A SUBLEASE, AN ASSIGNMENT AGREEMENT, A TRUST AGREEMENT, AND A CONTINUING DISCLOSURE AGREEMENT AND APPROVING A NOTICE OF INTENTION TO SELL, AUTHORIZING THE DISTRIBUTION OF A NOTICE INVITING BIDS AND AN OFFICIAL STATEMENT IN CONNECTION WITH THE EXECUTION, DELIVERY AND SALE OF NOT TO EXCEED \$43,000,000 CITY OF CALABASAS 2015 CERTIFICATES OF PARTICIPATION (CIVIC CENTER PROJECT)

WHEREAS, the City of Calabasas (the "City") desires to (i) refinance certain outstanding 2006 Certificates of Participation (Civic Center Project) (the "Prior Certificates"; and the refinancing of the Prior Certificates is referred to as the "Refunding Project") and (ii) finance the costs of the construction acquisition and improvement of senior facilities and related infrastructure, equipment and furnishings (the "Construction Project," and together with the Refunding Project, the "Project"), and pay capitalized interest with respect to the Certificates (as defined below), fund a Reserve Account for the Certificates, and pay the costs incurred in connection with the execution and delivery of the Certificates;

WHEREAS, in order to finance the Project, the City will lease certain real property owned by the City (the "Leased Property") to the City of Calabasas Facilities Corporation, a California nonprofit public benefit corporation (the "Corporation") pursuant to a Lease (the "Lease"), and the City will sublease the Leased Property back from the Corporation pursuant to a Sublease (the "Sublease");

WHEREAS, the City and the Corporation have determined that it would be in the best interests of the City and the Corporation to provide the funds necessary to finance and refinance the Project through the sale and delivery of certificates of participation (the "Certificates") evidencing direct, fractional undivided interests in the base rental payments to be made by the City under the Sublease;

WHEREAS, the City and the Corporation propose to enter into the Lease, substantially in the form currently on file with the City Clerk, pursuant to which the City will lease the Leased Property to the Corporation;

WHEREAS, the City and the Corporation propose to enter into the Sublease, substantially in the form currently on file with the City Clerk, pursuant to which the Corporation will sublease the Leased Property to the City;

WHEREAS, the City proposes to make base rental payments (“Base Rental Payments”) and additional rental payments for the use and occupancy of the Leased Property on the terms and conditions contained in the Sublease;

WHEREAS, the Corporation proposes to assign certain of its rights in the Lease and Sublease to U.S. Bank National Association, as trustee (the “Trustee”), pursuant to an Assignment Agreement (the “Assignment Agreement”), substantially in the form currently on file with the City Clerk;

WHEREAS, the City, the Corporation and the Trustee propose to enter into a Trust Agreement (the “Trust Agreement”), substantially in the form currently on file with the City Clerk, pursuant to which the Trustee will execute and deliver City of Calabasas 2015 Certificates of Participation (Civic Center Project) (the “Certificates”), representing undivided proportionate interests in the Base Rental Payments to be made by the City under the Sublease, a the proceeds of which will be used to finance and refinance the Project, as further described in the Trust Agreement;

WHEREAS, the City Council has determined that securing the timely payment of the principal and interest evidenced by the Certificates by obtaining a bond insurance policy with respect thereto, or alternatively obtaining a reserve fund surety to fund the reserve fund for the Certificates, could be economically advantageous to the City;

WHEREAS, the City desires to provide for the public sale of the Certificates;

WHEREAS, a Notice of Intention to Sell (the “Notice of Intention to Sell”) to be published in connection with the public offering and sale of the Certificates has been prepared;

WHEREAS, a form of the Notice Inviting Bids (the “Notice Inviting Bids”) to be distributed in connection with the public offering and sale of the Certificates has been prepared;

WHEREAS, a form of the Preliminary Official Statement (the “Preliminary Official Statement”) to be distributed in connection with the public offering of the Certificates has been prepared;

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”) requires that, in order to be able to purchase or sell the Certificates, the original purchaser or underwriter thereof must have reasonably determined that the City has undertaken in a written agreement or contract for the benefit of the holders of the Certificates to provide disclosure of certain financial information and certain material events on an ongoing basis;

WHEREAS, in order to cause such requirement to be satisfied, the City desires to enter into a Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) with the Trustee;

WHEREAS, the City Council has been presented with the form of each document referred to herein relating to the financing contemplated hereby, and the City Council has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such financing; and

WHEREAS, the City is authorized to undertake all of the above pursuant to the laws of the State of California;

NOW, THEREFORE, IT IS RESOLVED AND ORDERED by the City Council of the City as follows:

SECTION 1. The leasing of the Leased Property by the City to the Corporation on the terms and conditions set forth in the Lease is hereby authorized and approved. The Lease, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, be and the same is hereby approved. The Mayor of the City, the City Manager, the Chief Financial Officer of the City, and the City Clerk of the City (the “Authorized Officers”) are, and each of them is, hereby authorized and directed, for and in the name of the City, to execute and deliver the Lease in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Lease by such Authorized Officer.

SECTION 2. The subleasing of the Leased Property by the City from the Corporation and the payment by the City to the Corporation of Base Rental Payments and additional rental payments on the terms and conditions set forth in the Sublease is hereby authorized and approved. The Sublease, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, be and the same is hereby approved. The Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the City, to execute and deliver the Sublease in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require

or approve, such requirement or approval to be conclusively evidenced by the execution of the Sublease by such Authorized Officer; provided that the Sublease shall not have a term extending beyond December 1, 2051.

SECTION 3. The Trust Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, be and the same is hereby approved. The Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the City, to execute and deliver the Trust Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Trust Agreement by such Authorized Officer. The execution and delivery of the Certificates pursuant to the Trust Agreement in an aggregate principal amount not to exceed \$43,000,000 is hereby authorized and approved.

SECTION 4. The Continuing Disclosure Agreement ("Disclosure Agreement"), between the City and the Trustee, substantially the form submitted to this meeting and made a part hereof as though set forth herein, be and the same is hereby approved. The Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the City, to execute and deliver the Disclosure Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Disclosure Agreement by such Authorized Officer.

SECTION 5. The City hereby consents to the assignment by the Corporation to the Trustee for the benefit of the owners of the Certificates of certain of its rights under the Lease and the Sublease, including the right to receive Base Rental Payments under the Sublease, pursuant to Section 1 of the Assignment Agreement.

SECTION 6. The authorization, issuance and sale of the Certificates by the City in an aggregate amount not to exceed \$43,000,000, payable in the years and in the amounts, and bearing interest as specified in the Trust Agreement as finally executed, is hereby authorized and approved; provided, however, that the sale of the Certificates shall not result in a true interest cost greater than 5.50%.

SECTION 7. A Notice of Intention to Sell as approved by an Authorized Officer and the publication thereof consistent with the terms of this Resolution, is hereby ratified and approved, and the use of the Notice of Intention to Sell in connection with the offering and sale of the Certificates is hereby ratified and approved. The publication of the Notice of Intention to Sell in *The Bond Buyer* (or in such other financial publication generally circulated throughout the State of

California or reasonably expected to be disseminated among prospective bidders for the Certificates as an Authorized Officer shall approve as being in the best interests of the City) at least 5 days prior to the date set for the opening of bids in the Notice Inviting Bids in such form as an Authorized Officer may require or approve, such requirement or approval to be conclusively evidenced by such publishing of the Notice of Intention to Sell, is hereby ratified and approved.

SECTION 8. The form of Notice Inviting Bids, on file with the City Clerk, with such changes, insertions and omissions therein as may be approved by an Authorized Officer, be and the same is hereby approved, and the use of the Notice Inviting Bids in connection with the offering and sale of the Certificates is hereby authorized and approved. The terms and conditions of the offering and sale of the Certificates shall be as specified in the Notice Inviting Bids. Bids for the purchase of the Certificates shall be received at the time and place set forth in the Notice Inviting Bids. Any Authorized Officer is authorized to award the Certificates to the bidder who submits the best bid in accordance with the Notice Inviting Bids.

SECTION 9. The Preliminary Official Statement, in substantially the form presented to this meeting (the "Preliminary Official Statement"), is hereby approved for use in connection with the public offering of the Certificates with such changes as may be approved by an Authorized Officer. Each of the Authorized Officers are authorized and directed to assist in the preparation of a final official statement (the "Official Statement") in substantially the form of said Preliminary Official Statement, with such additions and changes as an Authorized Officer shall approve as being in the best interests of the City, such approval to be conclusively evidenced by the execution of said Official Statement with such additions or changes. The Authorized Officers are each hereby authorized and directed to furnish, or cause to be furnished, to prospective bidders for the Certificates a reasonable number of copies of the Preliminary Official Statement. The Authorized Officers, and each of them, are authorized and directed to certify on behalf of the City that the form of the Preliminary Official Statement delivered by the City in advance of the sale of the Certificates is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (except for the omission of certain final pricing, rating and related information as permitted by the Rule).

SECTION 10. The Authorized Officers and City Council members of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents and certificates which they deem necessary or advisable in order to consummate the execution and delivery of the documents mentioned herein and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby, including but not limited to executing and delivering an escrow agreement and a termination agreement with respect to the outstanding 2006 Leases and taking such steps as

may be necessary to accomplish the purposes contemplated hereby, and obtaining bond insurance or a surety bond.

SECTION 11. This Resolution shall take effect immediately upon its adoption.

APPROVED and ADOPTED by the City Council of the City of Calabasas the 22nd day of April, 2015.

Lucy M. Martin
Mayor of the City of Calabasas

ATTEST:

Maricela Hernandez, MMC
City Clerk of the City of Calabasas

APPROVED AS TO FORM:

Scott H. Howard, City Attorney

CITY CLERK'S CERTIFICATE

I, Maricela Hernandez, MMC, City Clerk of the City of Calabasas, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a meeting of the City Council of said City duly and regularly held on April 22, 2015, of which meeting all of the members of said Council had due notice and at which a majority thereof were present; and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT OR NOT VOTING:

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office; that the foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: _____, 2015

Maricela Hernandez, MMC
City Clerk of the City of Calabasas

Recording Requested By And
When Recorded Mail To:

William W. Bothwell, Esq.
ORRICK, HERRINGTON & SUTCLIFFE LLP
777 South Figueroa Street, Suite 3200
Los Angeles, California 90017

LEASE

by and between the
CITY OF CALABASAS

and the

CITY OF CALABASAS FACILITIES CORPORATION

RELATING TO THE
CITY OF CALABASAS
2015 CERTIFICATES OF PARTICIPATION
(CIVIC CENTER PROJECT)

Executed and Entered into as of [DATED DATE]

LEASE

This Lease (this "Lease"), executed and entered into as of [DATED DATE], by and between the CITY OF CALABASAS, a municipal corporation duly organized and existing under the laws of the State of California (the "City"), and the CITY OF CALABASAS FACILITIES CORPORATION, a nonprofit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California (the "Corporation");

WITNESSETH:

WHEREAS, the City desires to (i) refinance certain outstanding 2006 Certificates of Participation (Civic Center Project) (the "Prior Certificates"; and the refinancing of the Prior Certificates is referred to as the "Refunding Project") and (ii) finance the costs of the construction acquisition and improvement of senior facilities and related infrastructure, equipment and furnishings (the "Construction Project," and together with the Refunding Project, the "Project");

WHEREAS, in order to finance and refinance the Project, the City will lease certain real property owned by the City (the "Leased Property") to the Corporation pursuant to this Lease, , and the City will sublease the Leased Property back from the Corporation pursuant to a Sublease, dated as of the date hereof (the "Sublease");

WHEREAS, the City proposes to make base rental payments ("Base Rental Payments") and additional rental payments for the use and occupancy of the Leased Property on the terms and conditions contained in the Sublease;

WHEREAS, the City and the Corporation have determined that it would be in the best interests of the City and the Corporation to provide the funds necessary to finance and refinance the Project through the sale and delivery of certificates of participation (the "2015 Certificates") evidencing direct, fractional undivided interests in the Base Rental Payments to be made by the City under the Sublease;

WHEREAS, all rights to receive such Base Rental Payments have been assigned without recourse by the Corporation to the Trustee pursuant to an Assignment Agreement, dated as of the date hereof;

WHEREAS, the City proposes to enter into this Lease with the Corporation, whereby the City will lease to the Corporation said real property and improvements thereon, as a material consideration for the Corporation's agreement to sublease the Leased Property to the City; and

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

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

SECTION 1. Leased Property. The City hereby leases to the Corporation and the Corporation hereby hires from the City, on the terms and conditions hereinafter set forth, those certain parcels of real property and improvements thereon situated in the State of California, County of Los Angeles, City of Calabasas, described in Exhibit A attached hereto and made a part hereof.

SECTION 2. Term. The term hereof shall commence on May __, 2015, or the date this Lease is recorded, whichever is later, and shall end on December 1, 2041, unless such term is sooner terminated or is extended as hereinafter provided, except that in no event shall the term be extended beyond December 1, 2051. If prior to December 1, 2041, all Base Rental Payments under the Sublease shall have been paid, or provision therefor has been made in accordance with Article X of the Trust Agreement, the term hereof shall end 10 days thereafter or 10 days after written notice by the City to the Corporation in accordance with Section 15 hereof, whichever is earlier.

If the Sublease is extended beyond December 1, 2041, pursuant to the terms thereof, this Lease shall also be extended to the day following the date of termination of the Sublease.

SECTION 3. Rent. The Corporation shall pay to the City an advance rent of \$1.00 as full consideration for the Lease. The Corporation hereby waives any right that it may have under the laws of the State of California to receive a rebate of such rent in full or in part in the event there is a substantial interference with the use and right of possession by the Corporation of the Leased Property or portion thereof as a result of material damage, destruction or condemnation. In consideration of the payment of advance rent hereunder by the Corporation, the City agrees to use such sum promptly to acquire such improvements or substitute improvements having an equivalent value (valued at cost). All of the advance rent payments shall be disbursed by the City in accordance with Section 3.02 of the Trust Agreement.

SECTION 4. Purpose. The Corporation shall use the Leased Property solely for the purpose of subleasing the same to the City, provided, that in the event of default by the City under the Sublease, the Corporation may exercise the remedies provided in the Sublease.

SECTION 5. Owner in Fee. The City covenants that it is the owner of the Leased Property free and clear of all liens, claims or encumbrances which affects marketability.

SECTION 6. Assignments and Subleases. Unless the City shall be in default under the Sublease, the Corporation may not, without the prior written consent of the City, assign its rights hereunder or sublet the Leased Property except that the City expressly approves and consents to the assignment and transfer of the Corporation's right, title and interest in this Lease

to the Trustee pursuant to the Assignment Agreement, dated as of [DATED DATE] (as it may be amended or supplemented from time to time, the "Assignment Agreement").

SECTION 7. Right of Entry. The City reserves the right for any of its duly authorized representatives to enter upon the Leased Property at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

SECTION 8. Termination. The Corporation agrees, upon the termination hereof, to quit and surrender the Leased Property in the same good order and condition as the same was in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements to the Leased Property at the time of the termination hereof shall remain thereon and title thereto shall vest in the City.

SECTION 9. Default. In the event the Corporation shall be in default in the performance of any obligation on its part to be performed under the terms hereof, which default continues for 30 days following notice and demand for correction thereof to the Corporation, the City may exercise any and all remedies granted by law, except that no merger of this Lease and of the Sublease shall be deemed to occur as a result thereof; provided, that so long as any Certificates issued pursuant to the Trust Agreement are Outstanding, the City shall have no power to terminate this Lease by reason of any default on the part of the Corporation, if such termination would affect or impair any assignment of the Sublease then in effect between the Corporation and the trustee that executes and delivers such Certificates.

SECTION 10. Quiet Enjoyment. The Corporation at all times during the term hereof shall peaceably and quietly have, hold and enjoy the Leased Property.

SECTION 11. Waiver of Personal Liability. All liabilities hereunder on the part of the Corporation shall be solely corporate liabilities of the Corporation, and the City hereby releases each and every director, officer and employee of the Corporation of and from any personal or individual liability hereunder. No director, officer or employee of the Corporation shall at any time or under any circumstances be individually or personally liable hereunder for anything done or omitted to be done by the Corporation hereunder.

SECTION 12. Eminent Domain. In the event the whole or any portion of the Leased Property is taken by eminent domain proceedings, the interest of the Corporation shall be recognized and is hereby determined to be the amount of the then unpaid Base Rental Payments, and the amount of the unpaid Additional Rental due under the Sublease, and the balance of the award, if any, shall be paid to the City.

SECTION 13. Amendments. This Lease may be amended for the purpose of effecting a Substitution or Removal, as further described in the Sublease.

SECTION 14. Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms hereof shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining agreements, conditions, covenants or

terms hereof shall be affected thereby, and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 15. Notices. All approvals, authorizations, consents, demands, designations, notices, offers, requests, statements or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered or certified mail, return receipt requested, postage prepaid, and, if to the City, addressed to City of Calabasas, 26135 Mureau Road, Suite 200, Calabasas, California 91302-3172, Attn: Chief Financial Officer, or, if to the Corporation, addressed to City of Calabasas Facilities Corporation, c/o City of Calabasas, 26135 Mureau Road, Suite 200, Calabasas, California 91302-3172, Attn: Chief Financial Officer, with a copy to the Trustee that executes and delivers the Certificates, or to such other addresses as the respective parties may from time to time designate by notice in writing.

SECTION 16. Effect on Prior Lease. This Lease completely amends and restates the Lease dated as of November 15, 2006, by and between the Corporation as lessor and the County as lessee, and bearing County of Los Angeles Recorder document number 06-2622288.

SECTION 17. California Law. The Lease shall be governed by and construed and interpreted in accordance with the laws of the State of California.

SECTION 18. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision hereof.

SECTION 19. Execution. The Lease may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Lease by their officers thereunto duly authorized as of the day and year first above written.

CITY OF CALABASAS

By: _____
Chief Financial Officer

CITY OF CALABASAS FACILITIES CORPORATION

By: _____
Treasurer

EXHIBIT A

Description of Leased Property

PARCEL 1:

THAT PORTION OF LOT 8 AND LOT 10 OF TRACT NO. 37824, IN THE CITY OF CALABASAS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1192 PAGES 81 TO 86, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT ON THE CURVED SOUTHERLY RIGHT-OF-WAY OF PARK SORRENTO, 84 FEET WIDE, AS SHOWN ON SAID MAP, DISTANT NORTHEASTERLY 26.99 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 1 DEGREE 29 MINUTES 03 SECONDS, FROM THE NORTHERLY COMMON CORNER OF SAID LOTS 8 AND 10, SAID CURVE BEING CONCAVE NORTHERLY AND HAVING A RADIUS OF 1042.00 FEET; THENCE EASTERLY 4.36 FEET ALONG SAID CURVED SOUTHERLY LINE, THROUGH A CENTRAL ANGLE OF 0 DEGREES 14 MINUTES 23 SECONDS TO THE BEGINNING OF A REVERSE CURVE, CONCAVE SOUTHERLY AND HAVING A RADIUS OF 958.00 FEET; THENCE CONTINUING NORTHEASTERLY 191.47 FEET ALONG SAID CURVED SOUTHERLY LINE, THROUGH A CENTRAL ANGLE OF 11 DEGREES 27 MINUTES 06 SECONDS TO THE BEGINNING OF THE CURVED NORTHERLY LINE OF SAID LOT 8, SAID CURVED NORTHERLY LINE BEING A COMPOUND CURVE, CONCAVE SOUTHERLY AND HAVING A RADIUS OF 15.00 FEET; THENCE, LEAVING SAID SOUTHERLY RIGHT-OF-WAY OF PARK SORRENTO AND ALONG SAID NORTHERLY LINE OF LOT 8, EASTERLY AND SOUTHEASTERLY 22.17 FEET THROUGH A CENTRAL ANGLE OF 84 DEGREES 41 MINUTES 51 SECONDS; THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 8, SOUTH 32 DEGREES 41 MINUTES 50 SECONDS EAST 188.72 FEET; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID LOT 8 AND ITS SOUTHWESTERLY PROLONGATION, SOUTH 46 DEGREES 06 MINUTES 19 SECONDS WEST 267.90 FEET TO A LINE WHICH BEARS SOUTH 27 DEGREES 11 MINUTES 48 SECONDS EAST AND WHICH PASSES THROUGH THE POINT OF BEGINNING; THENCE NORTH 27 DEGREES 11 MINUTES 48 SECONDS WEST 257.69 FEET TO THE POINT OF BEGINNING.

SAID LAND IS SHOWN AS PARCEL A IN THE CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT NO. 99-02, RECORDED FEBRUARY 17, 1999 AS INSTRUMENT NO. 99-250904 OFFICIAL RECORDS.

PARCEL 2:

THOSE PORTIONS OF LOTS 7, 9 AND 10 OF TRACT NO. 37824, IN THE CITY OF CALABASAS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1192 PAGES 81 TO 86 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID LOT 9; THENCE NORTH 29 DEGREES 34 MINUTES 04 SECONDS EAST 470.66 FEET TO THE MOST EASTERLY CORNER OF SAID LOT 9; THENCE NORTH 66 DEGREES 41 MINUTES 15 SECONDS WEST 281.25 FEET; THENCE NORTH 27 DEGREES 23 MINUTES 41 SECONDS WEST 298.63 FEET TO A POINT DISTANT NORTH 62 DEGREES 36 MINUTES 19 SECONDS EAST 16.00 FEET FROM THE SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 3 OF SAID TRACT NO. 37824, DISTANT SOUTH 27 DEGREES 23 MINUTES 41 SECONDS WEST 329.00 FEET FROM THE NORTHERLY CORNER OF SAID LOT 3; THENCE SOUTH 62 DEGREES 36 MINUTES 19 SECONDS WEST 16.00 FEET TO SAID SOUTHERLY PROLONGATION; THENCE NORTH 27 DEGREES 23 MINUTES 41 SECONDS WEST 16.48 FEET ALONG SAID PROLONGATION TO THE SOUTHERLY LINE OF PARK SORRENTO, 84 FEET WIDE, AS SHOWN ON SAID MAP; THENCE SOUTH 62 DEGREES 36 MINUTES 19 SECONDS WEST 105.88 FEET TO A POINT OF CUSP WITH THE BEGINNING OF THE CURVED NORTHERLY LINE OF LOT 8 OF SAID TRACT NO. 37824, SAID CURVE BEING CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 15.00 FEET; THENCE, LEAVING SAID SOUTHERLY RIGHT-OF-WAY ALONG THE COMMON LINE BETWEEN SAID LOTS 8 AND 9, NORTHEASTERLY, EASTERLY AND SOUTHEASTERLY 22.17 FEET ALONG CURVE THROUGH A CENTRAL ANGLE OF 84 DEGREES 41 MINUTES 51 SECONDS; THENCE SOUTH 32 DEGREES 41 MINUTES 50 SECONDS EAST 188.72 FEET; THENCE SOUTH 46 DEGREES 06 MINUTES 19 SECONDS WEST 267.90 FEET ALONG THE SOUTHEASTERLY LINE OF SAID LOT 8 AND ITS SOUTHWESTERLY PROLONGATION TO A LINE WHICH BEARS SOUTH 27 DEGREES 11 MINUTES 48 SECONDS EAST AND WHICH PASSES THROUGH A POINT IN THE CURVED SOUTHERLY RIGHT-OF-WAY OF SAID PARK SORRENTO, DISTANT EASTERLY 26.99 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 1 DEGREE 29 MINUTES 02 SECONDS, FROM THE NORTHERLY COMMON CORNER OF SAID LOTS 8 AND 10, SAID CURVE BEING CONCAVE NORTHERLY AND HAVING A RADIUS OF 1042.00 FEET; THENCE SOUTH 27 DEGREES 11 MINUTES 48 SECONDS EAST 108.27 FEET TO A POINT DISTANT 365.96 FEET FROM SAID POINT IN THE SOUTHERLY LINE OF PARK SORRENTO, DISTANT EASTERLY 26.99 FEET FROM SAID NORTHERLY COMMON CORNER OF LOTS 8 AND 10; THENCE SOUTH 62 DEGREES 48 MINUTES 12 SECONDS WEST 215.94 FEET TO A LINE WHICH BEARS NORTH 26 DEGREES 19 MINUTES 51 SECONDS WEST AND WHICH PASSES THROUGH A POINT IN THE SOUTHERLY LINE OF SAID LOT 10, DISTANT SOUTH 86 DEGREES 37 MINUTES 34 SECONDS EAST 52.82 FEET FROM THE ANGLE POINT IN SAID SOUTHERLY LINE; THENCE SOUTH 26 DEGREES 19 MINUTES 51 SECONDS EAST 195.98 FEET TO SAID SOUTHERLY LINE; THENCE SOUTH 86 DEGREES 37 MINUTES 34 SECONDS EAST 407.18 FEET ALONG THE SOUTHERLY LINE OF SAID LOTS 9 AND 10 TO THE MOST SOUTHERLY CORNER OF SAID LOT 9 AND THE POINT OF BEGINNING.

Recording Requested By And
When Recorded Mail To:

William W. Bothwell, Esq.
ORRICK, HERRINGTON & SUTCLIFFE LLP
777 South Figueroa Street, Suite 3200
Los Angeles, California 90017

SUBLEASE

by and between the

CITY OF CALABASAS FACILITIES CORPORATION

and the

CITY OF CALABASAS

FOR THE
CITY OF CALABASAS
2015 CERTIFICATES OF PARTICIPATION
(CIVIC CENTER PROJECT)

Executed and Entered Into as of [DATED DATE]

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SUBLEASE

This Sublease (this "Sublease"), executed and entered into as of [DATED DATE], by and between the CITY OF CALABASAS FACILITIES CORPORATION, a nonprofit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California (the "Corporation"), and the CITY OF CALABASAS, a 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, the City desires to (i) refinance certain outstanding 2006 Certificates of Participation (Civic Center Project) (the "Prior Certificates"; and the refinancing of the Prior Certificates is referred to as the "Refunding Project") and (ii) finance the costs of the construction acquisition and improvement of senior facilities and related infrastructure, equipment and furnishings (the "Construction Project," and together with the Refunding Project, the "Project");

WHEREAS, in order to finance and refinance the Project, the City will lease certain real property owned by the City (the "Leased Property") to the Corporation pursuant to a Lease, dated as of the date hereof (the "Lease"), and the City will sublease the Leased Property back from the Corporation pursuant to this Sublease;

WHEREAS, the City proposes to make base rental payments ("Base Rental Payments") and additional rental payments for the use and occupancy of the Leased Property on the terms and conditions contained in this Sublease;

WHEREAS, the City and the Corporation have determined that it would be in the best interests of the City and the Corporation to provide the funds necessary to finance and refinance the Project through the sale and delivery of certificates of participation (the "2015 Certificates") evidencing direct, fractional undivided interests in the base rental payments to be made by the City under the Sublease;

WHEREAS, to accomplish such purpose, the Corporation proposes to sublease to the City the Leased Property pursuant to the terms hereof;

WHEREAS, the City is authorized pursuant to the laws of the State of California to lease real and personal property which is necessary and proper for public purposes; and

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

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER

VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any amendment hereof have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein. All other capitalized terms used herein without definition shall have the meanings as set forth in the Trust Agreement.

Addition

“Addition” means the addition of real property and/or improvements to the Leased Property subject to this Sublease and the Lease pursuant to Section 2.06 hereof.

Additional Base Rental Payments

“Additional Base Rental Payments” means all amounts payable by the City as Base Rental Payments pursuant to any future amendment to this Sublease.

Additional Rental

“Additional Rental” means all amounts payable by the City pursuant to Section 5.01(b) hereof.

Assignment Agreement

“Assignment Agreement” means the Assignment Agreement, dated as of [DATED DATE], by and among the Corporation and the Trustee, as it may be amended and supplemented from time to time.

Base Rental Payments

“Base Rental Payments” means all amounts payable by the City as Base Rental pursuant to Section 5.01(a) hereof, including any Additional Base Rental Payments.

Certificate Insurer

"Certificate Insurer" means the municipal bond insurer, if any, issuing a policy of insurance insuring the principal of and interest evidenced by the 2015 Certificates.

Certificates

“Certificates” means the 2015 Certificates and any Additional Certificates authorized under the Trust Agreement.

2015 Certificates

“2015 Certificates” means the City of Calabasas 2015 Certificates of Participation (Civic Center Project).

City

“City” means the City of Calabasas, a municipal corporation organized and existing under the laws of the State of California.

Closing Date

The term “Closing Date” means the date on which any Certificates are initially delivered to the Purchaser thereof, as provided in the Trust Agreement.

Code

“Code” means the Internal Revenue Code of 1986.

Corporation

“Corporation” means the City of Calabasas Facilities Corporation, a nonprofit public benefit corporation organized and existing under and by virtue of the laws of the State of California.

Expiry Date

“Expiry Date” means, with respect to the Base Rental Payments, December 1, 2041, and with respect to any Additional Base Rental Payments, the date specified in the amendment to this Sublease pursuant to which the City shall agree to pay such Additional Base Rental Payments.

Insurance Consultant

“Insurance Consultant” means an individual or firm retained by the City as an independent insurance consultant, experienced in the field of risk management.

Lease

“Lease” means the Lease, dated as of [DATED DATE], by and between the City and the Corporation, as it may be amended and supplemented from time to time in accordance herewith and therewith.

Lease Year

The term “Lease Year” means the period from each December 2 to and including the following December 1, during the term hereof.

Leased Property

“Leased Property” means the real property, together with any improvements thereon or to be located thereon, as described in Exhibit A hereto (as the same may be changed from time to time by Removal, Addition or Substitution).

Opinion of Counsel

“Opinion of Counsel” means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the City.

Owner

“Owner” means the registered owner of any Outstanding Certificate as indicated in the registration books of the Trustee.

Permitted Encumbrances

“Permitted Encumbrances” means, as of any particular time: (i) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the City may, pursuant to Section 6.02, permit to remain unpaid; (ii) the Assignment Agreement; (iii) this Sublease; (iv) the Lease; (v) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; (vi) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions, all of a non-monetary nature, which exist of record as of the date of initial delivery of the Certificates and which an independent third party certifies in writing will not materially impair the use of the Leased Property by the City; and (vii) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions, all of a non-monetary nature, established following the date of recordation of this Sublease and to which the Corporation and the City consent in writing.

Prior Certificates

“Prior Certificates” means the City of Calabasas 2006 Certificates of Participation (Civic Center Project).

Removal

“Removal” means the release of all or a portion of the Leased Property from the leasehold hereof and of the Lease as provided in Section 2.06 hereof.

Sublease

“Sublease” has the meaning set forth in the preamble hereto.

Substitution

“Substitution” means the release of all or a portion of the Leased Property from the leasehold hereof and of the Lease, and the lease of substituted real property and improvements hereunder and under the Lease as provided in Section 2.06 hereof.

Trust Agreement

“Trust Agreement” means the Trust Agreement, dated as of [DATED DATE], by and among the Trustee, the City and the Corporation, as it may from time to time be amended or supplemented in accordance therewith, under and pursuant to which the Trustee executes and delivers the Certificates.

Trustee

“Trustee” means U.S. Bank National Association, a national banking association organized and existing under the laws of the United States, and any other bank or trust company which may at any time be substituted in the place of the Trustee, as provided in the Trust Agreement.

The singular form of any word used herein, including the terms defined in this Section 1, shall include the plural, and vice versa, unless the context otherwise requires. The use herein of a pronoun of any gender shall include correlative words of the other genders. All references herein to “Sections” and other subdivisions hereof are to the corresponding Sections or subdivisions of this Sublease as originally executed; and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Sublease as a whole and not to any particular Section or subdivision hereof.

ARTICLE II

THE LEASED PROPERTY

SECTION 2.01. Lease of the Leased Property. The Corporation hereby leases to the City, and the City hereby rents and hires from the Corporation, the Leased Property on the conditions and terms hereinafter set forth. The City hereby agrees and covenants that during the term hereof, except as hereinafter provided, it will use the Leased Property for public purposes so as to afford the public the benefits contemplated hereby and so as to permit the Corporation to carry out its agreements and covenants contained herein and in the Trust Agreement, and the City hereby further agrees and covenants that during the term hereof that it will not abandon or vacate the Leased Property.

SECTION 2.02. Quiet Enjoyment. The parties hereto mutually covenant that the City, so long as it observes and performs the agreements, conditions, covenants and terms required to be observed or performed by it contained herein and is not in default hereunder, shall at all times during the term hereof peaceably and quietly have, hold and enjoy the Leased Property without suit, trouble or hindrance from the Corporation.

SECTION 2.03. Right of Entry and Inspection. The Corporation shall have the right to enter the Leased Property and inspect the Leased Property during reasonable business hours (and in emergencies at all times) for any purpose connected with the Corporation's rights or obligations hereunder and for all other lawful purposes.

SECTION 2.04. Prohibition Against Encumbrance or Sale. The City and the Corporation will not create or suffer to be created any mortgage, pledge, lien, charge or encumbrance upon the Leased Property, except Permitted Encumbrances, and except incident to the execution and delivery of Additional Certificates as contemplated by Section 5.07 hereof. The City and the Corporation will not sell or otherwise dispose of the Leased Property or any property essential to the proper operation of the Leased Property, except as otherwise provided herein. Notwithstanding anything to the contrary herein contained, the City may assign, transfer or sublease any and all of the Leased Property or its other rights hereunder, provided that (a) the rights of any assignee, transferee or sublessee shall be subordinate to all rights of the Corporation hereunder, (b) no such assignment, transfer or sublease shall relieve the City of any of its obligations hereunder, (c) the assignment, transfer or sublease shall not result in a breach of any covenant of the City contained in any other Section hereof, (d) any such assignment, transfer or sublease shall by its terms expressly provide that fair rental value of the Leased Property for all purposes shall be first allocated to this Sublease, as the same may be amended from time to time before or after any such assignment, transfer or sublease and (e) no such assignment, transfer or sublease shall confer upon the parties thereto any remedy which allows reentry upon the Leased Property unless concurrently with granting such remedy the same shall be also granted hereunder by an amendment to this Sublease which shall in all instances be prior to and superior to any such assignment, transfer or sublease.

SECTION 2.05. Liens. In the event the City shall at any time during the term hereof cause any improvements to the Leased Property to be constructed or materials to be supplied in or upon or attached to the Leased Property, the City shall pay or cause to be paid when due all sums of money that may become due or purporting to be due for any labor, services, materials, supplies or equipment furnished or alleged to have been furnished to or for the City in, upon, about or relating to the Leased Property and shall keep the Leased Property free of any and all liens against the Leased Property or the Corporation's interest therein. In the event any such lien attaches to or is filed against the Leased Property or the Corporation's interest therein, and the enforcement thereof is not stayed or if so stayed such stay thereafter expires, the City shall cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due. If any such lien shall be reduced to final judgment and such judgment or any process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and such stay thereafter expires, the City shall forthwith pay and discharge or cause to be paid and discharged such judgment. The City shall, to the maximum extent permitted by law, indemnify and hold the Corporation and its assignee and its directors, officers and employees harmless from, and defend each of them against, any claim, demand, loss, damage, liability or expense (including attorneys' fees) as a result of any such lien or claim of lien against the Leased Property or the Corporation's interest therein.

SECTION 2.06. Substitution, Addition or Removal of Leased Property.

(a) The City may amend this Sublease and the Lease to substitute real property and/or improvements (the “Substituted Property”) for existing Leased Property, to add real property and/or improvements (the “Additional Property”) or to remove real property (including undivided interests therein) or improvements from the definition of Leased Property, upon compliance with all of the conditions set forth in subsection (b) of this Section 2.06. After a Substitution or Removal, the part of the Leased Property for which the Substitution or Removal has been effected shall be released from the leasehold hereunder and under the Lease.

(b) No Substitution, Addition or Removal shall take place hereunder until the City delivers to the Corporation and the Trustee the following:

(1) A Certificate of the City containing a description of all or part of the Leased Property to be released and, in the event of a Substitution or Addition, a description of the Substituted Property to be substituted in its place or the Additional Property to be added, as the case may be;

(2) A Certificate of the City stating (A) that the fair rental value of the Leased Property after a Substitution, Addition or Removal, in each year during the remaining term of this Sublease, is at least equal to the Base Rental Payments attributable to the Leased Property prior to said Substitution or Removal, as determined by the City on the basis of commercially reasonable evidence of the annual fair rental value of the Leased Property after said Substitution, Addition or Removal and (B) demonstrating that the useful life of the Leased Property after any Substitution or Removal equals or exceeds the remaining term of this Sublease;

(3) An Opinion of Counsel to the effect that the amendments hereto and to the Lease contemplating Substitution, Addition or Removal have been duly authorized, executed and delivered and constitute the valid and binding obligations of the City and the Corporation enforceable in accordance with their terms;

(4) In the event of a Substitution or Addition, a policy of title insurance in an amount equal to the same proportion of the principal amount as the principal portion of Base Rental Payments for the Substituted Property or Additional Property, as the case may be, bears to the total principal portion of Base Rental Payments, insuring the City’s leasehold interest in the Substituted Property or Additional Property, as the case may be (except any portion thereof which is not real property), subject to Permitted Encumbrances, together with an endorsement thereto making said policy payable to the Trustee for the benefit of the Owners of the Certificates;

(5) In the event of a Substitution or Addition, an opinion of the City Attorney of the City to the effect that the exceptions, if any, contained in the title insurance policy referred to in clause (4) above do not interfere with the beneficial use and occupancy of the Substituted Property or Additional Property, as the case may be, described in such policy by the City for the purposes of leasing or using the Substituted Property or Additional Property, as the case may be;

(6) An Opinion of Counsel that the Substitution, Addition or Removal does not cause the interest with respect to any Certificates to be includable in gross income of the Owners thereof for federal income tax purposes;

(7) A Certificate of the City stating that it has complied with the covenants contained in clauses (1) and (2) of Section 6.03 hereof with respect to any Substituted Property or Additional Property;

(8) Evidence that the City has delivered to each of the Rating Agencies then rating the Certificates copies of the certificates and appraisal described in clauses (1) and (2) above; and

(9) The City has received the written consent of the Certificate Insurer, if any, to such substitution, addition or removal.

ARTICLE III

TERM OF THIS SUBLEASE

SECTION 3.01. Commencement of this Sublease. The term of this Sublease shall commence on the Closing Date with respect to the 2015 Certificates, and shall end on the Expiry Date with respect to the Base Rental Payments evidenced by the last Series of Certificates Outstanding, unless such term is extended or sooner terminated as hereinafter provided. If on the Expiry Date the rental payable hereunder shall not be fully paid and the Certificates of the Series which evidences such Base Rental Payments shall not be fully paid and retired, or if such Base Rental Payments shall have been abated at any time and for any reason, then such Expiry Date shall be extended until 10 days after the corresponding Base Rental Payments payable hereunder shall be fully paid and all the Certificates which evidence such Base Rental Payments shall be fully paid, except that in no event shall the Expiry Date be extended beyond December 1, 2051. If prior to the Expiry Date with respect to any Base Rental Payments, such Base Rental Payments payable hereunder shall be fully paid and all Certificates which evidence such Base Rental Payments shall have been fully paid, or deemed fully paid, in accordance with Article X of the Trust Agreement, such Expiry Date shall be 10 days thereafter or 10 days after written notice by the City to the Corporation to the effect that such Base Rental Payments payable hereunder shall be fully paid and all such Certificates have been fully paid, whichever is earlier. This Sublease shall terminate upon the last Expiry Date with respect to any Base Rental Payments.

The City shall take possession of the Leased Property on the Closing Date of the Certificates and the obligation of the City to pay the Base Rental Payments and Additional Rental shall commence on such date. The obligation of the City to pay the Base Rental Payments shall commence on the Closing Date of the Certificates, and the obligation of the City to pay any Additional Base Rental Payments shall commence on the Closing Date of any Additional Certificates evidencing such Additional Base Rental Payments.

ARTICLE IV

USE OF PROCEEDS; TAX COVENANTS

SECTION 4.01. Use of Proceeds. The parties hereto agree that the proceeds of the Certificates will be used to finance and refinance the costs of the Project and to pay the costs of executing and delivering the Certificates and incidental and related expenses.

SECTION 4.02. Tax Covenants. (a) The City will not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest evidenced and represented by any Certificates pursuant to Section 103 of the Code, and specifically the City will not directly or indirectly use or make any use of the proceeds of any Certificates or any other funds of the City or take or omit to take any action that would cause any Certificates to be “arbitrage bonds” subject to federal income taxation by reason of Section 148 of the Code or “private activity bonds” subject to federal income taxation by reason of Section 141(a) of the Code or obligations subject to federal income taxation because they are “federally guaranteed” as provided in Section 149(b) of the Code; and to that end the City, with respect to the proceeds of any Certificates and such other funds, will comply with all requirements of such sections of the Code to the extent that such requirements are, at the time, applicable and in effect; provided, that if the City shall obtain an Opinion of Counsel to the effect that any action required under this section is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of the interest evidenced and represented by any Certificates pursuant to Section 103 of the Code, the City may rely conclusively on such opinion in complying with the provisions hereof. In the event that at any time the City is of the opinion that for purposes of this section it is necessary to restrict or limit the yield on the investment of any moneys held by the Trustee under the Trust Agreement or otherwise the City shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions.

(b) To the ends covenanted in this section, the City hereby specifically agrees to ensure that the following requirements are met:

(1) No more than 5% of the Leased Property or the Project (determined both on the basis of space and on the basis of cost) shall be used in the trade or business of one or more nongovernmental persons (not including the portion of the proceeds properly allocable to facilities expected to be used by an organization described in Section 501(c)(3) of the Code).

(2) The City will not invest or allow to be invested proceeds of this Sublease or any Series of Certificates at a yield in excess of the yield on this Sublease and such Series of Certificates, except to the extent allowed under the Tax Certificate.

(3) The City will rebate or cause to be rebated any amounts due to the federal government, as provided in the Tax Certificate.

ARTICLE V

RENTAL PAYMENTS

SECTION 5.01. Rental Payments. The City agrees to pay to the Corporation, its successors or assigns, without deduction or offset of any kind, as rental for the use and occupancy of the Leased Property, the following amounts at the following times:

(a) Base Rental. Subject to the immediately following sentence, the City shall pay to the Corporation as Base Rental Payments with respect to the Leased Property at the times and in the amounts set forth in the Base Rental Payment Schedule attached hereto as Exhibit B and made a part hereof, a portion of which Base Rental Payments shall constitute interest; provided that such Base Rental Payments for each Lease Year shall not exceed the fair rental value of the Leased Property and the Project. Failure of the City to comply with the provisions of this section shall constitute an event of default under this Sublease. The interest components of the Base Rental Payments shall be paid by the City as and constitute interest paid on the principal components of the Base Rental Payments to be paid by the City hereunder. The obligation to make the Base Rental Payments set forth on Exhibit B attached hereto shall commence as of the Closing Date. Notwithstanding the foregoing, each Base Rental Payment shall be paid by wire transfer to the Corporation or its assignee not later than one Business Day preceding its due date.

(b) Additional Rental. The City shall also pay, as rental hereunder in addition to the Base Rental Payments, to the Corporation or the Trustee, as hereinafter provided, such amounts (“Additional Rental”) in each year as shall be required for the payment of all costs and expenses incurred by the Corporation in connection with the execution, performance or enforcement of this Sublease or the assignment hereof, the Trust Agreement or their respective interests in the Leased Property and the lease of the Leased Property by the Corporation to the City hereunder, including but not limited to all fees, costs and expenses and all administrative costs of the Corporation relating to the Leased Property including, without limiting the generality of the foregoing, salaries and wages of employees, overhead, insurance premiums, taxes and assessments (if any), expenses, compensation and indemnification of the Trustee, fees of auditors, accountants, attorneys or engineers, insurance premiums, and all other reasonable and necessary administrative costs of the Corporation or charges required to be paid by it to comply with the terms of the Certificates or of the Trust Agreement.

The foregoing Additional Rental shall be billed to the City by the Corporation or the Trustee from time to time, together with a statement certifying that the amount billed has been incurred or paid by the Corporation, the Trustee, or the Trustee on behalf of the Corporation for one or more of the items above described, or that such amount is then so payable for such items. Amounts so billed shall be paid by the City not later than the latest time as such amounts may be paid without penalty or, if no penalty is associated with a late payment of such amounts, within 30 days after receipt of a bill by the City for such amounts.

The Corporation may issue bonds and may enter into leases to finance facilities other than the Project. The administrative costs of the Corporation shall be allocated among said facilities and the Project, as hereinafter in this paragraph provided. Any taxes levied against the

Corporation with respect to the Leased Property, the fees of the Trustee under the Trust Agreement, and any other expenses directly attributable to the Leased Property shall be included in the Additional Rental payable hereunder to the parties to whom such amounts are owing. Any taxes levied against the Corporation with respect to real property other than the Leased Property, the fees of any trustee or paying agent under any resolution securing bonds of the Corporation or any trust agreement other than the Trust Agreement, and any other expenses directly attributable to any facilities other than the Project shall not be included in the administrative costs of the Project and shall not be paid from the Additional Rental payable hereunder. Any expenses of the Corporation not directly attributable to any particular project of the Corporation shall be equitably allocated among all such projects, including the Project, in accordance with sound accounting practice. In the event of any question or dispute as to such allocation, the written opinion of an independent firm of certified public accountants, employed by the Corporation to consider the question and render an opinion thereon, shall be final and conclusive determination as to such allocation. The Trustee may conclusively rely upon a Certificate of the Corporation in making any determination that costs are payable as Additional Rental hereunder, and shall not be required to make any investigation as to whether or not the items so requested to be paid are expenses of operation of the Project.

(c) Consideration.

(i) Such payments of Base Rental Payments and Additional Rental for each Lease Year or portion thereof, during the term of this Sublease shall constitute the total rental for such Lease Year or portion thereof and shall be paid or payable by the City for and in consideration of the right of the use and possession of, and the continued quiet use and enjoyment of, the Leased Property. The City and the Corporation have agreed and determined that the fair rental value of the Leased Property and the Project is not less than the maximum Base Rental Payments payable hereunder. In making such determinations of fair rental value, consideration has been given to a variety of factors including costs and financing of the Project, the uses and purposes which may be served by the Project and the benefits therefrom which will accrue to the City and the general public.

(ii) The parties hereto hereby acknowledge that the parties hereto may amend this Sublease from time to time to increase the Base Rental Payments payable hereunder so that Additional Certificates may be executed and delivered pursuant to Section 5.07 hereof and Sections 2.11 and 2.12 of the Trust Agreement. The proceeds of such Additional Certificates shall be used for any lawful purpose. Notwithstanding anything to the contrary herein contained, this Sublease may not be amended in a manner such that the sum of Base Rental Payments, including Base Rental Payments payable pursuant to such amendment is in excess of the fair rental value of the Leased Property and other land and improvements leased to the City hereunder after giving effect to the application of proceeds of any Additional Certificates executed and delivered in connection therewith.

(d) Payment; Credit. Each installment of Base Rental Payments payable hereunder shall be paid in lawful money of the United States of America to or upon the order of the Corporation at the Principal Corporate Trust Office of the Trustee, or such other place as the

Trustee shall designate. Any such installment of rental accruing hereunder which shall not be paid when due shall remain due and payable until received by the Trustee, except as provided in Section 5.04 hereof, and shall bear interest at the rate of 10% per annum from the date when the same is due hereunder until the same shall be paid. Notwithstanding any dispute between the City and the Corporation, the City shall make all rental payments when due, without deduction or offset of any kind, and shall not withhold any rental payments pending the final resolution of any such dispute. In the event of a determination that the City was not liable for said rental payments or any portion thereof, said payments or excess of payments, as the case may be, shall, at the option of the City, be credited against subsequent rental payments due hereunder or be refunded at the time of such determination. Amounts required to be deposited by the City with the Trustee pursuant to this Section 5.01(d) on any date shall be reduced to the extent of amounts on deposit on such date in the Base Rental Fund, the Interest Fund, the Principal Fund or the Prepayment Fund.

SECTION 5.02. Annual Budgets; Reporting Requirements. The City covenants to take such action as may be necessary to include all Base Rental Payments and Additional Rental payments due under this Sublease in its operating budget for each fiscal year commencing after the date hereof (an "Operating Budget"). In addition, to the extent permitted by law, the City covenants to take such action as may be necessary to amend or supplement the budget appropriations for payments under this Sublease at any time and from time to time during any fiscal year in the event that the actual Base Rental Payments and Additional Rental payments paid in any fiscal year exceeds the pro rata portion of the appropriations then contained in the City's budget.

SECTION 5.03. Application of Rental Payments. All Base Rental Payments received shall be applied first to the interest components of the Base Rental Payments due hereunder, then to the principal components (including any prepayment premium components) of the Base Rental Payments due hereunder and thereafter to all Additional Rental due hereunder, but no such application of any payments which are less than the total rental due and owing shall be deemed a waiver of any default hereunder.

SECTION 5.04. Rental Abatement. Except to the extent of (a) amounts held by the Trustee in the Base Rental Payment Fund or the Reserve Fund, (b) amounts received in respect of use and occupancy insurance, and (c) amounts, if any, otherwise legally available to the Trustee for payments in respect of any Certificates, during any period in which, by reason of material damage, destruction, title defect or condemnation there is substantial interference with the use and possession by the City of any portion of the Leased Property, rental payments due hereunder with respect to the Leased Property shall be abated to the extent that the annual fair rental value of the portion of the Leased Property in respect of which there is no substantial interference is less than the annual Base Rental Payments, in which case rental payments shall be abated only by an amount equal to the difference. The City shall notify the Trustee in writing of the amount of any such abatement. The City shall calculate the remaining fair rental value. In the event the City shall assign, transfer or sublease any or all of the Leased Property or other rights hereunder, as permitted by Section 2.04 hereof, for purposes of determining the fair rental value available to pay Base Rental Payments, fair rental value of the Leased Property shall first be allocated to this Sublease as provided in clause (d) of Section 2.04 hereof. Any abatement of rental payments pursuant to this Section shall not be considered an event of default as defined in

Article X hereof. The City waives the benefits of Civil Code Sections 1932(2) and 1933(4) and any and all other rights to terminate this Sublease by virtue of any such interference and this Sublease shall continue in full force and effect. Such abatement shall continue for the period commencing with the date of such damage, destruction, title defect or condemnation and ending with the substantial completion of the work of repair or replacement of the portions of the Leased Property so damaged, destroyed, defective or condemned.

In the event that rental is abated, in whole or in part, pursuant to this Section due to damage, destruction, title defect or condemnation of any part of the Leased Property and the City is unable to repair, replace or rebuild the Leased Property from the proceeds of insurance, if any, the City agrees to apply for and to use its best efforts to obtain any appropriate state and/or federal disaster relief in order to obtain funds to repair, replace or rebuild the Leased Property.

SECTION 5.05. Prepayment of Rental Payments. The City may prepay, from eminent domain proceeds or net insurance proceeds received by it pursuant to Section 7.01 hereof, all or any portion of the components of Base Rental Payments relating to any portion of the Leased Property then unpaid, in whole on any date, or in part on any Interest Payment Date in integral multiples of an Authorized Denomination so that the aggregate annual amounts of principal components of Base Rental Payments represented by the Certificates which shall be payable after such prepayment date shall each be in an integral multiple of an Authorized Denomination and shall be as nearly proportional as practicable to the aggregate annual amounts of principal components represented by the Certificates of Base Rental Payments, with respect to the portion of the Leased Property so prepaid.

The City may prepay, from any source of available moneys pursuant to Section 4.01(b) of the Trust Agreement, all or any part (in an integral multiple of an Authorized Denomination) of the principal components of Base Rental Payments then unpaid so that the aggregate annual amounts of principal components of Base Rental Payments under this Sublease which shall be payable after such prepayment date shall be as nearly proportional as practicable to the aggregate annual amounts of principal components represented by Certificates unpaid prior to the prepayment date, at a prepayment amount equal to the principal component prepaid plus accrued interest thereon to the date of prepayment plus any applicable premium.

Before making any prepayment pursuant to this Section, at least 45 days before the prepayment date the City shall give notice to the Corporation and the Trustee describing such event, specifying the Series of Certificates to be prepaid, the order of Principal Payment Dates and specifying the date on which the prepayment will be made, which date shall be not less than 30 nor more than 60 days from the date such written notice is given to the Corporation and the Owners.

SECTION 5.06. Obligation to Make Rental Payments. The agreements and covenants on the part of the City contained herein shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the agreements and covenants contained herein agreed to be carried out and performed by the City.

THE OBLIGATION OF THE CITY OF CALABASAS TO MAKE ADDITIONAL RENTAL AND BASE RENTAL PAYMENTS DOES NOT CONSTITUTE AN OBLIGATION OF THE CITY 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. NEITHER THE CERTIFICATES NOR THE OBLIGATION TO MAKE SUCH RENTAL PAYMENTS CONSTITUTES AN INDEBTEDNESS OF THE CITY, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

SECTION 5.07. Additional Certificates. In addition to the 2015 Certificates, the City may, from time to time, but only upon satisfaction of the conditions to the execution and delivery of Additional Certificates set forth in Sections 2.11 and 2.12 of the Trust Agreement, enter into a Supplemental Trust Agreement to execute and deliver Additional Certificates on a parity with the 2015 Certificates and any previously issued Additional Certificates (unless otherwise provided in the related Supplemental Trust Agreement), the proceeds of which may be used for any lawful purpose by the City, as provided in the Supplemental Trust Agreement; provided that prior to or concurrently with the execution and delivery of the Additional Certificates, the City and the Corporation shall have entered into an amendment to this Sublease providing for an increase in the Base Rental Payments to be made hereunder subject to the limitations set forth in Section 5.01(c)(ii) hereof.

ARTICLE VI

MAINTENANCE; TAXES; INSURANCE AND OTHER CHARGES

SECTION 6.01. Maintenance of the Leased Property by the City. The City agrees that, at all times during the term hereof, it will, at its own cost and expense, maintain, preserve and keep the Leased Property and every portion thereof in good repair, working order and condition and that it will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals. The Corporation shall have no responsibility in any of these matters or for the making of additions or improvements to the Leased Property.

SECTION 6.02. Taxes, Other Governmental Charges and Utility Charges. The parties hereto contemplate that the Leased Property will be used for public purposes by the City and, therefore, that the Leased Property will be exempt from all taxes presently assessed and levied with respect to real and personal property, respectively. In the event that the use, possession or acquisition by the City or the Corporation of the Leased Property is found to be subject to taxation in any form, the City will pay during the term hereof, as the same respectively become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Leased Property and any other property acquired by the City in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Leased Property, as well as all gas, water, steam, electricity, heat, power, air conditioning, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Leased Property; provided, that with respect to any governmental charges or taxes that may lawfully be paid in installments over a period of years, the City shall

be obligated to pay only such installments as are accrued during such time as this Sublease is in effect.

SECTION 6.03. Insurance. The City shall procure or cause to be procured and maintain or cause to be maintained throughout the term hereof for the Leased Property insurance against the following risks in the following respective amounts:

(1) insurance against loss or damage to the Leased Property or such structure or item of furniture or equipment caused by fire, lightning, or earthquake, with an extended coverage endorsement and vandalism and malicious mischief insurance and sprinkler system leakage insurance and boiler insurance, which such extended coverage insurance shall, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance; provided that earthquake coverage shall be required only if available from reputable insurers at commercially reasonable rates. In the event the City is unable to obtain earthquake coverage on any Leased Property which it previously has maintained, it will promptly so notify all Rating Agencies then rating any Certificates. The insurance required by this paragraph shall be in an amount equal to the lesser of (i) the replacement cost (without deduction for depreciation) of improvements located or to be located on the Leased Property or (ii) the principal amount of all Outstanding Certificates plus the amount of use and occupancy coverage required by paragraph (2) below (except that such insurance may be subject to deductible clauses of not to exceed the first \$25,000 of the amount of any one loss or such greater amount as may be covered by any self insurance method or plan permitted by this Section); insurance contemplated by this paragraph (1) and by paragraph (2) below may be in the form of a policy which covers the Leased Property and one or more additional parcels of real property insured by the City, provided that the amount of coverage available thereunder shall be at least equal to the lesser of (i) the cumulative replacement values of the Leased Property and any other such property which is the subject of a lease, installment purchase or other financing arrangement ("Financed Property") for which bonds, certificates of participation or other obligations shall have been issued ("Obligations") or (ii) the unpaid principal or face amounts due on all Obligations and Certificates which are Outstanding plus the amount of use and occupancy coverage required by paragraph (2) below; in the event the City elects to obtain insurance for the Leased Property and one or more additional parcels of real property and the amount of the insurance proceeds available to pay all claims thereunder is not sufficient to cover the replacement values of all such properties, then any such proceeds shall be used first to rebuild or repair the Leased Property and all Financed Properties or to repay all Obligations and the Certificates.

(2) use and occupancy insurance against loss, total or partial, of the use and occupancy of the Leased Property as a result of any of the hazards covered by the insurance required by paragraph (1) hereof, in an amount sufficient to pay the maximum Base Rental Payments attributable to the Leased Property for a 24-month period (measured by the Base Rental Payments for the 24 months following the month in which the insurance commences); provided, that the amount of such insurance need not exceed the total remaining Base Rental Payments attributable to the Leased Property; provided further, that such insurance may be part of a policy permitted under paragraph (1) above,

which policy may provide that insurance proceeds paid for coverages contemplated by paragraph (1) above may reduce amounts payable under coverage required by this paragraph (2), and vice-versa; the City may obtain use and occupancy insurance covering the Leased Property as well as other parcels of property owned by the City, provided that the cumulative amount thereof is at least equal to the cumulative amount of use and occupancy insurance required by this paragraph (2) and any agreements relating to Financed Property in respect of which Obligations are outstanding.

(3) workers' compensation insurance covering all employees working in or on the Leased Property, in the same amount and type as other workers' compensation insurance maintained by the City for similar employees doing similar work; and the City shall also require any other person or entity working in or on the Leased Property to carry the foregoing amount of workers' compensation insurance; any such policy maintained by the City may provide for a deductible so long as the deductible is covered by a self-insurance method or plan permitted by this Section;

(4) a standard comprehensive public entity liability insurance policy or policies in protection of the City, the Corporation and their respective directors, officers and employees, and the Trustee, indemnifying and defending such parties against all direct or contingent loss or liability for damages for personal injury, death or property damage occasioned by reason of the possession, operation or use of the Leased Property, with minimum liability limits of one million dollars (\$1,000,000) for personal injury or death of each person and three million dollars (\$3,000,000) for personal injury or deaths of two or more persons in each accident or event, and in a minimum amount of two hundred thousand dollars (\$200,000) (subject to a deductible clause of not to exceed one hundred thousand dollars (\$100,000) or such greater amount as may be covered by any self-insurance method or plan permitted by this Section) for damage to property resulting from each accident or event; provided, that such public liability and property damage insurance may be in the form of a single limit policy in the amount of three million dollars (\$3,000,000) covering all such risks and may be maintained as part of or in conjunction with any other liability insurance carried by the City.

The Trustee shall collect and receive all moneys which may become due and payable under any policies contemplated by paragraphs (1) and (2) above, may compromise, any and all claims thereunder and shall apply the proceeds of such insurance as provided herein or in the Trust Agreement. The Trustee shall not be responsible for the sufficiency of any insurance herein required. The Trustee shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the City.

Notwithstanding the above provisions, as an alternative to providing the insurance required by paragraphs (3) and (4) above, the City may provide a self-insurance method or plan of protection for any part or all of the requirements for such insurance and, through such a plan or method, provide for deductible or retention amounts greater than those contemplated by paragraphs (3) or (4) above. Any such self-insurance maintained by the City pursuant to the foregoing sections, shall comply with the following terms:

- (i) the self-insurance program shall be approved by an Insurance Consultant;

- (ii) the self-insurance or self-funding program shall include a sound claims reserve fund out of which each self-insured claim and any deductible amount authorized by paragraphs (3) and (4) above shall be paid; prior to the end of the first Lease Year, the adequacy of each such fund shall be evaluated by an Insurance Consultant who shall also evaluate the appropriateness of the reserving methods and practices employed in establishing and maintaining each such fund; any deficiencies in any claims reserve fund shall be remedied in accordance with the recommendation of the Insurance Consultant and any recommended changes in the reserving methods or practices shall be adopted in accordance with the recommendation of the Insurance Consultant; after the first Lease Year, at least annually and not later than November 30 of each year that is a Lease Year, the City shall provide to the Trustee a report by either the independent accountants which provide the audit report on the City's annual audited financial statements or by an Insurance Consultant, as selected by the City, as to the appropriateness of the reserving methods and practices employed by the City in funding the claims reserve funds, and any changes recommended by the report shall promptly be implemented by the City;
- (iii) the claims reserve fund shall be held in a separate fund by the City;
- (iv) in the event the self-insurance program shall be discontinued, the soundness of its claim and deductible or retention reserve fund, as determined by the Insurance Consultant, shall be maintained; and
- (v) the self-insurance program will not result in loss of the use and occupancy insurance described in paragraph (2) above.

Any insurance policy issued pursuant to paragraph (1) above shall be so written or endorsed as to make losses, if any, payable to the City, the Corporation, the Trustee as their respective interests may appear and the net proceeds of the insurance required by paragraph (1) above shall be applied as provided in Section 7.01 hereof. The net proceeds, if any, of the insurance policy described in paragraph (1) above shall be payable to the Trustee and deposited in the Insurance Proceeds and Condemnation Awards Fund or the Prepayment Fund, in accordance with the Trust Agreement. The net proceeds, if any, of the insurance policy described in paragraph (2) above shall be payable to the Trustee and deposited in this Sublease Fund. Each insurance policy provided for in this Section shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interests of the Corporation or the Trustee without first giving written notice thereof to the Corporation and the Trustee at least 60 days in advance of such intended cancellation or modification.

The City shall file a certificate with the Trustee not later than December 31 of each year certifying that the insurance required by this section is in full force and effect and that the Trustee is named as a loss payee on each insurance policy which this Sublease requires to be so endorsed.

SECTION 6.04. Advances. In the event the City shall fail to maintain the full insurance coverage required hereby or shall fail to keep the Leased Property in good repair and operating condition, the Corporation may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; and all amounts so advanced therefor by the Corporation shall become Additional Rental, which amounts the City agrees to pay within 30 days of a written request therefor, together with interest thereon at the maximum rate allowed by law.

SECTION 6.05. Title Insurance. The City covenants and agrees to deliver or cause to be delivered to the Trustee on the Closing Date of any Series of Certificates a CLTA leasehold owner's policy or policies, or a commitment for such policy or policies, with respect to the Leased Property with liability in the aggregate amount equal to the principal amount represented by the aggregate amount of Certificates then Outstanding, including the Certificates being executed and delivered on such Closing Date. Such policy or policies, when issued, shall name the Trustee as an insured and shall insure the leasehold estate of the City in the Leased Property subject only to such exceptions as do not materially affect the City's right to the use and occupancy of the Leased Property. In addition, the City covenants and agrees to deliver or cause to be delivered to the Trustee on the Closing Date of the 2015 Certificates a CLTA owner's policy or policies, or a commitment for such policy or policies, with respect to the City's ownership in fee of the Leased Property with liability in the aggregate amount equal to the principal amount represented by the aggregate amount of 2015 Certificates being executed and delivered on such Closing Date. Such policy or policies, when issued, shall name the Trustee as an insured and shall insure the fee simple estate of the City in the Leased Property subject only to such exceptions as do not materially affect the City's right to the use and occupancy of the Leased Property, including without limitation the Lease and the Sublease.

ARTICLE VII

DAMAGE, DESTRUCTION, TITLE DEFECT AND CONDEMNATION

SECTION 7.01. Damage, Destruction, Title Defect and Condemnation; Use of Net Proceeds. If prior to the termination of the term hereof (a) the Leased Property or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty; or (b) title to, or the temporary use of, the Leased Property or any portion thereof or the estate of the City or the Corporation in the Leased Property or any portion thereof is defective or shall be taken under the exercise of the power of eminent domain by any governmental body or by any person or firm or corporation acting under governmental authority, then the City and the Corporation will cause the net proceeds of any insurance claim or condemnation award to be applied to the prompt repair, restoration, modification, improvement or replacement of the damaged, destroyed, defective or condemned portion of the Leased Property, and any balance of the net proceeds remaining after such work has been completed shall be paid to the City; provided, that the City, at its option and provided the proceeds of such insurance or condemnation award together with any other moneys then available for the purpose are at least sufficient to prepay the aggregate annual amounts of principal and interest represented by any Outstanding Certificates attributable to the portion of the Leased Property so destroyed, damaged, defective or condemned (determined by reference to the proportion which the fair rental value of the destroyed, damaged,

defective or condemned portion thereof bears to the fair rental value of the entire Leased Property), may elect not to repair, reconstruct or replace the damaged, destroyed, defective or condemned portion of the Leased Property and thereupon shall cause said proceeds to be used for the prepayment of Outstanding Certificates pursuant to the provisions of Section 4.01(a) of the Trust Agreement.

In the event that the proceeds, if any, of said insurance or condemnation award are insufficient either to (i) repair, rebuild or replace the Leased Property so that the fair rental value of the Leased Property would be at least equal to the Base Rental Payments or (ii) to prepay Outstanding Certificates, both as provided in the preceding paragraph, then the City may, in its sole discretion, budget and appropriate an amount necessary to effect such repair, rebuilding or replacement or prepayment; provided that the failure of the City to so budget and/or appropriate shall not be a breach of or default under this Sublease.

ARTICLE VIII

DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF THE LEASED PROPERTY

SECTION 8.01. Disclaimer of Warranties. THE CORPORATION MAKES NO AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE LEASED PROPERTY, OR WARRANTY WITH RESPECT THERETO. THE CITY ACKNOWLEDGES THAT THE CORPORATION IS NOT A MANUFACTURER OF ANY PORTION OF THE LEASED PROPERTY OR A DEALER THEREIN, THAT THE CITY LEASES THE LEASED PROPERTY AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE CITY. In no event shall the Corporation or its assigns be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Sublease or the existence, furnishing, functioning or the City's use of the Leased Property as provided hereby.

SECTION 8.02. Use of the Leased Property; Improvements.

(a) The City will not use, operate or maintain the Leased Property improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated hereby. The City shall provide all permits and licenses, if any, necessary for the use of the Leased Property. In addition, the City agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each portion of the Leased Property) with all laws of the jurisdictions in which its operations involving any portion of the Leased Property may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Leased Property; provided, that the City may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the City adversely affect the estate of the Corporation in and to the Leased Property or its interest or rights hereunder.

(b) Pursuant to Section 3 of the Lease, the City has agreed to use the sum received by the City as advance rent under the Lease, to acquire the Project which such amounts have been set aside pursuant to Section 3.02(d) of the Trust Agreement. The City agrees that it will promptly commence and complete the acquisition of the Project and will use the sums on deposit therefor in the Certificate Fund established pursuant to Section 3.02(d) of the Trust Agreement. The Corporation hereby grants and assigns to the City rights of access to all amounts in the Certificate Fund established pursuant to Section 3.02(d) of the Trust Agreement and to use and withdraw such amounts for the Project in accordance with Section 3.03 of the Trust Agreement.

ARTICLE IX

ASSIGNMENT AND INDEMNIFICATION

SECTION 9.01. Assignment by Corporation. The parties understand that certain of the rights of the Corporation hereunder and under the Lease will be assigned to the Trustee pursuant to the Assignment Agreement, and accordingly the City agrees to make all payments due hereunder to the Trustee under the Trust Agreement, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach hereof or otherwise) that the City may from time to time have against the Corporation. The City agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements which may be reasonably requested by the Corporation or the Trustee to protect their interests in the Leased Property during the term hereof.

SECTION 9.02. Assignment by Lessee. This Sublease and the interest of the City in the Leased Property may not be assigned or encumbered by the City except as permitted by Section 2.04 hereof.

SECTION 9.03. Indemnification. The City shall, to the full extent then permitted by law, indemnify, protect, hold harmless, save and keep harmless the Corporation, the Trustee and their respective directors, officers and employees from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of the cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of the entering into of this Sublease, the acquisition, construction, installation and use of the Project or the Leased Property and each portion thereof or any accident in connection with the operation, use, condition or possession of the Project or the Leased Property or any portion thereof resulting in damage to property or injury to or death to any person including, without limitation, any claim alleging latent and other defects, whether or not discoverable by the City or the Corporation; any claim for patent, trademark or copyright infringement; and any claim arising out of strict liability in tort. The indemnification arising under this section shall continue in full force and effect notwithstanding the full payment of all obligations hereunder or the termination of this Sublease for any reason or the resignation or removal of the Trustee. The City and the Corporation mutually agree to promptly give notice to each other of any claim or liability hereby indemnified against following either's learning thereof.

ARTICLE X

DEFAULT

SECTION 10.01. Default. (a) The following events shall be “events of default” under this Sublease and the terms “event of default” and “default” shall mean, whenever they are used in this Sublease, any one or more of the following events:

(i) the City shall fail to deposit with the Trustee any Base Rental Payment required to be so deposited by the close of business on the day such deposit is required pursuant to Section 5.01(a) hereof, provided, that any Base Rental Payments abated pursuant to Section 5.04 hereof shall not constitute an event of default;

(ii) the City shall fail to pay any item of Additional Rental when the same shall become due and payable pursuant to Section 5.01(b) hereof; or

(iii) the City shall breach any other terms, covenants or conditions contained herein or in the Trust Agreement, and shall fail to remedy any such breach with all reasonable dispatch within a period of thirty (30) days after written notice thereof from the Corporation to the City; provided, however, that if the failure stated in the notice cannot be corrected within such period, then the Corporation shall not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the City within such period and is diligently pursued until the default is corrected.

The Corporation expressly waives the right to receive any amount from the City pursuant to Section 1951.2(a)(3) of the California Civil Code.

(b) In addition to any default resulting from breach by the City of any agreement, condition, covenant or term hereof, if (1) the City’s interest herein or any part thereof be assigned, sublet or transferred without the written consent of the Corporation (except as otherwise permitted by Section 2.04 hereof), either voluntarily or by operation of law; or (2) the City or any assignee shall file any petition or institute any proceedings under any act or acts, state or federal, dealing with or relating to the subject of bankruptcy or insolvency or under any amendment of such act or acts, either as a bankrupt or as an insolvent or as a debtor or in any similar capacity, wherein or whereby the City asks or seeks or prays to be adjudicated a bankrupt, or is to be discharged from any or all of its debts or obligations, or offers to its creditors to effect a composition or extension of time to pay its debts, or asks, seeks or prays for a reorganization or to effect a plan of reorganization or for a readjustment of its debts or for any other similar relief, or if the City shall make a general or any assignment for the benefit of its creditors; or (3) the City shall abandon or vacate the Leased Property or any portion thereof (except as permitted by Section 2.04 hereof); then in each and every such case the City shall be deemed to be in default hereunder.

(c) Neither the City nor the Corporation shall be in default in the performance of any of its obligations hereunder (except for the obligation to make Base Rental Payments pursuant to Section 5.01 hereof) unless and until it shall have failed to perform such obligation

within thirty (30) days after notice by the City or the Corporation, as the case may be, to the other party properly specifying wherein it has failed to perform such obligation.

SECTION 10.02. Remedies on Default. Whenever any event of default referred to in Section 10.01 hereof shall have occurred and be continuing, the Corporation may exercise any and all remedies available pursuant to law or granted pursuant to this Sublease; provided, however, that notwithstanding anything herein to the contrary, there shall be no right under any circumstances to accelerate the Base Rental Payments or otherwise declare any Base Rental Payments not then in default to be immediately due and payable. Each and every covenant hereof to be kept and performed by the City is expressly made a condition and upon the breach thereof the Corporation may exercise any and all rights of entry and re-entry upon the Leased Property and any improvements thereon, and also, at its option, with or without such entry, may terminate this Sublease; provided that no acts of the parties hereto may terminate the City's obligation to make the Base Rental Payments except only in the manner herein expressly provided. In the event of such default and notwithstanding any re-entry by the Corporation or termination of the Sublease, the City shall, as herein expressly provided, continue to remain liable for the payment of the Base Rental Payments and/or damages for breach of this Sublease and the performance of all conditions herein contained and, in the event such rent and/or damages shall be payable to the Corporation at the time and in the manner as herein provided, to wit:

(a) If the Corporation does not elect to terminate this Sublease in the manner hereinafter provided for in subparagraph (b) hereof, the City agrees to and shall remain liable for the payment of all Base Rental Payments and the performance of all conditions herein contained and shall reimburse the Corporation for any deficiency arising out of the re-leasing of the Leased Property or, in the event the Corporation is unable to re-lease the Leased Property, then for the full amount of all Base Rental Payments to the end of the Term of this Sublease, but said Base Rental Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Base Rental Payments hereunder, notwithstanding such entry or re-entry by the Corporation or any suit in unlawful detainer, or otherwise, brought by the Corporation for the purpose of obtaining possession of the Leased Property or exercise of any other remedy by the Corporation. The City hereby irrevocably appoints the Corporation as the agent and attorney-in-fact of the City to obtain possession and re-lease the Leased Property in the event of default by the City in the performance of any covenants herein contained to be performed by the City and to remove all personal property whatsoever situated upon the Leased Property and to place such property in storage or other suitable place in the County of Los Angeles, for the account of and at the expense of the City, and the City hereby exempts and agrees to save harmless the Corporation from any costs, loss or damage whatsoever arising or occasioned by any such possession and re-leasing of the Leased Property and the removal and storage of such property by the Corporation or its duly authorized agents in accordance with the provisions herein contained. The City hereby waives any and all claims for damages caused or which may be caused by the Corporation in re-entering and taking possession of the Leased Property as herein provided and all claims for damages that may result from the destruction of or injury to the Leased Property and all claims for damages to or loss of any property belonging to the City that may be in or upon the Leased Property. The City agrees that the terms of this Sublease constitute full and sufficient notice of the right of the Corporation to re-lease the Leased Property in the event of such re-entry without effecting a surrender of this

Sublease, and further agrees that no acts of the Corporation in effecting such re-leasing shall constitute a surrender or termination of this Sublease irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise, but that, on the contrary, in the event of such default by the City the right to terminate this Agreement shall vest in the Corporation to be effected in the sole and exclusive manner hereinafter provided for in subparagraph (b) hereof. The City further waives the right to any rental obtained by the Corporation in excess of the Base Rental Payments and hereby conveys and releases such excess to the Corporation as compensation to the Corporation for its service in re-leasing the Leased Property.

(b) In an event of default hereunder, the Corporation at its option may terminate this Sublease and re-lease all or any portion of the Leased Property. In the event of the termination of this Sublease by the Corporation at its option and in the manner hereinafter provided on account of default by the City (and notwithstanding any re-entry upon the Leased Property by the Corporation in any manner whatsoever or the re-leasing of the Leased Property), the City nevertheless agrees to pay to the Corporation all costs, loss or damages howsoever arising or occurring payable at the same time and in the same manner as is herein provided in the case of payment of Base Rental Payments. Any surplus received by the Corporation from such re-leasing shall be the absolute property of the Corporation and the City shall have no right thereto, nor shall the City be entitled to apply any surplus as a credit in the event of a subsequent deficiency in the rentals received by the Corporation from the Leased Property. Neither notice to pay rent or to deliver up possession of the Leased Property given pursuant to law nor any proceeding taken by the Corporation shall of itself operate to terminate this Sublease, and shall be or become effective by operation of law, or otherwise, unless and until the Corporation shall have given written notice to the City of the election on the part of the Corporation to terminate this Sublease. The City covenants and agrees that no surrender of the Leased Property or of the remainder of the Term hereof or any termination of this Sublease shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Corporation by such written notice.

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Notices. All written notices to be given hereunder shall be given by first class mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the Corporation:

City of Calabasas Facilities Corporation
c/o The City of Calabasas
26135 Mureau Road, Suite 200
Calabasas, California 91302-3172
Attention: Chief Financial Officer

If to the City:

City of Calabasas
26135 Mureau Road, Suite 200
Calabasas, California 91302-3172
Attention: Chief Financial Officer

If to the Trustee:

U.S. Bank National Association
633 W. 5th Street, 24th Floor
Los Angeles, California 90071
Attention: Corporate Trust Services

SECTION 11.02. Binding Effect. This Sublease shall inure to the benefit of and shall be binding upon the Corporation and the City and their respective successors and assigns.

SECTION 11.03. Trustee as Third Party Beneficiary. The Trustee is hereby designated a third party beneficiary hereunder for the purpose of enforcing any of the rights granted hereunder or assigned to the Trustee under the Assignment Agreement, in the case of the Trustee.

SECTION 11.04. Net Lease. It is the purpose and intent of the Corporation and the City that lease payments hereunder shall be absolutely net to the Corporation so that this Sublease shall yield to the Corporation the lease payments, free of any charges, assessments or impositions of any kind charged, assessed or imposed on or against the Leased Property, and without counterclaim, deduction, defense, deferment or set-off by the City except as herein specifically otherwise provided. The Corporation shall not be expected or required to pay any such charge, assessment or imposition, or be under any obligation or liability hereunder except as herein expressly set forth, and all costs, expenses and obligations of any kind relating to the maintenance and operation of the Leased Property which may arise or become due during the term of this Sublease shall be paid by the City.

SECTION 11.05. Amendments. This Sublease may be amended in writing as may be mutually agreed by the Corporation and the City, subject to the written approval of the Trustee; provided, that no such amendment which materially adversely affects the rights of any Owners of Certificates of any Series shall be effective unless it shall have been consented to by Owners of more than 50% in value of the Certificates of such Series then Outstanding, and provided further, that no such amendment shall (a) extend the payment date of any Base Rental Payment, or reduce the interest, principal or prepayment premium component of any Base Rental Payment, without the prior written consent of the Owner of each Certificate so affected, or (b) reduce the percentage of the value of the Certificates Outstanding the consent of the Owners of which is required for the execution of any amendment hereof.

This Sublease and the rights and obligations of the Corporation and the City hereunder may also be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding upon execution without the written consents of any Owners, but only to the extent permitted by law and only for any one or more of the following purposes --

(a) to add to the agreements, conditions, covenants and terms required by the Corporation or the City to be observed or performed herein and other agreements, conditions, covenants and terms thereafter to be observed or performed by the Corporation or the City, or to surrender any right or power reserved herein to or conferred herein on the Corporation or the City, and which in either case shall not materially adversely affect the interests of the Owners;

(b) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which the Corporation or the City may deem desirable or necessary and not inconsistent herewith, and which shall not materially adversely affect the interests of the Owners;

(c) to effect a Substitution, Addition or Removal in accordance with Section 2.06 hereof;

(d) to facilitate the execution and delivery of Additional Certificates as provided in Section 5.07 hereof; or

(e) to make any other addition, amendment or deletion which does not materially adversely affect the interests of any Owners.

SECTION 11.06. Certificate Insurer Deemed Owner. For the purposes of (i) the giving of consents to amendments to this Sublease under of Section 11.05 hereof, (ii) the giving of any other consent of the Owners hereunder, and (iii) the control and direction of all rights and remedies upon the occurrence of an Event of Default, the Certificate Insurer, if any, shall be deemed to be the sole Owner of the Certificates for so long as it has not failed to comply with its payment obligations under the Certificate Insurance Policy; provided, however, that, notwithstanding the foregoing, the Certificate Insurer shall not be deemed to be the Owner of the Certificates for any consent to an amendment to this Sublease that (1) extends the Principal Payment Date of any Certificate or reduces the rate of interest represented thereby or extends the time of payment of such interest or reduces the amount of principal represented thereby or reduces the amount of any Mandatory Sinking Account Payment, (2) reduces the percentage of Owners whose consent is required for the execution of any amendment hereof or supplement hereto, or (3) amends Section 11.05 hereof.

SECTION 11.07. Discharge of City. Upon the payment to the Owners of all Outstanding Certificates, including Additional Certificates, in accordance with Section 10.01 of the Trust Agreement, all of the obligations of the City hereunder shall thereupon cease, terminate and become void and shall be discharged and satisfied; provided, however, if any Outstanding Certificates shall be deemed to have been paid by virtue of a deposit contemplated by Section 10.01(b) of the Trust Agreement, then the obligation of the City hereunder to make Base Rental Payments shall continue in full force and effect until all Outstanding Certificates have in fact been paid, but such payments shall be made solely and exclusively from moneys and securities deposited with the Trustee as contemplated by Section 10.01(b) of the Trust Agreement, and that shall be the sole source of satisfaction of the City's obligation to make Base Rental Payments.

SECTION 11.08. Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms hereof shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining agreements, conditions, covenants or terms hereof shall be affected thereby, and each provision of this Sublease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 11.09. Effect on Prior Sublease. This Sublease completely amends and restates the Sublease dated as of November 15, 2006, by and between the Corporation as lessor and the County as lessee, and bearing County of Los Angeles Recorder document number 06-2622289, and the County's obligation to continue to make the Base Rental Payments provided for therein shall be governed by the provisions of Section 5.01 hereof.

SECTION 11.10. California Law. This Sublease shall be governed by and construed and interpreted in accordance with the laws of the State of California.

SECTION 11.11. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision hereof.

SECTION 11.12. Execution. This Sublease may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Sublease by their officers thereunto duly authorized as of the day and year first written above.

**CITY OF CALABASAS FACILITIES
CORPORATION**

By _____

CITY OF CALABASAS

By _____
Chief Financial Officer

EXHIBIT A

Description of Leased Property

PARCEL 1:

THAT PORTION OF LOT 8 AND LOT 10 OF TRACT NO. 37824, IN THE CITY OF CALABASAS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 1192 PAGES 81 TO 86, INCLUSIVE OF MAPS](#), IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT ON THE CURVED SOUTHERLY RIGHT-OF-WAY OF PARK SORRENTO, 84 FEET WIDE, AS SHOWN ON SAID MAP, DISTANT NORTHEASTERLY 26.99 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 1 DEGREE 29 MINUTES 03 SECONDS, FROM THE NORTHERLY COMMON CORNER OF SAID LOTS 8 AND 10, SAID CURVE BEING CONCAVE NORTHERLY AND HAVING A RADIUS OF 1042.00 FEET; THENCE EASTERLY 4.36 FEET ALONG SAID CURVED SOUTHERLY LINE, THROUGH A CENTRAL ANGLE OF 0 DEGREES 14 MINUTES 23 SECONDS TO THE BEGINNING OF A REVERSE CURVE, CONCAVE SOUTHERLY AND HAVING A RADIUS OF 958.00 FEET; THENCE CONTINUING NORTHEASTERLY 191.47 FEET ALONG SAID CURVED SOUTHERLY LINE, THROUGH A CENTRAL ANGLE OF 11 DEGREES 27 MINUTES 06 SECONDS TO THE BEGINNING OF THE CURVED NORTHERLY LINE OF SAID LOT 8, SAID CURVED NORTHERLY LINE BEING A COMPOUND CURVE, CONCAVE SOUTHERLY AND HAVING A RADIUS OF 15.00 FEET; THENCE, LEAVING SAID SOUTHERLY RIGHT-OF-WAY OF PARK SORRENTO AND ALONG SAID NORTHERLY LINE OF LOT 8, EASTERLY AND SOUTHEASTERLY 22.17 FEET THROUGH A CENTRAL ANGLE OF 84 DEGREES 41 MINUTES 51 SECONDS; THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 8, SOUTH 32 DEGREES 41 MINUTES 50 SECONDS EAST 188.72 FEET; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID LOT 8 AND ITS SOUTHWESTERLY PROLONGATION, SOUTH 46 DEGREES 06 MINUTES 19 SECONDS WEST 267.90 FEET TO A LINE WHICH BEARS SOUTH 27 DEGREES 11 MINUTES 48 SECONDS EAST AND WHICH PASSES THROUGH THE POINT OF BEGINNING; THENCE NORTH 27 DEGREES 11 MINUTES 48 SECONDS WEST 257.69 FEET TO THE POINT OF BEGINNING.

SAID LAND IS SHOWN AS PARCEL A IN THE CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT NO. 99-02, RECORDED FEBRUARY 17, 1999 AS INSTRUMENT NO. 99-250904 OFFICIAL RECORDS.

PARCEL 2:

THOSE PORTIONS OF LOTS 7, 9 AND 10 OF TRACT NO. 37824, IN THE CITY OF CALABASAS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 1192 PAGES 81 TO 86 INCLUSIVE OF MAPS](#), IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID LOT 9; THENCE NORTH 29 DEGREES 34 MINUTES 04 SECONDS EAST 470.66 FEET TO THE MOST EASTERLY CORNER OF SAID LOT 9; THENCE NORTH 66 DEGREES 41 MINUTES 15 SECONDS WEST 281.25 FEET; THENCE NORTH 27 DEGREES 23 MINUTES 41 SECONDS WEST 298.63 FEET TO A POINT DISTANT NORTH 62 DEGREES 36 MINUTES 19 SECONDS EAST 16.00 FEET FROM THE SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 3 OF SAID TRACT NO. 37824, DISTANT SOUTH 27 DEGREES 23 MINUTES 41 SECONDS WEST 329.00 FEET FROM THE NORTHERLY CORNER OF SAID LOT 3; THENCE SOUTH 62 DEGREES 36 MINUTES 19 SECONDS WEST 16.00 FEET TO SAID SOUTHERLY PROLONGATION; THENCE NORTH 27 DEGREES 23 MINUTES 41 SECONDS WEST 16.48 FEET ALONG SAID PROLONGATION TO THE SOUTHERLY LINE OF PARK SORRENTO, 84 FEET WIDE, AS SHOWN ON SAID MAP; THENCE SOUTH 62 DEGREES 36 MINUTES 19 SECONDS WEST 105.88 FEET TO A POINT OF CUSP WITH THE BEGINNING OF THE CURVED NORTHERLY LINE OF LOT 8 OF SAID TRACT NO. 37824, SAID CURVE BEING CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 15.00 FEET; THENCE, LEAVING SAID SOUTHERLY RIGHT-OF-WAY ALONG THE COMMON LINE BETWEEN SAID LOTS 8 AND 9, NORTHEASTERLY, EASTERLY AND SOUTHEASTERLY 22.17 FEET ALONG CURVE THROUGH A CENTRAL ANGLE OF 84 DEGREES 41 MINUTES 51 SECONDS; THENCE SOUTH 32 DEGREES 41 MINUTES 50 SECONDS EAST 188.72 FEET; THENCE SOUTH 46 DEGREES 06 MINUTES 19 SECONDS WEST 267.90 FEET ALONG THE SOUTHEASTERLY LINE OF SAID LOT 8 AND ITS SOUTHWESTERLY PROLONGATION TO A LINE WHICH BEARS SOUTH 27 DEGREES 11 MINUTES 48 SECONDS EAST AND WHICH PASSES THROUGH A POINT IN THE CURVED SOUTHERLY RIGHT-OF-WAY OF SAID PARK SORRENTO, DISTANT EASTERLY 26.99 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 1 DEGREE 29 MINUTES 02 SECONDS, FROM THE NORTHERLY COMMON CORNER OF SAID LOTS 8 AND 10, SAID CURVE BEING CONCAVE NORTHERLY AND HAVING A RADIUS OF 1042.00 FEET; THENCE SOUTH 27 DEGREES 11 MINUTES 48 SECONDS EAST 108.27 FEET TO A POINT DISTANT 365.96 FEET FROM SAID POINT IN THE SOUTHERLY LINE OF PARK SORRENTO, DISTANT EASTERLY 26.99 FEET FROM SAID NORTHERLY COMMON CORNER OF LOTS 8 AND 10; THENCE SOUTH 62 DEGREES 48 MINUTES 12 SECONDS WEST 215.94 FEET TO A LINE WHICH BEARS NORTH 26 DEGREES 19 MINUTES 51 SECONDS WEST AND WHICH PASSES THROUGH A POINT IN THE SOUTHERLY LINE OF SAID LOT 10, DISTANT SOUTH 86 DEGREES 37 MINUTES 34 SECONDS EAST 52.82 FEET FROM THE ANGLE POINT IN SAID SOUTHERLY LINE; THENCE SOUTH 26 DEGREES 19 MINUTES 51 SECONDS EAST 195.98 FEET TO SAID SOUTHERLY LINE; THENCE SOUTH 86 DEGREES 37 MINUTES 34 SECONDS EAST 407.18 FEET ALONG THE SOUTHERLY LINE OF SAID LOTS 9 AND 10 TO THE MOST SOUTHERLY CORNER OF SAID LOT 9 AND THE POINT OF BEGINNING.

EXHIBIT B

Base Rental Payments Schedule

<u>Base Rental Payment Date</u>	<u>Principal Component of Base Rental Payment</u>	<u>Interest Component of Base Rental Payment</u>	<u>Total Base Rental Payment</u>
12/01/2015			
06/01/2016			
12/01/2016			
06/01/2017			
12/01/2017			
06/01/2018			
12/01/2018			
06/01/2019			
12/01/2019			
06/01/2020			
12/01/2020			
06/01/2021			
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06/01/2032			
12/01/2032			
06/01/2033			
12/01/2033			
06/01/2034			
12/01/2034			
06/01/2035			
12/01/2035			
06/01/2036			
12/01/2036			

<u>Base Rental Payment Date</u>	<u>Principal Component of Base Rental Payment</u>	<u>Interest Component of Base Rental Payment</u>	<u>Total Base Rental Payment</u>
06/01/2037			
12/01/2037			
06/01/2038			
12/01/2038			
06/01/2039			
12/01/2039			
06/01/2040			
12/01/2040			
06/01/2041	-		
12/01/2041			

TRUST AGREEMENT

Dated as of [DATED DATE]

by and among

U.S. BANK NATIONAL ASSOCIATION,

as Trustee,

CITY OF CALABASAS FACILITIES CORPORATION

and the

THE CITY OF CALABASAS

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TRUST AGREEMENT

This Trust Agreement (this “Trust Agreement”) dated as of [DATED DATE] by and among U.S. Bank National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States (the “Trustee”), the City of Calabasas Facilities Corporation, a California nonprofit public benefit corporation (the “Corporation”), and the City of Calabasas (the “City”);

W I T N E S S E T H

WHEREAS, the City of Calabasas (the “City”) desires to (i) refinance certain outstanding 2006 Certificates of Participation (Civic Center Project) (the “Prior Certificates”); and the refinancing of the Prior Certificates is referred to as the “Refunding Project”) and (ii) finance a portion of the costs of the construction acquisition and improvement of senior facilities and related infrastructure, equipment and furnishings (the “Construction Project,” and together with the Refunding Project, the “Project”), and pay capitalized interest with respect to the Certificates (as defined below), fund a Reserve Account for the Certificates, and pay the costs incurred in connection with the execution and delivery of the Certificates;

WHEREAS, in order to finance and refinance the Project, the City will lease certain real property owned by the City (the “Leased Property”) to the Corporation pursuant to a Lease, dated as of the date hereof (the “Lease”), and the City will sublease the Leased Property back from the Corporation pursuant to a Sublease, dated as of the date hereof (the “Sublease”);

WHEREAS, the City proposes to make base rental payments (“Base Rental Payments”) and additional rental payments for the use and occupancy of the Leased Property on the terms and conditions contained in the Sublease;

WHEREAS, the City and the Corporation have determined that it would be in the best interests of the City and the Corporation to provide the funds necessary to finance the Project through the sale and delivery of certificates of participation (the “2015 Certificates”) evidencing direct, fractional undivided interests in the Base Rental Payments to be made by the City under the Sublease;

WHEREAS, all rights to receive such base rental payments have been assigned without recourse by the Corporation to the Trustee pursuant to an Assignment Agreement, dated as of the date hereof;

WHEREAS, in consideration of such assignment and the execution of this Trust Agreement, the Trustee has agreed to execute and deliver the Certificates, each evidencing a direct, fractional undivided interest in such base rental payments; and

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

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

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS; EQUAL SECURITY

SECTION 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any amendment hereof or supplement hereto and of the Certificates and of any certificate, opinion, request or other document mentioned herein or therein have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

Additional Certificates

The term “Additional Certificates” means the certificates of participation authorized by a Supplemental Trust Agreement that are executed and delivered by the Trustee under and pursuant to Article II hereof.

Additional Rental

The term “Additional Rental” means the additional rental payments payable by the City under and pursuant to Section 5.01(b) of the Sublease.

Assignment Agreement

The term “Assignment Agreement” has the meaning set forth in the preamble hereto.

Authorized Denominations

The term “Authorized Denominations” means \$5,000 or any integral multiple thereof.

Base Rental Payment Fund

The term “Base Rental Payment Fund” means the fund by that name established in accordance with Section 5.01 hereof.

Base Rental Payments

The term “Base Rental Payments” means the base rental payments with interest components and principal components payable by the City under and pursuant to Section 5.01(a) of the Sublease, including any Additional Base Rental Payments.

Business Day

The term “Business Day” means a day other than (i) Saturday or Sunday or (ii) a day on which banking institutions in Los Angeles, California, New York, New York, the city or cities in which the principal corporate trust office of the Trustee is located are authorized or required by law to be closed or (iii) a day on which the New York Stock Exchange is closed.

Capitalized Interest Account

“Capitalized Interest Account” means the account by that name established pursuant to Section 5.02 hereof.

Certificate Insurance Policy

The term “Certificate Insurance Policy” means each municipal bond insurance policy, if any, issued by the applicable Certificate Insurer and guaranteeing, in whole or in part, the payment of principal or accreted value of and interest on a Series of Certificates.

Certificate Insurer

The term “Certificate Insurer” means any issuer or issuers of a policy or policies of municipal bond insurance obtained by the Agency to insure the payment of principal or Accreted Value of and interest on a Series of Certificates executed and delivered under the Indenture, when due otherwise than by acceleration, and which, in fact, are at any time insuring such Series of Certificates. For the purposes of this definition, all consents, approvals or actions required by the Certificate Insurer shall be by action of a majority of all Certificate Insurers (based upon the aggregate principal amount of Outstanding Certificates insured by each such Certificate Insurer) if there is more than a single Certificate Insurer. There is no Certificate Insurer with respect to the Series 2015 Certificates.

Certificate of Completion

The term “Certificate of Completion” means a Certificate of the City stating the fact and date of completion of the portion of the Construction Project relating to the improvements financed with each Series of Certificates and stating that all of the costs of construction thereof and incidental expenses have been determined and paid (or that all of such costs and expenses have been paid less specified claims which are subject to dispute and for which a retention in the Construction Fund is to be maintained in the full amount of such claims until such dispute is resolved).

Certificate of the City

The term “Certificate of the City” means an instrument in writing signed by the City Manager or the Chief Financial Officer of the City. If and to the extent required by the provisions of Section 12.06 hereof, each Certificate of the City shall include the statements provided for in Section 12.06 hereof.

Certificate of the Corporation

The term “Certificate of the Corporation” means an instrument in writing signed by the President, Vice-President or Treasurer of the Corporation. If and to the extent required by the provisions of Section 12.06 hereof, each Certificate of the Corporation shall include the statements provided for in Section 12.06 hereof.

Certificate Reserve Fund

The term “Certificate Reserve Fund” means the fund by that name established in accordance with Section 3.02 hereof.

Certificate Reserve Fund Requirement

The term “Certificate Reserve Fund Requirement” means, with respect to each Series of Certificates, an amount equal to an amount equal to the least of (i) maximum prospective annual Base Rental Payments with respect to Outstanding Certificates to be made by the City under the Sublease, (ii) 10% of the proceeds of the Certificates or (iii) 125% of the average annual Base Rental Payments with respect to Outstanding Certificates to be made by the City under the Sublease. The Certificate Reserve Fund Requirement with respect to any Series of Certificates may be satisfied by crediting to the account established within the Certificate Reserve Fund for such Series of Certificates a Reserve Facility.

Certificates

The term “Certificates” means the 2015 Certificates and any Additional Certificates executed and delivered by the Trustee pursuant hereto.

Certificates of Participation Purchase Agreement

The term “Certificates of Participation Purchase Agreement” means any agreement providing for the purchase of 2015 Certificates or any Series of Additional Certificates on the Issue Date thereof.

Chief Financial Officer

The term “Chief Financial Officer” means the Chief Financial Officer of the City or another official designated in writing by the City and authorized to act on behalf of the City under or with respect to this Trust Agreement and all other agreements related hereto.

City

The term “City” means the City of Calabasas, a municipal corporation organized and existing under the laws of the State of California.

Code

The term “Code” means the Internal Revenue Code of 1986, as amended.

Completion Date

The term “Completion Date” means each date upon which the City delivers a Certificate of Completion to the Trustee.

Construction Fund

The term “Construction Fund” means the fund by that name established in accordance with Section 3.02 hereof.

Corporation

The term “Corporation” means the City of Calabasas Facilities Corporation, a nonprofit public benefit corporation organized and existing under and by virtue of the laws of the State of California.

Cost of Issuance Fund

The term “Cost of Issuance Fund” means the fund by that name established in accordance with Section 3.05 hereof.

Costs of Issuance

The term “Costs of Issuance” means all the costs of execution and delivery any Certificates, including, but not limited to, all printing and document preparation expenses in connection with this Trust Agreement, the Lease, the Sublease, the Assignment Agreement, any Certificates and any preliminary official statement and final official statement pertaining to any Certificates; rating agency fees; CUSIP Service Bureau charges; market study fees; legal fees and expenses of counsel with respect to the financing of the Leased Property and the Project; any computer and other expenses incurred in connection with any Certificates; the fees and expenses of the Trustee until the Completion Date; and other fees and expenses incurred in connection with the execution of the Certificates or the implementation of the financing and refinancing for the Project, to the extent such fees and expenses are approved by the Corporation.

DTC

The term “DTC” means The Depository Trust Company, New York, New York, a limited-purpose trust company organized under the laws of the State of New York, and its

successors as securities depository for the Certificates including any such successor appointed pursuant to Section 2.07 hereof.

Electronic Means

The term “Electronic Means” means telecopy, telegraph, telex, facsimile transmission or other similar electronic means of communication, including a telephonic communication confirmed by writing or written transmission.

Escrow Agreement

The term “Indenture” means the Escrow Agreement between the Trustee and the City, dated as of [DATED DATE], as originally executed and as it may from time to time be amended or supplemented in accordance herewith.

Event of Default

The term “Event of Default” means any occurrence or event specified in and defined by Section 7.01 hereof.

Insurance Proceeds and Condemnation Awards Fund

The term “Insurance Proceeds and Condemnation Awards Fund” means the fund by that name established in accordance with Section 5.03 hereof.

Interest Fund

The term “Interest Fund” means the fund by that name established in accordance with Section 5.02 hereof.

Interest Payment Date

The term “Interest Payment Date” means each June 1 and December 1, commencing December 1, 2015.

Issue Date

The term “Issue Date” means, as to any Certificates, the date on which such Certificates are delivered to the Purchaser thereof.

Lease

The term “Lease” has the meaning set forth in the preamble hereto.

Lease Year

The term “Lease Year” means the period from each December 2 to and including the following December 1, during the term hereof; provided that the first Lease Year shall be from the Issue Date of the 2015 Certificates to December 1, 2015.

Leased Property

The term “Leased Property” means the real property, together with any improvements thereon or to be located thereon, as described in Exhibit A to the Sublease (as the same may be changed from time to time by Removal, Addition or Substitution, as defined in the Sublease).

MSRB

The term “MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

Opinion of Counsel

The term “Opinion of Counsel” means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the City or the Corporation.

Outstanding

The term “Outstanding” when used as of any particular time with reference to Certificates, means (subject to the provisions of Section 9.02, hereof) all Certificates except:

- (1) Certificates previously cancelled by the Trustee or delivered to the Trustee for cancellation;
- (2) Certificates no longer entitled to the benefits of this Trust Agreement;
- (3) Certificates paid or deemed to have been paid within the meaning of Section 10.01 hereof; and
- (4) Certificates in lieu of or in substitution for which other Certificates shall have been executed and delivered by the Trustee pursuant to Section 2.10 hereof.

Owner

The term “Owner” means the registered owner of any Outstanding Certificate as indicated in the registration books of the Trustee.

Permitted Investments

The term “Permitted Investments” means any of the following to the extent then permitted by applicable laws and any investment policies of the City:

A. The Certificate Insurer will allow the following obligations to be used as Permitted Investments for all purposes, including defeasance investments in refunding escrow accounts (Ambac Assurance does not give a premium credit for the investment of accrued and/or capitalized interest.):

- (1) cash (insured at all times by the Federal Deposit Insurance Corporation); and
- (2) obligations of, or obligations guaranteed as to principal and interest by, the U.S. or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the U.S. including:
 - U.S. treasury obligations
 - all direct or fully guaranteed obligations
 - Farmers Home Administration
 - General Services Administration
 - Guaranteed Title XI financing
 - Government National Mortgage Association (GNMA)
 - State and Local Government Series

Any security used for defeasance must provide for the timely payment of principal and interest and cannot be callable or prepayable prior to maturity or earlier redemption of the rated debt (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date).

B. The Certificate Insurer will allow the following Obligations to be used as Permitted Investments for all purposes other than defeasance investments in refunding escrow accounts:

- (1) obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:
 - Export-Import Bank
 - Rural Economic Community Development Administration
 - U.S. Maritime Administration
 - Small Business Administration
 - U.S. Department of Housing & Urban Development (PHAs)

- Federal Housing Administration
 - Federal Financing Bank
- (2) direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:
- senior debt obligations issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC)
 - obligations of the Resolution Funding Corporation (REFCORP)
 - senior debt obligations of the Federal Home Loan Bank System
 - senior debt obligations of other Government Sponsored Agencies approved by the Certificate Insurer
- (3) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "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);
- (4) commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P and which matures not more than 270 calendar days after the date of purchase;
- (5) investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;
- (6) pre-refunded Municipal Obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice;
- (A) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P or any successors thereto; or
 - (B) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph A(2) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any,

on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

- (7) Municipal Obligations rated “AAA” or general obligations of States with a rating of “A” or higher by S&P;
- (8) investment Agreements approved in writing by the Certificate Insurer (supported by appropriate opinions of counsel);
- (9) the Local Agency Investment Fund of the State of California;
- (10) the Los Angeles County Pooled Surplus Investments Fund; and
- (11) other forms of investments (including repurchase agreements) approved in writing by the Certificate Insurer.

C. The value of the above investments shall be determined as follows:

- (1) for the purpose of determining the amount in any fund, all Permitted Investments credited to such fund shall be valued at fair market value. The Trustee shall determine the fair market value based on accepted industry standards and from accepted industry providers. Accepted industry providers shall include but are not limited to pricing services provided by Financial Times Interactive Data Corporation, Merrill Lynch, Salomon Smith Barney, Bear Stearns, or Lehman Brothers;
- (2) as to certificates of deposit and bankers’ acceptances: the face amount thereof, plus accrued interest thereon; and
- (3) as to any investment not specified above: the value thereof established by prior agreement among the City, the Trustee, and the Certificate Insurer.

Prepayment Fund

The term “Prepayment Fund” means the fund by that name established in accordance with Section 5.02 hereof.

Principal Corporate Trust Office

The term “Principal Corporate Trust Office” means the principal corporate trust office of the Trustee, which principal corporate trust office, with respect to the Trustee, is located in Los Angeles, California; provided that with respect to the presentation of Certificates 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 shall be conducted.

Principal Fund

The term “Principal Fund” means the fund by that name established in accordance with Section 5.02 hereof.

Principal Payment Date

The term “Principal Payment Date” means a date on which the principal evidenced by the Certificates becomes due and payable.

Prior Obligations

The term “Prior Obligations” means the outstanding “City of Calabasas 2006 Certificates of Participation (Civic Center Project).”

Project; Construction Project; Refunding Project

The term “Project” means the Construction Project and the Refunding Project.

The term “Construction Project” means the project described in Exhibit A hereto, and such additional construction projects as may be added by the City from time to time.

The term “Refunding Project” means the refinancing of the Prior Obligations.

Purchaser

The term “Purchaser” means Citigroup Global Markets Inc., the purchaser of the 2015 Certificates and any underwriter or purchaser of any Series of Additional Certificates.

Rating Agency

The term “Rating Agency” means an agency which is providing a credit rating on any Certificates and shall include Standard & Poor’s Ratings Services, or any successor thereto (but only so long as it is providing such rating).

Rebate Fund

The term “Rebate Fund” means the fund by that name created in Section 6.09 hereof.

Rebate Requirement

The term “Rebate Requirement” means the Rebate Requirement as defined in the Tax Certificate.

Record Date

The term “Record Date” means the close of business on the fifteenth day of the month immediately preceding any Interest Payment Date, whether or not such day is a Business Day.

Rental Payments

The term “Rental Payments” means, collectively, the Base Rental Payments and the Additional Rental.

Representation Letter

The term “Representation Letter” means each Letter of Representations from the City and the Trustee to DTC, or any successor securities depository for the Certificates, in which the City and the Trustee make certain representations with respect to the Certificates, the payment with respect thereto and delivery of notices with respect thereto.

Reserve Facility

The term “Reserve Facility” means a letter of credit or other credit facility issued by a financial institution or other form of credit enhancement and any replacements thereto, including, but not limited to, surety bonds and guarantees delivered to the Trustee to meet all or a portion of the Certificate Reserve Fund Requirement.

Securities Depositories

The term “Securities Depositories” means: The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax - (516) 227-4039 or 4190; or to such other addresses and/or such other securities depositories as the Authority may designate in writing to the Trustee.

Serial Certificates

The term “Serial Certificates” means any Certificates which mature on consecutive semi-annual or annual dates other than by reason of sinking fund installments.

Serial Maturity Dates

The term “Serial Maturity Dates” means the dates on which the Serial Certificates mature.

Sublease

The term “Sublease” has the meaning set forth in the preamble hereto.

Supplemental Trust Agreement

The term “Supplemental Trust Agreement” means an agreement amending or supplementing the terms hereof entered into pursuant to the terms hereof.

Surety Bond

The term “Surety Bond” means the surety bond issued by _____ guaranteeing certain payments into the Reserve Fund with respect to the Certificates as provided therein and subject to the limitations set forth therein.

Tax Certificate

The term “Tax Certificate” means any certificate executed by the City at the time of execution and delivery of any Series of Certificates relating to the requirements of Section 148 of the Code, as such certificate may be amended or supplemented.

Trust Agreement

The term “Trust Agreement” has the meaning set forth in the preamble hereto.

Trustee

The term “Trustee” means U.S. Bank National Association, a national banking association organized under the laws of the United States, and any other bank or trust company which may at any time be substituted in the place of the Trustee, as provided in Section 8.02 hereof.

2015 Certificates

The term “2015 Certificates” means the \$XX,000,000 City of Calabasas 2015 Certificates of Participation (Civic Center Project).

2015 Certificates Account

The term “2015 Certificates Account” means the account by that name established within the Cost of Issuance Fund, the Certificate Reserve Fund, the Base Rental Payment Fund, the Interest Fund, the Principal Fund and the Prepayment Fund.

Written Request of the City

The term “Written Request of the City” means an instrument in writing signed by the City Manager, the Chief Financial Officer or other officers who are specifically authorized

by resolution of the governing board of the City to sign or execute such a document on its behalf, as reflected in a Certificate of the City to such effect delivered to the Trustee.

SECTION 1.02 Interpretation.

(a) In this Trust Agreement, unless the context otherwise requires:

(i) the terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Trust Agreement, refer to this Trust Agreement, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this Trust Agreement;

(ii) words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(iii) words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(iv) any headings preceding the text of the several Articles and Sections of this Trust Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Trust Agreement, nor shall they affect its meaning, construction or effect; and

(v) any reference to agreements shall refer to such agreements as they may be revised and amended as permitted in accordance with their terms.

(b) Whenever in this Trust Agreement the City, the Corporation or the Trustee is named or referred to, it shall include, and shall be deemed to include, the respective successors and assigns of such entity whether so expressed or not. All of the covenants, stipulations, obligations and agreements by or on behalf of, and other provisions for the benefit of, the City, the Corporation or the Trustee contained in this Trust Agreement shall bind and inure to the benefit of each of their respective successors and assigns and shall bind and inure to the benefit of any officer, board, commission, authority, agency or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the City or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions of this Trust Agreement.

(c) Nothing in this Trust Agreement expressed or implied is intended or shall be construed to confer upon, or to give to, any person other than the City, the Corporation, the Trustee, including their respective agents, and the Owners of the Certificates, any right, remedy or claim under or by reason of this Trust Agreement or any covenant, condition or stipulation hereof. All of the covenants, stipulations, promises and agreements in this Trust Agreement

contained by or on behalf of the City shall be for the sole benefit of the City, the Corporation, the Trustee, including their respective agents, and the Owners.

SECTION 1.03 Equal Security. In consideration of the acceptance of the Certificates by the Owners, this Trust Agreement shall be deemed to be and shall constitute a contract between the Trustee and the Owners to secure the full and final payment of the interest and principal evidenced by the Certificates which may be executed and delivered hereunder, subject to each of the agreements, conditions, covenants and terms contained herein; and all agreements, conditions, covenants and terms contained herein required to be observed or performed by or on behalf of the Trustee shall be for the equal and proportionate benefit, protection and security of all Owners without distinction, preference or priority as to security or otherwise of any Certificates over any other Certificates by reason of the number or date thereof or the time of execution or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein.

ARTICLE II

TERMS AND CONDITIONS OF CERTIFICATES

SECTION 2.01 Preparation of Certificates. The Trustee is hereby authorized and directed and, upon the Written Request of the City, to execute and deliver the Certificates in the aggregate principal amount of \$XX,000,000, such Certificates together evidencing the aggregate principal components of the Base Rental Payments payable and each evidencing a fractional undivided interest in the Base Rental Payments. The Certificates shall be numbered, with or without prefixes, as determined by the Trustee.

SECTION 2.02 Denomination, Medium and Dating of Certificates. The Certificates shall be designated “City of Calabasas 2015 Certificates of Participation (Civic Center Project)” and shall be in substantially the form of Exhibit B hereto. The Certificates shall be prepared in the form of fully registered Certificates, without coupons, in Authorized Denominations and shall be payable in lawful money of the United States of America.

Each Certificate shall be dated as of the date of execution of such Certificate. Each Certificate shall evidence interest from the Interest Payment Date to which interest has been paid or duly provided for next preceding its date of execution, unless such date of execution shall be (i) prior to the close of business on the Record Date for the first Interest Payment Date with respect to such Certificate, in which case such Certificate shall evidence interest from the date of execution thereof, (ii) subsequent to a Record Date but before the related Interest Payment Date, in which case such Certificate shall evidence interest from such Interest Payment Date, or (iii) an Interest Payment Date to which interest has been paid in full or duly provided for, in which case such Certificate shall evidence interest from such date of execution; provided, however, that if, as shown by the records of the Trustee, interest shall be in default, each Certificate shall evidence interest from the last date to which interest has been paid in full or duly provided for or, if no interest has been paid or duly provided for, from the date of execution thereof.

SECTION 2.03 Payment Dates of Certificates; Interest.

(a) Method and Place of Payment. The principal evidenced by the Certificates shall be payable, subject to prior optional and mandatory prepayment, including, without limitation, Mandatory Sinking Account Payments, on December 1 of the years, in the amounts, and shall accrue interest at the rates per annum set forth below:

<u>Principal Payment Date</u> <u>(December 1)</u>	<u>Principal Component</u>	<u>Interest Rate</u>
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2030		
2035		
2041		

Except as otherwise provided in the Representation Letter, the interest evidenced by the Certificates shall be payable on each Interest Payment Date by check or draft mailed on the Interest Payment Date by the Trustee to the respective Owners of the Certificates as of the Record Date for such Interest Payment Date at their addresses shown on the books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof. Payments of defaulted interest with respect to any Certificate shall be paid by check or draft to the Owner as of a special record date to be fixed by the Trustee, notice of which special record date shall be mailed to the Owner of the Certificate not less than 10 days prior thereto. The principal and premium, if any, evidenced by the Certificates shall be payable upon presentation and surrender thereof on maturity or on prepayment prior thereto at the Principal Corporate Trust Office of the Trustee.

The Owner of \$1,000,000 or more in aggregate principal amount evidenced by the Certificates may request in writing that the Trustee pay the interest evidenced by such Certificates by wire transfer and the Trustee shall comply with such request for all Interest Payment Dates following the 15th day after receipt of such request until such request is rescinded.

(b) Computation of Interest. The interest evidenced by the Certificates shall be payable on each Interest Payment Date to and including their Principal Payment Date(s) or prepayment prior thereto, and shall evidence the sum of the portions of the Base Rental

Payments designated as interest components coming due on the Interest Payment Dates in each year. The principal evidenced by the Certificates shall be payable on their respective Principal Payment Date(s) and Mandatory Sinking Account Payment Dates in each year and shall evidence the sum of the portions of the Base Rental Payments designated as principal components coming due on the Principal Payment Date(s) and Mandatory Sinking Account Payment Dates in each year.

Interest evidenced by the Certificates shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Payment shall be made on each Interest Payment Date for unpaid interest accrued from and including the previous Interest Payment Date to but not including such Interest Payment Date.

SECTION 2.04 Form of Certificates. The Certificates and the assignment to appear thereon shall be in substantially the form of Exhibit C hereto, with necessary or appropriate insertions, omissions and variations as permitted or required hereby. Any Additional Certificates and the assignment to appear thereon shall be substantially in the form included in the Supplemental Trust Agreement providing for such Additional Certificates.

SECTION 2.05 Execution of Certificates and Replacement Certificates. The Certificates shall be executed by the Trustee by the manual signature of an authorized signatory of the Trustee. The Trustee shall deliver replacement Certificates in the manner and as contemplated by this Article. Such replacement Certificates shall be executed as herein provided and shall be in Authorized Denominations. All Certificates for which such replacement Certificates are delivered shall be deemed canceled.

SECTION 2.06 Transfer and Payment of Certificates; Exchange of Certificates. Each Certificate is transferable by the Owner thereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, on the books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof, upon surrender of such Certificate for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee. The Trustee may treat the Owner of any Certificate as the absolute owner of such Certificate for all purposes, whether or not the principal or interest evidenced by such Certificate shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest and principal evidenced by such Certificate shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge the liability evidenced by such Certificate to the extent of the sum or sums so paid.

Whenever any Certificate shall be surrendered for transfer, the Trustee shall execute and deliver a new Certificate or Certificates evidencing principal in the same aggregate amount and having the same Stated Principal Payment Date. The Trustee shall require the payment by any Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. The cost of printing Certificates and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the City.

Each Certificate may be exchanged at the Principal Corporate Trust Office of the Trustee, for Certificates evidencing principal in a like aggregate principal amount, having the same stated Principal Payment Date and in such Authorized Denominations as the Owner thereof may request. The Trustee shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. The cost of printing Certificates and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the City.

The Trustee shall not be required to transfer or exchange any Certificate during the period from the Record Date nextpreceding each Interest Payment Date to such Interest Payment Date, nor shall the Trustee be required to transfer or exchange any Certificate or portion thereof selected for prepayment from and after the date of mailing the notice of prepayment thereof.

SECTION 2.07 Book-Entry Certificates.

(a) Except as otherwise provided in subsections (b) and (c) of this Section 2.07, the Certificates initially executed and delivered hereunder shall be registered in the name of Cede & Co., as nominee for DTC, or such other nominee as DTC may request. Payment of the principal and interest with respect to each Certificate registered in the name of Cede & Co. shall be made to the account, in the manner and at the address indicated in or pursuant to the Letter of Representations.

(b) The Certificates executed and delivered hereunder shall be in the form of a single executed fully registered certificate for each maturity. Upon initial execution of any Certificates, the ownership of all such Certificates shall be registered in the registration books maintained by the Trustee pursuant to Section 2.08 in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC may request. The Trustee, the Corporation and the City may treat DTC (or its nominee) as the sole and exclusive owner of the Certificates registered in its name for the purposes of payment of the principal and interest with respect to such Certificates, selecting any Certificates or portions thereof to be prepaid, giving any notice permitted or required to be given to an Owner hereunder, registering the transfer of Certificates, obtaining any consent or other action to be taken by the Owners and for all other purposes whatsoever; and neither the Trustee, the Corporation nor the City shall be affected by any notice to the contrary. Neither the Trustee nor the City shall have any responsibility or obligation to any Participant (which shall mean, for purposes of this Section 2.07, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Certificates under or through DTC or any Participant, or any other person which is not shown on the registration records as being an Owner, with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC or any Participant of any amount in respect of the principal or interest evidenced by such Certificates, (iii) any notice which is permitted or required to be given to the Owners hereunder, (iv) the selection by DTC or any Participant of any person to receive payment in the event, if any, of a partial prepayment of the Certificates, or (v) any consent given or other action taken by DTC as Owner. The Trustee shall pay all principal and premium, if any, and interest with respect to the Certificates only at the times, to

the accounts, at the addresses and otherwise in accordance with the Representation Letter. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the Certificates will be transferable to such new nominee in accordance with subsection (f) of this Section 2.07.

(c) In the event that the City determines that it is in the best interests of the beneficial owners of the Certificates that they be able to obtain Certificates, the Trustee shall, upon the written instruction of the City, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of Certificates. In such event, the Certificates will be transferable in accordance with subsection (f) of this Section 2.07. DTC may determine to discontinue providing its services with respect to the Certificates at any time by giving written notice of such discontinuance to the City and the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Certificates will be transferable in accordance with subsection (f) of this Section 2.07. Whenever DTC requests the City and the Trustee to do so, the Trustee and the City will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all certificates evidencing the Certificates then Outstanding. In such event, the Certificates will be transferable to such securities depository in accordance with subsection (f) of this Section 2.07, and thereafter, all reference in this Trust Agreement to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of this Trust Agreement to the contrary, so long as all Certificates Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal and interest evidenced by each such Certificate and all notices with respect to each such Certificate shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) The City shall execute and deliver the Representation Letter and, in connection with any successor nominee for DTC and any successor depository, enter into comparable arrangements, and shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this Trust Agreement.

(f) In the event that any transfer or exchange of Certificates is authorized under subsection (b) or (c) of this Section 2.07, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the Certificates to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Section 2.06. In the event Certificates are issued to holders other than Cede & Co., its successor as nominee for DTC as holder of all the Certificates, another securities depository as holder of all the Certificates, or the nominee of such successor securities depository, the provisions of this Trust Agreement shall also apply to, among other things, the registration, exchange and transfer of the Certificates and the method of payment of principal, premium, if any, and interest with respect to the Certificates.

SECTION 2.08 Certificate Registration Books. The Trustee will keep at its Principal Corporate Trust Office, sufficient books for the registration and transfer of the Certificates, which books shall be available for inspection by the Corporation or the City at

reasonable hours and under reasonable conditions; and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer the Certificates on such registration books as hereinabove provided. The Trustee shall, upon written request, make copies of such registration books available to any Owner or his agent duly authorized in writing.

SECTION 2.09 Temporary Certificates. The Certificates may be initially delivered in temporary form exchangeable for definitive Certificates when ready for delivery, which temporary Certificates shall be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Trustee, shall be in fully registered form and shall contain such reference to any of the provisions hereof as may be appropriate. Every temporary Certificate shall be executed and delivered by the Trustee upon the same conditions and terms and in substantially the same manner as definitive Certificates. If the Trustee executes and delivers temporary Certificates, it shall prepare and execute definitive Certificates without delay, and thereupon the temporary Certificates may be surrendered at the Principal Corporate Trust Office of the Trustee, in exchange for such definitive Certificates, and until so exchanged such temporary Certificates shall be entitled to the same benefits hereunder as definitive Certificates executed and delivered hereunder.

SECTION 2.10 Certificates Mutilated, Lost, Destroyed or Stolen. If any Certificate shall become mutilated, the Trustee, at the expense of the Owner thereof, shall execute and deliver a new Certificate evidencing a like principal amount and having the same stated Principal Payment Date and number in exchange and substitution for the Certificate so mutilated, but only upon surrender to the Trustee of the Certificate so mutilated. Every mutilated Certificate so surrendered to the Trustee shall be canceled by it. If any Certificate shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee, and if such evidence is satisfactory to the Trustee an indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Owner thereof, shall execute and deliver a new Certificate evidencing a like principal amount and having the same stated Principal Payment Date, numbered as the Trustee shall determine, in lieu of and in substitution for the Certificate so lost, destroyed or stolen. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Certificate executed and delivered by it under this Section and of the expenses which may be incurred by it under this Section. Any Certificate executed and delivered under the provisions of this Section in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits hereof with all other Certificates executed and delivered hereunder, and the Trustee shall not be required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining the amount of Certificates which may be executed and delivered hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder, but both the original and replacement Certificate shall be treated as one and the same. Notwithstanding any other provision of this Section, in lieu of executing and delivering a new Certificate for a Certificate which has been lost, destroyed or stolen and which has matured or will mature within 30 days after the Trustee has received all required indemnity and payments on account of a lost, destroyed or stolen Certificate, the Trustee may make payment of such Certificate to the Owner thereof if so instructed by the City.

SECTION 2.11 Execution and Delivery of Additional Certificates. In addition to the 2015 Certificates, the City, the Corporation and the Trustee may by execution of a Supplemental Trust Agreement without the consent of the Owners, provide for the execution and delivery of Additional Certificates representing additional Base Rental Payments, the Trustee may execute and deliver to or upon the request of the City, such Additional Certificates, in such principal amount as shall reflect the additional principal components of the Base Rental Payments and the proceeds of such Additional Certificates may be applied to any lawful purposes of the Corporation or the City, but such Additional Certificates may only be executed and delivered upon compliance by the City with the provisions of Section 2.12 hereof and subject to the following specific conditions, which are hereby made conditions precedent to the execution and delivery of any such Additional Certificates:

(a) the City and the Corporation shall not be in default under the Trust Agreement, any Supplemental Trust Agreement, the Lease or the Sublease;

(b) said Supplemental Trust Agreement shall provide that from such proceeds or other sources an amount shall be deposited in the Certificate Reserve Fund so that following such deposit there shall be on deposit in the Certificate Reserve Fund an amount at least equal to the Certificate Reserve Fund Requirement;

(c) the Additional Certificates shall be payable as to principal on December 1 of each year in which principal components are due and shall be payable as to interest on June 1 and December 1 of each year commencing after their date of execution and delivery;

(d) the aggregate principal amount of Certificates executed and delivered and at any time Outstanding hereunder (including the 2015 Certificates and any Additional Certificates) or under any Supplemental Trust Agreement shall not exceed any limit imposed by law, by this Trust Agreement or by any Supplemental Trust Agreement;

(e) the Sublease shall have been amended so as to increase the Base Rental Payments payable by the City thereunder by an aggregate amount equal to the principal and interest represented by such Additional Certificates, payable at such times and in such manner as may be necessary to provide for the payment of the principal and interest represented by such Certificates; provided, however, that no such amendment shall be made such that the sum of Base Rental Payments, including any such amendment, plus Additional Rental shall be in excess of the fair rental value of the Leased Property after taking into account the use of the proceeds of any Additional Certificates executed and delivered in connection therewith (evidence of the satisfaction of this condition shall be made by a Certificate of the City); and

(f) said Supplemental Trust Agreement shall provide Principal Payment Dates and/or mandatory prepayments of Additional Certificates in amounts sufficient to provide for payment of the Additional Certificates when principal and interest components of Base Rental Payments are due.

Any Additional Certificates shall be on a parity with the Certificates and each Owner thereof shall have the same rights upon an Event of Default as the Owner of any other

Certificates executed and delivered under this Trust Agreement, except as otherwise provided in the Supplemental Trust Agreement under which Additional Certificates are executed and delivered.

SECTION 2.12 Proceedings for Authorization of Additional Certificates.

Whenever the City and the Corporation shall determine to authorize the execution and delivery of any Additional Certificates pursuant to Section 2.11 hereof, the City, the Corporation and the Trustee shall enter into a Supplemental Trust Agreement without the consent of the Owners of any Certificates, providing for the execution and delivery of such Additional Certificates, specifying the maximum principal amount of such Additional Certificates and prescribing the terms and conditions of such Additional Certificates.

Such Supplemental Trust Agreement shall prescribe the form or forms of such Additional Certificates and, subject to the provisions of Section 2.11 hereof, shall provide for the distinctive designation, denominations, method of numbering, dates, Principal Payment Dates, interest rates, Interest Payment Dates, provisions for prepayment (if desired) and places of payment of principal and interest.

Before such Additional Certificates shall be executed and delivered, the City and the Corporation shall file or cause to be filed the following documents with the Trustee:

(a) an Opinion of Counsel setting forth (1) that such Counsel has examined the Supplemental Trust Agreement and the amendment to the Sublease required by Section 2.11(e) hereof; (2) that the execution and delivery of the Additional Certificates have been sufficiently and duly authorized by the City and the Corporation; (3) that said amendment to the Sublease and the Supplemental Trust Agreement, when duly executed by the City and the Corporation, will be valid and binding obligations of the City and the Corporation; (4) that the amendment to the Sublease has been duly authorized, executed and delivered and has been duly recorded; and (5) that the amendment to the Sublease does not adversely affect the tax-exempt status of interest evidenced by any then Outstanding Certificates;

(b) a Certificate of the City that the requirements of Section 2.11 hereof have been met, which shall include a Certificate by the City as to the fair rental value of the Leased Property, after giving effect to the new execution and delivery of the Additional Certificates and to the use of proceeds received therefrom;

(c) certified copies of the resolutions of the Corporation and the City authorizing the execution of the amendments to the Sublease required by Section 2.11 hereof;

(d) an executed counterpart or duly authenticated copy of the amendment to the Sublease required by Section 2.11(e) hereof;

(e) certified copies of the policies of insurance required by Article VI of the Sublease or certificates thereof, which shall evidence that the amounts of the insurance required under Section 6.03(1) and (2) of the Sublease have been increased, if applicable, to cover the amount of such Additional Certificates;

(f) a CLTA title insurance policy or other appropriate form of policy in the amount of the Additional Certificates of the type and with the endorsements described in Section 6.05 of the Sublease;

(g) in the event of any Addition of Additional Property in connection with the execution and deliver of such Additional Certificates, such other certificates and opinions as are required by Section 2.06 of the Sublease and not otherwise covered by clauses (a) through (f) above; and

(h) in the event of the execution and delivery of Additional Certificates, other than Additional Certificates executed and delivered in connection with the refunding of existing Certificates, the written consent of the Certificate Insurer.

Upon the delivery to the Trustee of the foregoing instruments and upon the Trustee's being satisfied from an examination of said instruments that all applicable provisions of this Trust Agreement have been complied with, so as to permit the execution and delivery of the Additional Certificates in accordance with the Supplemental Trust Agreement then delivered to the Trustee, the Trustee shall execute and deliver said Additional Certificates, in the aggregate principal amount specified in such Supplemental Trust Agreement, to, or upon the request of, the City.

ARTICLE III

PROCEEDS OF CERTIFICATES

SECTION 3.01 Delivery of Certificates. The Trustee is hereby authorized to execute and deliver the Certificates to the respective Purchaser pursuant to the respective Certificates of Participation Purchase Agreement upon receipt of a Written Request of the City and upon receipt of the proceeds of sale thereof.

SECTION 3.02 Deposit of Proceeds of 2015 Certificates and Other Moneys; Establishment of Funds and Accounts; Surety Bond Deposit. The proceeds received from the sale of the 2015 Certificates shall be deposited by the Trustee in the following respective funds and accounts, as directed by a Written Request of the City:

(a) From the proceeds of the 2015 Certificates the Trustee shall deposit in the Cost of Issuance Fund established pursuant to Section 3.05 hereof the amount of \$_____.

(b) From the proceeds of the 2015 Certificates the Trustee shall deposit in escrow account established under the Escrow Agreement the amount of \$_____.

(c) From the proceeds of the 2015 Certificates the Trustee shall deposit in the Construction Fund established pursuant to Section 3.03 hereof the amount of \$_____.

(d) From the proceeds of the 2015 Certificates the Trustee shall deposit in the Capitalized Interest Account of the Interest Fund established pursuant to Section 5.02 hereof the amount of \$_____.

[The Trustee shall deposit the Surety Bond in the Certificate Reserve Fund established pursuant to Section 3.04 hereof.]

SECTION 3.03 Use of Moneys in the Construction Fund. The Trustee shall establish and maintain a separate fund to be known as the "Construction Fund". All moneys in the Construction Fund shall be held by the Trustee in trust and applied by the Trustee to the payment of the costs of the Construction Project and of expenses incident thereto (or for making reimbursements to the Corporation, the City or any other person, firm or corporation for such costs theretofore paid by him or it), including, without limitation, architectural and engineering fees and expenses, furniture and equipment, tests and inspections, surveys, land acquisition, insurance premiums and losses during construction not insured against because of deductible amounts.

Before any payment is made from the Construction Fund, the City shall cause to be filed with the Trustee a Written Request of the City showing with respect to each payment to be made:

- (1) the item number of the payment;
- (2) the name of the person, corporation or entity to whom payment is due;
- (3) the amount to be paid;
- (4) the purpose for which the obligation to be paid was incurred; and
- (5) shall state that obligations in the stated amounts are a proper charge against the Construction Fund.

Upon receipt of each such Written Request, the Trustee will pay the amount set forth in such Written Request as directed by the terms thereof. The Trustee need not make any such payment if it has received written notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys to be so paid, which has not been released or will not be released simultaneously with such payment, unless a payment bond has been posted with the Trustee in the full amount of such lien or claim.

Upon completion of the Construction Project evidenced by delivery of a Certificate of Completion, provided that the City shall have determined not to use any remaining amounts in the Construction Fund for any other lawful purposes, the Trustee shall transfer and deposit any remaining balance in the Construction Fund (but less the amount of any retention as specified in the Certificate of Completion) to the Certificate Reserve Fund to the extent the amount on deposit therein is less than the Certificate Reserve Fund Requirement and the remainder, if any, to the Base Rental Fund.

SECTION 3.04 Certificate Reserve Fund.

(a) The Trustee shall establish and maintain a separate fund to be known as the “Certificate Reserve Fund.” Moneys in the Certificate Reserve Fund shall be used and withdrawn by the Trustee solely for the purposes set forth in this Section 3.04. [There shall be deposited in the Reserve Fund the Surety Bond pursuant to Section 3.02 hereof.] The City, upon notice to the Rating Agencies, reserves the right to substitute, at any time and from time to time, one or more Reserve Facilities from a financial institution, the long-term unsecured obligations of which are rated in the two highest rating categories of the Rating Agency in substitution for or in place of all or any portion of the Surety Bond or the moneys, if any, on deposit in the Reserve Fund, which satisfy the Certificate Reserve Fund Requirement, under the terms of which the Trustee is unconditionally entitled to draw amounts when required for the purposes hereof. Upon deposit by the City with the Trustee of any such Reserve Facility(ies), the Trustee shall, on or after the date of such deposit, transfer to the City such amounts as are on deposit in the Certificate Reserve Fund in excess of the Certificate Reserve Fund Requirement after application of the Reserve Facility(ies) thereto. The City shall, subject to any investment instructions contained in the Tax Certificate, use any such amounts transferred from the Certificate Reserve Fund for any lawful purpose of the City which will not adversely affect any current or past exclusion from gross income for federal income tax purposes of the interest component of Base Rental, if and to the extent such interest component is currently or has in the past been so excluded. Any amounts paid pursuant to any Reserve Facility shall be deposited in the Reserve Fund. The moneys in the Reserve Fund and any Reserve Facility shall be held in trust by the Trustee and shall be used and disbursed only for the purposes and uses herein authorized.

(b) Amounts on deposit in the Reserve Fund which were not derived from payments under any Reserve Facility credited to the Reserve Fund to satisfy a portion of the Reserve Requirement shall be used and withdrawn by the Trustee prior to using and withdrawing any amounts derived from payments under any such Reserve Facility. In order to accomplish such use and withdrawal of such amounts not derived from payments under any such Reserve Facility, the Trustee shall, as and to the extent necessary, liquidate any investments purchased with such amounts. If and to the extent that, more than one Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Reserve Requirement, drawings thereunder, and repayment of expenses with respect thereto, shall be made on a pro-rata basis (calculated by reference to the policy limits available thereunder).

(c) If, on any Interest Payment Date, the amount on deposit in any account within the Interest Fund is insufficient to pay the interest due with respect to the corresponding Series of Certificates on such Interest Payment Date, the Trustee shall transfer from the corresponding account within the Certificate Reserve Fund and deposit in such account within the Interest Fund an amount sufficient to make up such deficiency. If a Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Certificate Reserve Requirement, the Trustee shall make a claim for payment under such Reserve Facility, in accordance with the provisions thereof, in an amount which, together with other available moneys in the Reserve Fund, will be sufficient to make said deposit in the Interest Fund.

(d) If, on any Principal Payment Date or any Mandatory Sinking Account Payment Date, the amount on deposit in any account within the Principal Fund is insufficient to pay the principal due with respect to the corresponding Series of Certificates on such Principal Payment Date or Mandatory Sinking Account Payment Date, the Trustee shall transfer from the corresponding account within the Certificate Reserve Fund and deposit in such account within the Principal Fund an amount sufficient to make up such deficiency. If a Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Certificate Reserve Requirement, the Trustee shall make a claim for payment under such Reserve Facility, in accordance with the provisions thereof, in an amount which, together with other available moneys in the Reserve Fund, will be sufficient to make said deposit in the Principal Fund.

(e) In the event of any withdrawal or transfer from the Certificate Reserve Fund, the Trustee shall, within 5 days thereafter, provide written notice to the City of the amount and the date of such transfer. If there are no amounts currently due under any Reserve Facility and the sum of the amount on deposit in the Reserve Fund, plus the amount available under any Reserve Facilities, shall be reduced below the Reserve Requirement, the first of Base Rental Payments thereafter received from the City under the Sublease and not needed to pay the interest and principal components of the Certificates on the next Interest Payment Date, Principal Payment Date or Mandatory Sinking Account Payment Date shall be used, first, to reinstate the amounts available under the Reserve Facilities that have been drawn upon and, second, to increase the amount on deposit in the Reserve Fund, so that the amount available under the Reserve Facilities, when added to the amount on deposit in the Reserve Fund, shall equal the Reserve Requirement. In the event there are insufficient funds to remedy any deficiencies in all such accounts, moneys shall be deposited pro rata in each such account.

(f) If at any time the balance in any account within the Certificate Reserve Fund shall be in excess of the Certificate Reserve Fund Requirement for such fund, the Trustee shall transfer such excess to any other account within the Certificate Reserve Fund with a balance less than the Certificate Reserve Fund Requirement for such fund to make up such deficiency, and thereafter pro rata to each account within the Base Rental Payment Fund except the Prepayment Fund.

(g) At the termination of the Sublease in accordance with its terms, any balance remaining in the Certificate Reserve Fund shall be released and may be transferred to such other fund or account of the City, or otherwise used by the City for any other lawful purposes, as the City may direct. For purposes of determining the amount on deposit in the Certificate Reserve Fund, all investments shall annually be valued at the cost thereof (exclusive of accrued but unpaid interest, but inclusive of commissions). Except as provided in this paragraph from Base Rental Payments not needed to pay the interest and principal components of the Certificates and from amounts available to be transferred from the Cost of Issuance Fund pursuant to Section 3.05 hereof, the City shall have no obligation to replenish the Certificate Reserve Fund.

SECTION 3.05 Cost of Issuance Fund. There is hereby established in trust a special fund designated as the "Cost of Issuance Fund" and within such fund a separate account for each Series of Certificates which shall be held by the Trustee and which shall be kept

separate and apart from all other funds and accounts held by the Trustee. The Trustee shall disburse moneys from each account within the Cost of Issuance Fund on such dates and in such amounts as are necessary to pay Costs of Issuance for the corresponding Series of Certificates, in each case upon the Written Request of the City, with the approval of the Chief Financial Officer of the City, 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 the Cost of Issuance Fund. Upon receipt of the Certificate of Completion described in Section 3.03 hereof, the Trustee shall transfer any amounts then remaining in any account established with respect to any Series of Certificates within the Cost of Issuance Fund to the Certificate Reserve Fund to the extent the amount on deposit therein is less than the Certificate Reserve Fund Requirement, and such remainder to the Base Rental Fund. At any time prior to receipt of the Certificate of Completion, upon receipt of a Written Request of the City stating that all Costs of Issuance have been paid, the Trustee shall transfer any amounts remaining in the Cost of Issuance Fund to the Construction Fund.

ARTICLE IV

PREPAYMENT OF CERTIFICATES

SECTION 4.01 Terms of Prepayment. The Certificates shall be subject to prepayment prior to their stated Principal Payment Dates only as set forth in subsections (a) and (b) hereof.

(a) The Certificates are subject to prepayment on any date prior to their stated Principal Payment Dates, as a whole, or in part, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a prepayment price equal to the sum of the principal amount evidenced thereby plus accrued interest evidenced thereby to the date fixed for prepayment, without premium.

(b) The Certificates maturing on or after **[December 1, 2026]**, shall be subject to optional prepayment prior to maturity, at the option of the City, on or after **December 1, 2025**, in whole at any time or in part (by lot within any maturity), on any date, a prepayment price equal to the principal amount to be prepaid, plus accrued interest to the date fixed for prepayment, without premium. The City shall provide written notice to the Trustee at least 45 days prior to the prepayment date (or such lesser period of time acceptable to the Trustee in its sole discretion) specifying the principal amount evidenced by and maturities of the Certificates to be redeemed.

SECTION 4.02 Selection of Certificates for Prepayment. Whenever less than all of the Outstanding Series of Certificates are to be prepaid on any one date, the City shall determine which Series of Certificates are to be prepaid. Whenever less than all the Outstanding Certificates of any Series are to be prepaid on any one date, the Trustee shall select the Certificates to be prepaid in any manner that the Trustee deems fair and appropriate, consistent with Section 5.05 of the Sublease, which decision shall be final and binding upon the City, the Corporation and the Owners, and the Trustee shall promptly notify the Corporation and the City

in writing of the numbers of the Certificates so selected for prepayment on such date. For purposes of such selection, any Certificate may be prepaid in part in Authorized Denominations.

SECTION 4.03 Notice of Prepayment. Notice of prepayment shall be mailed by first class mail by the Trustee, on behalf and at the expense of the City, not less than 30 nor more than 60 days prior to the prepayment date to the respective Owners of Certificates designated for prepayment at their addresses appearing on the bond registration books of the Trustee. The Trustee shall also provide such additional notice of prepayment of Certificates at the time and as may be required by the MSRB. Each notice of prepayment shall state the date of such notice, the Certificates to be redeemed, the Series and date of issue of such Certificates, the prepayment date, the prepayment price, the place or places of prepayment (including the name and appropriate address or addresses), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity are to be redeemed, the distinctive certificate numbers of the Certificates of such maturity to be redeemed and, in the case of Certificates to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that such prepayment may be rescinded by the City and that, unless such prepayment is so rescinded, and provided that on said date funds are available for payment in full of the Certificates then called for prepayment, on said date there will become due and payable on each of such Certificates the prepayment price thereof or of said specified portion of the principal amount thereof in the case of a Certificate to be redeemed in part only, together with interest accrued thereon to the prepayment date, and that from and after such prepayment date interest thereon shall cease to accrue, and shall require that such Certificates be then surrendered at the address or addresses of the Trustee specified in the prepayment notice.

Failure by the Trustee to give notice pursuant to this Section to any one or more of the information services or securities depositories, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for prepayment. The failure of any Owner to receive any prepayment notice mailed to such Owner and any defect in the notice so mailed shall not affect the sufficiency of the proceedings for prepayment.

The City shall have the right to rescind any optional prepayment by written notice to the Trustee on or prior to the date fixed for prepayment. Any notice of prepayment shall be cancelled and annulled if for any reason funds are not available on the date fixed for prepayment for the payment in full of the Certificates then called for prepayment, and such cancellation shall not constitute an Event of Default hereunder. The Trustee shall mail notice of such rescission of prepayment in the same manner as the original notice of prepayment was sent.

SECTION 4.04 Partial Prepayment of Certificates. Upon surrender of any Certificate prepaid in part only, the Trustee shall execute and deliver to the Owner thereof a new Certificate or Certificates evidencing the unprepaid principal amount of the Certificate surrendered.

SECTION 4.05 Effect of Prepayment. If notice of prepayment has been duly given as aforesaid and moneys for the payment of the prepayment price of the Certificates to be prepaid are held by the Trustee, then on the prepayment date designated in such notice the Certificates so called for prepayment shall become payable at the prepayment price specified in

such notice; and from and after the date so designated interest evidenced by the Certificates so called for prepayment shall cease to accrue, such Certificates shall cease to be entitled to any benefit or security hereunder and the Owners of such Certificates shall have no rights in respect thereof except to receive payment of the prepayment price thereof. The Trustee shall, upon surrender for payment of any of the Certificates to be prepaid, pay such Certificates at the prepayment price thereof.

All Certificates prepaid pursuant to the provisions of this Article shall be canceled by the Trustee and shall not be redelivered.

ARTICLE V

RENTAL PAYMENTS

SECTION 5.01 Pledge of Base Rental Payments and Additional Rental; Base Rental Payment Fund. In order to secure the City's obligations hereunder and under the Sublease, the Corporation and the City hereby irrevocably pledge and transfer to the Trustee, for the benefit of the Owners of each Series of Certificates, all of their right, title and interest, if any, in and to all amounts on deposit from time to time in the funds and accounts established hereunder (other than the Rebate Fund) with respect to such Series and in and to Base Rental Payments, which shall be used for the punctual payment of the interest and principal evidenced by such Certificates, and the Base Rental Payments shall not be used for any other purpose while any of the Certificates remain Outstanding. This pledge shall constitute a first and exclusive lien on the funds and accounts established hereunder (other than the Rebate Fund) and the Base Rental Payments in accordance with the terms hereof subject in all events to the power of the Trustee to execute and deliver Additional Certificates pursuant to Section 2.11 hereof which shall be on a parity with all Outstanding Certificates and any Additional Certificates Outstanding.

All Base Rental Payments shall be paid directly by the City to the Trustee, and if received by the Corporation at any time shall be deposited by the Corporation with the Trustee within one Business Day after the receipt thereof. All Base Rental Payments paid by the City, the proceeds of rental interruption insurance and liquidated damages with respect to the Leased Property, if any, shall be deposited by the Trustee pro rata in separate accounts for each Series of Certificates within the Base Rental Payment Fund and all amounts on deposit therein shall be held in trust by the Trustee, which fund and accounts the Trustee hereby agrees to establish and maintain until all required Base Rental Payments with respect to such Series of Certificates are paid in full pursuant to the Sublease or until such date as no Certificates of such Series are Outstanding, for the benefit of the Owners thereof from time to time. The moneys in the Base Rental Payment Fund shall be held in trust by the Trustee for the benefit of the Owners and shall be disbursed only for the purposes and uses herein authorized.

SECTION 5.02 Deposit of Base Rental Payments. The Trustee shall deposit the amounts on deposit in the separate accounts established with respect to each Series of Certificates within the Base Rental Payment Fund at the time and in the manner hereinafter provided in the following respective funds and accounts, each of which the Trustee shall

establish and maintain until all required Base Rental Payments with respect to such Series are paid in full pursuant to the Sublease or until such date as no Certificates of such Series are Outstanding, and the moneys in each of such funds and accounts shall be disbursed only for the purposes and uses hereinafter authorized.

(a) Interest Fund and Capitalized Interest Account. The Trustee, on each Interest Payment Date, shall deposit in each account within the Interest Fund that amount of moneys evidencing the portion of the Base Rental Payments designated as the interest component coming due on such Interest Payment Date; provided, however, that on each Interest Payment Date occurring on or before the later of December 1, 2016 or the delivery to the Trustee of the Certificate of Completion, before making said deposit, if and to the extent available in the Capitalized Interest Account within the Interest Fund, an amount equal to the aggregate amount of interest component coming due on such Interest Payment Date with respect to the Construction Project (which is equal to __% of the interest component coming due on each such date), shall be transferred from the Capitalized Interest Account within the Interest Fund to the Interest Fund; it being acknowledged that the Base Rental Payments Schedule attached to the Sublease as Exhibit B assumes the Trustee's deposit from the Capitalized Interest Fund for such period until the depletion thereof. Moneys in the Interest Fund shall be used by the Trustee for the purpose of paying the interest evidenced by the Certificates and the Additional Certificates when due and payable. Upon the later of December 1, 2016 or the delivery to the Trustee of the Certificate of Completion, the Trustee shall transfer any amounts then remaining in the Capitalized Interest Account to the Interest Fund.

(b) Principal Fund. The Trustee, on each Principal Payment Date and Mandatory Sinking Account Payment Date, shall deposit in each account within the Principal Fund that amount of moneys evidencing the portion of the Base Rental Payments designated as the principal component coming due on such Principal Payment Date or Mandatory Sinking Account Payment Date with respect to the corresponding Series of Certificates.

(c) Prepayment Fund. The Trustee, on the prepayment date specified in the Written Request of the City filed with the Trustee at the time that any prepaid Base Rental Payment is paid to the Trustee pursuant to the Sublease, shall deposit in the account established in the Prepayment Fund with respect to the Series of Certificates to be prepaid that amount of moneys evidencing the portion of the Base Rental Payments designated as prepaid Base Rental Payments. Moneys in such account within the Prepayment Fund shall be used and withdrawn by the Trustee for the purpose of paying the interest, premium, if any, and principal evidenced by such Certificates to be prepaid.

SECTION 5.03 Application of Insurance Proceeds and Condemnation Awards. The Trustee shall collect, adjust and receive all moneys which may become due and payable under any insurance policies obtained pursuant to Section 6.03 of the Sublease, may compromise any and all claims thereunder and shall apply the proceeds of such insurance as provided in Section 7.01 of the Sublease. All policies of insurance required by the Sublease shall provide that the Trustee shall be given 30 days' notice of each expiration thereof or any intended cancellation thereof or reduction of the coverage provided thereby. The Trustee shall not be responsible for the sufficiency of any insurance required by the Sublease and shall be fully

protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the City.

The City shall provide a Certificate of the City as to compliance with the insurance requirements set forth herein and in the Sublease pursuant to Section 6.03 of the Sublease. Delivery to the Trustee of the schedule of insurance policies under the Sublease shall not confer responsibility upon the Trustee as to the sufficiency of coverage or amounts of such policies. The Trustee may request, in writing, that the City deliver to the Trustee certificates or duplicate originals or certified copies of each insurance policy described in the schedule required to be delivered by the City to the Trustee pursuant to Section 6.03 of the Sublease.

Except as hereinafter provided, in the event of any damage to or destruction of any part of the Leased Property, caused by the perils covered by the policies of insurance required to be maintained by the City pursuant to Section 6.03 of the Sublease, the City shall cause the proceeds of such insurance to be utilized for the repair, reconstruction or replacement of the damaged or destroyed portion of the Leased Property. The Trustee shall hold said proceeds in a separate fund to be established and maintained by the Trustee and designated the "Insurance Proceeds and Condemnation Awards Fund", to the end that such proceeds shall be applied to the repair, reconstruction or replacement of the Leased Property to at least the same good order, repair and condition as it was in prior to the damage or destruction, insofar as the same may be accomplished by the use of said proceeds. The Trustee shall permit withdrawals of said proceeds from time to time upon receiving the Written Request of the City, stating that the City or the Corporation has expended moneys or incurred liabilities in an amount equal to the amount therein requested to be paid over to it for the purpose of repair, reconstruction or replacement, and specifying the items for which such moneys were expended, or such liabilities were incurred. Any balance of said proceeds not required for such repair, reconstruction or replacement as evidenced by a Certificate of the City to the effect that such repair, reconstruction or replacement has been completed and all amounts owing therefor have been paid or provision for the payment therefor has been made shall be treated by the Trustee as prepaid Base Rental Payments and transferred to the account within the Prepayment Fund corresponding to the Series of Certificates to be selected for prepayment by the City and applied in the manner provided by Section 4.01(a) hereof. Alternatively, the City, at its option, if the proceeds of such insurance together with any other moneys then available for the purpose are at least sufficient to prepay all Outstanding Certificates of any Series, may elect not to repair, reconstruct or replace the damaged or destroyed portion of the Leased Property and thereupon shall cause said proceeds to be transferred to the account established with respect to such Series of Certificates within the Prepayment Fund and used for the prepayment of all Outstanding Certificates of such Series pursuant to Section 4.01(a) hereof, so long as the fair rental value of the remaining portion of the Leased Property is not less than the Base Rental Payments payable pursuant to the Sublease with respect to all Series of Certificates remaining Outstanding. Notwithstanding the foregoing, the City shall cause the proceeds of such insurance to be utilized for the purpose of repair, reconstruction or replacement in the event the City is directed to do so by the Corporation, and the proceeds of such insurance are sufficient to pay the costs of all of such repair, reconstruction or replacement or, if such proceeds are insufficient for that purpose, the Corporation shall deposit or provide for deposit with the Trustee, prior to the commencement of the work of repair, reconstruction or replacement, an amount equal to the amount by which such proceeds are less

than the amount necessary to complete such repair, reconstruction or replacement. The proceeds of any award in eminent domain shall be deposited by the Trustee in the account established within the Prepayment Fund with respect to the Series of Certificates selected for prepayment by the City and shall be applied to the prepayment of Outstanding Certificates of such Series pursuant to Section 4.01(a) hereof, so long as the fair rental value of the remaining portion of the Leased Property is not less than the Base Rental Payments payable pursuant to the Sublease with respect to all Series of Certificates remaining Outstanding. The City shall provide a Certificate of the City to the Trustee stating that the fair rental value of the remaining portion of the Lease Property is not less than the Base Rental Payments payable pursuant to the Sublease with respect to all Series of Certificates remaining Outstanding.

SECTION 5.04 Title Insurance. Proceeds of any policy of title insurance received by the Trustee in respect of the property upon which any portion of the Leased Property is located shall be applied and disbursed by the Trustee as follows:

(a) if the City determines that the title defect giving rise to such proceeds has not materially affected the operation of the Leased Property and will not result in an abatement of Rental Payments payable by the City under the Sublease, upon Written Requests of the City to the Trustee, a portion of such proceeds shall be first transferred pro rata to each account within the Interest Fund and then the Principal Fund established with respect to any Series of Certificates, to the extent of any amounts then owing with respect to such Certificates, and second, deposited into the Certificate Reserve Fund to the extent that the amount therein is less than the Certificate Reserve Fund Requirement. Amounts not required to be so deposited shall be remitted to the City and used for any lawful purpose thereof; or

(b) if any portion of the Leased Property has been affected by such title defect, and if the City determines that such title defect will result in an abatement of Rental Payments payable by the City under the Sublease, then the Trustee shall immediately deposit such proceeds in the Prepayment Fund and such proceeds shall be applied to the prepayment of Certificates in the manner provided in Section 4.01(a) hereof.

ARTICLE VI

COVENANTS

SECTION 6.01 Compliance With Trust Agreement. The Trustee will not execute or deliver any Certificates in any manner other than in accordance with the provisions hereof, and the Corporation and the City will not suffer or permit any default by them to occur hereunder, but will faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms hereof required to be complied with, kept, observed and performed by them.

SECTION 6.02 Compliance With Lease and Sublease. The Corporation and the City will faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms contained in the Lease and Sublease required to be complied

with, kept, observed and performed by them and, together with the Trustee, will enforce the Lease and Sublease against the other party thereto in accordance with their respective terms.

SECTION 6.03 Observance of Laws and Regulations. The Corporation, the City and the Trustee will faithfully comply with, keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on them by contract, or prescribed by any law of the United States of America or of the State of California, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of each and every franchise, right or privilege now owned or hereafter acquired by them, including their right to exist and carry on their respective businesses, to the end that such franchises, rights and privileges shall be maintained and preserved and shall not become abandoned, forfeited or in any manner impaired.

SECTION 6.04 Other Liens. The City will keep the Leased Property and all parts thereof free from judgments and materialmen's and mechanics' liens and free from all claims, demands, encumbrances and other liens of whatever nature or character, and free from any claim or liability which materially impairs the City in conducting its business or utilizing the Leased Property, and the Trustee at its option (after first giving the City 10 days' written notice to comply therewith and failure of the City to so comply within such ten-day period) may but will not have the obligation to defend against any and all actions or proceedings in which the validity hereof is or might be questioned, or may pay or compromise any claim or demand asserted in any such actions or proceedings; provided, however, that, in defending against any such actions or proceedings or in paying or compromising any such claims or demands, the Trustee shall not in any event be deemed to have waived or released the City from liability for or on account of any of its agreements and covenants contained herein, or from its liability hereunder to defend the validity hereof and to perform such agreements and covenants. The Trustee shall have no liability with respect to any determination made in good faith to proceed or decline to defend, pay or compromise any such claim or demand.

So long as any Certificates are Outstanding, neither the Corporation nor the City will create or suffer to be created any pledge of or lien on the Base Rental Payments other than the pledge and lien hereof.

SECTION 6.05 Prosecution and Defense of Suits. The City will promptly take such action from time to time as may be necessary or proper, in its reasonable discretion, to remedy or cure any known cloud upon or defect in the title to the Leased Property or any portion thereof, whether now existing or hereafter developing, and will prosecute all actions, suits or other proceedings as may be appropriate for such purpose.

SECTION 6.06 Accounting Records and Statements. The Trustee will keep proper accounting records in which complete and correct entries shall be made of all transactions made by if relating to the receipt, deposit and disbursement of the Base Rental Payments, and such accounting records shall be available for inspection by the Corporation or the City at reasonable hours and under reasonable conditions with reasonable notice. The Trustee will, upon written request, at the expense of the City, make copies of the foregoing available to any Owner or his agent duly authorized in writing.

SECTION 6.07 Recordation and Filing. The Corporation will file, record, register, renew, refile and rerecord all such documents, including financing statements (or continuation statements in connection therewith), as may be required by law in order to maintain the Lease, the Sublease, the Assignment Agreement and this Trust Agreement at all times as a security interest in the Base Rental Payments, all in such manner, at such times and in such places as may be required and to the extent permitted by law in order to fully perfect, preserve and protect the security of the Owners and the rights and security interests of the Trustee, and the Corporation will do whatever else may be necessary or be reasonably required in order to perfect and continue the lien of the Lease, the Sublease, the Assignment Agreement and this Trust Agreement.

SECTION 6.08 Further Assurances. Whenever and so often as requested to do so by the Trustee or any Owner, the Corporation and the City will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the Owners all advantages, benefits, interests, powers, privileges and rights conferred or intended to be conferred upon them hereby or by the Assignment Agreement, the Sublease or the Lease.

SECTION 6.09 Rebate Fund; Tax Covenants.

(a) In addition to the other funds and accounts created pursuant hereto, the Trustee shall establish and maintain a fund, and within such fund a separate account for each Series of Certificates, which such fund shall be held separate from any other fund or account established and maintained hereunder and shall be designated the “City of Calabasas 2015 Certificates of Participation Rebate Fund” (the “Rebate Fund”). There shall be deposited in each account within the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Certificate. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement, for payment to the United States of America. Notwithstanding defeasance of any Certificates pursuant to Article X hereof or anything to the contrary contained herein, all amounts required to be deposited into or on deposit in the Rebate Fund shall be governed exclusively by this Section 6.09 and by the Tax Certificate (which is incorporated herein by reference). The Trustee shall be deemed conclusively to have complied with such provisions if it follows the written directions of the City, and shall have no liability or responsibility to enforce compliance by the City with the terms of the Tax Certificate. The City shall make or cause to be made all calculations of the Rebate Requirement. The Trustee may rely conclusively upon the City’s determinations, calculations and certifications required by this Section and the Tax Certificate. The Trustee shall have no responsibility to independently make any calculation or determination or to review the City’s calculations hereunder.

(b) Any funds remaining in any account within the Rebate Fund after payment in full of all of the Certificates of the Series with respect to which such account was established and after payment of any amounts described in this Section 6.09, shall be withdrawn by the Trustee and remitted to the City.

SECTION 6.10 Continuing Disclosure. The City and the Trustee, in its capacity as dissemination agent, hereby covenant and agree that they will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of the Trust Agreement, failure of the City or the Trustee to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee at the written request of the Purchasers or the Owners of at least 25% aggregate principal amount of Outstanding Certificates, shall) or any Owner or Beneficial Owner of Certificates may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or the Trustee, as the case may be, to comply with its obligations under this Section 6.10; *provided*, that the Trustee shall only be required to take an action under this Section 6.10 to the extent funds have been provided to it or it has been otherwise indemnified to its reasonable satisfaction from any cost, liability, expense or additional charges of the Trustee whatsoever, including, without limitation, fees and expenses of its attorneys.

ARTICLE VII

DEFAULT AND LIMITATIONS OF LIABILITY

SECTION 7.01 Events of Default. The following events shall be Events of Default with respect to any Series of Certificates:

(a) default in the due and punctual payment of the principal of or premium, if any, on any Certificate of such Series when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for prepayment, by declaration or otherwise;

(b) default in the due and punctual payment of any installment of interest on any Certificate of such Series when and as such interest installment shall become due and payable;

(c) default by the City in the observance of any of the covenants, agreements or conditions on its part in this Trust Agreement contained, if such default shall have continued for a period of 60 days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the City and the Corporation by the Trustee, or to the City, the Corporation and the Trustee by the Owners of not less than 25% in aggregate principal amount of the Certificates of such Series at the time Outstanding; provided, however, that if such default can be remedied but not within such 60 day period and if the City has taken all action reasonably possible to remedy such default within such 60 day period, such default shall not become an Event of Default for so long as the City shall diligently proceed to remedy the same in accordance with and subject to any directions or limitations of time reasonably established by the Trustee;

(d) an event of default shall have occurred and be continuing under the Sublease; or

(e) an Event of Default shall have occurred with respect to any other Series of Certificates.

SECTION 7.02 Action on Default. In each and every case during the continuance of an Event of Default, the Trustee or the Owners of not less than a majority in aggregate principal amount evidenced by the Certificates of such Series at the time Outstanding shall be entitled, upon notice in writing to the City and the Corporation, to exercise any of the remedies granted to the City under the Lease or to the Corporation under the Sublease, and in addition, to take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee pursuant to the Assignment Agreement or to protect and enforce any of the rights vested in the Trustee or such Owners by this Trust Agreement or by such Certificates, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement or for the enforcement of any other legal or equitable right, including any one or more of the remedies set forth in Section 7.03(a), (b) or (c) hereof. Anything in this Trust Agreement to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default as defined herein, the Certificate 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 this Trust Agreement.

SECTION 7.03 Other Remedies of the Trustee. The Trustee shall have the right:

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

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

(c) by suit in equity upon the happening of any default hereunder to require the Corporation and the City to account as the trustee of an express trust.

SECTION 7.04 Non-Waiver. A waiver of any default or breach of duty or contract by the Trustee shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Trustee to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Trustee by law or by this Article may be enforced and exercised from time to time and as often the Trustee shall deem expedient.

If any action, proceeding or suit to enforce any right or to exercise any remedy is abandoned or determined adversely to the Trustee or any Owner or Owners, then subject to any adverse determination, the Trustee or such Owner or Owners and the Corporation and the City

shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

SECTION 7.05 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by any law. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 7.06 No Liability by the Corporation to the Owners. Except as expressly provided herein, the Corporation shall not have any obligation or liability to the Owners with respect to the payment when due of the Base Rental Payments by the City, or with respect to the performance by the City of the other agreements and covenants required to be performed by it contained in the Sublease or herein, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained herein.

SECTION 7.07 No Liability by the City to the Owners. Except for the payment when due of the Base Rental Payments and the performance of the other agreements and covenants required to be performed by it contained in the Sublease or herein, the City shall not have any obligation or liability to the Owners with respect to the Trust Agreement or the preparation, execution, delivery or transfer of the Certificates or the disbursement of the Base Rental Payments by the Trustee to the Owners, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained herein.

SECTION 7.08 No Liability of the Trustee to the Owners. Except as expressly provided herein, the Trustee shall not have any obligation or liability to the Owners with respect to the payment when due of the Base Rental Payments by the City, or with respect to the performance by the City or the Corporation of the other agreements and covenants required to be performed by them, respectively contained in the Lease, the Sublease, or herein.

SECTION 7.09 Application of Amounts After Default. All payments received by the Trustee with respect to the rental of the Leased Property after a default by the City pursuant to Section 10.01 of the Sublease, and all damages or other payments received by the Trustee for the enforcement of any rights and powers of the Trustee under such Section 10.01 of the Sublease, shall be deposited into the Base Rental Payment Fund and as soon as practicable thereafter applied:

- (a) to the payment of all amounts due the Trustee under Section 8.03 hereof;
- and
- (b) to the payment of all amounts then due with respect to the Certificates for principal and interest, in respect of which or for the benefit of which, money has been collected (other than Certificates which have matured or otherwise become payable prior to such Event of Default and money for the payment of which is held by the Trustee), ratably without preference

or priority of any kind, according to the amounts due and payable on such Certificates, for principal and interest respectively.

SECTION 7.10 Trustee May Enforce Claims Without Possession of Certificates. All rights of action and claims under this Trust Agreement or the Certificates may be prosecuted and enforced by the Trustee without the possession of any of the Certificates or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Owners of the Certificates in respect of which such judgment has been recovered.

SECTION 7.11 Limitation on Suits. No Owner of any Certificate shall have any right to institute any proceeding, judicial or otherwise, with respect to this Trust Agreement, or for the appointment of a receiver or Trustee, or for any other remedy hereunder, unless (a) such Owner has previously given written notice to the Trustee of a continuing Event of Default; (b) the Owners of not less than 25% in principal amount of the Outstanding Certificates of the Series with respect to which such Event of Default has occurred shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder; (c) such Owner or Owners shall have afforded to the Trustee indemnity reasonably satisfactory to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; (d) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such proceedings; and (f) no direction inconsistent with such written request has been given to the Trustee during such 60 day period by the Owners of a majority in principal amount of the Outstanding Certificates of such Series; it being understood and intended that no one or more Owners of Certificates shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Trust Agreement to affect, disturb or prejudice the rights of any other Owner of Certificates, or to obtain or seek to obtain priority or preference over any other Owner or to enforce any right under this Trust Agreement, except in the manner herein provided and for the equal and ratable benefit of all the Owners of Certificates. Nothing in this Trust Agreement contained shall, however, affect or impair the right of any Owner to enforce the payment of the principal component of or the prepayment price of and the interest component of the Base Rental Payments evidenced by any Certificate at and after the maturity or earlier prepayment.

ARTICLE VIII

THE TRUSTEE

SECTION 8.01 Employment of the Trustee. The Corporation and the City hereby appoint and employ the Trustee to receive, deposit and disburse the Rental Payments payable with respect to the Series of Certificates for which the Trustee is trustee, to prepare, execute, deliver and transfer such Certificates and to perform the other functions contained herein; all in the manner provided herein and subject to the conditions and terms hereof. By executing and delivering the Trust Agreement, the Trustee accepts the appointment and employment hereinabove referred to and accepts the rights and obligations of the Trustee

provided herein, subject to the conditions and terms hereof. Other than when an Event of Default has occurred and is continuing, the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Trust Agreement, and no implied covenants or obligations shall be read into this Trust Agreement against the Trustee. In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Trust Agreement, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

SECTION 8.02 Duties, Removal and Resignation of the Trustee. The Corporation and the City may by an instrument in writing remove the Trustee initially a party hereto and any successor thereto unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee initially a party hereto and any successor thereto if at any time (a) requested to do so by an instrument or concurrent instruments in writing signed by the Owners of a majority in aggregate principal amount evidenced by the Certificates of such Series at the time Outstanding (or their attorneys duly authorized in writing), or (b) the Trustee shall cease to be eligible in accordance with the following sentence, and shall appoint a successor Trustee, but any such successor Trustee shall be a trust company or bank in good standing located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than \$75,000,000 and acceptable to the Certificate Insurer and subject to supervision or examination by federal or state authorities. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Trustee may be removed at any time, at the request of the Certificate Insurer, for any breach of the Trust set forth herein.

The Trustee may at any time resign by giving written notice of such resignation to the Corporation and the City by first-class mail, postage prepaid, of such resignation to the Owners of the Certificates at their addresses appearing on the books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof. The Certificate Insurer shall receive prior written notice of any Trustee resignation. Upon receiving such notice of resignation, the Corporation and the City shall promptly appoint a successor Trustee by an instrument in writing; provided, however, that in the event the Corporation and the City do not appoint a successor Trustee within 30 days following receipt of such notice of resignation, the resigning Trustee may, at the expense of the City, petition the appropriate court having jurisdiction to appoint a successor Trustee. Notwithstanding any other provision of this Trust Agreement, no removal, resignation or termination of the Trustee shall take effect until a successor, acceptable to the Certificate Insurer, shall be appointed. Any resignation or removal of a Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee.

SECTION 8.03 Compensation and Indemnification of the Trustee. The City shall from time to time, subject to any written agreement then in effect with the Trustee, pay

the Trustee reasonable compensation for all its services rendered hereunder and reimburse the Trustee for all its advances and expenditures (which shall not include “overhead expenses” except as such expenses are included as a component of the Trustee’s stated annual fees) hereunder, including but not limited to reasonable advances to and reasonable fees and reasonable expenses of accountants, agents, appraisers, consultants or other experts, and counsel not directly employed by the Trustee but an attorney or firm of attorneys retained by the Trustee, employed by it in the exercise and performance of its rights and obligations hereunder; provided, however, that the Trustee shall not have any lien for such compensation or reimbursement against any moneys held by it in any of the funds or accounts established hereunder or under the Sublease (except that such compensation or reimbursement may be made from the appropriate account within the Cost of Issuance Fund to the extent provided in Section 3.05 hereof or from the appropriate account within the Construction Fund to the extent provided for in Section 3.03 hereof or as provided in Section 7.09 hereof). The City, to the extent permitted by law, shall indemnify the Trustee, its directors, officers, employees and agents, and hold them harmless against any loss, claim, liability, expenses or advances, including, but not limited to fees and expenses of counsel and other experts, incurred or made without negligence or willful misconduct on the part of the Trustee arising out of: (i) the Trustee’s acceptance or administration of the trust under this Trust Agreement, or the exercise or performance of any of its powers or duties hereunder; or (ii) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading in any official statement or other offering circular utilized in connection with the sale of the Certificates. The Trustee may take whatever legal actions are lawfully available to it directly against the Corporation or the City. The rights of the Trustee hereunder are in addition to the rights granted to the Trustee pursuant to Section 9.03 of the Sublease. Notwithstanding anything to the contrary herein contained, the Trustee shall not be entitled to seek indemnity from the City as a condition precedent to paying holders of any Certificates any amounts due such holders hereunder or effecting any mandatory prepayment of any Certificates pursuant to Section 4.01(a) and (c).

Except as otherwise expressly provided herein, no provision of this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers hereunder.

SECTION 8.04 Protection of the Trustee. The Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any affidavit, bond, certificate, consent, notice, request, requisition, resolution, statement, telegram, voucher, waiver or other paper or document which it shall in good faith believe to be genuine and to have been adopted, executed or delivered by the proper party or pursuant to any of the provisions hereof, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee shall not be bound to recognize any person as an Owner of any Certificate or to take any action at the request of any such person unless such Certificate shall be deposited with the Trustee or satisfactory evidence of the ownership of such Certificate shall be furnished to the Trustee. The Trustee shall

be under no obligation to exercise any of the rights or powers vested in it by this Trust Agreement at the request or direction of any of the Owners of the Certificates of the Series with respect to which the Trustee serves pursuant to this Trust Agreement, unless such Owners shall have offered to the Trustee security or indemnity reasonably satisfactory to the Trustee, against the reasonable costs, expenses and liabilities which might be incurred by it in compliance with such request or direction. The Trustee may consult with counsel, who may be counsel to the Corporation or the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect to any action taken or suffered by it hereunder in good faith in accordance therewith. If requested by the City, counsel to the Trustee shall be experienced in the field of law relating to municipal bonds.

The Trustee shall not be responsible for the sufficiency of the Certificates, the Lease, the Sublease, or of the assignment made to it by the Assignment Agreement, or for statements made in the preliminary or final official statement relating to any Certificates, or of the title to or value of the Leased Property.

The Trustee shall not be required to take notice or be deemed to have notice of any default or Event of Default hereunder, except failure of any of the payments to be made to the Trustee required to be made hereunder unless the Trustee shall be specifically notified in writing of such default or Event of Default by the City, the Corporation or by the Owners of not less than 25% in aggregate principal amount of the Certificates then Outstanding.

Whenever in the administration of its rights and obligations hereunder 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 City or a Certificate of the Corporation, and such certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions hereof upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it deems reasonable.

The Trustee may buy, sell, own, hold and deal in any of the Certificates and may join in any action which any Owner may be entitled to take with like effect as if the Trustee were not a party hereto. The Trustee, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Corporation or the City, and may act as agent, depository or trustee for any committee or body of Owners or of owners of obligations of the Corporation or the City as freely as if it were not the Trustee hereunder.

The Trustee may, to the extent reasonably necessary, execute any of the trusts or powers hereof and perform any rights and obligations required of it hereunder by or through agents, attorneys or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its rights and obligations hereunder, and the Trustee shall not be answerable for the negligence or misconduct of any such agent, attorney or receiver selected by it with reasonable care; provided, however, that in the event of any negligence or misconduct of any such agent, attorney or receiver, the Trustee shall diligently pursue all remedies of the Trustee against such agent, attorney or receiver. The Trustee shall not be liable for any error of judgment made by it

in good faith unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

The Trustee shall not be answerable for the exercise of any trusts or powers hereunder or for anything whatsoever in connection with the funds established hereunder, except only for its own willful misconduct, negligence or breach of an obligation hereunder.

The Trustee may, on behalf of the Owners, intervene in any judicial proceeding to which the Corporation or the City is a party and which, in the opinion of the Trustee and its counsel, affects the Certificates or the security therefor, and shall do so if requested in writing by the Owners of at least 5% of the aggregate principal evidenced by Certificates then Outstanding, provided, the Trustee shall have no duty to take such action unless it has been indemnified to its reasonable satisfaction against all risk or liability arising from such action.

The Trustee's rights to immunities and protection from liability hereunder and its rights to payment of its fees and expenses shall survive its resignation or removal and final payment or defeasance of the Certificates. All indemnifications and releases from liability granted herein to the Trustee shall extend to the directors, officers, employees and agents of the Trustee.

The Trustee shall have no responsibility or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the execution and delivery of these Certificates.

Any corporation, association or agency into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, provided that such entity meets the combined capital and surplus requirements of this Section, *ipso facto*, shall be and become successor trustee under this Trust Agreement and vested with all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 8.05 Relation of Adverse Affect to Certificate Insurance Policy.
Notwithstanding any other provision of this Trust Agreement, in determining whether the rights of the Owners will be adversely affected by any action taken pursuant to the terms and provisions of this Trust Agreement, the Trustee shall consider the effect on the Owners as if there were no Certificate Insurance Policy.

ARTICLE IX

AMENDMENT OF OR SUPPLEMENT TO TRUST AGREEMENT

SECTION 9.01 Amendment or Supplement. The Trust Agreement and the rights and obligations of the Corporation, the City, the Owners and the Trustee hereunder may be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding when the written consents of the Owners of a majority in aggregate principal amount of each Series of Certificates then Outstanding, exclusive of Certificates disqualified as provided in Section 9.02 hereof, are filed with the Trustee. No such amendment or supplement shall (1) extend the stated Principal Payment Date of any Certificate or reduce the rate of interest evidenced thereby or extend the time of payment of such interest or reduce the amount of principal evidenced thereby or reduce the amount of any Mandatory Sinking Account Payment or change the prepayment terms and provisions or the provisions regarding delivery of notice of prepayment without the prior written consent of the Owner of each Certificate so affected, or (2) reduce the percentage of Owners whose consent is required for the execution of any amendment hereof or supplement hereto without the prior written consent of the Owners of all Certificates then Outstanding, or (3) modify any of the rights or obligations of the Trustee without the prior written consent of the affected party thereto, or (4) amend this Section 9.01 without the prior written consent of the Owners of all Certificates then Outstanding.

The Trust Agreement and the rights and obligations of the Corporation, the City, the Owners and the Trustee hereunder may also be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding upon execution, which consent shall not be unreasonably withheld, but without the written consents of any Owners, but only to the extent permitted by law and after receipt of an unqualified approving Opinion of Counsel and only for any one or more of the following purposes:

(a) to add to the agreements, conditions, covenants and terms required by the Corporation or the City to be observed or performed herein other agreements, conditions, covenants and terms thereafter to be observed or performed by the Corporation or the City, or to surrender any right or power reserved herein to or conferred herein on the Corporation or the City, and which in either case shall not materially adversely affect the interests of the Owners;

(b) to provide for additional or substitute projects as may be requested from time to time by the City in accordance with the Sublease;

(c) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which the Corporation or the City may deem desirable or necessary and not inconsistent herewith, and which shall not materially adversely affect the interests of the Owners;

(d) to provide for the execution and delivery of Additional Certificates in accordance with Sections 2.11 and 2.12 hereof;

(e) make such additions, deletion or modifications as may be necessary or appropriate to assure the exclusion from gross income for federal income tax purposes of interest evidenced by the Certificates; or

(f) for any other reason, provided such amendment or supplement does not materially adversely affect the interests of the Owners, provided further that the Corporation, the City and the Trustee may rely in entering into any such amendment or supplement upon an Opinion of Counsel stating that the requirements of this subsection (f) have been met with respect to such amendment or supplement.

The Trustee shall not be required to enter into or consent to any supplemental indenture which, in the sole judgment of the Trustee, might adversely affect the rights, obligations, powers, privileges, indemnities, immunities provided the Trustee herein.

SECTION 9.02 Disqualified Certificates. Certificates owned or held by or for the account of the City (but excluding Certificates held in any pension or retirement fund of the City) shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Certificates provided in this Article, and shall not be entitled to consent to or take any other action provided in this Article, and the Trustee may adopt appropriate regulations to require each Owner, before such Owner's consent provided for herein shall be deemed effective, to reveal if the Certificates as to which such consent is given are disqualified as provided in this Section. The Trustee shall not be deemed to have knowledge that any Certificate is owned by the City unless the City is the registered Owner.

SECTION 9.03 Endorsement or Replacement of Certificates After Amendment or Supplement. After the effective date of any action taken as hereinabove provided in this Article IX, the Trustee may determine that the Certificates may bear a notation by endorsement in form approved by the Trustee as to such action, and in that case upon demand of the Owner of any Outstanding Certificate and presentation of such Certificate for such purpose at the Principal Corporate Trust Office of the Trustee a suitable notation as to such action shall be made on such Certificate. If the Trustee shall receive an Opinion of Counsel advising that new Certificates modified to conform to such action are necessary, modified Certificates shall be prepared, and in that case upon demand of the Owner of any Outstanding Certificates such new Certificates shall be exchanged at the Principal Corporate Trust Office of the Trustee, without cost to each Owner for Certificates then Outstanding upon surrender of such Outstanding Certificates.

SECTION 9.04 Amendment by Mutual Consent. The provisions of this Article shall not prevent any Owner from accepting any amendment as to the particular Certificates owned by such Owner, provided that due notation thereof is made on such Certificates.

SECTION 9.05 Attorney's Opinion Re: Supplemental Trust Agreements. The Trustee may obtain an opinion of counsel that any Supplemental Trust Agreement complies with the provisions of this Article IX, and the Trustee may conclusively rely upon such opinion. The Trustee may in its discretion, but shall not be obligated to, enter into any amendment or

supplement hereto authorized by Section 9.01 of this Trust Agreement which adversely affects the Trustee's own rights or immunities under this Trust Agreement or otherwise.

ARTICLE X

DEFEASANCE

SECTION 10.01 Discharge of Certificates and Trust Agreement.

(a) If the Trustee shall pay or cause to be paid or there shall otherwise be paid to the Owners of all Outstanding Certificates of any Series the interest and principal evidenced thereby at the times and in the manner stipulated herein and therein, then such Owners shall cease to be entitled to the pledge of and lien on the Base Rental Payments as provided herein, and all agreements and covenants of the Corporation, the City and the Trustee to such Owners hereunder shall thereupon cease, terminate and become void and shall be discharged and satisfied. Notwithstanding anything herein to the contrary, in the event that the principal and/or interest evidenced by the Certificates shall be paid by the Certificate Insurer pursuant to the Certificate Insurance Policy, the Certificates shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the City, and the assignment and pledge of the Trust Estate and all covenants, agreements and other obligations of the City to the registered owners shall continue to exist and shall run to the benefit of the Certificate Insurer, and the Certificate Insurer shall be subrogated to the rights of such registered owners.

(b) Any Outstanding Certificate or Certificates of such Series shall, prior to the maturity or prepayment date thereof, be deemed to have been paid within the meaning and with the effect expressed in this Section 10.01 if (i) in case said Certificates are to be redeemed on any date prior to their maturity, the City shall have given to the Trustee in form satisfactory to the Trustee irrevocable instructions to mail, in accordance with the provisions of Article IV of this Trust Agreement, notice of prepayment of such Certificates on said prepayment date, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or securities specified in clause (1) of the definition of Permitted Investments in Section 1.01 hereof which are not callable or subject to prepayment prior to their respective maturity dates, the principal and interest evidenced by the Certificates which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Trustee at the same time, shall be sufficient (as verified by a report of an independent certified public accountant), to pay when due the principal with respect to or prepayment price (if applicable) of, and interest due and to become due with respect to, said Certificates on and prior to the prepayment date or maturity date thereof, as the case may be, and (iii) in the event any of said Certificates are not to be prepaid within the next succeeding 60 days, the City shall have given the Trustee in form satisfactory to the Trustee irrevocable instructions to mail, as soon as practicable in the same manner as a notice of prepayment is mailed pursuant to Article IV of this Trust Agreement, a notice to the Owners of such Certificates and to the securities depositories and information services specified clauses (b) and (c) of Section 4.03 hereof that the deposit required by (ii) above has been made with the Trustee and that said Certificates are deemed to have been paid in accordance with this Section 10.01(b) and stating such maturity or prepayment dates upon which moneys are to be available for the payment of the

principal with respect to or prepayment price (if applicable) of said Certificates. Neither the securities nor moneys deposited with the Trustee pursuant to this Section 10.01(b) nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, and pledged to, the payment of the principal with respect to or prepayment price (if applicable) of, and interest with respect to said Certificates; provided that any cash received from such principal or interest payments on such obligations deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, and at the direction of the City, be reinvested in securities specified in (ii) above maturing at times and in amounts, together with the other moneys and payments with respect to securities then held by the Trustee pursuant to this Section, sufficient to pay when due the principal or prepayment price (if applicable) of, and interest to become due with respect to said Certificates on and prior to such prepayment date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the City, as received by the Trustee, free and clear of any trust, lien or pledge. Nothing in this Section 10.01(b) shall preclude prepayments pursuant to Section 4.01 hereof.

Any release under this Section 10.01(b) shall be without prejudice to the right of the Trustee to be paid reasonable compensation for all services rendered by it under this Trust Agreement and all its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees, incurred on and about the administration of trusts by this Trust Agreement created and the performance of its powers and duties under this Trust Agreement; provided however, that the Trustee shall have no right, title or interest in, or lien on, any moneys or securities deposited pursuant to this Article X.

(c) After the payment of all the interest and principal evidenced by all Outstanding Certificates of any Series as provided in this Section, the Trustee shall execute and deliver to the Corporation and the City all such instruments as may be necessary or desirable to evidence the discharge and satisfaction of the Trust Agreement with respect to such Series of Certificates, and the Trustee shall pay over or deliver to the City all moneys or securities held by it pursuant hereto which are not required for the payment of the interest and principal evidenced by such Certificates. Notwithstanding the discharge and satisfaction of this Trust Agreement with respect to any Series of Certificates, Owners of Certificates of such Series shall thereafter be entitled to payments due under such Certificates pursuant to the Sublease, but only from amounts deposited pursuant to Section 10.01(a) hereof and from no other source, and such amounts shall be pledged to such payment.

SECTION 10.02 Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Trustee in trust for the payment and discharge of the interest or principal evidenced by any of the Certificates which remain unclaimed for 2 years after the date when the principal and interest evidenced by such Certificates have become payable, if such moneys were held by the Trustee at such date, or for 2 years after the date of deposit of such moneys if deposited with the Trustee after the date when the interest and principal evidenced by such Certificates have become payable, shall at the Written Request of the City be repaid by the Trustee to the City as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the City for the payment of the interest and principal evidenced by such Certificates;

provided, however, that before being required to make any such payment to the City, the Trustee shall, at the expense of the City, cause to be published once a week for 2 successive weeks in a Financial Newspaper a notice that such moneys remain unclaimed and that after a date named in such notice, which date shall not be less than 30 days after the date of the first publication of such notice, the balance of such moneys then unclaimed will be returned to the City.

ARTICLE XI

THE CERTIFICATE INSURANCE POLICY AND SURETY BOND

SECTION 11.01 Payments Under Certificate Insurance Policy. As long as the Certificate Insurance Policy shall be in full force and effect, the Trustee agrees to comply with the following provisions:

[To be used if Insurance obtained]

SECTION 11.02 Payments Under Surety Bond. As long as the Surety Bond shall be in full force and effect, the Trustee agrees to comply with the following provisions:

[To be used if Surety bond obtained]

SECTION 11.03 Insurer to Be Deemed Owner; Rights of Insurer.

(a) For the purposes of (i) the giving of consents to amendments to this Trust Agreement under of Section 9.01 hereof, (ii) the giving of any other consent of the Owners hereunder, and (iii) the control and direction of all rights and remedies upon the occurrence of an Event of Default, the Certificate Insurer shall be deemed to be the sole Owner of the Certificates for so long as it has not failed to comply with its payment obligations under the Certificate Insurance Policy; provided, however, that, notwithstanding the foregoing, the Certificate Insurer shall not be deemed to be the Owner of the Certificates for any consent to an amendment to this Trust Agreement that (1) extends the Principal Payment Date of any Certificate or reduces the rate of interest represented thereby or extends the time of payment of such interest or reduces the amount of principal represented thereby, (2) reduces the percentage of Owners whose consent is required for the execution of any amendment hereof or supplement hereto, or (3) amends Section 9.01 hereof.

(b) So long as the Certificate Insurer is not in default under the Certificate Insurance Policy, any reorganization or liquidation plan with respect to the City must be acceptable to the Certificate Insurer. In the event of any reorganization or liquidation, the Certificate Insurer shall have the right to vote on behalf of all Owners who hold Certificates absent a default under the Certificate Insurance Policy.

(c) Notwithstanding anything to the contrary in this Trust Agreement, so long as the Certificate Insurer is not in default under the Certificate Insurance Policy, upon the occurrence and continuance of an Event of Default as defined herein, the Certificate 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 Trust Agreement.

(d) Any provision of this Trust Agreement expressly recognizing or granting rights in or to the Certificate Insurer may not be amended in a manner which affects the rights of the Certificate Insurer hereunder without the prior written consent of the Certificate Insurer.

SECTION 11.04 Effect of Certificate Insurance Policy. Notwithstanding any other provision of this Trust Agreement, in determining whether any actions taken pursuant to the terms and provisions of this Trust Agreement or under either Sublease are adverse to the interests of the Owners of the Certificates, the effect on the Owners shall be considered as if there were no Certificate Insurance Policy.

SECTION 11.05 Certificate Insurer as Third Party Beneficiary. To the extent that this Trust Agreement confers upon or gives or grants to the Certificate Insurer any right, remedy or claim under or by reason of this Trust Agreement, the Certificate Insurer is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

ARTICLE XII

MISCELLANEOUS

SECTION 12.01 Benefits of Trust Agreement Limited to Parties; Certificate Insurer as Third Party Beneficiary. Nothing in this Trust Agreement expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the City, the Trustee, the Certificate Insurer, and the registered owners of the Certificates, any right, remedy or claim under or by reason of this Trust Agreement or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Trust Agreement contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Certificate Insurer, the Trustee and the Owners. To the extent that this Trust Agreement confers upon or gives or grants to the Certificate Insurer any right, remedy or claim under or by reason of this Trust Agreement, the Certificate Insurer is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

SECTION 12.02 Successor Deemed Included in all References to Predecessor. Whenever either the Corporation, the City or the Trustee or any officer thereof is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Corporation, the City or the Trustee or such officer, and all agreements, conditions, covenants and terms required hereby to be observed or performed by or on behalf of the Corporation, the City or the Trustee or any officer thereof shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

SECTION 12.03 Execution of Documents by Owners. Any declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing. The fact and date of the execution by any Owner or his attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer, or by such other proof as the Trustee may accept which it may deem sufficient.

The ownership of any Certificates and the amount, payment date, number and date of owning the same may be proved by the registration books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof.

Any declaration, request or other instrument in writing of the Owner of any Certificate shall bind all future Owners of such Certificate with respect to anything done or suffered to be done by the Corporation or the City or the Trustee in good faith and in accordance therewith.

SECTION 12.04 Waiver of Personal Liability. Notwithstanding anything contained herein to the contrary, no member, officer or employee of the City shall be individually or personally liable for the payment of any moneys, including without limitation, the interest or principal evidenced by the Certificates, but nothing contained herein shall relieve any member, officer or employee of the City from the performance of any official duty provided by any applicable provisions of law or by the Lease, the Sublease or hereby.

SECTION 12.05 Acquisition of Certificates by City. All Certificates acquired by the City, whether by purchase or gift or otherwise, shall be surrendered to the Trustee for cancellation.

SECTION 12.06 Content of Certificates. Every Certificate of the City or of the Corporation with respect to compliance with any agreement, condition, covenant or term contained herein shall include (a) a statement that the person or persons making or giving such certificate have read such agreement, condition, covenant or term and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such agreement, condition, covenant or term has been complied with; and (d) a statement as to whether, in the opinion of the signers, such agreement, condition, covenant or term has been complied with.

Any Certificate of the City or of the Corporation may be based, insofar as it relates to legal matters, upon an Opinion of Counsel unless the person making or giving such

certificate knows that the Opinion of Counsel with respect to the matters upon which such person's certificate may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous. Any Opinion of Counsel may be based, insofar as it relates to factual matters, upon information with respect to which is in the possession of the City or the Corporation upon a representation by an officer or officers of the City or the Corporation, as the case may be, unless the counsel executing such Opinion of Counsel knows that the representation with respect to the matters upon which such counsel's opinion may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

SECTION 12.07 Funds and Accounts. Any fund or account required to be established and maintained herein by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with prudent corporate trust industry standards to the extent practicable, and with due regard for the protection of the security of the Certificates and the rights of the Owners.

The Trustee may commingle any of the moneys held by it hereunder for investment purposes only; provided, however, that the Trustee shall account separately for the moneys in each fund or account established pursuant to this Trust Agreement.

SECTION 12.08 Investments. Any moneys held by the Trustee in the funds and accounts established hereunder shall be invested by the Trustee upon the Written Request of the City, filed with the Trustee at least one Business Day in advance of the making of such investment, only in Permitted Investments. In the absence of such direction, moneys shall be invested by the Trustee only in Permitted Investments described in clause B(5) of the definition thereof and the Trustee may act as principal or agent in the acquisition or disposition of any such investment. The Trustee shall not be liable or responsible for any loss suffered in connection with any such investment made by it under the terms of and in accordance with this Section. The Trustee may sell or present for redemption any obligations so purchased whenever it shall be necessary in order to provide moneys to meet any payment of the funds so invested, and the Trustee shall not be liable or responsible for any losses resulting from any such investment sold or presented for redemption. Prior to the Completion Date, any interest or profits on such investments shall be transferred to the Construction Fund. After the Completion Date, any interest or profits on such investments shall be deposited in the Certificate Reserve Fund to the extent that the amount on deposit therein is less than the Certificate Reserve Fund Requirement and any remainder shall be deposited pro rata in the separate accounts within the Base Rental Payment Fund excluding the Prepayment Fund. The Trustee may rely upon any investment direction by the City as a certification to it that such investment constitutes a Permitted Investment.

The City acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive brokerage confirmations of security transactions as they occur, the City specifically will not receive such

confirmations to the extent permitted by law. The Trustee will furnish the City periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

Notwithstanding the foregoing, interest or profits on any investment of amounts in the Rebate Fund shall be deposited in the fund or account to which such investment relates. The investment of any amounts held in the Capitalized Interest Account shall be subject to the approval of the Certificate Insurer.

SECTION 12.09 Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms required herein to be observed or performed by or on the part of the Corporation, the City or the Trustee shall be contrary to law, then such agreement or agreements, such condition or conditions, such covenant or covenants or such term or terms shall be null and void to the extent contrary to law and shall be deemed separable from the remaining agreements, conditions, covenants and terms hereof and shall in no way affect the validity hereof or of the Certificates, and the Owners shall retain all the benefit, protection and security afforded to them under any applicable provisions of law. The Corporation, the City and the Trustee hereby declare that they would have executed this Trust Agreement, and each and every other Article, Section, paragraph, subsection, sentence, clause and phrase hereof and would have authorized the execution and delivery of the Certificates pursuant hereto irrespective of the fact that any one or more Articles, Sections, paragraphs, subsections, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

SECTION 12.10 California Law. This Trust Agreement shall be construed and governed in accordance with the laws of the State of California.

SECTION 12.11 Notices; Special Notices to Rating Agency.

(a) All written notices to be given hereunder shall be given by facsimile transmission or by first-class mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the City:

City of Calabasas
26135 Mureau Road, Suite 200
Calabasas, California 91302-3172
Attention: Chief Financial Officer
Facsimile: (818) 878-4215

If to the Corporation:

City of Calabasas Facilities Corporation
c/o City of Calabasas
26135 Mureau Road, Suite 200
Calabasas, California 91302-3172
Attention: Chief Financial Officer
Facsimile: (818) 878-4215

If to the Trustee: U.S. Bank National Association
633 W. 5th Street, 24th Floor
Los Angeles, California 90071
Attention: Corporate Trust Services

If to the Certificate Insurer: [Not Applicable]

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by electronic communication, whether by telex, telegram or telecopier, upon the sender's receipt of an appropriate answer back or other written acknowledgement or confirmation of receipt of the entire notice, approval, demand, report or other communication, (c) if given by first class or registered or certified mail, return receipt requested, deposited in the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail, (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier, or (d) if given by any other means, upon delivery at the address specified in this Section 12.11.

(b) The City shall cause to be given to each Rating Agency notice of any substitution or resignation of the Trustee, any material change in the Trust Agreement or the Sublease, or prepayment or defeasance of all of the Outstanding Certificates of any Series.

SECTION 12.12 Effective Date. This Trust Agreement shall become effective upon its execution and delivery.

SECTION 12.13 Execution in Counterparts. This Trust Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed and attested (as to the City and the Corporation) this Trust Agreement by their officers hereunto duly authorized as of the day and year first written above.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

CITY OF CALABASAS FACILITIES
CORPORATION

Attest:

By: _____
Treasurer

Secretary

CITY OF CALABASAS

By: _____
Chief Financial Officer

Attest:

City Clerk

EXHIBIT A

CONSTRUCTION PROJECT DESCRIPTION

The Construction Project is a civic center senior facility, which is expected to consist of an approximately _____ square foot senior center; and associated landscaping, site work and related infrastructure, equipment and furnishings. Project expenditures include capitalized interest with respect to __._% of the Certificates through December 1, 2016, [the costs of providing for Surety bond for the Reserve Fund for the 2015 Certificates] and the costs incurred in connection with the execution and delivery of the 2015 Certificates.

EXHIBIT B

FORM OF CERTIFICATE OF PARTICIPATION

Unless this Certificate is presented by an authorized representative of The Depository Trust Company to the Trustee for registration of transfer, exchange or payment, and any Certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the Registered Owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

No. R-1

\$ _____

CITY OF CALABASAS
2015 Certificates OF PARTICIPATION
(Civic Center Project)

Evidencing a Fractional
Undivided Interest of the Owner Hereof
in Base Rental Payments to Be Made
by the

CITY OF CALABASAS

to the

CITY OF CALABASAS FACILITIES CORPORATION

Under and Pursuant to a
SUBLEASE

Interest Rate	Principal Payment Date	Dated	CUSIP
_____	December 1, ____	_____	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

THIS IS TO CERTIFY that the registered owner identified above of this Certificate of Participation (the "Certificate") is the owner of a fractional undivided interest in

the right to receive the Base Rental Payments under and pursuant to that certain Sublease executed and entered into as of [DATED DATE], by and between the City of Calabasas Facilities Corporation, a nonprofit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California (the "Corporation"), and the City of Calabasas, a municipal corporation duly organized and existing under the laws of the State of California (the "City") (as it may from time to time be amended or supplemented, the "Sublease"), all of which rights to receive such Base Rental Payments have been assigned without recourse by the Corporation to U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States at its Principal Corporate Trust Office in Los Angeles, California, or such other office as designated by it, as trustee (the "Trustee"), acting in its capacity as such under the Trust Agreement dated as of [DATED DATE], by and among the City, the Corporation and the Trustee (as it may from time to time be amended or supplemented, the "Trust Agreement"), or any successor as therein provided. Copies of the Trust Agreement are on file at the office of the Trustee, and reference is hereby made to the Trust Agreement and to any and all amendments thereof and supplements thereto for a description of the agreements, conditions, covenants and terms securing the Certificates, for the nature, extent and manner of enforcement of such agreements, conditions, covenants and terms, for the rights and remedies of the registered owners of the Certificates with respect thereto and for the other agreements, conditions, covenants and terms upon which the Certificates are executed and delivered thereunder. Unless the context otherwise requires, capitalized terms not defined herein shall have the meanings ascribed to them in the Trust Agreement.

This Certificate is one of the duly authorized certificates of participation entitled "City of Calabasas 2015 Certificates of Participation." Certificates having a principal amount of \$XX,000,000 have been executed by the Trustee under and pursuant to the Trust Agreement.

Each Certificate shall evidence interest from the Interest Payment Date (as defined below) to which interest has been paid or duly provided for next preceding its date of execution, unless such date of execution shall be (i) prior to the close of business on the Record Date (as defined below) for the first Interest Payment Date, in which case such Certificate shall evidence interest from the date of execution thereof, (ii) subsequent to a Record Date but before the related Interest Payment Date, in which case such Certificate shall evidence interest from such Interest Payment Date, or (iii) an Interest Payment Date to which interest has been paid in full or duly provided for, in which case such Certificate shall evidence interest from such date of execution; provided, however, that if, as shown by the records of the Trustee, interest shall be in default, each Certificate shall evidence interest from the last date to which interest has been paid in full or duly provided for or, if no interest has been paid or duly provided for, from the date of execution thereof. The term "Interest Payment Date" means each June 1 and December 1, commencing December 1, 2015. The term "Record Date" means the close of business on the fifteenth day of the month immediately preceding any Interest Payment Date.

The principal evidenced by the Certificates shall be payable, subject to prior prepayment as provided in the Trust Agreement.

Except as otherwise provided in the Representation Letter, the interest evidenced by the Certificates shall be payable on each Interest Payment Date by check or draft mailed on

the Interest Payment Date by the Trustee to the respective Owners of the Certificates as of the Record Date for such Interest Payment Date at their addresses shown on the books required to be kept by the Trustee pursuant to the provisions of the Trust Agreement. Payments of defaulted interest with respect to any Certificate shall be paid by check or draft to the Owner as of a special record date to be fixed by the Trustee, notice of which special record date shall be mailed to the Owner of the Certificate not less than 10 days prior thereto. The principal and premium, if any, evidenced by the Certificates shall be payable upon presentation and surrender thereof on maturity or on prepayment prior thereto at the Principal Corporate Trust Office of the Trustee in Los Angeles, California, or such other office as designated by it.

The Owner of \$1,000,000 or more in aggregate principal amount evidenced by the Certificates may request in writing that the Trustee pay the interest evidenced by such Certificates by wire transfer and the Trustee shall comply with such request for all Interest Payment Dates following the 15th day after receipt of such request until such request is rescinded.

Interest evidenced by the Certificates shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Payment shall be made on each Interest Payment Date for unpaid interest accrued from and including the previous Interest Payment Date to but not including such Interest Payment Date. The Certificates are authorized to be executed and delivered in the form of fully registered Certificates in denominations of \$5,000 or any integral multiple thereof (each an "Authorized Denomination").

This Certificate is transferable by the Owner thereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee in Los Angeles, California or such other office as designated by the Trustee, on the books required to be kept by the Trustee pursuant to the provisions of the Trust Agreement, but only in the manner, subject to the limitations, and upon payment of the charges provided in the Trust Agreement upon surrender of this Certificate for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee. The Trustee may treat the Owner of any Certificate as the absolute owner of such Certificate for all purposes, whether or not the principal or interest evidenced by such Certificate shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest and principal evidenced by such Certificate shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge the liability evidenced by such Certificate to the extent of the sum or sums so paid.

Whenever this Certificate shall be surrendered for transfer or exchange, the Trustee shall execute and deliver a new Certificate or Certificates evidencing the same principal amount. The Trustee shall not be required to transfer or exchange any Certificate during the period from the Record Date next preceding each Interest Payment Date to such Interest Payment Date, nor shall the Trustee be required to transfer or exchange any Certificate or portion thereof selected for prepayment from and after the date of mailing the notice of prepayment thereof.

Under the terms of the Trust Agreement, the City, the Corporation and the Trustee may by execution of a supplemental trust agreement without the consent of the Owners, provide for the execution and delivery of Additional Certificates representing additional Base Rental

Payments. Any Additional Certificates shall be on a parity with the Certificates and each Owner thereof shall have the same rights upon an Event of Default as the Owner of any other Certificates executed and delivered under the Trust Agreement, except as otherwise provided in the Supplemental Trust Agreement under which Additional Certificates are executed and delivered.

The Certificates are subject to prepayment on the terms and conditions set forth in the Trust Agreement.

Whenever less than all of the Outstanding Series of Certificates are to be prepaid on any one date, the Trustee shall determine which Series of Certificates are to be prepaid. Whenever less than all the Outstanding Certificates of any Series are to be prepaid on any one date, the Trustee shall select the Certificates to be prepaid according to the provisions of the Trust Agreement, which decision shall be final and binding upon the City, the Corporation and the Owners, and the Trustee shall promptly notify the Corporation and the City in writing of the numbers of the Certificates so selected for prepayment on such date. For purposes of such selection, any Certificate may be prepaid in part in Authorized Denominations.

As provided in the Trust Agreement, notice of prepayment thereof or of any part thereof shall be mailed, by first class mail, postage prepaid, at least 30) but not more than 60 days prior to the prepayment date, to the registered Owners of the Certificates at their addresses appearing on the registration books required to be kept by the Trustee as of the close of business on the day before such notice of prepayment is given.

The actual receipt by the Owner or any of the securities depositories or services specified in the Trust Agreement of any notice of such prepayment shall not be a condition precedent to prepayment, and neither failure to receive such notice nor any defect therein shall affect the validity of the proceedings for the prepayment of such Certificates or the cessation of interest evidenced thereby on the date fixed for prepayment. A certificate by the Trustee that notice of prepayment has been given to Owners or any of the securities depositories or services shall be conclusive as against all parties, and no Owner whose Certificate is called for prepayment may object thereto or object to the cessation of interest evidenced thereby on the fixed prepayment date by any claim or showing that said Owner failed to actually receive such notice of prepayment.

To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement and the rights and obligations of the Corporation, the City, the Owners and the Trustee thereunder, may be amended or supplemented at any time by an amendment thereof or supplement thereto which shall become binding in accordance to the provisions in the Trust Agreement, in some instances without the consent of the registered owners of Certificates. No such amendment or supplement shall (1) extend the stated Principal Payment Date of any Certificate or reduce the rate of interest evidenced thereby or extend the time of payment of such interest or reduce the amount of principal evidenced thereby or reduce the amount of any Mandatory Sinking Account Payment or changed the prepayment terms and provisions or the provisions regarding delivery of notice of prepayment without the prior written consent of the Owner or each Certificate so affected, or (2) reduce the percentage of Owners whose consent is required for the execution of any amendment of or supplement to the Trust

Agreement without the prior written consent of the Owners of all Certificates then Outstanding, or (3) modify any rights or obligations of the Trustee without the prior written consent of the affected party thereto, or (4) amend the section of the Trust Agreement with respect to amendments or supplements thereof without the prior written consent of the Owners of all Certificates then Outstanding.

The obligation of the City to pay Base Rental Payments does not constitute an indebtedness of the City 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 obligation of the City to pay Base Rental Payments does not constitute an indebtedness of the City, the State of California, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction. The obligation of the City to make the Base Rental Payments is subject to abatement during any period in which, by reason of material damage, destruction or title defect, there is substantial interference with the use and occupancy of the Leased Property or portions thereof or if the Leased Property or portions thereof are taken under the power of eminent domain, all as more particularly provided in the Sublease to which reference is hereby made.

The Trustee has no obligation or liability to the registered owners of the Certificates for the payment of the interest or principal or prepayment premiums, if any, evidenced by the Certificates; but rather the Trustee's sole obligation is to administer, for the benefit of the City and the Corporation and the registered owners of the Certificates, the various funds established under the Trust Agreement. The Corporation has no obligation or liability whatsoever to the registered owners of the Certificates.

The Trust Agreement provides that the occurrences of certain events constitute Events of Default. Subject to certain limitations, the Trustee or the Owners of not less than a majority in aggregate principal amount evidenced by the Certificates at the time Outstanding shall be entitled to take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee.

IN WITNESS WHEREOF, this Certificate has been executed by the manual signature of an authorized officer of the Trustee acting pursuant to the Trust Agreement.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Date of Execution: _____

By: _____
Authorized Officer

STATEMENT OF INSURANCE
(IF ANY)

[FORM OF ASSIGNMENT]

For value received, the undersigned do(es) hereby sell, assign and transfer unto _____ the within Certificate and do(es) hereby irrevocably constitute and appoint _____ attorney to transfer such Certificate on the register of the Trustee, with full power of substitution in the premises.

Dated: _____

SIGNATURE GUARANTEED BY:

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular, without alteration or enlargement or any change whatsoever, and the signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

Recording Requested By And
When Recorded Mail To:

William W. Bothwell, Esq.
ORRICK, HERRINGTON & SUTCLIFFE LLP
777 South Figueroa Street, Suite 3200
Los Angeles, California 90017

ASSIGNMENT AGREEMENT

by and between the

CITY OF CALABASAS FACILITIES CORPORATION,

and

U.S. BANK NATIONAL ASSOCIATION
as trustee for the City of Calabasas
2015 Certificates of Participation (Civic Center Project)

Executed and Entered into as of [DATED DATE]

ASSIGNMENT AGREEMENT

This Assignment Agreement (this "Agreement"), dated as of [DATED DATE], by and between the CITY OF CALABASAS FACILITIES CORPORATION, a nonprofit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California (the "Corporation"), U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under and by virtue of the laws of the United States as Trustee under the Trust Agreement referred to herein (the "Trustee");

WITNESSETH

WHEREAS, the City desires to (i) refinance certain outstanding 2006 Certificates of Participation (Civic Center Project) (the "Prior Certificates"; and the refinancing of the Prior Certificates is referred to as the "Refunding Project") and (ii) finance the costs of the construction acquisition and improvement of senior facilities and related infrastructure, equipment and furnishings (the "Construction Project," and together with the Refunding Project, the "Project");

WHEREAS, in order to finance and refinance the Project, the City will lease certain real property owned by the City (the "Leased Property") to the Corporation pursuant to a Lease, dated as of the date hereof (the "Lease"), and the City will sublease the Leased Property back from the Corporation pursuant to a Sublease, dated as of the date hereof (the "Sublease");

WHEREAS, concurrently with the execution of this Assignment Agreement, pursuant to a Trust Agreement, dated as of [DATED DATE] (the "Trust Agreement") among the City, the Corporation and the Trustee, it is contemplated that the Trustee will execute and deliver \$XX,000,000 aggregate principal amount of City of Calabasas 2015 Certificates of Participation (Civic Center Project) (the "Certificates"); and

WHEREAS, it is contemplated that the Certificates represent proportionate interests in base rental payments ("Base Rental Payments") to be made by the City under the Sublease;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Assignment. The Corporation, for good valuable consideration, the receipt of which is hereby acknowledged, does hereby unconditionally grant, transfer assign to the Trustee without recourse (i) all right, title and interest of the Corporation as lessee under the Lease, subject to the subassignment to the City of certain of such rights, (ii) all rights of the Corporation to receive the Base Rental Payments scheduled to be paid by the City under and pursuant to the Sublease for the benefit of the owners of the Certificates, (iii) all rents, profits and products from the Leased Property to which the Corporation has any right or claim whatsoever under the Sublease, (iv) the right to take all actions and give all consents under the Sublease, (v) the right of access more particularly described in the Sublease, and (vi) any and all other rights and remedies of the Corporation in the Sublease as lessor thereunder for the purpose of enforcing the obligations of the City contained in the Sublease and in the Trust Agreement and

securing the payment of all sums due and owing to the owners of the Certificates under the terms of the Trust Agreement.

SECTION 2. Acceptance. The Trustee hereby accepts the foregoing assignment for the benefit of the owners of the Certificates, subject to the conditions and terms of the Trust Agreement, and all such Base Rental Payments shall be applied and all such rights so assigned shall be exercised by the Trustee as provided in the Trust Agreement.

SECTION 3. Conditions. This Assignment Agreement shall confer no rights and shall impose no obligations upon the Trustee beyond those expressly provided in the Trust Agreement.

SECTION 4. Payment of Rentals. Upon payment or provision for payment to the Trustee in full of all Base Rental Payments as described in the Sublease and of all other amounts, including any additional rental or other amounts owed to the City under the Sublease or the Trust Agreement, this Assignment Agreement shall become and be void and of no effect with respect to the Sublease and when the Certificates are no longer Outstanding (as defined in the Trust Agreement), and the Trustee shall execute any and all documents or certificates reasonably requested by the Corporation to evidence the termination of this Assignment Agreement with respect to the Sublease.

SECTION 5. California Law. This Assignment Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of California.

SECTION 6. Severability. If any agreement, condition, covenant or term hereof or any application hereof should be held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, all agreements, conditions, covenants and terms hereof and all applications thereof not held invalid, void or unenforceable shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

SECTION 7. Execution in Counterparts. This Assignment Agreement may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instruments.

[Remainder of the page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Assignment Agreement by their officers thereunto duly authorized as of the day and year first above written.

**CITY OF CALABASAS FACILITIES
CORPORATION**

By _____
Treasurer

**U.S. BANK NATIONAL ASSOCIATION, as
Trustee**

By _____
Authorized Officer

EXHIBIT A

Description of Leased Property

PARCEL 1:

THAT PORTION OF LOT 8 AND LOT 10 OF TRACT NO. 37824, IN THE CITY OF CALABASAS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 1192 PAGES 81 TO 86, INCLUSIVE OF MAPS](#), IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT ON THE CURVED SOUTHERLY RIGHT-OF-WAY OF PARK SORRENTO, 84 FEET WIDE, AS SHOWN ON SAID MAP, DISTANT NORTHEASTERLY 26.99 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 1 DEGREE 29 MINUTES 03 SECONDS, FROM THE NORTHERLY COMMON CORNER OF SAID LOTS 8 AND 10, SAID CURVE BEING CONCAVE NORTHERLY AND HAVING A RADIUS OF 1042.00 FEET; THENCE EASTERLY 4.36 FEET ALONG SAID CURVED SOUTHERLY LINE, THROUGH A CENTRAL ANGLE OF 0 DEGREES 14 MINUTES 23 SECONDS TO THE BEGINNING OF A REVERSE CURVE, CONCAVE SOUTHERLY AND HAVING A RADIUS OF 958.00 FEET; THENCE CONTINUING NORTHEASTERLY 191.47 FEET ALONG SAID CURVED SOUTHERLY LINE, THROUGH A CENTRAL ANGLE OF 11 DEGREES 27 MINUTES 06 SECONDS TO THE BEGINNING OF THE CURVED NORTHERLY LINE OF SAID LOT 8, SAID CURVED NORTHERLY LINE BEING A COMPOUND CURVE, CONCAVE SOUTHERLY AND HAVING A RADIUS OF 15.00 FEET; THENCE, LEAVING SAID SOUTHERLY RIGHT-OF-WAY OF PARK SORRENTO AND ALONG SAID NORTHERLY LINE OF LOT 8, EASTERLY AND SOUTHEASTERLY 22.17 FEET THROUGH A CENTRAL ANGLE OF 84 DEGREES 41 MINUTES 51 SECONDS; THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 8, SOUTH 32 DEGREES 41 MINUTES 50 SECONDS EAST 188.72 FEET; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID LOT 8 AND ITS SOUTHWESTERLY PROLONGATION, SOUTH 46 DEGREES 06 MINUTES 19 SECONDS WEST 267.90 FEET TO A LINE WHICH BEARS SOUTH 27 DEGREES 11 MINUTES 48 SECONDS EAST AND WHICH PASSES THROUGH THE POINT OF BEGINNING; THENCE NORTH 27 DEGREES 11 MINUTES 48 SECONDS WEST 257.69 FEET TO THE POINT OF BEGINNING.

SAID LAND IS SHOWN AS PARCEL A IN THE CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT NO. 99-02, RECORDED FEBRUARY 17, 1999 AS INSTRUMENT NO. 99-250904 OFFICIAL RECORDS.

PARCEL 2:

THOSE PORTIONS OF LOTS 7, 9 AND 10 OF TRACT NO. 37824, IN THE CITY OF CALABASAS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 1192 PAGES 81 TO 86 INCLUSIVE OF MAPS](#), IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID LOT 9; THENCE NORTH 29 DEGREES 34 MINUTES 04 SECONDS EAST 470.66 FEET TO THE MOST EASTERLY CORNER

OF SAID LOT 9; THENCE NORTH 66 DEGREES 41 MINUTES 15 SECONDS WEST 281.25 FEET; THENCE NORTH 27 DEGREES 23 MINUTES 41 SECONDS WEST 298.63 FEET TO A POINT DISTANT NORTH 62 DEGREES 36 MINUTES 19 SECONDS EAST 16.00 FEET FROM THE SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 3 OF SAID TRACT NO. 37824, DISTANT SOUTH 27 DEGREES 23 MINUTES 41 SECONDS WEST 329.00 FEET FROM THE NORTHERLY CORNER OF SAID LOT 3; THENCE SOUTH 62 DEGREES 36 MINUTES 19 SECONDS WEST 16.00 FEET TO SAID SOUTHERLY PROLONGATION; THENCE NORTH 27 DEGREES 23 MINUTES 41 SECONDS WEST 16.48 FEET ALONG SAID PROLONGATION TO THE SOUTHERLY LINE OF PARK SORRENTO, 84 FEET WIDE, AS SHOWN ON SAID MAP; THENCE SOUTH 62 DEGREES 36 MINUTES 19 SECONDS WEST 105.88 FEET TO A POINT OF CUSP WITH THE BEGINNING OF THE CURVED NORTHERLY LINE OF LOT 8 OF SAID TRACT NO. 37824, SAID CURVE BEING CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 15.00 FEET; THENCE, LEAVING SAID SOUTHERLY RIGHT-OF-WAY ALONG THE COMMON LINE BETWEEN SAID LOTS 8 AND 9, NORTHEASTERLY, EASTERLY AND SOUTHEASTERLY 22.17 FEET ALONG CURVE THROUGH A CENTRAL ANGLE OF 84 DEGREES 41 MINUTES 51 SECONDS; THENCE SOUTH 32 DEGREES 41 MINUTES 50 SECONDS EAST 188.72 FEET; THENCE SOUTH 46 DEGREES 06 MINUTES 19 SECONDS WEST 267.90 FEET ALONG THE SOUTHEASTERLY LINE OF SAID LOT 8 AND ITS SOUTHWESTERLY PROLONGATION TO A LINE WHICH BEARS SOUTH 27 DEGREES 11 MINUTES 48 SECONDS EAST AND WHICH PASSES THROUGH A POINT IN THE CURVED SOUTHERLY RIGHT-OF-WAY OF SAID PARK SORRENTO, DISTANT EASTERLY 26.99 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 1 DEGREE 29 MINUTES 02 SECONDS, FROM THE NORTHERLY COMMON CORNER OF SAID LOTS 8 AND 10, SAID CURVE BEING CONCAVE NORTHERLY AND HAVING A RADIUS OF 1042.00 FEET; THENCE SOUTH 27 DEGREES 11 MINUTES 48 SECONDS EAST 108.27 FEET TO A POINT DISTANT 365.96 FEET FROM SAID POINT IN THE SOUTHERLY LINE OF PARK SORRENTO, DISTANT EASTERLY 26.99 FEET FROM SAID NORTHERLY COMMON CORNER OF LOTS 8 AND 10; THENCE SOUTH 62 DEGREES 48 MINUTES 12 SECONDS WEST 215.94 FEET TO A LINE WHICH BEARS NORTH 26 DEGREES 19 MINUTES 51 SECONDS WEST AND WHICH PASSES THROUGH A POINT IN THE SOUTHERLY LINE OF SAID LOT 10, DISTANT SOUTH 86 DEGREES 37 MINUTES 34 SECONDS EAST 52.82 FEET FROM THE ANGLE POINT IN SAID SOUTHERLY LINE; THENCE SOUTH 26 DEGREES 19 MINUTES 51 SECONDS EAST 195.98 FEET TO SAID SOUTHERLY LINE; THENCE SOUTH 86 DEGREES 37 MINUTES 34 SECONDS EAST 407.18 FEET ALONG THE SOUTHERLY LINE OF SAID LOTS 9 AND 10 TO THE MOST SOUTHERLY CORNER OF SAID LOT 9 AND THE POINT OF BEGINNING.

PRELIMINARY OFFICIAL STATEMENT DATED APRIL __, 2015**NEW ISSUE – FULL BOOK ENTRY**

RATING:
Standard & Poor's: “__”
(See “RATING” herein)

In the opinion of Orrick, Herrington & Sutcliffe LLP, Special Counsel to the City, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, the interest component of the Base Rental Payments paid by the City under the Sublease and received by the owners of the Certificates is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Special Counsel, such interest component is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Special Counsel observes that such interest component is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Special Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest with respect to, the Certificates. See “TAX MATTERS” herein.

\$ _____*

CITY OF CALABASAS
2015 CERTIFICATES OF PARTICIPATION
(CIVIC CENTER PROJECT)

Dated: Date of Delivery**Due: December 1, as shown below**

The Certificates evidence direct, fractional undivided interests of the Owners thereof in the Base Rental Payments (which include principal components and interest components) to be made by the City of Calabasas, California (the “City”) for the use of certain real property (the “Leased Property”) pursuant to a Sublease, dated as of May 1, 2015 (the “Sublease”), by and between the City, as lessee, and the City of Calabasas Facilities Corporation (the “Corporation”), as lessor. The proceeds of the Certificates will be used to (i) finance the costs of the acquisition, construction, installation and equipping of certain public capital improvements, including the costs of construction of a senior center, (ii) advance refund currently outstanding City of Calabasas 2006 Certificates of Participation (Civic Center Project) currently evidencing \$_____ aggregate principal amount, (iii) pay capitalized interest with respect to the Certificates through December 1, 2016, (iv) [provide a Reserve Fund Surety Policy for the Certificates], and (v) pay the costs incurred in connection with the execution and delivery of the Certificates. SEE “PLAN OF FINANCE.” The City has covenanted under the Sublease to make all Base Rental Payments and Additional Rental Payments (collectively, the “Rental Payments”) provided for therein, to include all such Rental Payments as a separate line item in its annual budgets, and to make the necessary annual appropriations for all such Rental Payments. See “SECURITY AND SOURCES OF PAYMENT.”

The City’s obligation to make Base Rental Payments is subject to abatement during any period in which, by reason of material damage to, or destruction or condemnation of, the Leased Property, or any defect in title to the Leased Property, there is substantial interference with the City’s right to use and occupy any portion of the Leased Property. See “RISK FACTORS – Abatement.”

Interest represented by the Certificates is payable semiannually on June 1 and December 1 of each year, commencing on December 1, 2015. See “THE CERTIFICATES” herein. The Certificates will be initially delivered only in book-entry form and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Certificates. Individual purchases of the Certificates will be made in book-entry form only. Purchasers of Certificates will not receive certificates representing their ownership interests in the Certificates purchased. The Certificates will be delivered in denominations of \$5,000 and any integral multiple thereof. Principal and interest payments with respect to the Certificates are payable directly to DTC by U.S. Bank National Association, as trustee (the “Trustee”). Upon receipt of payments of principal and interest, DTC will in turn distribute such payments to the beneficial owners of the Certificates. See APPENDIX E – “BOOK-ENTRY-ONLY SYSTEM.”

The Certificates are subject to optional prepayment prior to maturity, as described herein. See “THE CERTIFICATES – Prepayment Provisions.”

* Preliminary, subject to change.

THE OBLIGATION OF THE CITY TO MAKE THE BASE RENTAL PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE CITY OR OF THE STATE OF CALIFORNIA 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 CITY OR THE STATE OF CALIFORNIA IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY OR THE STATE OF CALIFORNIA HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

This cover page contains information for reference only. Investors must read the entire official statement to obtain information essential in making an informed investment decision. See “RISK FACTORS” for a discussion of factors that should be considered, in addition to the other matters set forth herein, in evaluating the investment quality of the Certificates.

The Certificates were awarded to _____ (the “Initial Purchaser”) pursuant to competitive bidding which was held on May __, 2015, as set forth in the Notice Inviting Bids, dated May __, 2015. The Certificates are offered when, as and if executed and delivered and received by the Initial Purchaser, subject to the approval by Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, Special Counsel to the City, and certain other conditions. Certain legal matters will be passed upon for the City and the Corporation by Colantuono & Levin, PC, Los Angeles, California. It is anticipated that the Certificates in definitive form will be available for delivery to DTC in New York, New York on or about May __, 2015.

Dated: May __, 2015

MATURITY SCHEDULE*

BASE CUSIP†: _____

\$_____ Serial Certificates

<u>Maturity Date</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP†</u>	<u>Maturity Date</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP†</u>
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\$_____ % Term Certificates due December 1, 20__, Price: _____% CUSIP† _____
\$_____ % Term Certificates due December 1, 20__, Price: _____% CUSIP† _____
\$_____ % Term Certificates due December 1, 2045, Price: _____% CUSIP† _____

* Preliminary, subject to change.

† CUSIP data herein (Copyright 2015, American Bankers Association) is provided by Standard and Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service. CUSIP numbers are provided for convenience of reference only. The City, the Corporation, the Financial Advisor and the Initial Purchaser take no responsibility for the accuracy of such numbers.

CITY OF CALABASAS, CALIFORNIA

CITY COUNCIL

Lucy Martin, *Mayor*
James Bozajian, *Mayor Pro Tem*
Fred Gaines, *Councilmember*
Mary Sue Maurer, *Councilmember*
David J. Shapiro, *Councilmember*

CITY OFFICIALS

Anthony Coroalles, *City Manager*
Robin Parker, *Director of Administrative Services*
Dr. Gary J. Lysik, *Chief Financial Officer*
Maureen Tamuri, *Community Development Director*
Robert Yalda, *Public Works Director/City Engineer*
Jeff Rubin, *Director of Community Services*
Maricela Hernandez, *MMC, City Clerk*
Scott Howard, *City Attorney*

SPECIAL SERVICES

Special Counsel
Orrick, Herrington & Sutcliffe LLP
Los Angeles, California

Financial Advisor
C. M. de Crinis & Co., Inc.
Sherman Oaks, California

Trustee
U.S. Bank National Association
Los Angeles, California

Verification Agent
Causey Demgen & Moore P.C.
Denver, Colorado

No dealer, broker, salesperson or other person has been authorized to give any information or to make any representation other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Certificates by a person in any jurisdiction in which it is unlawful for such person to make an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Certificates. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts.

The information set forth herein has been obtained from the City and from other sources and is believed to be reliable but is not guaranteed as to accuracy or completeness. The information and expressions of opinions herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. This Official Statement is submitted in connection with the sale of the Certificates referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the City. All summaries of the documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions.

The information in this Official Statement has been provided by the City and sources the City considers reliable. The Initial Purchaser has provided the following sentence for inclusion in this Official Statement. The Initial Purchaser 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 Initial Purchaser does not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE INITIAL PURCHASER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE CERTIFICATES AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE INITIAL PURCHASER MAY OFFER AND SELL THE CERTIFICATES TO CERTAIN DEALERS, INSTITUTIONAL INVESTORS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE COVER PAGE HEREOF AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE INITIAL PURCHASER.

CUSIP data herein (Copyright 2015, American Bankers Association) is provided by Standard and Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service. CUSIP numbers are provided for convenience of reference only. The City, the Corporation, the Financial Advisor and the Initial Purchaser take no responsibility for the accuracy of such numbers.

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 Certificates.

[INSERT MAP AND PROJECT RENDERING]

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OFFICIAL STATEMENT

\$ _____ *

CITY OF CALABASAS 2015 CERTIFICATES OF PARTICIPATION (CIVIC CENTER PROJECT)

INTRODUCTION

This Official Statement (which includes the cover page, inside cover page and Appendices hereto) (this “Official Statement”), provides certain information concerning the sale and delivery of City of Calabasas 2015 Certificates of Participation (Civic Center Project) evidencing direct, fractional undivided interests of the owners thereof in base rental payments to be made by the City of Calabasas, California. This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page, inside cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The sale and delivery of Certificates (as defined herein) to potential investors is made only by means of the entire Official Statement.

General

The City of Calabasas 2015 Certificates of Participation (Civic Center Project) (the “Certificates”) in the aggregate principal amount of \$ _____ * evidence direct, fractional undivided interests of the registered owners (the “Owners”) thereof in Base Rental Payments (as defined herein) to be made by the City of Calabasas (the “City”) for the use of certain real property (the “Leased Property”) pursuant to a Sublease, dated as of May 1, 2015 (the “Sublease”), by and between the City, as lessee, and the City of Calabasas Facilities Corporation (the “Corporation”), as lessor. The Preliminary Official Statement had captioned the Certificates as “(City Hall and Civic Center Project).” While revised in this Official Statement, the project described herein is not otherwise altered.

The Certificates are dated as of their initial date of delivery and will be executed and delivered in denominations of \$5,000 or integral multiples thereof. The interest components evidenced by the Certificates will be due and payable semiannually on June 1 and December 1 of each year, commencing December 1, 2015. Interest evidenced by the Certificates will be computed on the basis of a 360-day year consisting of twelve, 30-day months. The Base Rental Payments evidenced by the Certificates will be payable by the City no later than the 15th day of the month next preceding each Interest Payment Date, the principal components of which will evidence principal components calculated at the rates per annum, all as set forth on the inside cover page of this Official Statement.

The City was incorporated in June 1991 under the General Laws of the State, and is one of the smaller cities in Los Angeles County, with a population of roughly 23,900. The City is located along the Highway 101 corridor in the San Fernando Valley of western Los Angeles County, approximately 20 miles northwest of downtown Los Angeles and encompasses an area of approximately 13 square miles. Sales taxes, utility user’s taxes and property taxes make up approximately 83% of the City’s general fund revenues. See “THE CITY” and APPENDIX A – “ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY OF CALABASAS.”

* Preliminary, subject to change.

Security and Sources of Payment

The Certificates will be executed and delivered pursuant to a Trust Agreement, dated as of May 1, 2015 (the “Trust Agreement”), by and among the City, the Corporation and U.S. Bank National Association, as trustee (the “Trustee”), and evidence direct, fractional undivided interests in the Base Rental Payments to be made by the City under the Sublease for the use of the Leased Property. See “THE PROPERTY.” Base Rental Payments are to be made from available general fund revenues of the City. The City will covenant under the Sublease to take such action as may be necessary to include all Base Rental Payments and Additional Rental Payments due under the Sublease as a separate line item in its annual budgets and to make the necessary annual appropriations therefor. See “SECURITY AND SOURCES OF PAYMENT – Sources of Funds for Base Rental Payments; Covenant to Appropriate Funds.” The Trustee and the Corporation will enter into an Assignment Agreement, dated as of May 1, 2015 (the “Assignment Agreement”), pursuant to which the Corporation will assign to the Trustee for the benefit of the Certificate Owners all of the Corporation’s right, title and interest in and to the Lease and the Sublease, including its right to receive the Base Rental Payments due under the Sublease.

The City initially leased the Real Property to the Corporation pursuant to a ground lease in 1991 as part of the initial financing of the Civic Center Project and again in 1999 as part of the refinancing of the Civic Center Project in 1999. The Corporation subsequently leased the Leased Property (including the improvements on the Real Property) back to the City pursuant to a lease in 1991 and again in 1999.

In addition to the Certificates, the City may, without the consent of the Owners, provide for the execution and delivery of additional certificates of participation (the “Additional Certificates”) evidencing additional Base Rental Payments. See “SECURITY AND SOURCES OF PAYMENT – Additional Certificates.”

Base Rental Payments are subject to complete or partial abatement during any period in which, by reason of material damage to, or destruction or condemnation of, the Leased Property, or any defect in title to the Leased Property, there is substantial interference with the City’s right to use and occupy any portion of the Leased Property. See “RISK FACTORS.” Abatement of Base Rental Payments under the Sublease, to the extent payment is not made from alternative sources as set forth below, would result in all Certificate Owners receiving less than the full amount of principal and interest evidenced by the Certificates. To the extent proceeds of insurance are available or there are moneys in the Reserve Fund (as described below), Base Rental Payments (or a portion thereof) may be made during periods of abatement.

THE OBLIGATION OF THE CITY TO MAKE THE BASE RENTAL PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE CITY OR OF 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 CITY 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.

For more complete and detailed information, see “SECURITY AND SOURCES OF PAYMENT.” For a discussion of certain risks associated with the City’s ability to make Base Rental Payments for the Leased Property, see “RISK FACTORS.”

Reserve Fund

A reserve fund (the “Reserve Fund”) is established by the Trust Agreement and is required to be funded in an amount equal to, as of the date of calculation, the least of (i) the maximum amount of Base

Rental Payments coming due in any one year, (ii) 10% of the original aggregate principal amount of the Certificates, and (iii) 125% of the average amount of Base Rental Payments coming due in each year (the “Reserve Requirement”). Upon the execution and delivery of the Certificates, the Surety Bond in the stated amount of \$_____, an amount equal to the initial Reserve Requirement, issued by _____ will be deposited in the Reserve Fund for the Certificates. See “SECURITY AND SOURCES OF PAYMENT – Reserve Fund” below and APPENDIX G – “FORM OF DEBT SERVICE RESERVE FUND POLICY.”

Purpose of the Certificates

The proceeds of the Certificates will be used to (i) finance the costs of the acquisition, construction, installation and equipping of certain public capital improvements, including the costs of construction of a senior center, (ii) advance refund currently outstanding City of Calabasas 2006 Certificates of Participation (Civic Center Project) currently evidencing \$33,450,000 aggregate principal amount, (iii) pay capitalized interest with respect to the Certificates through December 1, 2016, (iv) [provide a Reserve Fund Surety Policy for the Certificates], and (v) pay the costs incurred in connection with the execution and delivery of the Certificates. See “PLAN OF FINANCE” and “ESTIMATED SOURCES AND USES OF FUNDS.”

Description of the Certificates

The Certificates will be issued in book-entry form only and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Certificates. Individual purchases of the Certificates will be made in book-entry form only. Purchasers of the Certificates will not receive certificates representing their ownership interests in the Certificates purchased. The Certificates will be delivered in denominations of \$5,000 and any integral multiple thereof. Principal and interest payments with respect to the Certificates are payable directly to DTC by the Trustee. Upon receipt of payments of principal and interest, DTC will in turn distribute such payments to the beneficial owners of the Certificates. See “THE CERTIFICATES – General” and APPENDIX E – “BOOK-ENTRY-ONLY SYSTEM.”

The Certificates are subject to optional prepayment prior to maturity, as described herein. See “THE CERTIFICATES – Prepayment Provisions.”

For a more complete description of the Certificates and the basic documentation pursuant to which they are being sold and delivered, see “THE CERTIFICATES,” “SECURITY AND SOURCES OF PAYMENT” and APPENDIX C – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS.” The summaries and descriptions in this Official Statement of the Trust Agreement, the Sublease, the Lease, the Assignment Agreement, the Continuing Disclosure Agreement and other agreements relating to the Certificates are qualified in their entirety by the respective form thereof and the information with respect thereto included in such documents. All capitalized terms used in this Official Statement (unless otherwise defined herein) which are defined in the Trust Agreement or the Sublease shall have the same meanings assigned to such terms as set forth therein. See APPENDIX C – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – Definitions.”

Offering and Delivery of the Certificates

The Certificates are offered when, as and if executed, delivered and received by the Initial Purchaser, subject to approval by Special Counsel and the satisfaction of certain other conditions. It is anticipated that the Certificates will be available in book-entry form for delivery through DTC in New York, New York, on or about May __, 2015.

Certificate Owners' Risks

Certain events could affect the ability of the City to make the Base Rental Payments when due. See "RISK FACTORS" for a discussion of certain factors that should be considered, in addition to other matters set forth herein, in evaluating an investment in the Certificates.

Abatement

Under the Sublease, the obligation of the City to make Rental Payments is subject to abatement in whole or in part if there is substantial interference with the City's right to use or occupancy of the Leased Property or any portion thereof. The amount of the abatement will be such that the resulting Rental Payments do not exceed the fair rental value of the portions of the Leased Property as to which there is no such substantial interference. See "SECURITY AND SOURCES OF PAYMENT – Abatement," "PLAN OF FINANCE" and "RISK FACTORS – Abatement."

Prepayment

The Certificates are subject to optional prepayment prior to maturity as described herein. See "THE CERTIFICATES – Prepayment Provisions."

Tax Matters

For a summary of the opinion of Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, Special Counsel, see "TAX MATTERS."

Continuing Disclosure

The City has agreed to provide, or cause to be provided, to each nationally recognized municipal securities information repository and any public or private repository or entity designated by the State as a state repository for purposes of Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission certain annual financial information and operating data and, in a timely manner, notice of certain material events. These covenants have been made in order to assist the Initial Purchaser in complying with SEC Rule 15c2-12(b)(5). See "CONTINUING DISCLOSURE" and APPENDIX F – "FORM OF CONTINUING DISCLOSURE AGREEMENT" herein for a description of the specific nature of the annual report and notices of material events and a summary description of the terms of the disclosure agreement pursuant to which such reports are to be made.

Other Information

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 shall, under any circumstances, create any implication that there has been no change in the affairs of the City 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. 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 descriptions herein of the Trust Agreement, the Lease, the Sublease, the Assignment Agreement, and any other agreements relating to the Certificates are qualified in their entirety by reference to such documents, and the descriptions herein of the Certificates are qualified in their entirety by the form thereof and the information with respect thereto included in the aforementioned documents. See APPENDIX C – "SUMMARY OF PRINCIPAL LEGAL

DOCUMENTS.” Copies of the documents are on file and available for inspection at the office of the Trustee at U.S. Bank National Association, 633 West Fifth Street, 24th Floor, Los Angeles, California 90071.

THE CERTIFICATES

General

The Certificates evidence and represent direct, fractional undivided interests of the Owners thereof in the principal and interest components of Base Rental Payments to be made by the City pursuant to the Sublease.

The Certificates are dated as of their initial date of delivery and will be executed and delivered in denominations of \$5,000 or integral multiples thereof. The interest components evidenced by the Certificates will be due and payable semiannually on June 1 and December 1 of each year, commencing December 1, 2015.

Interest evidenced by the Certificates will be computed on the basis of a 360-day year consisting of twelve, 30-day months. The Base Rental Payments evidenced by the Certificates will be payable no later than the 15th day next preceding each Interest Payment Date, the principal components of which will evidence principal components calculated at the rates per annum, all as set forth on the inside cover page of this Official Statement.

The Certificates will be subject to the Book-Entry System of registration, transfer and payment, and each Certificate will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). As part of such Book-Entry System, DTC has been appointed securities depository for the Certificates, and registered ownership may not thereafter be transferred except as provided in the Trust Agreement. The Certificates are being delivered in book-entry form only. Purchasers will not receive securities certificates representing their interests in the Certificates. Rather, in accordance with the Book-Entry System, purchasers of Certificates will have beneficial ownership interests in the purchased Certificates through DTC Participants. For more information concerning the Book-Entry System, see APPENDIX E – “BOOK-ENTRY-ONLY SYSTEM” herein.

While the Certificates are subject to the Book-Entry System, payments of principal and interest with respect to the Certificates will be made by the Trustee to DTC, which in turn is obligated to remit such principal and interest to its DTC Participants for subsequent disbursement to beneficial owners of the Certificates as described herein. See APPENDIX E – “BOOK-ENTRY-ONLY SYSTEM” herein. So long as DTC is the sole Owner of the Certificates and such Book-Entry Certificate is registered in the name of the Nominee, all payments of principal, premium, if any, and interest evidenced by such Certificate and all notices with respect to such Certificate will be made and given, respectively, as provided in the Letter of Representations or as otherwise instructed by the Depository. In connection with any notice or other communication to be provided to Owners pursuant to the Trust Agreement by the City or the Trustee, with respect to any consent or other action to be taken by Owners, the Trustee will establish a record date for such consent or other action and give the Depository notice of such record date not less than 15 calendar days in advance of such record date to the extent possible. Notice to the Depository will be given only when DTC is the sole Owner of the Certificates.

Exchange and Transfer

The following provisions regarding the exchange and transfer of the Certificates apply only during any period in which the Certificates are not subject to the Book-Entry System. While the

Certificates are subject to the Book-Entry System, their exchange and transfer will be effected through DTC and the DTC Participants and will be subject to the procedures, rules and requirements established by DTC.

Each Certificate is transferable by the Owner thereof, in person or by his attorney duly authorized in writing, at the principal corporate trust office of the Trustee on the registration books maintained by the Trustee pursuant to the provisions of the Trust Agreement, upon surrender of such Certificate for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee. The Trustee may treat the Owner of any Certificate as the absolute owner of such Certificate for all purposes, whether or not the principal or interest evidenced by such Certificate will be overdue, and the Trustee will not be affected by any knowledge or notice to the contrary; and payment of the interest and principal evidenced by such Certificate will be made only to such Owner, which payments will be valid and effectual to satisfy and discharge the liability evidenced by such Certificate to the extent of the sum or sums so paid.

Whenever any Certificate shall be surrendered for transfer, the Trustee will execute and deliver a new Certificate or Certificates evidencing principal in the same aggregate amount and having the same stated Principal Payment Date. The Trustee will require the payment by any Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

Each Certificate may be exchanged at the principal corporate trust office of the Trustee for Certificates evidencing principal in a like aggregate principal amount having the same stated maturity date in such Authorized Denominations as the Owner thereof may request. The Trustee will require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Trustee will not be required to transfer or exchange any Certificate during the period commencing on the date five days before the date of selection of Certificates for prepayment and ending on the date of mailing of notice of such prepayment, nor will the Trustee be required to transfer or exchange any Certificate or portion thereof selected for prepayment from and after the date of mailing the notice of prepayment thereof.

Prepayment Provisions

Optional Prepayment. The Certificates maturing on or after December 1, 20__, shall be subject to optional prepayment prior to maturity, at the option of the City, on or after December 1, 20__, in whole at any time or in part (by lot within any maturity), on any date, a prepayment price equal to the principal amount to be prepaid, plus accrued interest to the date fixed for prepayment, without premium. The City shall provide written notice to the Trustee at least forty-five (45) days prior to the prepayment date (or such lesser period of time acceptable to the Trustee in its sole discretion) specifying the principal amount evidenced by and maturities of the Certificates to be redeemed.

Prepayment from Net Proceeds of Insurance or Condemnation Awards. The Certificates are subject to prepayment on any date prior to their stated Principal Payment Dates, as a whole, or in part, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a prepayment price equal to the sum of the principal amount evidenced thereby plus accrued interest evidenced thereby to the date fixed for prepayment, without premium.

Selection of Certificates for Prepayment. Whenever less than all of the Outstanding Series of Certificates are to be prepaid on any one date, the City shall determine which Series of Certificates are to be prepaid. Whenever less than all the Outstanding Certificates of any Series are to be prepaid on any one

date, the Trustee shall select the Certificates to be prepaid in any manner that the Trustee deems fair and appropriate, consistent with prepayment provisions of the Sublease, which decision shall be final and binding upon the City, the Corporation and the Owners, and the Trustee shall promptly notify the Corporation and the City in writing of the numbers of the Certificates so selected for prepayment on such date. For purposes of such selection, any Certificate may be prepaid in part in Authorized Denominations.

Notice of Prepayment. During any period in which the Certificates are not subject to the Book-Entry System, when prepayment is authorized pursuant to the Trust Agreement, the Trustee will mail notice of prepayment, on behalf and at the expense of the City, not less than 30 nor more than 60 days prior to the prepayment date to the respective Owners of Certificates designated for prepayment at their addresses appearing on the bond registration books of the Trustee. The Trustee shall also provide such additional notice of prepayment of Certificates at the time and as may be required by the Municipal Securities Rulemaking Board (“MSRB”) or otherwise as provided in the Trust Agreement. Each notice of prepayment shall state the date of such notice, the Certificates to be redeemed, the Series and date of issue of such Certificates, the prepayment date, the prepayment price, the place or places of prepayment (including the name and appropriate address or addresses), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity are to be redeemed, the distinctive certificate numbers of the Certificates of such maturity to be redeemed and, in the case of Certificates to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. On the date set for prepayment, there will become due and payable on each of such Certificates the prepayment price thereof or of said specified portion of the principal amount thereof in the case of a Certificate to be redeemed in part only, together with interest accrued thereon to the prepayment date, and that from and after such prepayment date interest thereon shall cease to accrue.

Failure by the Trustee to give such notice to any one or more information service or securities depository, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for prepayment. The failure of any Owner to receive any prepayment notice mailed to such Owner and any defect in the notice so mailed shall not affect the sufficiency of the proceedings for prepayment.

The City shall have the right to rescind any optional prepayment by written notice to the Trustee on or prior to the date fixed for prepayment. Any notice of prepayment shall be cancelled and annulled if for any reason funds are not available on the date fixed for prepayment for the payment in full of the Certificates then called for prepayment, and such cancellation shall not constitute an Event of Default hereunder. The Trustee shall mail notice of such rescission of prepayment in the same manner as the original notice of prepayment was sent.

While the Certificates are subject to the Book-Entry System, the Trustee will be required to give notice of prepayment only to DTC as provided in the letter of representations, and the Trustee will not be required to give any such notice of prepayment to any other person or entity. DTC and the DTC Participants will have sole responsibility for providing any such notice of prepayment to the beneficial owners of the Certificates to be prepaid. Any failure at DTC to notify any DTC Participant, or any failure of a DTC Participant to notify the beneficial owner of any Certificates to be prepaid, of a notice of prepayment or its content or effect will not affect the validity of the notice of prepayment, or alter the effect of prepayment described below under “Effect of Prepayment.”

Effect of Prepayment. If notice of prepayment has been duly given and moneys for the payment of the prepayment price of the Certificates to be prepaid are held by the Trustee, then on the prepayment date designated in such notice the Certificates so called for prepayment shall become payable at the prepayment price specified in such notice; and from and after the date so designated interest evidenced by the Certificates so called for prepayment shall cease to accrue, such Certificates shall cease to be entitled

to any benefit or security under the Trust Agreement and the Owners of such Certificates shall have no rights in respect thereof except to receive payment of the prepayment price thereof.

SECURITY AND SOURCES OF PAYMENT

Nature of the Certificates

Each Certificate evidences a direct, fractional undivided interest in the principal component of the Base Rental Payment due under the Sublease on the payment date or prepayment date of such Certificate, and the interest component of all Base Rental Payments.

The Corporation, pursuant to the Assignment Agreement, will assign to the Trustee for the benefit of the Certificate Owners all of the Corporation's right, title and interest in and to the Lease and the Sublease, including, without limitation, its right to receive Base Rental Payments to be paid by the City under and pursuant to the Sublease. The City will pay Base Rental Payments directly to the Trustee, as assignee of the Corporation. See “– Base Rental Payments” below.

Base Rental Payments

For the use and possession of the Leased Property, the Sublease requires the City to make Base Rental Payments. The Base Rental Payments evidenced by the Certificates will be payable no later than the 15th day next preceding each Interest Payment Date. To secure the payment of the Base Rental Payments, the City is required to pay to the Trustee, for deposit into the Base Rental Payment Fund, on the fifteenth day before each Interest Payment Date, an amount sufficient to pay the Base Rental Payment then due.

Pursuant to the Trust Agreement, the Trustee will (i) on each Interest Payment Date, deposit in the Interest Fund that amount of moneys representing the portion of the Base Rental Payments designated as the interest component coming due on such Interest Payment Date; and (ii) on each Principal Payment Date and each Mandatory Sinking Account Payment Date, deposit in the Principal Fund that amount of moneys representing the portion of the Base Rental Payments designated as the principal component coming due on such Principal Payment Date or Mandatory Sinking Account Payment Date. Moneys in the Principal Fund will be used by the Trustee for the purpose of paying the principal evidenced by the Certificates when due and payable at their stated Principal Payment Date or upon earlier prepayment from Mandatory Sinking Account Payments to provide for the payment of the interest and principal evidenced by the Certificates.

THE OBLIGATION OF THE CITY TO MAKE THE BASE RENTAL PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE CITY OR OF 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 CITY 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.

Sources of Funds for Base Rental Payments; Covenant to Appropriate Funds

Base Rental Payments are to be made from available general fund revenues of the City. Subject to the immediately following sentence, the City has agreed under the Sublease to pay semiannual Base Rental Payments. Each Base Rental Payment shall be paid by wire transfer to the Corporation or its assignee not later than one Business Day preceding its due date.

The City has covenanted under the Sublease to take such action as may be necessary to include all Base Rental Payments and Additional Rental payments due under the Sublease in its operating budget for each fiscal year. In addition, to the extent permitted by law, the City has covenanted to take such action as may be necessary to amend or supplement the budget appropriations for payments under the Sublease at any time and from time to time during any fiscal year in the event that the actual Base Rental Payments and Additional Rental payments paid in any fiscal year exceeds the *pro rata* portion of the appropriations then contained in the City's budget.

The City is required under the Sublease to make Base Rental Payments from legally available funds and has covenanted in the Sublease to take such action as may be necessary to include all Base Rental Payments and Additional Rental payments due under the Sublease in its operating budget for each fiscal year commencing after the date of the Sublease and to make the necessary appropriations for such Base Rental Payments and Additional Rental payments, except to the extent such payments are abated in accordance with the Sublease. See "SECURITY AND SOURCES OF PAYMENT – Base Rental Payments" herein.

Abatement

Base Rental Payments are paid by the City in each Lease Year for the City's right to use and occupy the Leased Property for such Lease Year. As defined in the Sublease, the term "Lease Year" means each twelve-month period beginning on December 2 in each year and extending to the next succeeding December 1, both dates inclusive. Except to the extent of (a) amounts held by the Trustee in the Base Rental Payment Fund or the Reserve Fund, (b) amounts received in respect of use and occupancy insurance, and (c) amounts, if any, otherwise legally available to the Trustee for payments in respect of any Certificates, during any period in which, by reason of material damage, destruction, title defect or condemnation there is substantial interference with the use and possession by the City of any portion of the Leased Property, rental payments due with respect to the Leased Property shall be abated to the extent that the annual fair rental value of the portion of the Leased Property in respect of which there is no substantial interference is less than the annual Base Rental Payments and Additional Rental, in which case rental payments shall be abated only by an amount equal to the difference. The City shall notify the Trustee in writing of the amount of any such abatement. The City shall calculate the remaining fair rental value. In the event the City shall assign, transfer or sublease any or all of the Leased Property or other rights, as permitted by the Sublease, for purposes of determining the fair rental value available to pay Base Rental Payments and Additional Rental, fair rental value of the Leased Property shall first be allocated to the Sublease. The City waives the benefits of Civil Code Sections 1932(2) and 1933(4) and any and all other rights to terminate the Sublease by virtue of any such interference and the Sublease shall continue in full force and effect. Such abatement shall continue for the period commencing with the date of such damage, destruction, title defect or condemnation and ending with the substantial completion of the work of repair or replacement of the portions of the Leased Property so damaged, destroyed, defective or condemned.

In the event that rental is abated, in whole or in part, due to damage, destruction, title defect or condemnation of any part of the Leased Property and the City is unable to repair, replace or rebuild the Leased Property from the proceeds of insurance, if any, the City agrees to apply for and to use its best efforts to obtain any appropriate state and/or federal disaster relief in order to obtain funds to repair, replace or rebuild the Leased Property.

The Trustee cannot terminate the Sublease in the event of such substantial interference. Abatement of Base Rental Payments is not an event of default under the Sublease and does not permit the Trustee to take any action or avail itself of any remedy against the City. See APPENDIX C – "SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – The Sublease – Rental Abatement."

It is not possible to predict the circumstances under which such an abatement of rental may occur. In addition, there is no statute, case or other law specifying how such an abatement of rental should be measured. For example, it is not clear whether fair rental value is established as of commencement of the lease or at the time of the abatement. If the latter, it may be that the value of the Leased Property is substantially higher or lower than its value at the time of the execution and delivery of the Certificates. Abatement, therefore, could have an uncertain and material adverse effect on the security for and payment of the Certificates.

If damage, destruction, title defect or eminent domain proceedings with respect to the Leased Property results in abatement of the Base Rental Payments related to such Leased Property and if such abated Base Rental Payments, if any, together with moneys from rental interruption or use and occupancy insurance (in the event of any insured loss due to damage or destruction), eminent domain proceeds, if any, and moneys available in the Reserve Fund, are insufficient to make all payments of principal and interest with respect to the Certificates during the period that the Leased Property is being replaced, repaired or reconstructed, then all or a portion of such payments of principal and interest may not be made. Under the Sublease and the Trust Agreement, no remedy is available to the Certificate Owners for nonpayment under such circumstances.

Action on Default

Should the City default under the Sublease, the Trustee, as assignee of the Corporation under the Sublease, may exercise any and all remedies available or granted to it pursuant to law or the Sublease. Base Rental Payments may not be accelerated upon a default under the Sublease. See “RISK FACTORS.”

For a description of the events of default and permitted remedies of the Trustee (as assignee of the Corporation) contained in the Sublease and the Trust Agreement, see APPENDIX C – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – The Sublease – Default.”

Additional Rental Payments

The Sublease requires the City to pay, as Additional Rental Payments thereunder in addition to the Base Rental Payments, such amounts as will be required for the payment of all costs and expenses incurred by the Corporation in connection with the execution, performance or enforcement of the Sublease or the assignment thereof, the Trust Agreement or their respective interests in the Leased Property and the lease of the Leased Property by the Corporation to the City, including but not limited to all fees, costs and expenses and all administrative costs of the Corporation relating to the Leased Property including, without limiting the generality of the foregoing, salaries and wages of employees, overhead, insurance premiums, taxes and assessments (if any), expenses, compensation and indemnification of the Trustee, fees of auditors, accountants, attorneys or engineers, insurance premiums, and all other reasonable and necessary administrative costs of the Corporation or charges required to be paid by it to comply with the terms of the Certificates or of the Trust Agreement

Insurance

The Sublease requires the City to cause to be maintained certain insurance with respect to the Leased Property, including casualty insurance, rental interruption insurance, workers’ compensation insurance and public entity liability insurance. The Sublease permits self-insurance under certain circumstances. See APPENDIX C – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – The Sublease – Insurance.”

Reserve Fund

A reserve fund (the “Reserve Fund”) is established by the Trust Agreement and is required to be maintained in the amount of the “Certificate Reserve Fund Requirement.” Moneys in the Certificate Reserve Fund shall be used and withdrawn by the Trustee solely for the purposes set forth in the Trust Agreement. [There shall be deposited in the Reserve Fund the Surety Bond.] The City, upon notice to the Rating Agencies, reserves the right to substitute, at any time and from time to time, one or more Reserve Facilities from a financial institution, the long-term unsecured obligations of which are rated in the two highest rating categories of the Rating Agency in substitution for or in place of all or any portion of the Surety Bond or the moneys, if any, on deposit in the Reserve Fund, which satisfy the Certificate Reserve Fund Requirement, under the terms of which the Trustee is unconditionally entitled to draw amounts when required for the purposes hereof. Upon deposit by the City with the Trustee of any such Reserve Facility(ies), the Trustee shall, on or after the date of such deposit, transfer to the City such amounts as are on deposit in the Certificate Reserve Fund in excess of the Certificate Reserve Fund Requirement after application of the Reserve Facility(ies) thereto. Any amounts paid pursuant to any Reserve Facility shall be deposited in the Reserve Fund. The moneys in the Reserve Fund and any Reserve Facility shall be held in trust by the Trustee and shall be used and disbursed only for the purposes and uses authorized in the Trust Agreement. See APPENDIX G – “FORM OF DEBT SERVICE RESERVE FUND POLICY.”

If, on any Interest Payment Date, the amount on deposit in any account within the Interest Fund is insufficient to pay the interest due with respect to the corresponding Series of Certificates on such Interest Payment Date, the Trustee shall transfer from the corresponding account within the Certificate Reserve Fund and deposit in such account within the Interest Fund an amount sufficient to make up such deficiency. If a Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Certificate Reserve Requirement, the Trustee shall make a claim for payment under such Reserve Facility, in accordance with the provisions thereof, in an amount which, together with other available moneys in the Reserve Fund, will be sufficient to make said deposit in the Interest Fund.

If, on any Principal Payment Date or any Mandatory Sinking Account Payment Date, the amount on deposit in any account within the Principal Fund is insufficient to pay the principal due with respect to the corresponding Series of Certificates on such Principal Payment Date or Mandatory Sinking Account Payment Date, the Trustee shall transfer from the corresponding account within the Certificate Reserve Fund and deposit in such account within the Principal Fund an amount sufficient to make up such deficiency. If a Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Certificate Reserve Requirement, the Trustee shall make a claim for payment under such Reserve Facility, in accordance with the provisions thereof, in an amount which, together with other available moneys in the Reserve Fund, will be sufficient to make said deposit in the Principal Fund.

In the event of any withdrawal or transfer from the Certificate Reserve Fund, the Trustee shall, within five (5) days thereafter, provide written notice to the City of the amount and the date of such transfer. If there are no amounts currently due under any Reserve Facility and the sum of the amount on deposit in the Reserve Fund, plus the amount available under any Reserve Facilities, shall be reduced below the Reserve Requirement, the first of Base Rental Payments thereafter received from the City under the Sublease and not needed to pay the interest and principal components of the Certificates on the next Interest Payment Date, Principal Payment Date or Mandatory Sinking Account Payment Date shall be used, first, to reinstate the amounts available under the Reserve Facilities that have been drawn upon and, second, to increase the amount on deposit in the Reserve Fund, so that the amount available under the Reserve Facilities, when added to the amount on deposit in the Reserve Fund, shall equal the Reserve Requirement. In the event there are insufficient funds to remedy any deficiencies in all such accounts, moneys shall be deposited pro rata in each such account. Except as provided in this paragraph from Base Rental Payments not needed to pay the interest and principal components of the Certificates and from

amounts available to be transferred from the Cost of Issuance Fund pursuant to the Trust Agreement, the City shall have no obligation to replenish the Certificate Reserve Fund. See APPENDIX C – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – Trust Agreement – Certificate Reserve Fund.”

Additional Certificates

In addition to the Certificates, the Trustee, the Corporation and the City may, by execution of a supplemental Trust Agreement, without the consent of the Owners, provide for the execution and delivery of Additional Certificates evidencing additional Base Rental Payments. The Trustee may execute and deliver to or upon the request of the City, such Additional Certificates evidencing the additional principal components and interest components of such Base Rental Payments, and the proceeds of such Additional Certificates may be applied to any lawful purposes of the City, but such Additional Certificates may only be executed and delivered upon compliance by the City with the Trust Agreement and subject to the following specific conditions, among others: (i) the supplemental trust agreement providing for the delivery of such Additional Certificates shall provide that from such proceeds or other sources an amount shall be deposited in the Reserve Fund so that following such deposit there shall be on deposit in the Reserve Fund an amount at least equal to the Certificate Reserve Fund Requirement; and, (ii) the Sublease shall have been amended so as to increase the Base Rental Payments payable by the City thereunder by an aggregate amount equal to the principal and interest represented by such Additional Certificates, payable at such times and in such manner as may be necessary to provide for the payment of the principal and interest represented by such Certificates; *provided, however*, that no such amendment shall be made such that the sum of Base Rental Payments, including any such amendment, plus Additional Rental shall be in excess of the fair rental value of the Leased Property after taking into account the use of the proceeds of any Additional Certificates executed and delivered in connection therewith (evidence of the satisfaction of this condition shall be made by a Certificate of the City).

Any Additional Certificates will be on a parity with the Certificates and each Owner thereof will have the same rights upon an event of default as the Owner of any other Certificates executed and delivered under the original Trust Agreement, except as otherwise provided in the supplemental Trust Agreement under which Additional Certificates are executed and delivered.

See APPENDIX C – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – The Trust Agreement – Execution and Delivery of Additional Certificates.”

PLAN OF FINANCE

The proceeds from the sale of the Certificates will be used to (i) finance the costs of the acquisition, construction, installation and equipping of certain public capital improvements, including the costs of construction of a senior center (as more fully described herein, the “Project”), (ii) advance refund currently outstanding City of Calabasas 2006 Certificates of Participation (Civic Center Project) delivered on November 29, 2006, originally evidencing \$35,000,000 aggregate principal amount and currently evidencing \$33,450,000 aggregate principal amount (the “Refunded Certificates”) which refinanced certain public improvements within the City, (iii) pay capitalized interest with respect to the Certificates through December 1, 2016, (iv) [provide a Reserve Fund Surety Policy for the Certificates], and (v) pay the costs incurred in connection with the execution and delivery of the Certificates. See “ESTIMATED SOURCES AND USES OF FUNDS.”

New Money Project

The Project, as currently designed, will consist of a Senior Center which is designed to encompass a total of 8500 square feet on two levels. The Project will be sited on a portion of a 7.7 acre

site that is currently owned by the City. See “THE PROPERTY” below. The Project is expected to be completed by December 1, 2016.

At the January 8, 2014 City Council Meeting, Council approved the selection of Pankow Builders as the best qualified firm and authorized staff to begin contract negotiations and to include a Gold LEED Standard within the building program. City Council then awarded a Design/Build Contract to Pankow at the March 12, 2014 Council Meeting based on evaluation and scoring of specified criteria and approved the design/construction process to proceed in three separate Council authorized phases:

Phase I, Schematic Design/Massing: Preparation of basic design package, consisting of site and floor plans, elevations and sections sufficient to describe the building to a 10% level of completion, along with a cost estimate of the work.

Phase II, Design Development: Preparation of the approved schematic design to a 50% level of completeness sufficient to permit the preparation of a Guaranteed Maximum Price by the Design-Build team.

Phase III, Final Design (A) and Construction (B): Preparation of final design plans, securing of permits, construction and start-up of the new Senior Center.

The total estimated cost of the Project is approximately \$4 million.

Plan of Refunding

A portion of the net proceeds of the Certificates will be deposited in escrow to advance refund the Refunded Certificates. See “ESTIMATED SOURCES AND USES OF FUNDS” herein. The Refunded Certificates were issued pursuant to a Trust Agreement, dated as of November 15, 2006 (the “2006 Trust Agreement”), by and among the City, the Corporation and U.S. Bank National Association, as trustee. The Refunded Certificates evidence direct, fractional undivided interests of the Owners thereof in the Base Rental Payments under a Sublease, dated as of November 15, 2006 (the “Sublease”), by and between the City, as lessee, and the Corporation, as lessor.

Such net proceeds of the sale of the Certificates, together with certain other moneys of the City, will be deposited in escrow with U.S. Bank National Association under an Escrow Agreement between U.S. Bank National Association and the City, dated as of May 1, 2015, to be used to defease and redeem the Refunded Certificates by prepayment of the lease payments as scheduled through, including prepayment in full pursuant to the Sublease on, December 1, 2016, at a prepayment price equal to 100% of the principal amount of the Refunded Certificates.

The net proceeds held in escrow will be pledged to the payment of the Refunded Certificates to be refunded and neither the principal nor the interest thereon will be available for the payment of the Certificates. As a result, the lien of the Refunded Certificates under the 2006 Trust Agreement will be discharged.

Causey Demgen & Moore P.C., certified public accountants, will verify that the amounts deposited to the Escrow Fund will be sufficient to pay principal, interest and prepayment price due on the Refunded Certificates through and including the prepayment date. See “VERIFICATION OF MATHEMATICAL COMPUTATIONS” herein.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the Certificates, and other funds to be made available by the City, are shown below.

SOURCES

Principal Amount of Certificates	
Original Issue Premium (Discount)	
[Amounts released from 2006 Trust Agreement	
Total Sources	_____

USES

Construction Fund ⁽¹⁾	
Capitalized Interest Account within the Interest Fund ⁽²⁾	
Escrow Fund	
Certificate Reserve Fund	
Initial Purchaser's Discount	
Costs of Delivery ⁽³⁾	
Total Uses	_____

(1) _____.

(2) Represents capitalized interest with respect to the Certificates through December 1, 2016.

(3) Includes legal, financial advisory, rating agency, printing costs, the surety bond premium and other miscellaneous costs of delivery.

BASE RENTAL PAYMENTS

The Sublease requires that Base Rental Payments be made on or before the 15th day of the month prior to each of Interest Payment Date. The following is a schedule of annual Base Rental Payments.

Table 1
Annual Base Rental Payment Schedule

Year Ending June 30,	Principal Component	Interest Component	Total Base Rental Payment
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
TOTAL			

THE PROPERTY

Description

The Leased Property consists of an of an approximate 7.7 acre parcel located at 23900 Park Sorrento in the City, adjacent to the Commons on Park Sorrento. The Leased Property contains approximately 1.5 net developable acres to be the site of a new City Hall, Assembly Hall and Library, and is of sufficient size to also accommodate future expansion, which the City envisions to include a small theater. The property is in a portion of the planned commercial project originally known as Calabasas Park Centre, which currently is partially developed with a mixed-use retail shopping center and additionally encompasses vacant land planned for office development and a hotel, in addition to dedicated open space. The property is located in the heart of the City with the “Commons” and “Old Town” retail districts immediately to the east, and is in an area of office and commercial development in the vicinity of Calabasas Road and Park Granada.

Substitution or Release

The City may amend the Sublease and the Lease to substitute real property and/or improvements for existing Leased Property, to add real property and/or improvements or to remove real property (including undivided interests therein) or improvements from the definition of Leased Property, upon

compliance with all of the conditions set forth in the Sublease. See APPENDIX C – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – The Sublease – Substitution, Addition or Removal of Leased Property.”

THE CITY

General

The City of Calabasas (the “City”) was incorporated in April 1991 under the General Laws of the State, and is one of the smaller cities in Los Angeles County, with a population of roughly 23,000. The City is located in northwest Los Angeles County in the foothills of the Santa Monica Mountains National Recreation Area and in the southwesterly portion of the San Fernando Valley along the foothills of the Santa Monica Mountains. This area consists primarily of varied rolling and mountainous terrain. The southern foothill area in the San Fernando Valley generally exhibits higher average home prices than other areas of the Valley, particularly as compared to the majority of the Valley basin. The City is bordered by the community of Woodland Hills (within the city limits of the City of Los Angeles) to the east, the community of Agoura Hills to the west, Hidden Hills to the northwest, the (101) Ventura Freeway to the north and the Santa Monica Mountains to the south. From downtown Los Angeles, the City is 25 miles northwest (8 miles east of the Ventura County line). Primary access is by four freeway exits off the (101) Ventura Freeway, or by taking Malibu Canyon Road 4 miles north from the Pacific Coast Highway.

In 2014, the City had a current per capita income of \$66,861 which is 2.3 times that of the State of California. At \$119,624 the median household income in the City in 2014 was nearly twice that of the State of California. The median age of residents in 2013 was 44.0, while the median age in the State of California as a whole was 32.1 years.

For additional information regarding the City, see APPENDIX A – “ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY OF CALABASAS.”

Government and Administration

The City operates under a Council-Manager form of government. The Council of the City of Calabasas (the “Council”) appoints the City Manager, who heads the executive branch of government, implements Council directives and policies, and manages the administrative and operational functions through the various department heads, who are appointed by the City Manager.

The Los Angeles County Sheriff’s Department serves the unincorporated areas of Los Angeles County as well as contract cities such as Calabasas and Hidden Hills. The Los Angeles County Fire Department serves the City and enforces brush clearance in the City and implements other preventative programs to keep the area safe from brush and wild fires.

The members of the Council and the expiration dates of their terms and key administrative personnel are listed in the tables below.

Member	Position	Term
Lucy Martin	Mayor	2015
James Bozajian	Mayor Pro Tem	2017
Fred Gaines	Councilmember	2015
Mary Sue Maurer	Councilmember	2017
David J. Shapiro	Councilmember	2015

Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The City is a member of the California Joint Powers Insurance Authority (the "Authority"). The Authority is composed of 84 California public entities and is organized under a joint powers agreement pursuant to California Government Code Section 6500 *et seq.* The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group-purchased insurance for property and other coverages. The Authority's pool began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a 9-member Executive Committee. The City participates in the following Self-Insurance programs of the Authority, among others:

General Liability – The City currently maintains liability coverage through the Authority. In the liability program claims are pooled separately between police and non-police exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (3) Incurred costs in excess of \$750,000 up to the reinsurance attachment point of \$5 million are distributed based on the outcome of cost allocation within the first and second loss layers. (4) Costs of covered claims from \$5 million to \$10 million are paid under a reinsurance contract subject to a \$2.5 million annual aggregate deductible. Costs of covered claims from \$10 million to \$15 million are paid under two reinsurance contracts subject to a combined \$3 million annual aggregate deductible. On a cumulative basis for all 2011-12 reinsurance contracts, the annual aggregate deductible is \$5.5 million. (5) Costs of covered claims from \$15 million up to \$50 million are covered through excess insurance policies

The overall coverage limit for each member including all layers of coverage is \$50 million per occurrence.

Costs of covered claims for subsidence losses are paid by reinsurance and excess insurance with a pooled sub-limit of \$35 million per occurrence. This \$35 million subsidence sub-limit is composed of (a) \$5 million retained within the pool's SIR, (b) \$10 million in reinsurance and (c) \$20 million in excess insurance. The excess insurance layer has a \$20 million annual aggregate.

Workers Compensation – The City also participates in the workers' compensation pool administered by the Authority. In the workers' compensation program claims are pooled separately between public safety (police and fire) and non-public safety exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$100,000 up to the reinsurance attachment point of \$2 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$2 million up to statutory limits are paid under a reinsurance policy. Protection is provided per statutory liability under California Workers' Compensation Law.

The City Participates in the following purchased insurance programs of the Authority:

Environmental Insurance – The City participates in the pollution legal liability insurance program (formerly called environmental insurance) which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50 million for the 3-year period from July 1, 2008 through July 1, 2014. Each member of the Authority has a \$10 million sub-limit during the 3-year term of the policy.

Property Insurance – The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. The City’s property is currently insured according to a schedule of covered property submitted by the City to the Authority. Total all-risk property insurance coverage is \$53,653,088. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

[During the past three fiscal years none of the above programs have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior fiscal year.]

See “Notes to Financial Statements” in APPENDIX B – “THE COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY OF CALABASAS FOR THE FISCAL YEAR ENDED JUNE 30, 2014.” All claims are investigated, valued, reserved, defended and/or settled in accordance with generally accepted insurance industry practices. There are no known existing claims that would exceed the City’s applicable coverage.

Employee Retirement Plan - CalPERS

General. The City contributes to the California Public Employees’ Retirement System (CalPERS), an agent, which is a multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within California. Benefit provisions and all other requirements are established by state statute and city ordinance. Copies of CalPERS annual financial report may be obtained from their executive office: 400 P Street, Sacramento, CA, 95814 or on their website: www.calpers.ca.gov. See Note 10 in APPENDIX B – “THE COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY OF CALABASAS FOR THE FISCAL YEAR ENDED JUNE 30, 2014.”

As noted in Note 10 in Appendix B, for the fiscal year ended June 30, 2014, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 67, “Financial Reporting for Pension Plans.” This Statement is effective for periods beginning after June 15, 2013. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement replaces the requirements of Statements No. 25, “Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans” and No. 50 “Pension Disclosures” as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to define contribution plans that provide postemployment benefits other than pensions. Implementation of the GASB Statement No. 67 did not have an impact on the City’s financial statements for the fiscal year ended June 30, 2014.

The City makes two types of contributions for covered employees. The first contribution represents the amount the City is required to make (the employer rate). The second represents an amount, which is made by the employee, but is reimbursed to the employee by the City (the member rate).

Participants are required to contribute 7% of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate; the current rate is 9.38% of annual covered payroll. The member rate is set by contract and normally remains unchanged. The employer rate is an actuarially established rate, is set by CalPERS, and changes from year to year. The City's contribution to CalPERS for the fiscal years ending June 30, 2014, 2013, and 2012, were \$753,476, \$714,666, and \$733,073, respectively and were equal to the required contribution.

The employer rates for the fiscal years ending June 30, 2013 through 2016 and as projected by CalPERS for the Fiscal Year ending June 30, 2017 are as follows:

Fiscal Year	Employer Normal Cost Rate	Employer Payment of Unfunded Liability	City Contribution
2012-13	7.720%	\$142,666	\$714,666
2013-14	8.052	161,360	753,476
2014-15*	7.824	219,490	836,934
2015-16*	8.003	221,033	791,126
2016-17†	8.300	255,274	n/a

* Projected.

† CalPERS projected.

Source: City of Calabasas Finance Department and 2014 CalPERS Report.

The City's fiscal year 2013-14 annual pension cost of \$753,476 was equal to the City's required and actual contributions. The City's fiscal year 2014-15 projected annual pension cost of \$836,934 is equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2013, actuarial valuations provided by CalPERS in October 2014 (the "2014 CalPERS Report"), using the entry age normal actuarial cost method.

The table above displays the Minimum Employer Contributions, before any cost sharing, for 2015-16 along with estimates of the contributions for 2016-17. The estimated contributions for 2016-17 are based on a projection of the most recent information available to CalPERS, including an estimated 18.0 percent investment return for fiscal 2013-14, the impact of the new amortization methods adopted by the CalPERS Board in April 2013 that will impact employer rates for the first time in 2015-16 and new actuarial assumptions adopted by the CalPERS Board in February 2014 that will impact rates for the first time in 2016-17. These new demographic assumptions include a 20-year projected improvement in mortality.

The plan's actuarially unfunded liability as of June 30, 2013 was \$4,033,227 and the funded ratio was 79.3%

Valuation Date	Share of Pool's Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Plan's Share of Pool's Unfunded Liability	Funded Ratio	Annual Covered Payroll
06/30/2011	\$15,721,975	\$12,413,559	\$3,308,416	79.0%	\$6,621,864
06/30/2012	17,059,973	12,757,483	4,292,490	74.8	6,261,372
06/30/2013	19,473,480	15,440,253	4,033,227	79.3	6,519,004

Source: City of Calabasas Finance Department and 2014 CalPERS Report.

Actuarial Methods and Assumptions. On April 17, 2013, the CalPERS Board of Administration approved a recommendation to change the CalPERS amortization and rate smoothing policies. Beginning with the June 30, 2013 valuations that set the 2015-16 rates, CalPERS will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period.

On January 1, 2013, the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect. In addition to creating new retirement formulas for newly hired members, PEPRA also effectively closed all existing active risk pools to new employees. As such it is no longer appropriate to assume that the payroll of the risk pools for the classic formulas will continue to grow at 3 percent annually. Funding the promised pension benefits as a percentage of payroll would lead to the underfunding of the plans. In addition the current allocation of the existing unfunded liabilities based on payroll would create equity issues for employers within the risk pools. Furthermore the declining payroll of the classic formula risk pools will lead to unacceptable levels of employer rate volatility.

In order to address these issues the CalPERS Board of Administration approved at their May 21, 2014 meeting structural changes to the risk pools. All pooled plans will be combined into two active pools, one for all miscellaneous groups and one for all safety groups, effective with the 2013 valuations. By combining the pools this way the payroll of the risk pools and the employers within the pools can once again be expected to increase at the assumed 3 percent annual growth. However two important changes are being made which will affect employers.

1. Beginning with Fiscal Year 2015-16 CalPERS will collect employer contributions toward your unfunded liability and side fund as dollar amounts instead of the prior method of a contribution rate. This change will address the funding issue that would still arise from the declining population of classic formula members. Although employers will be invoiced at the beginning of the fiscal year for their unfunded liability and side fund payments the plan's normal cost contribution will continue to be collected as a percentage of payroll.

2. The pool's unfunded liability will be allocated to each individual plan based on the plan's total liability rather than by plan individual payroll. This will allow employers to track their own unfunded liability and pay it down faster if they choose. The change in the allocation of unfunded liabilities will result in some employers paying more towards their unfunded liability and some paying less.

On January 1, 2013, the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect. The impact of the PEPRA changes are included in the rates and the benefit provision listings of the June 30, 2013 valuation for the 2015-16 rates.

In 2014 CalPERS completed a 2-year asset liability management study incorporating actuarial assumptions and strategic asset allocation. On February 19, 2014 the CalPERS Board of Administration adopted relatively modest changes to the current asset allocation that will reduce the expected volatility of

returns. The adopted asset allocation is expected to have a long-term blended return that continues to support a discount rate assumption of 7.5 percent. The Board also approved several changes to the demographic assumptions that more closely align with actual experience. The most significant of these is mortality improvement to acknowledge the greater life expectancies seen in CalPERS membership and expected continued improvements. The new actuarial assumptions will be used to set the Fiscal Year 2016-17 contribution rates for public agency employers. The increase in liability due to new actuarial assumptions will be calculated in the 2014 actuarial valuation and will be amortized over a 20-year period with a 5-year ramp-up/ramp-down in accordance with Board policy.

The projected future employer contribution rates for the City are as follows. Projected future employer contribution rates are shown based on the 2014 CalPERS Report for a June 30 fiscal year end.

Fiscal Year	Employer Normal Cost Rate	Employer Payment of Unfunded Liability
2015-16	8.003%	\$221,033
2016-17	8.300	255,274
2017-18*	8.300	291,373
2018-19*	8.300	329,406
2019-20†	8.300	369,460
2020-21	8.300	277,272

* Projected.

† CalPERS projected.

Source: City of Calabasas Finance Department and 2014 CalPERS Report.

See also “Notes to Financial Statements” in APPENDIX B – “THE COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY OF CALABASAS FOR THE FISCAL YEAR ENDED JUNE 30, 2014.”

Post-Employment Benefits

The City provides certain post-retirement health insurance premium payments to qualifying retired employees and their eligible dependents or survivors. Pursuant to Government Code Sections 22850 and 22857 and City Resolutions 2000-611, 2000-617, 2000-649 and 2002-780 the City provides post-employment medical benefits to all retired employees in the amount of \$115 per month from July to December and \$119 per month from January to June in fiscal year 2013-14. This amount is paid on the employees’ behalf to CalPERS for health benefits. In addition, certain management employees and City Council who have retired with at least 8 years of CalPERS service credit with the City and who have reached age 55 are reimbursed for CalPERS health benefit payments up to \$688.50 per month. The reimbursement is reduced by the amount of eligible Medicare benefits. The City’s adopted policy is to contribute an amount sufficient to pay the current fiscal year’s premium. For fiscal year 2013-14, the City contributed \$63,577, which consisted of current premiums, but did not include any additional prefunding of benefits.

The City’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), and an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City’s annual OPEB cost for the fiscal year, the amount actually contributed to the plan, and changes in the City’s net OPEB obligation.

Annual required contribution	\$ 193,680
Interest on net OPEB obligation	28,609
ARC Adjustment	<u>(37,222)</u>
Annual OPEB cost (expense)	185,067
Contributions made	<u>(63,577)</u>
Increase in net OPEB obligation	121,490
Net OPEB obligation - beginning of fiscal year	<u>572,186</u>
Net OPEB obligation - end of fiscal year	\$ 693,676

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2014, 2013, and 2012, was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contribution	Net OPEB Obligation (Asset)
6/30/2012	\$189,040	28.5%	\$443,310
6/30/2013	187,008	31.1	572,186
6/30/2014	185,067	34.4	693,676

See Note 14 in APPENDIX B – “THE COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY OF CALABASAS FOR THE FISCAL YEAR ENDED JUNE 30, 2014.”

On June 21, 2004, the Governmental Accounting Standards Board (“GASB”) approved Statement No. 45 (GASB 45), accounting standards for other (than pensions) postemployment benefits (OPEB). Accounting for these benefits – primarily postretirement medical – can have significant impacts on state and local government financial statements. GASB 45 effective dates are phased in, similar to GASB’s Statement No. 34 which was implemented in recent years.

As of July 1, 2011, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$1,361,549, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,361,549. The covered payroll (annual payroll of active employees covered by the plan) was \$6,411,928 and the ratio of the UAL to the covered payroll was 21.2%.

The City Manager expects annual expenditures to be consistent with those described above, but the City cannot predict the impact of any stated accrued actuarial liability for postemployment medical contributions, though such liability may be substantial.

Calabasas Second-Hand Smoke Law

The Calabasas City Council unanimously passed a “Comprehensive Second-Hand Smoke Control Ordinance” during their February 15, 2006 meeting which will protect the right of City residents to not be exposed to the well-documented dangers of second-hand smoke. The Ordinance placed a restriction on smoking in nearly all public places, including sidewalks, parking lots, patios, and even outdoor balconies in apartment complexes if they were near common areas, indoor and outdoor businesses, hotels, parks, restaurants and bars, making it the city with the strictest antismoking laws in the United States.

The City sent information to all residents and businesses explaining the content of the ordinance. Under terms of the ordinance, business owners may apply with the City to install a marked “smokers’ outpost” which designates an area for smoking that is a reasonable distance from non-smokers, with forms available on the City’s Planning Department website. There is no cost for businesses to apply for

approval of a smokers' outpost location. The City recommends that businesses select an area for smokers at least twenty feet away from any path of travel, doorway, or place where people congregate. The City has found that residents and businesses voluntarily comply with the ordinance without any need for City enforcement. Smoking in undesignated areas under the new law could earn smokers fines of up to \$500.

CITY FINANCIAL INFORMATION

The following selected financial information provides a brief overview of the City's finances. This financial information has been extracted from the City's comprehensive annual financial report and, in some cases, from unaudited information provided by the City's Finance Department. The most recent comprehensive annual financial report of the City with an unqualified auditors' opinion is included as Appendix B hereto. See APPENDIX B – "THE COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY OF CALABASAS FOR THE FISCAL YEAR ENDED JUNE 30, 2014."

General

The City was incorporated in April 1991 under the General Laws of the State, and is in its 14th full fiscal year of operations. For additional general information regarding the City, see APPENDIX A – "ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY OF CALABASAS."

Accounting Policies and Financial Reporting

The City's accounting records are organized and operated on a "fund" basis, which is the basic fiscal and accounting entity in governmental accounting. The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually and non-major funds in the aggregate for governmental funds. The major funds are described as follows:

General Fund – general operating fund of the City; used to account for all financial resources except those required to be accounted for in other funds.

Developer Impact Fees Special Revenue Fund – used to account for fees collected from developers for future projects necessitated by new development.

Landscape District Maintenance Special Revenue Fund – used to account for receipts and expenditures relating to the benefit assessment district for landscape maintenance.

Grants Special Revenue Fund – used to account for other grants requiring segregated fund accounting; financing provided by federal, state, and county agencies.

Capital Projects Fund – used to account for the acquisition and construction of major capital projects not being financed by proprietary funds.

The basis of accounting for all funds is more fully explained in the Notes to the Comprehensive Annual Financial Report of The City of Calabasas for the Fiscal Year Ended June 30, 2014 contained in Appendix B.

Cash resources of the City's individual funds are combined to form a pool of cash and investments. Cash temporarily idle during the year is currently invested in the Local Agency Investment Fund or in federal securities, consistent with the City's Investment Policy. See "CITY FINANCIAL INFORMATION - Investment of City Funds." Relevant sections of the basic financial statements of the City included in Appendix B to this Official Statement have been audited by Moss, Levy & Harzheim, LLP, independent certified public accountants. See APPENDIX B – "THE COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY OF CALABASAS FOR THE FISCAL YEAR ENDED JUNE 30, 2014" herein.

Budgetary Process

The fiscal year of the City begins on the first day of July each year and ends on the thirtieth day of June of the following year.

Each department head must furnish the City Manager with an estimate of revenues and expenditures for such department for the coming two fiscal year. In preparing the proposed budget, the City Manager reviews the estimates, holds conferences with the respective department heads, and revises the estimates, as he deems advisable.

The City Council reviews and adopts a bi-annual budget (updated and approved on an annual basis) for the General, Special Revenue, Debt Service and Capital Projects Funds. The City Council holds public hearings and may modify the appropriations by general approval. Budgeted amounts may be transferred between departments with the City Manager's approval. The legal level of expenditure control is at the fund level. Operating appropriations lapse at the end of each fiscal year.

The budget is reported on the same basis as the fund types and on a basis consistent with generally accepted accounting principles. Additional appropriations or other changes during the year may be submitted by the departments for Council review and approval. See "General Fund Financial Summary" below for a summary of the City's General Fund budget for Fiscal Year 2014-15.

Principal Sources of Revenues

Taxes constitute principal sources of governmental revenues, constituting approximately 93% of the of the City's General Fund revenues for Fiscal Year 2014-15. The principal taxes received by the City include sales and use taxes, property taxes, utility user taxes and transient occupancy taxes. For the City's fiscal year ended June 30, 2014, sales and use taxes constitute approximately 40% of the City's General Fund revenues, utility user's taxes constitute approximately 23% of the City's General Fund revenues, property taxes constitute approximately 19% of the City's General Fund revenues, and transient occupancy taxes constitute approximately 10% of the City's General Fund revenues.

The following table sets forth principal sources of tax revenues received by the City for the fiscal years indicated:

Table 2
City of Calabasas
General Fund
Principal Tax Revenues By Source
Fiscal Years 2010 through 2014

Fiscal Year End	Property	Sales and Use	Utility Users	Transient Occupancy Tax	Other	Total
2010	\$2,640,847	\$4,934,531	\$3,432,782	\$1,012,512	\$ 944,046	\$12,964,717
2011	2,595,274	5,865,417	3,356,870	1,198,626	920,631	13,936,817
2012	2,582,939	5,331,520	3,232,973	1,143,358	951,962	13,242,753
2013	3,048,656	5,340,723	3,251,694	1,264,559	1,017,163	13,922,794
2014	2,842,314	5,905,147	3,414,094	1,492,057	1,028,406	14,682,018

Source: City of Calabasas Finance Department.

Like most utility users taxes in California, the City's tax on telephony was originally drafted to exclude from the tax base telephone services which were not subject to the federal excise tax on telephone services as interpreted by IRS Revenue Ruling 79-404. That exclusion covered such things as coin-operated calls and calls by active servicemen. On May 25, 2006, the IRS announced a change in its interpretation of the federal excise tax and specifically revoked notices adopted in 2005 which had reaffirmed Revenue Ruling 79-404. The IRS notice took effect on July 1, 2006 and narrowed the base of the federal tax to exclude long-distance calls not billed on the basis of both the duration of the call and the distance between the two telephones served; that ruling also excludes most package plans, which provide taxable and untaxable telephone services for a single charge. Because the IRS' new interpretation is contrary to the intent of Calabasas' tax, the City adopted on October 18, 2006 an ordinance deleting references to the federal excise tax and restating the original intent of the tax. While it is the City's view that this new ordinance is not a tax increase requiring voter approval under Propositions 62 and 218, telephone carriers may contend otherwise. The City intends to vigorously defend the new ordinance. Of the \$3.195 million in annual receipts from the utility tax, \$900,000 is received from telephone carriers and an unknown amount of that, perhaps a majority, will not be taxed under the federal excise tax but is subject to Calabasas' tax under the clarifying terms of the new ordinance.

Dissolution of Redevelopment – No Impact on the City

In 2011, the State adopted legislation to dissolve all redevelopment agencies in the State. The dissolution was effective on February 1, 2012. The City had not established a redevelopment agency nor any redevelopment project area and, as such, dissolution has had no impact on the City or its revenues.

Assessed Valuations and Ad Valorem Property Tax Levies, Collections and Delinquencies

The City uses the facilities and services of the County for the assessment and collection of taxes. The County levies a one percent property tax on behalf of all taxing agencies in the County. The taxes collected are allocated on the basis of a formula established by State law enacted in 1979. Under this formula, the City and all other taxing entities receive a base year allocation plus an allocation on the basis of "situs" growth in assessed value (new construction, change of ownership, inflation) prorated among the jurisdictions that serve the tax rate areas within which the growth occurs. Tax rate areas are specifically defined geographic areas that were developed to permit the levying of taxes for less than countywide or

less than citywide special and school districts. In addition, the County levies and collects additional approved property taxes and assessments on behalf of any taxing agency within the County.

City taxes are collected at the same time and on the same tax rolls as are the County taxes and special district taxes for districts located within the City. Assessed valuations are the same for both City and County taxing purposes.

The valuation of property in the City is established by the Los Angeles County Assessor, except for public utility property, which is assessed by the State Board of Equalization. Assessed valuations are reported at 100% of the full cash value of the property, as defined in Article XIII A of the California Constitution. Prior to Fiscal Year 1981-82, assessed valuations were reported at 25% of the full value of the property. See “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS” herein.

The California State Legislature adopted two types of State-reimbursed exemptions beginning in the tax year 1969-70. The first currently exempts 100% of the full value of business inventories from taxation. The second exemption currently provides a credit of \$7,000 of the full value of an owner-occupied dwelling for which application has been made to the Los Angeles County Assessor. Revenue estimated to be lost to local taxing agencies due to the above exemptions has in the past been reimbursed from State sources. Reimbursement is based upon total taxes due upon such exemption values and therefore is not reduced by any estimated amount of actual delinquencies.

The following table represents a 10-year history of assessed valuation in the City.

Table 3
City of Calabasas
Assessed Valuation

Fiscal Year End	Residential Property	Commercial Property	Industrial Property	Other Property	Unsecured Property	Less: Tax Exempt Property	Taxable Assessed Value
2004-05	\$3,570,022,138	\$488,472,587	\$ 61,272,541	\$152,662,949	\$149,116,435	\$0	\$4,421,546,650
2005-06	3,869,468,648	553,684,452	62,375,154	190,429,103	159,586,980	0	4,835,544,337
2006-07	4,479,319,207	578,107,705	71,585,001	199,412,741	153,180,580	0	5,481,605,234
2007-08	5,104,117,038	646,677,279	73,834,203	204,499,845	168,440,605	0	6,197,568,970
2008-09	5,388,512,475	688,057,254	106,967,398	232,122,553	175,051,955	59,429,659	6,531,281,976
2009-10	5,219,181,895	726,040,492	109,145,499	267,986,735	166,672,767	71,056,142	6,417,971,246
2010-11	5,171,843,977	687,298,420	78,490,028	257,162,615	157,675,889	45,503,913	6,306,967,016
2011-12	5,244,601,333	692,418,697	79,081,054	231,577,911	144,493,576	63,434,560	6,328,738,011
2012-13	5,513,944,771	722,562,587	81,062,436	161,807,342	144,755,424	28,601,151	6,595,531,409
2013-14	5,651,823,863	699,562,495	79,455,686	274,907,110	144,977,545	88,351,089	6,762,375,610

Sources:

1. Assessor, County of Los Angeles Auditor Controller
2. Hdl, Coren & Cone

In accordance with the California Revenue and Taxation Code, the County tax collector collects secured tax levies for each Fiscal Year. Property taxes on the secured roll are due in two installments, on November 1 and February 1. Unpaid taxes become delinquent after December 10 and April 10, respectively, and a ten percent penalty attaches to any delinquent payment. In addition, property on the secured roll with respect to which taxes are delinquent is declared tax defaulted on or about June 30. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus costs and redemption penalty of one and one half percent per month to the time of redemption. If

taxes are unpaid for a period of five years or more, the tax defaulted property is subject to sale by the County Treasurer-Tax Collector.

Taxes are levied for each fiscal year on taxable real and personal property which is situated in the City as of the preceding January 1. However, upon a change in ownership of real property or completion of new construction, State law permits an accelerated recognition and taxation of increases in real property assessed valuation (known as a “floating lien date”). For assessment and collection purposes, property is classified either as “secured” or “unsecured” and is listed accordingly on separate parts of the assessment roll. The “secured roll” is that part of the assessment roll containing State and County assessed property secured by a lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Other property is assessed on the “unsecured roll.” See “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS” herein.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31. A ten percent penalty attaches to delinquent taxes on property on the unsecured roll and an additional penalty of one and one half percent per month begins to accrue on November 1. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for recordation in the County Recorder’s office in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the taxpayer.

See “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS – Article XIII A of the California Constitution” herein for information on the effect, if any, of current litigation on assessed values in the City or the availability of revenue sources which may be provided by the State to replace lost property tax revenues.

Shown in the following table are the City secured roll tax charges and corresponding delinquencies over the ten year period from 2004-05 through 2014-15.

Table 4
City of Calabasas
Secured Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year ⁽¹⁾ (Original Levy)	Adjustments ⁽³⁾	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ⁽³⁾	Total Collections to Date	
				Amount ⁽²⁾	Percentage of Original Levy ⁽⁴⁾		Amount ⁽²⁾	Percentage of Original Levy
2005	\$3,633,186	-	\$3,633,186	\$3,320,848	91.40%	-	\$3,320,848	91.40%
2006	4,063,535	-	4,063,535	3,974,035	97.80	-	3,974,035	97.80
2007	4,760,831	-	4,760,831	4,664,676	97.98	-	4,664,676	97.98
2008	5,509,834	-	5,509,834	5,322,353	96.60	-	5,322,353	96.60
2009	5,596,085	-	5,596,085	5,489,053	98.09	-	5,489,053	98.09
2010	5,765,716	-	5,765,716	5,571,734	96.64	-	5,571,734	96.64
2011	5,652,402	-	5,652,402	5,491,368	97.15	-	5,491,368	97.15
2012	5,688,287	-	5,688,287	5,197,979	91.38	-	5,197,979	91.38
2013	5,821,557	-	5,821,557	5,667,821	97.36	-	5,667,821	97.36
2014	6,107,819	-	6,107,819	5,772,405	94.51	-	5,772,405	94.51

⁽¹⁾ HdL Coren & Cone

⁽²⁾ City of Calabasas, Finance Department

⁽³⁾ 'Adjustments' and 'Collections in Subsequent Years' were immaterial and constituted less than 1% of the levy in all years, therefore they are stated as zero.

⁽⁴⁾ 2013 Amount Collected within the Fiscal Year of the Levy was updated to reflect the proper amount.

The twenty principal property taxpayers in the City and their gross assessed values are listed below.

**Table 5
City of Calabasas
Largest Local Secured Taxpayers
For Fiscal Year 2014-15**

Rank	Property Taxpayer	Land Use	2014-15 Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Value
1	ASN Calabasas I LLC		\$ 178,561,567	2.52%
2	AIMCO Malibu Canyon LLC		99,291,138	1.40
3	Commons At Calabasas LLC		67,679,416	0.95
4	Kilroy Realty LP		57,936,376	0.82
5	Calabasas TC Properties LLC		55,249,699	0.78
6	MK RRP		52,052,152	0.73
7	BVK Courtyard Commons LLC		50,227,000	0.71
8	Cheesecake Factory Inc.		31,292,339	0.44
9	Dollinger Lost Hills Associates		27,169,604	0.38
10	Cypress Calabasas LLC		25,798,237	0.36
	Total		\$ 645,257,528	9.09%
	Total Assessed Value		\$7,099,747,366	

Source: Los Angeles County Assessor data, MuniServices, LLC

Sales Tax Receipts

A sales tax is imposed on retail sales or consumption of personal property. [The tax rate is established by the State Legislature. As of the date of this Official Statement, the Statewide tax rate is 7.5%. An additional 1.5% is collected in the County for transportation purposes. The State collects and administers the tax, makes distributions on taxes collected within the City, and transfers tax receipts to the City's General Fund each month.]

The future rate of growth of taxable transactions may be adversely affected by the growth of electronic commerce to the extent that Federal and/or State laws, policies and sales tax collection procedures are not altered to include taxable transactions via electronic commerce.

Consumer spending for 2014 resulted in approximately \$5.4 million taxable sales in the City. The following table sets forth information regarding taxable sales in the City for the fiscal years 2009-10 through 2013-14.

**Table 6
City of Calabasas
Taxable Sales
2010-2014**

	Fiscal Year ⁽¹⁾				
	2010	2011	2012	2013	2014
Transportation	\$1,947,576	\$1,907,472	\$1,765,227	\$1,660,422	\$1,745,833
Business to Business	1,645,556	1,781,557	1,641,692	1,530,656	1,871,480
Food Products ⁽²⁾	683,077	736,629	790,233	832,801	876,782
General Retail	505,959	575,871	648,374	754,250	802,609
Miscellaneous	77,959	89,791	83,606	92,602	101,195
Construction	4,107	4,287	5,809	7,296	4,647
Total	\$4,864,234	\$5,095,607	\$4,934,941	\$4,878,027	\$5,402,546
City direct sales tax rate	1%	1%	1%	1%	1%

⁽¹⁾ The California State Board of Equalization provides data for a full year after the end of each quarter. Q2 (second calendar quarter) ends in June, which aligns with the City's fiscal year end. Prior years have been restated.

⁽²⁾ General grocery items are not taxable; the sales tax applies only to prepared food items and nonfood items.

Source: MuniServices, LLC

General Fund Financial Summary

The information contained in the following tables of revenues, expenditures and changes in fund balances, and assets, liabilities and fund equity has been derived from the Comprehensive Annual Financial Reports of the City of Calabasas for the Fiscal Years ended June 30, 2012 through June 30, 2014 and from the City Finance Department's unaudited numbers for the Fiscal Year ended June 30, 2015. A copy of the City's Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2014 is attached as Appendix B hereto. Commencing with the Fiscal Year ended June 30, 2004, the City implemented Governmental Accounting Standards Board ("GASB") Statement No. 34. As a result, the financial statements for the first time included, among other changes, financial statements prepared using full accrual accounting for all City activities and a change in the fund financial statements to focus on the major funds.

Table 7
City of Calabasas
General Fund Balance Sheet
For Fiscal Years 2011-12 through 2013-14

	<u>2012</u> ⁽¹⁾	<u>2013</u> ⁽¹⁾	<u>2014</u> ⁽²⁾
<u>Assets:</u>			
Cash and investments	\$13,426,585	\$14,220,906	\$11,522,517
Cash and investments with fiscal agents	--	--	--
Receivables:			
Accounts and taxes	1,645,180	1,830,257	2,021,998
Interest	28,130	21,444	20,751
Intergovernmental	--	--	--
Due from other funds	4,031,360	3,144,784	5,846,692
Loans receivable, employees	13,607	11,705	12,383
Notes receivable	40,383	36,962	32,600
Prepaid expenditures	--	1,171	1,171
Total Assets	<u>\$19,185,245</u>	<u>\$19,267,229</u>	<u>\$19,458,112</u>
<u>Liabilities and Fund Balances:</u>			
Liabilities:			
Accounts payable and accrued liabilities	\$ 1,384,690	\$1,101,295	\$1,098,099
Due to other funds	--	--	--
Deferred revenue	40,383	36,962	--
Total Liabilities	<u>\$ 1,425,073</u>	<u>\$1,138,257</u>	<u>\$1,098,099</u>
Deferred inflow of resources:			
Unearned revenues – unavailable notes receivable	--	--	32,600
Total deferred inflow of resources	--	--	32,600
Fund Balances			
Nonspendable			
Loans receivable, employees	13,607	11,705	13,554
Prepaid expenses	--	1,171	--
Restricted			
Committed	--	--	--
Unassigned	17,746,565	18,116,096	18,313,859
Total Fund Balances (deficits)	<u>17,760,172</u>	<u>18,128,972</u>	<u>18,327,413</u>
Total Liabilities and Fund Balances	<u>\$19,185,245</u>	<u>\$19,267,229</u>	<u>\$19,458,112</u>

⁽¹⁾ This statement is a summary statement only. The complete Comprehensive Annual Financial Report of the City, including the Notes to the Financial Statements therein, is an integral part of this statement.

⁽²⁾ Unaudited numbers provided by the City of Calabasas Finance Department.

Source: Comprehensive Annual Financial Reports of the City of Calabasas for the Fiscal Years Ended June 30, 2012 through June 30, 2014 and City of Calabasas Finance Department.

Table 8
City of Calabasas
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For Fiscal Years 2011-12 through 2013-14

	<u>2012</u> ⁽¹⁾	<u>2013</u> ⁽¹⁾	<u>2014</u> ⁽²⁾
Revenues:			
Taxes	\$13,242,752	\$13,948,072	\$14,682,019
Licenses and fees	49,218	57,953	45,212
Intergovernmental	1,892,886	1,958,948	2,019,133
Fines and forfeitures	139,031	105,897	79,443
Use of money and property	763,370	(87,588)	670,329
Charges for Services	2,444,550	3,081,297	3,240,815
Other, donations, and reimbursements	1,096,242	1,142,727	331,719
Total Revenues	<u>\$19,628,049</u>	<u>\$20,207,306</u>	<u>\$21,068,670</u>
Expenditures:			
Current:			
General government	\$10,945,191	\$10,927,241	\$11,241,444
Public safety	4,238,410	4,436,384	4,420,802
Public works	1,659,468	1,752,699	1,774,648
Community development	647,256	591,144	602,787
Community services	1,275,118	1,340,229	1,422,716
Capital outlay	84,436	60,072	30,824
Debt service:			
Principal retirement	10,746	10,746	[--]
Interest and fiscal charges	--	--	--
Total Expenditures	<u>\$18,860,625</u>	<u>\$19,118,515</u>	<u>\$19,493,221</u>
Excess of Revenues Over (Under) Expenditures	<u>767,424</u>	<u>1,088,791</u>	<u>1,575,449</u>
Other Financing Sources (Uses):			
Transfers in	1,623,176	887,100	348,730
Transfers out	(1,621,056)	(1,607,091)	(1,725,738)
Total Other Financing Sources (Uses)	<u>2,120</u>	<u>(719,991)</u>	<u>(1,377,008)</u>
Net Change in Fund Balance	769,544	368,800	198,441
Fund Balances (deficit), Beginning of Fiscal Year	<u>16,990,628</u>	<u>17,760,172</u>	<u>18,128,972</u>
Fund Balances (deficits), End of Fiscal Year	<u>\$17,760,172</u>	<u>\$18,128,972</u>	<u>\$18,327,413</u>

⁽¹⁾ This statement is a summary statement only. The complete Comprehensive Annual Financial Report of the City, including the Notes to the Financial Statements therein, is an integral part of this statement.

⁽²⁾ Unaudited. Estimated Actual results.

Source: Comprehensive Annual Financial Reports of the City of Calabasas for the Fiscal Years Ended June 30, 2012 through June 30, 2014 and City of Calabasas Finance Department.

The following table sets forth the budgetary information for Fiscal Years 2012-13, 2013-14, 2014-15 and 2015-16.

Table 9
City of Calabasas
General Fund Budget
Revenues and Expenditures-Appropriations
For Fiscal Years 2012-13, 2013-14, 2014-15 and 2015-16

	<u>2012-13[†]</u>	<u>2013-14[†]</u>	<u>2014-15[*]</u>	<u>2015-16[*]</u>
Revenues:				
Taxes	\$14,005,300	\$14,575,600	\$15,299,300	\$15,240,600
Licenses and fees	54,800	57,400	1,336,800	1,363,000
Intergovernmental	1,974,400	2,005,900	2,958,500	3,017,500
Fines and forfeitures	126,800	102,800	87,900	89,600
Use of money and property	652,000	631,800	448,700	456,100
Charges for services	2,488,300	2,951,100	1,952,400	2,001,300
Other, donations and reimbursements	1,121,700	125,600	5,600	5,600
Total Revenues	<u>\$20,423,300</u>	<u>\$20,450,200</u>	<u>\$22,089,200</u>	<u>\$22,173,700</u>
Expenditures:				
Current:				
General government	\$10,929,900	\$11,310,400	\$12,048,100	\$12,392,100
Public safety	4,311,500	4,373,500	4,362,800	4,365,100
Public works	1,785,900	1,629,400	1,825,300	1,859,300
Community development	656,700	609,500	640,600	625,000
Community services	1,413,300	1,459,700	1,107,000	1,122,000
Capital outlay	62,300	63,200	131,000	53,500
Debt service:				
Principal retirement	15,500	14,900	14,300	13,700
Total Expenditures	<u>\$19,175,100</u>	<u>\$19,460,600</u>	<u>\$20,129,100</u>	<u>\$20,430,700</u>
Excess of Revenues Over (Under) Expenditures	<u>1,248,200</u>	<u>989,600</u>	<u>1,960,100</u>	<u>1,743,000</u>
Other Financing Sources (Uses):				
Transfers in	617,800	539,300	\$ 505,600	\$ 333,200
Transfers out	(2,060,229)	(1,621,900)	(2,144,600)	(2,063,400)
Total Other Financing Sources (Uses):	<u>(1,442,429)</u>	<u>(1,082,600)</u>	<u>(1,639,000)</u>	<u>(1,730,200)</u>
Net Change in Fund Balance	(194,229)	(93,000)	321,100	12,800
Prior Period Adjustment		563,029		
Fund Balance, Beginning of Fiscal Year	17,760,172	17,565,943	18,035,972	18,357,072
Fund Balance, End of Fiscal Year	<u>\$17,565,943</u>	<u>\$18,035,972</u>	<u>\$18,357,072</u>	<u>\$18,369,872</u>

* As originally adopted.

† Final.

Source: City of Calabasas Finance Department.

Long-Term Debt

The City is not obligated in any manner for general obligation bonded indebtedness. The City may issue general obligation bonds for the acquisition and improvement of real property, subject to the approval of two-thirds of the voters voting on the bond proposition. The City is not obligated in any manner for special assessment bonded debt. The City may enter into certain long-term lease obligations without first obtaining voter approval. The Certificates, and the Refunded Certificates, represent such long-term lease obligations. In addition to the Refunded Certificates, on November 30, 2005, the City caused the execution and delivery of City of Calabasas 2005 Refunding Certificates of Participation (Public Facilities Project) evidencing \$4,025,000 aggregate principal amount, of which approximately \$900,000 remains outstanding, the proceeds of which were applied, together with other funds of the City, to refinance certain obligations of the City in connection with the City's 1999 Certificates of Participation (Public Facilities Project).

See Note 8 in APPENDIX B – “THE COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY OF CALABASAS FOR THE FISCAL YEAR ENDED JUNE 30, 2014.”

Summary of changes in long-term liabilities for governmental activities is as follows:

	Balance at July 1, 2013	Additions	Deletions	Balance at June 30, 2014	Due Within One Year
Governmental activities:					
2005 Refunding Certificates of Participation	\$ 1,725,000	\$ -	\$ (410,000)	\$ 1,315,000	\$ 425,000
2006 Certificates of Participation	34,010,000		(275,000)	33,735,000	285,000
Certificate Premium – 2006	138,702		(4,783)	133,919	4,783
Certificates of Participation					
Compensated absences payable	608,358	509,386	(472,175)	645,569	484,177
CalPERS side fund	475,249		(47,028)	428,221	
Capital leases payable	20,597		(10,730)	9,867	9,867
Other post-employment benefits	572,186	185,067	(63,577)	693,676	
Total governmental long-term debt	<u>\$37,550,092</u>	<u>\$694,453</u>	<u>\$(1,283,293)</u>	<u>\$36,961,252</u>	<u>\$1,208,827</u>

City Reserve Policy

The City has established the following “minimum reserve policy” to help ensure the City's current credit rating and protect the City's ability to continue providing essential programs and services during periods of economic downturn:

- The City shall maintain a “minimum reserve” of at least forty percent (40%) of budgeted fiscal year expenditures for its General Fund.
- Each fiscal year, during the budgeting process, the “minimum reserve” will be reevaluated by the City Council to determine if the reserve amount is adequate based on economic conditions of the City and/or region.
- The Finance Department of the City will report regularly to the City Council and city management on the fund balances of all City funds.

- Should the fund balance of the general fund fall below the “minimum reserve” level, the City Manager shall prepare a plan for consideration by the City Council to rebuild the fund balance during the next budgeting process.

Investment of City Funds

[The Chief Financial Officer (“CFO”) is responsible for investing available cash in accordance with the California Government Code and the Investment Policy adopted by the City Council. The State Treasurer’s Local Agency Investment Fund (LAIF) has been utilized for the City’s investments. LAIF is a special fund of the California State Treasury through which local governments may pool investments. It is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State Statute. The State Treasurer’s Office audits the fund annually. The City may invest up to \$40,000,000. Investments in LAIF are highly liquid, as deposits can be converted to cash within 24 hours without loss of interest. Investments with LAIF are secured by the full faith and credit of the State of California.

The CFO is required to review and render quarterly reports to the City Manager and City Council in compliance with California Government Code Section 53646(b). These reports will include the face amount of the cash investment, the classification of the investment, the name of the institution or entity, the rate of interest, the maturity date, the current market value and accrued interest due for all securities. Additionally, each report will include the amount held by the City’s deferred compensation administrator(s) and a statement of the portfolio’s compliance with the City’s investment policy and a statement denoting the City’s ability to meet its expenditure requirements for the then coming six months.

In compliance with the applicable State statute, the Statement of Investment Policy is adopted annually by the City Council. Investments authorized under the Investment Policy included:

- Local Agency Investment Fund (LAIF) – State of California Investment Pool
- U.S. Treasury Obligations
- Federal Agency Securities
- Certificates of Deposit
- Savings Accounts

The City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 31, “Accounting and Financial Reporting for Certain Investments and External Pools,” which require governmental entities to report certain investments at fair value in the balance sheet and recognize the corresponding change in the fair value of investments in the year in which the change occurred.

The City’s investments are carried at fair value which equal cost. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from SEC-registered securities exchanges or NASDAQ dealers. LAIF determines the fair value of its portfolio quarterly and reports a factor to the City; the City applies that factor to convert its share of LAIF from amortized cost of fair value. Changes in fair value are allocated to each participating fund.]

State Budget Acts

The following information concerning the State of California's budgets has been obtained from publicly available information which the City believes to be reliable; however, the City takes no responsibility as to the accuracy or completeness thereof and has not independently verified such information. Information about the State budget is regularly available at various State-maintained websites. Text of the State budget may be found at the Department of Finance website, www.dof.ca.gov, under the heading "California Budget." An impartial analysis of the State budget is posted by the Office of the Legislative Analyst (the "LAO") at www.lao.ca.gov. In addition, various State of California official statements, many of which contain a summary of the current and past State budgets, may be found at the website of the State Treasurer, www.treasurer.ca.gov. The information referred to is prepared by the respective State agency maintaining each website and not by the City or the Initial Purchaser, and the City and the Initial Purchaser take no responsibility for the continued accuracy of the internet addresses or for the accuracy or timeliness of information posted there, and such information is not incorporated herein by these references.

The State's fiscal year begins on July 1 and ends on June 30. The annual budget is proposed by the Governor by January 10 of each year for the next fiscal year (the "Governor's Budget"). Under State law, the annual proposed Governor's Budget cannot provide for projected expenditures in excess of projected revenues and balances available from prior fiscal years. Following the submission of the Governor's Budget, the Legislature takes up the proposal.

Under the State Constitution, money may be drawn from the Treasury only through an appropriation made by law. The primary source of the annual expenditure authorizations is the Budget Act as approved by the Legislature and signed by the Governor. The Budget Act must be approved by a two-thirds majority vote of each house of the Legislature. The Governor may reduce or eliminate specific line items in the Budget Act or any other appropriations bill without vetoing the entire bill. Such individual line-item vetoes are subject to override by a two-thirds majority vote of each house of the Legislature.

Appropriations also may be included in legislation other than the Budget Act. Continuing appropriations, available without regard to fiscal year, may also be provided by statute or the State Constitution. Funds necessary to meet an appropriation need not be in the State treasury at the time such appropriation is enacted; revenues may be appropriated in anticipation of their receipt.

2013-14 State Budget. Governor Brown signed the final 2013-14 State Budget (the "2013-14 Budget") into law on June 27, 2013. The centerpiece of the 2013-14 Budget is the restructuring of the State's funding formula for K-12 schools through the implementation of the "Local Control Funding Formula." The 2013-14 Budget allocates \$2.1 billion to commence transitioning the State to the new formula, allocating proportionately more money to school districts with high levels of low-income students, those with limited English proficiency and foster children. Overall, the 2013-14 Budget boosts K-12 and community college funding to \$55.3 billion while giving the University of California and California State University systems an additional \$125 million each. The 2013-14 Budget also restores \$63 million to the State court system that was subject to significant budget cuts in recent years and moves forward with the State-based approach to the optional expansion of care allowed under the Federal healthcare reform which will significantly increase health care coverage in the State. The 2013-14 Budget provides county welfare departments up to \$120 million in additional General Fund monies to accommodate new workload associated with implementing the Affordable Care Act. In fiscal year 2015-16, the State will implement a new budgeting methodology, developed in consultation with counties, and based on a zero-base review of all Medi-Cal related county administrative activities. Under Federal health care reform, county costs and responsibilities for indigent health care are expected to decrease as

uninsured individuals obtain health care coverage. The State, in turn, will bear increased responsibility for providing care to these newly eligible individuals through the Medi-Cal expansion.

Proposition 30. The passage of the Governor’s November Tax Initiative (“Proposition 30”) placed on the November, 2012 ballot results in an increase in the State sales tax by a quarter-cent for four years and, for seven years, raising taxes on individuals after their first \$250,000 in income and on couples after their first \$500,000 in earnings. These increased tax rates will affect approximately 1 percent of California personal income tax filers and in effect starting in the 2012 tax year, ending at the conclusion of the 2018 tax year. The LAO estimates that, as a result of Proposition 30, additional state tax revenues of about \$6 billion annually from 2012–13 through 2016–17 will be received by the State with lesser amounts of additional revenue available in fiscal years 2011–12, 2017–18, and 2018–19. Proposition 30 also places into the State Constitution certain requirements related to the transfer of certain State program responsibilities to local governments, mostly counties, including incarcerating certain adult offenders, supervising parolees, and providing substance abuse treatment services.

Governor’s Proposed 2014-15 State Budget. The Governor’s proposed 2014-15 State Budget (the “Proposed 2014-15 Budget”) was released on January 9, 2014 and includes: (i) spending of \$154.9 billion from all funds, including \$106.8 billion from the General Fund; (ii) a proposed reduction in the State’s long-term debt by more than \$11 billion in 2014-15, fully eliminating such long-term debt by 2017-18; (iii) proposed repayment of approximately \$6 billion in deferred payments to K-12 schools; (iv) a contribution of \$1.6 billion to a “rainy day fund” to protect against future economic downturns; (v) an increase in K-12 school funding levels of \$3,410 per student through fiscal year 2017-18, including an increase of more than \$2,188 per student in fiscal year 2014-15 over fiscal 2011-12 levels; and (vi) \$670 million in new General Fund spending to fund the expansion of Medi-Cal benefits, including mental health, substance use disorder, adult dental, and specialized nutrition services. In addition, the Proposed 2014-15 Budget projects \$217.8 billion in retirement-related unfunded liabilities. Combined with the other liabilities, the total long term State liabilities stand at \$354.5 billion.

While the State is projecting a budget surplus in the current fiscal year, for several years during the course of the recent recession, the State faced a structural deficit that resulted in substantial annual deficits and reductions in expenditures and the State continues to face certain financial challenges and unfunded long-term liabilities of more than \$200 billion, which could result in future reductions or deferrals in amounts payable to the City. The State’s financial condition and budget policies affect local public agencies throughout California. To the extent that the State budget process results in reduced revenues to the City, the City will be required to make adjustments to its budget. State budget policies can also impact conditions in the local economy and could have an adverse effect on the local economy and the City’s major revenue sources.

The Proposed 2014-15 Budget includes \$27.5 million in 2014-15 for cities for “front line law” enforcement activities and \$100 million to cities and counties for preservation of local streets and roads.

The LAO’s Overview of the Proposed 2014-15 Budget (the “LAO Overview”), released January 13, 2014, generally praised the Proposed 2014-15 Budget including the Governor’s focus on deferrals and other means of lowering the State’s “wall of debt.” The LAO Overview includes a revenue forecast of \$6.4 billion in higher revenues for the State in Fiscal Years 2012-13 and 2013-14 combined, offset by \$5 billion in increased expenditures, almost entirely due to greater required spending for schools and community colleges. Combined with a projected \$3.2 billion operating surplus for the State in Fiscal Year 2014-15, the LAO projects that, absent any changes to current laws and policies, the State would end Fiscal Year 2014-15 with a \$5.6 billion reserve. The LAO Overview assumes continued economic growth in future years and that State General Fund revenues will grow faster than expenditures through 2017-18, when the State’s projected operating surpluses reach \$9.6 billion. The LAO notes that the

State's temporary personal income tax rate increases under Proposition 30 expire at the end of 2018, resulting in a more gradual ramping down of these revenues over the last two fiscal years of the LAO forecast.

Despite the large surplus projected by the LAO over the forecast period, the LAO also notes that the fiscal recovery is dependent on a number of assumptions including continuing economic growth and steady growth in stock prices. The LAO cautions that (i) an economic downturn within the next few years could result in a return to operating deficits, (ii) volatility of capital gains could depress annual revenues, and (iii) the LAO forecast assumes the State repays liabilities with payment schedules set in current law. Other liabilities, including certain items on the Governor's "wall of debt" and the State's retirement liabilities (particularly those related to the California State Teachers' Retirement System), remain unpaid under the LAO forecast. If additional payments are made in the future to repay these liabilities or to provide inflation adjustments to universities, the courts, State employees, and other programs, the operating surpluses in the LAO forecast would fall significantly below the LAO's projections.

The LAO also notes that the 2013-14 State Budget assumed that Fiscal Year 2012-13 would end with a \$254 million reserve, however the LAO's General Fund revenue forecast for Fiscal Year 2012-13 projects \$1.65 billion in higher revenues for Fiscal year 2012-13, principally due to personal income tax collections. The LAO's higher revenue forecast results in \$1.75 billion in additional General Fund expenditures under the Proposition 98 minimum guarantee. The LAO recognizes that the 2013-14 State Budget assumed the State would end Fiscal Year 2013-14 with a reserve of \$1.1 billion, while the LAO estimates that reserve to be \$2.4 billion.

Future State Budgets. The City cannot predict what actions will be taken in this or any future fiscal year by the State Legislature or the Governor to deal with the State's current or future budget deficits, changing State revenues and expenditures, or what the effect of national and state economic conditions on future State budgets will be. Moreover, the State Legislature or Governor could take additional actions which could affect the State's receipts, expenditures and borrowings during the current fiscal year, and thereby influence the City's financial situation. Future State budgets will be affected by national and State economic conditions and other factors, including the current economic downturn, over which the City has no control.

Further information about the State budget is available from the Public Finance Division of the State Treasurer's Office. In addition, information about the State budget is regularly available at various State-maintained websites, including www.dof.ca.gov (Department of Finance), www.lao.ca.gov (Office of the Legislative Analyst) and www.treasurer.ca.gov (State Treasurer). The above-mentioned websites are included herein for informational purposes only. The Authority and the City make no representations concerning, and do not take any responsibility for, the accuracy or timeliness of information posted on such websites or the continued maintenance of such websites by the respective entities.

Changes in State Budget

The final State Budget, which requires approval by a two-thirds vote of each house of the State Legislature, may differ substantially from the Governor's original budget proposal. Accordingly, the City cannot predict the impact that the 2014-15 budget, or subsequent budgets, will have on its finances and operations. The State Budget will be affected by State and national economic conditions and other factors over which the City will have no control.

The City cannot predict what actions will be taken in the future by the State Legislature and the Governor to deal with changing State revenues and expenditures and the repercussions they may have on

the current State budget and future State budgets. These developments at the State level may, in turn, affect local governments, including the City.

Information about the State budget and State spending is regularly available at various State-maintained websites. Text of the budget may be found at the website of the Department of Finance, www.dof.ca.gov, under the heading “California Budget.” An impartial analysis of the budget is posted by the Office of the Legislative Analyst at www.lao.ca.gov. In addition, various State official statements, many of which contain a summary of the State budgets may be found at the website of the State Treasurer, www.treasurer.ca.gov. Information on these websites has not been reviewed or verified by the City and is not incorporated by reference in this Official Statement.

The City cannot predict the impact that the 2014-15 budget, or subsequent budgets, will have on its finances and operations. The State Budget will be affected by State and national economic conditions and other factors over which the City will have no control.

Statement of Direct and Overlapping Debt

Contained within the City are numerous overlapping local agencies providing public services. These local agencies have outstanding bonds issued in the form of general obligation, lease revenue and special assessment bonds. Set forth below is a statement of direct and overlapping debt as of June 30, 2014 (the “Debt Statement”) prepared by MuniServices, LLC. The Debt Statement is included for general information purposes only. The City has not reviewed the Debt Statement for completeness or accuracy and makes no representations in connection therewith.

The Debt Statement generally includes long term obligations sold in the public credit markets by public agencies other than the City whose boundaries overlap the boundaries of the City in whole or in part. Such long term obligations generally are not payable from revenues of the City (except as indicated) nor are they necessarily obligations secured by land within the City. In many cases long term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency. Self-supporting revenue bonds, tax allocation bonds and non-bonded capital lease obligations are excluded from the debt statement

The City is not obligated in any manner for general obligation bonded indebtedness; therefore, ratio of net general bonded debt has not been presented. The City is not obligated in any manner for special assessment bonded debt.

Table 10
City of Calabasas
Statement of Direct and Overlapping Debt
as of June 30, 2014

Fiscal Year 2013-14 Assessed Valuation: \$6,795,431,245

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u> ⁽¹⁾	Total Debt 6/30/14	% Applicable ⁽³⁾	City's Share of Debt
Los Angeles County	\$ 0	0.000%	\$ 0
Los Angeles County Flood Control District	17,480,000	0.603	105,404
Metropolitan Water District	132,275,000	0.311	411,375
Los Angeles Community College District	3,642,560,000	1.087	39,594,627
Los Angeles Unified School District	10,523,205,000	0.0001	10,523
Las Virgenes Joint Unified School District	157,579,487	36.445	57,429,844
City of Calabasas Community Facilities District No. 2001-1	21,605,000	100.000	21,605,000
City of Calabasas Community Facilities District No. 98-1	6,130,000	100.000	6,130,000
Los Angeles Regional Park and Open Space Assessment District	113,615,000	0.597	678,282
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$125,965,055
<u>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:</u> ⁽²⁾			
Los Angeles County General Fund Obligations	\$1,835,420,030	0.597%	10,957,458
Los Angeles County Pension Obligations	0	0.000	0
Los Angeles County Superintendent of Schools Certificates of Participation	9,529,882	0.597	56,893
Las Virgenes Joint Unified School District Certificates of Participation	11,445,000	36.445	4,171,130
Los Angeles Unified School District General Fund Obligations	365,858,657	0.0001	366
SUBTOTAL OVERLAPPING DEBT			\$ 15,185,847
City of Calabasas Direct Debt (includes COPs not of premium and capital leases)	35,193,786	100.000%	35,193,786
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT			\$ 50,379,633
Less: Los Angeles County Certificates of Participation (100% self-supporting) from leasehold revenues on properties in Marina Del Rey)			0
Less: Los Angeles County General Fund Obligations supported by landfill revenue			30,060
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT			\$ 50,349,573
TOTAL DIRECT DEBT			35,193,786
TOTAL GROSS OVERLAPPING DEBT			141,150,902
TOTAL NET OVERLAPPING DEBT			141,120,842
GROSS COMBINED TOTAL DEBT ⁽⁴⁾			\$176,344,688
NET COMBINED TOTAL DEBT			\$176,314,628

- ⁽¹⁾ The calculations include all bonded debt obligations that are supported in whole or in part by a property tax or assessment or are supported by a pledge of the general fund or general taxing power of a governmental entity. Only long-term debt obligations are included.
- ⁽²⁾ For identifying those qualifying obligations that are included as direct debt obligations of the entity, only obligations that are secured within the entire jurisdiction are included. Assessment bonds and other obligations secured by an underlying portion of the jurisdiction are excluded from direct debt, but are included as overlapping debt.
- ⁽³⁾ Percentage of overlapping agency's assessed valuation located within boundaries of the city.
- ⁽⁴⁾ Excludes tax and revenue anticipation notes, revenue, mortgage revenue, and tax allocation bonds and non-bonded capital lease obligations.

Ratios to Fiscal Year's Assessed Valuation:

Combined Direct Debt Amount	\$35,193,786
Combined Direct Debt	0.52%
Total Overlapping Tax and Assessment Debt	1.85%
Gross Combined Total Debt.....	2.60%
Net Combined Total Debt	2.59%

Source: MuniServices, LLC

RISK FACTORS

The following factors, along with the other information in this Official Statement, should be considered by potential investors in evaluating the purchase of the Certificates. However, they do not purport to be an exhaustive listing of risks and other considerations which may be relevant to an investment in the Certificates. In addition, the order in which the following factors are presented is not intended to reflect the relative importance of any such risks.

Base Rental Payments Not City Debt

The obligation of the City to make the Base Rental Payments does not constitute a debt of the City or of 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 City 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.

Although the Sublease does not create a pledge, lien or encumbrance upon the funds of the City, the City is obligated under the Sublease to pay the Base Rental Payments from any source of legally available funds and the City has covenanted in the Sublease that it will take such action as may be necessary to include all Base Rental Payments in its annual budgets and to make necessary annual appropriations therefor. The City is currently liable and may become liable on other obligations payable from general revenues, some of which may have a priority over the Base Rental Payments.

The City has the capacity to enter into other obligations which may constitute additional charges against its revenues. To the extent that additional obligations are incurred by the City, the funds available to make Base Rental Payments may be decreased. In the event the City's revenue sources are less than its total obligations, the City could choose to fund other activities before making Base Rental Payments and other payments due under the Sublease.

Limited Recourse on Default; No Acceleration

In the event of a default, there is no remedy of acceleration of the total Base Rental Payments due over the term of the Sublease and the Trustee is not empowered to sell the Leased Property and use the proceeds of such sale to redeem the Certificates or pay debt service thereon. The City will be liable only for Base Rental Payments on an annual basis, and the Trustee would be required to seek a separate judgment each year for that year's defaulted Base Rental Payments. Any such suit for money damages would be subject to limitations on legal remedies against public agencies in the State of California, including a limitation on enforcement of judgments against funds of a fiscal year other than the fiscal year in which the Base Rental Payments were due and against funds needed to serve the public welfare and interest.

Abatement

In the event of substantial interference with the City's right to use and occupy any portion of the Leased Property by reason of material damage to, or destruction or condemnation of, the Leased Property, or any defect in title to the Leased Property, Rental Payments will be subject to abatement. See "SECURITY AND SOURCES OF PAYMENT – Abatement." In the event that such portion of the Leased Property, if damaged or destroyed by an insured casualty, could not be replaced during the period of time in which proceeds of the City's rental interruption insurance will be available in lieu of Base Rental Payments, plus the period for which funds are available from the Reserve Fund or other funds and accounts established under the Trust Agreement, or in the event that casualty insurance proceeds or

condemnation proceeds are insufficient or unavailable to provide for complete repair or replacement of such portion of the Leased Property or prepayment of the Certificates, there could be insufficient funds to make payments to Owners in full.

Natural Disasters and Seismic Considerations

The City, like all California communities, may be subject to unpredictable seismic activity, fires due to the vegetation and topography, or flooding in the event of unseasonable rainfall. The occurrence of seismic activity, fires or flooding in or around the City could result in substantial damage to properties in the City which, in turn, could substantially reduce the value of such properties and could affect the ability of the City to levy and collect both existing and future taxes, assessments, fees and charges, and to make Base Rental Payments when due.

The 1994 Northridge Earthquake, one of the few major earthquakes to have struck directly under a major city, was epicentered in neighboring Reseda. The 1971 Sylmar Earthquake, was also a killer, having destroyed the Olive View and Veterans Administration Hospitals, and rendered the east west Interstate 210 useless for a number of years due to severe damage.

The City, like all California communities, may be subject to unpredictable seismic activity, fires due to the vegetation and topography, or flooding in the event of unseasonable rainfall. According to Flood Data Services, the property is not within an Alquist-Priolo Special Studies Zone. However, according to the State Division of Mines and Geology, this map may not show all faults that have the potential for surface fault or rupture, either within the special studies zones or outside their boundaries, and it is not uncommon for areas throughout California to be located within these zones. The City is located within Flood Zone C, designated as an area of minimal flooding.

In September 2005, a brush fire began near the City and grew to more than 16,000 acres over a period of two days. The blaze threatened homes, natural resources, power lines, and communications equipment in the Thousand Oaks region north of the Santa Monica Mountains. Wind, dry conditions, and steep terrain in the area are advantageous for brush fires. The City is located in the Very High Fire Zone as designated by the County of Los Angeles Fire Department.

The occurrence of seismic activity, fires due to the vegetation and topography, or flooding in the City could result in substantial damage to properties in the City which, in turn, could substantially reduce the value of such properties and could affect the ability of the City to levy and collect both existing and future taxes, assessments, fees and charges, and to make Base Rental Payments when due.

Absence of Earthquake Insurance

The City is only required under the Sublease to maintain earthquake insurance on the Leased Property if available from reputable insurers at commercially reasonable rates. See "SECURITY AND SOURCES OF PAYMENT – Insurance." [The City does not currently maintain such coverage.]

Limited Recourse on Default

Should the City default under the Sublease, the Trustee, as assignee of the Corporation under the Sublease, may exercise any and all remedies available or granted to it pursuant to law or the Sublease. In the event of such default, the Corporation or its assignee must thereafter maintain the Sublease in full force and effect and may only recover rent and other monetary charges as they become due, all without terminating the City's right to possession of the Leased Property, regardless of whether or not the City

has abandoned the Leased Property. THIS SHALL BE THE SOLE AND EXCLUSIVE REMEDY AVAILABLE AGAINST THE CITY UNDER THE SUBLEASE OR OTHERWISE.

For a description of the events of default and permitted remedies of the Trustee (as assignee of the Corporation) contained in the Sublease and the Trust Agreement, see APPENDIX C – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – The Sublease – Default.”

Any suit for money damages would be subject to limitations on legal remedies against cities in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest.

Substitution or Release of Leased Property

The Sublease provides that, upon satisfaction of certain conditions specified therein, the City may release from the Sublease any portion of the Leased Property or substitute alternate real property for all or any portion of the Leased Property. Although the Sublease requires that the property which will comprise the Leased Property after such release or substitution must have a fair rental value greater than or equal to the Base Rental Payments payable by the City pursuant to the Sublease, it does not require that such property have an annual fair rental value equal to 100% of the annual fair rental value of the property comprising the Leased Property at the time of substitution or release. Thus, a portion of the real property comprising the Leased Property could be replaced with less valuable property, or could be released altogether. Such a replacement or release could have an adverse impact on the security for the Certificates, particularly if an event requiring abatement of Base Rental Payments were to occur subsequent to such substitution or release.

Bankruptcy

In addition to the limitations on remedies contained in the Sublease and the Trust Agreement, the rights and remedies provided in the Sublease and the Trust Agreement may be limited by and are subject to provisions of federal bankruptcy laws, as now or hereafter enacted, and to other laws or equitable principles that may affect the enforcement of creditors’ rights.

Drought and Emergency Drought Response

On March 27, 2015, Governor Brown signed emergency legislation (AB 91 and 92) that will mandate reductions in residential use and expedite \$1 billion for drought and water infrastructure projects, including emergency food aid, drinking water, water recycling, conservation awareness, and flood protection. The action comes as the Sierra Nevada snowpack, which Californians rely on heavily during the summer for their water needs, is near a record low

Previously, on January 17, 2014, Governor Brown proclaimed a state of emergency due to the severe drought conditions faced by the State. Legislation was enacted in February which provided \$687.4 million to support drought relief. The 2014-15 State Budget includes additional one-time resources to continue immediate drought-related efforts started in 2014, such as an increase of \$53.8 million general fund and \$12.2 million other funds for firefighting efforts, and an increase of \$18.1 million general fund to aid in assessing water conditions and provide public outreach regarding water conservation.

Loss of Tax Exemption

As discussed under the heading “TAX MATTERS,” certain acts or omissions of the City in violation of its covenants in the Trust Agreement and the Sublease could result in the interest evidenced

by the Certificates being includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Certificates. Should such an event of taxability occur, the Certificates would not be subject to a special prepayment and would remain Outstanding until maturity or until prepaid under the extraordinary prepayment provisions contained in the Trust Agreement.

No Liability of Corporation to the Owners

Except as expressly provided in the Trust Agreement, the Corporation will not have any obligation or liability to the Owners of the Certificates with respect to the payment when due of the Base Rental Payments by the City, or with respect to the performance by the City of other agreements and covenants required to be performed by it contained in the Sublease or the Trust Agreement, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained in the Trust Agreement.

Changes in Law

There can be no assurance that the State Legislature will not at some future time enact legislation that will amend or create laws resulting in a reduction of moneys available to pay the Base Rental Payments. Similarly, the California electorate could adopt initiatives or the State Legislature could adopt legislation with the approval of the electorate amending the State Constitution which could have the effect of reducing moneys available to pay the Base Rental Payments.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS

Article XIII A of the California Constitution

On June 6, 1978, California voters approved an amendment (commonly known as both Proposition 13 and the Jarvis-Gann Initiative) to the California Constitution. This amendment, which added Article XIII A to the California Constitution, among other things affects the valuation of real property for the purpose of taxation in that it defines the full cash property value to mean “the county assessor’s valuation of real property as shown on the 1975/76 tax bill under “full cash value,” or thereafter, the appraised value of real property newly constructed, or when a change in ownership has occurred after the 1975 assessment.” The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or a reduction in the consumer price index or comparable local data at a rate not to exceed 2% per year, or reduced in the event of declining property value caused by damage, destruction or other factors including a general economic downturn. The amendment further limits the amount of any *ad valorem* tax on real property to one percent of the full cash value except that additional taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978, and bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978 by two-thirds of the votes cast by the voters voting on the proposition.

Legislation enacted by the California Legislature to implement Article XIII A provides that all taxable property is shown at full assessed value as described above. In conformity with this procedure, all taxable property value included in this Official Statement (except as noted) is shown at 100% of assessed value and all general tax rates reflect the \$1 per \$100 of taxable value. Tax rates for voter approved bonded indebtedness and pension liability are also applied to 100% of assessed value.

Future assessed valuation growth allowed under Article XIII A (new construction, change of ownership, 2% annual value growth) will be allocated on the basis of “sites” among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and school districts will share the

growth of “base” revenue from the tax rate area. Each year’s growth allocation becomes part of each agency’s allocation the following year. The City is unable to predict the nature or magnitude of future revenue sources which may be provided by the State to replace lost property tax revenues. Article XIII A effectively prohibits the levying of any other *ad valorem* property tax above the 1% limit except for taxes to support indebtedness approved by the voters as described above.

Article XIII B of the California Constitution

On November 6, 1979, California voters approved Proposition 4, which added Article XIII B to the California Constitution. In June 1990, Article XIII B was amended by the voters through their approval of Proposition 111. Article XIII B of the California Constitution limits the annual appropriations of the State and any city, county, school district, authority or other political subdivision of the State to the level of appropriations for the prior fiscal year, as adjusted annually for changes in the cost of living, population and services rendered by the governmental entity. The “base year” for establishing such appropriation limit is the 1978-79 fiscal year. Increases in appropriations by a governmental entity are also permitted (i) if financial responsibility for providing services is transferred to the governmental entity, or (ii) for emergencies so long as the appropriations limits for the three years following the emergency are reduced to prevent any aggregate increase above the Constitutional limit. Decreases are required where responsibility for providing services is transferred from the government entity.

Appropriations subject to Article XIII B include generally any authorization to expend during the fiscal year the proceeds of taxes levied by the State or other entity of local government, exclusive of certain State subventions, refunds of taxes, benefit payments from retirement, unemployment insurance and disability insurance funds. Appropriations subject to limitation pursuant to Article XIII B do not include debt service on indebtedness existing or legally authorized as of January 1, 1979, on bonded indebtedness thereafter approved according to law by a vote of the electors of the issuing entity voting in an election for such purpose, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified outlay projects, and appropriations by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. “Proceeds of taxes” include, but are not limited to, all tax revenues and the proceeds to any entity of government from (i) regulatory licenses, user charges, and user fees to the extent such proceeds exceed the cost of providing the service or regulation, (ii) the investment of tax revenues and (iii) certain State subventions received by local governments. Article XIII B includes a requirement that if an entity’s revenues in any year exceed the amount permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two fiscal years.

As amended by Proposition 111, the appropriations limit is tested over consecutive two-year periods. Any excess of the aggregate “proceeds of taxes” received by the County over such two-year period above the combined appropriations limits for those two years is to be returned to taxpayers by reductions in tax rates or fee schedules over the subsequent two years.

Article XIII B permits any government entity to change the appropriations limit by vote of the electorate in conformity with statutory and Constitutional voting requirements, but any such voter-approved change can only be effective for a maximum of four years.

The City’s appropriations limit for the 2014-15 fiscal year is \$25,907,863 and the amount shown in its budget for that year as the appropriations subject to limitation is \$14,600,000. The City does not anticipate any difficulty in holding appropriations below the allowed limit for the fiscal year ending June 30, 2015.

Proposition 1A

City services are funded with money from local taxes, fees and user charges, State aid and other sources. Property tax, sales tax, parks and recreation fees and service fees constitute the majority of City revenue sources. State vehicle license fees represent less than two percent (2%) of the City's revenues.

[Proposition 1A ("Proposition 1A"), proposed by the Legislature in connection with the 2004-05 Budget Act and approved by the voters in November 2004, provides that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain exceptions. Proposition 1A generally prohibits the State from shifting to schools or community colleges any share of property tax revenues allocated to local governments for any fiscal year, as set forth under the laws in effect as of November 3, 2004. Any change in the allocation of property tax revenues among local governments within a county must be approved by two-thirds of both houses of the Legislature. Proposition 1A provides, however, that beginning in Fiscal Year 2008-09, the State may shift to schools and community colleges up to 8% of local government property tax revenues, which amount must be repaid, with interest, within three years, if the Governor proclaims that the shift is needed due to a severe state financial hardship, the shift is approved by two thirds of both houses and certain other conditions are met. The State may also approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also provides that if the State reduces the vehicle license fee ("VLF") rate currently in effect, 0.65 percent of vehicle value, the State must provide local governments with equal replacement revenues. Further, Proposition 1A requires the State, beginning July 1, 2005, to suspend State mandates affecting cities, counties and special districts, excepting mandates relating to employee rights, schools or community colleges, in any year that the State does not fully reimburse local governments for their costs to comply with such mandates.]

In general, Proposition 1A's effect on State finances could be the opposite of its effect on local finances. Specifically, Proposition 1A could result in decreased resources being available for State programs than otherwise could be the case. This reduction, in turn, would affect State spending or taxes, some of which could be adverse to the City.]

Proposition 62

Proposition 62 was adopted by the voters at the November 4, 1986, general election which (a) requires that any new or higher taxes for general governmental purposes imposed by local governmental entities such as the City be approved by a two-thirds vote of the governmental entity's legislative body and by a majority vote of the voters of the governmental entity voting in an election on the tax, (b) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local government entity be approved by a two-thirds vote of the voters of the governmental entity voting in an election on the tax, (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax was imposed, (d) prohibits the imposition of *ad valorem* taxes on real property by local governmental entities except as permitted by Article XIII A of the California Constitution, (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities, and (f) requires that any tax imposed by a local governmental entity on or after August 1, 1985, be ratified by a majority vote of the voters voting in an election on the tax within two years of the adoption of the initiative or be terminated by November 15, 1988.

On September 28, 1995, the California Supreme Court, in *Santa Clara County Local Transportation Authority v. Guardino*, 11 Cal. 4th 220 (1995) (the "Santa Clara Case"), upheld the constitutionality of the portion of Proposition 62 requiring a two-thirds vote in order for a local government or district to impose a special tax, and, by implication, upheld a parallel provision requiring a

majority vote in order for a local government or district to impose any general tax. The decision in the Santa Clara Case did not address the question of whether it should be applied retroactively. On June 4, 2001, the California Supreme Court released *Howard Jarvis Taxpayers Association v. City of La Habra, et al.* (“*La Habra*”). In this decision, the court held that a public agency’s continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes subject to Proposition 62 is three years. Accordingly, a challenge to a tax subject to Proposition 62 may only be made for those taxes received within three years of the date the action is brought.

The City is of the opinion that Proposition 62 will not materially impact any existing or future taxes, fees and assessments collected by the City. No revenues collected by the City have been challenged under Proposition 62.

Right to Vote on Taxes Initiative – Proposition 218

On November 5, 1996, the voters of the State approved Proposition 218, known as the “Right to Vote on Taxes Act.” Proposition 218 added Articles XIIC and XIID to the California Constitution, which contain a number of provisions affecting the ability of the City to levy and collect both existing and future taxes, assessments, fees and charges.

Article XIIC requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of the City require a majority vote and taxes for specific purposes, even if deposited in the City’s General Fund, require a two-thirds vote. The voter approval requirements of Proposition 218 reduce the flexibility of the City Council to raise revenues for the General Fund, and no assurance can be given that the City will be able to impose, extend or increase such taxes in the future to meet increased expenditure requirements. In addition, Article XIID contains new provisions relating to how local agencies may levy and maintain “assessments” for municipal services and programs. “Assessment” is defined to mean any levy or charge upon real property for a special benefit conferred upon the real property. This definition applies to landscape and maintenance assessments for open space areas, street medians, street lights and parks.

Article XIID also contains several new provisions affecting “fees” and “charges,” defined for purposes of Article XIID to mean “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 a user fee or charge for a property related service.” All new and existing property related fees and charges must conform to requirements prohibiting, among other things, fees and charges which (i) generate revenues exceeding the funds required to provide the property related service, (ii) are used for any purpose other than those for which the fees and charges are imposed, (iii) are for a service not actually used by, or immediately available to, the owner of the property in question, or (iv) are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. Further, before any property related fee or charge may be imposed or increased, written notice must be given to the record owner of each parcel of land affected by such fee or charge. The City must then hold a hearing upon the proposed imposition or increase, and if written protests against the proposal are presented by a majority of the owners of the identified parcels, the City may not impose or increase the fee or charge. Moreover, except for fees or charges for sewer, water and refuse collection services, or fees for electrical and gas service, which are not treated as “property related” for purposes of Article XIID, no property related fee or charge may be imposed or increased without majority approval by the property owners subject to the fee or charge or, at the option of the local agency, two-thirds voter approval by the electorate residing in the affected area.

In addition to the provisions described above, Article XIIC removes many of the limitations on the initiative power in matters of reducing or repealing any local tax, assessment, fee or charge. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges currently comprising a substantial part of the City's General Fund. "Assessment," "fee" and "charge" are not defined in Article XIIC, and it is not clear whether the definitions of these terms in Article XIID (which are generally property related as described above) would be applied to Article XIIC. If the Article XIID definitions are not held to apply to Article XIIC, the initiative power could potentially apply to revenue sources which currently constitute a substantial portion of General Fund revenues. No assurance can be given that the voters of the City will not, in the future, approve initiatives which repeal, reduce or prohibit the future imposition or increase of local taxes, assessments, fees or charges.

The City does not currently levy any property related "fees" or "charges" which it considers subject to challenge under Proposition 218.

Future Initiatives

Article XIIA, Article XIIB, Article XIIC and Article XIID were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time, other initiative measures could be adopted, which may place further limitations on the ability of the State, the County, the City or local districts to increase revenues or to increase appropriations which may affect the City's revenues or its ability to expend its revenues.

THE CORPORATION

The Corporation was created in 1999 by Resolution of the City Council of the City (the "City Council") under the provisions of the law in California related to nonprofit public benefit corporations. The Corporation is a separate legal entity from the City. The Corporation is governed by a five-member Board of Directors consisting of members of the City Council. City personnel provide the Corporation with technical staff support. The Corporation has no employees. Except as expressly provided in the Trust Agreement, the Corporation will not have any obligation or liability to the Owners of the Certificates with respect to the payment when due of the Base Rental Payments by the City, or with respect to the performance by the City of other agreements and covenants required to be performed by it contained in the Sublease or the Trust Agreement, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained in the Trust Agreement.

FINANCIAL STATEMENTS

Relevant sections of the basic financial statements of the City included in Appendix B to this Official Statement have been audited by Moss, Levy & Harzheim, LLP, independent certified public accountants. See APPENDIX B – "THE COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY OF CALABASAS FOR THE FISCAL YEAR ENDED JUNE 30, 2014" herein. The audited financial statements attached hereto, including the footnotes thereto, should be reviewed in their entirety. Moss, Levy & Harzheim, LLP has not consented to the inclusion of its report as Appendix B and has not undertaken to update its report 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 Moss, Levy & Harzheim, LLP with respect to any event subsequent to its report dated December 22, 2014.

Copies of the audited financial statements of the City are available upon request. Such request should be directed to the City of Calabasas, City Manager, 100 Civic Center Way, Calabasas, California 91302.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, Special Counsel to the City (“Special Counsel”), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, the interest component of the Base Rental Payments paid by the City under the Sublease and received by the owners of the Certificates is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and is exempt from State of California personal income taxes. Special Counsel is of the further opinion that such interest evidenced by the Certificates is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Special Counsel observes that such interest evidenced by the Certificates is included in adjusted current earnings when calculating corporate alternative minimum taxable income. A complete copy of the proposed form of opinion of Special Counsel is set forth in Appendix D hereto.

To the extent the issue price of any maturity of the Certificates is less than the amount to be paid at maturity of such Certificates (excluding amounts stated to be interest and payable at least annually over the term of such Certificates), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest evidenced by the Certificates which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Certificates is the first price at which a substantial amount of such maturity of the Certificates is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Certificates accrues daily over the term to maturity of such Certificates on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Certificates to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Certificates. Beneficial Owners of the Certificates should consult their own tax advisors with respect to the tax consequences of ownership of Certificates with original issue discount, including the treatment of Beneficial Owners who do not purchase such Certificates in the original offering to the public at the first price at which a substantial amount of such Certificates is sold to the public.

Certificates purchased, whether at original execution and delivery thereof or otherwise, for an amount higher than the principal evidenced thereby payable on the scheduled principal payment date thereof (or, in some cases, at their earlier prepayment date) (“Premium Certificates”) will be treated as having amortizable premium. No deduction is allowable for the amortizable premium in the case of obligations, like those evidenced by the Premium Certificates, the interest with respect to which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Certificate, will be reduced by the amount of amortizable premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Certificates should consult their own tax advisors with respect to the proper treatment of amortizable premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest evidenced by obligations such as the Certificates. The City has made certain representations and covenanted to comply with certain restrictions, conditions

and requirements designed to ensure that interest evidenced by the Certificates will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest evidenced by the Certificates being included in gross income for federal income tax purposes, possibly from the date of original execution and delivery of the Certificates. The opinion of Special Counsel assumes the accuracy of these representations and compliance with these covenants. Special Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Special Counsel's attention after the date of execution and delivery of the Certificates may adversely affect the value of, or the tax status of interest evidenced by, the Certificates. Accordingly, the opinion of Special Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Special Counsel is of the opinion that interest evidenced by the Certificates is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest evidenced by, the Certificates may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Special Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest evidenced by the Certificates to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. For example, the Obama Administration's budget proposals in recent years have proposed legislation that would limit the exclusion from gross income of interest evidenced by Certificates to some extent for high income individuals. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Certificates. Prospective purchasers of the Certificates should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Special Counsel is expected to express no opinion.

The opinion of Special Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Special Counsel's judgment as to the proper treatment of the Certificates for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Special Counsel cannot give and has not given any opinion or assurance about the future activities of the City, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The City has covenanted, however, to comply with the requirements of the Code.

Special Counsel's engagement with respect to the Certificates ends with the execution and delivery of the Certificates, and, unless separately engaged, Special Counsel is not obligated to defend the City or the Beneficial Owners regarding the tax-exempt status of the Certificates in the event of an audit examination by the IRS. Under current procedures, parties other than the City and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the City legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Certificates for audit, or the course or result of such audit, or an audit of obligations presenting similar tax issues may affect the market price for, or the marketability of, the Certificates, and may cause the City or the Beneficial Owners to incur significant expense.

CERTAIN LEGAL MATTERS

Certain legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, Special Counsel to the City. A complete copy of the proposed form of Special Counsel opinion is contained in Appendix D. Orrick, Herrington & Sutcliffe LLP, in its capacity as Special Counsel, undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Copies of this opinion will be available at the time of delivery of the Certificates. Payment of the fees and expenses of Special Counsel is contingent upon the sale and delivery of the Certificates. Certain legal matters will be passed upon for the City and the Corporation by Colantuono & Levin, PC, Los Angeles, California.

FINANCIAL ADVISOR

C.M. de Crinis & Co., Inc. is acting as Financial Advisor to the City. The Financial Advisor's services include consulting with and advising the City regarding the structure and technical details of the financing, providing the City with information regarding municipal bond market conditions and attending meetings and hearings at the City's request. C.M. de Crinis & Co., Inc. is an independent advisory firm and is not engaged in the business of underwriting, trading, or distributing municipal or other public securities.

RATING

The Certificates are rated “___” by Standard and Poor's Ratings Services, a Standard & Poor's Financial Services LLC business (“S&P”). Such rating reflects only the views of S&P, and does not constitute a recommendation to buy, sell or hold the Certificates. Explanation of the significance of such rating may be obtained only from S&P. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by S&P, if in the judgment of any such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Certificates.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Causey Demgen & Moore P.C., certified public accountants, will verify, from the information provided to them, the mathematical accuracy of the computations contained in schedules to determine that the amounts to be held in the Escrow Fund will be sufficient to pay principal, interest and prepayment price due on the Refunded Certificates through and including the prepayment date. Causey Demgen & Moore P.C. will express no opinion on the assumptions provided to them, nor as to the exemption from taxation of interest with respect to the Certificates or the interest component of the Base Rental Payments paid by the City under the Sublease and received by the owners of the Certificates.

CONTINUING DISCLOSURE

The City has agreed to provide, or cause to be provided, to each nationally recognized municipal securities information repository and any public or private repository or entity designated by the State as a state repository for purposes of Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission certain annual financial information and operating data and, in a timely manner, notice of certain material events. For a complete listing of items of information which will be provided in the Annual Report, see APPENDIX F – “FORM OF CONTINUING DISCLOSURE AGREEMENT.” Such information is to be provided by the City not later than nine (9) months after the end of the City's fiscal year (which currently would be April 1), commencing with the report for the 2014-15 Fiscal Year. The Annual Report will be filed by the Trustee, acting as Dissemination Agent, on behalf of the City with each Nationally

Recognized Municipal Securities Information Repository and with each State Repository, if any. These covenants have been made in order to assist the Initial Purchaser in complying with S.E.C. Rule 15c2-12(b)(5) (“Rule 15c2-12”). [The City is in compliance in all material respects with its continuing disclosure undertakings under Rule 15c2-12 for the last five years.]

ABSENCE OF MATERIAL LITIGATION

At the time of delivery of and payment for the Certificates, the City will certify that there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or governmental or public entity pending or, to the best knowledge of the City, threatened against the City (i) which affects or seeks to prohibit, restrain or enjoin the execution or delivery of the Certificates, the Sublease, the Lease, the Trust Agreement or the Assignment Agreement, (ii) contesting the validity of the Certificate Purchase Agreement, the Sublease, the Lease, the Trust Agreement or the Continuing Disclosure Agreement, the powers of the City to enter into or perform its obligations under the Certificate Purchase Agreement, the Sublease, the Lease or the Trust Agreement, or the existence or powers of the City, or (iii) which, if determined adversely to the City, would materially impair the City’s ability to meet its obligations under the Sublease or materially and adversely affect the City’s financial condition.

Various claims and suits have been and can be expected to be filed against the City in the normal course of business. The aggregate amount of the uninsured liabilities of the City which may result from all claims will not, in the opinion of the City, materially affect the City’s finances or impair its ability to make Base Rental Payments under the Sublease.

PURCHASE AND REOFFERING

_____ (the “Initial Purchaser”) has purchased the Certificates from the City at a competitive sale at an aggregate purchase price of \$_____ (representing the aggregate principal amount of the Certificates, plus a premium of \$_____, less a purchaser discount of \$_____). The public offering prices may be changed from time to time by the Initial Purchaser. The Initial Purchaser may offer and sell Certificates to certain dealers and others at prices lower than the offering prices shown on the inside cover page hereof.

MISCELLANEOUS

References are made herein to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive and reference is made to such documents and reports for full and complete statements of the contents thereof. Copies of the documents are on file and available for inspection at the office of the Trustee at U.S. Bank National Association, 633 West Fifth Street, 24th Floor, Los Angeles, California 90071.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, 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 City and the purchasers or Owners of any of the Certificates.

The execution and delivery of this Official Statement has been duly authorized by the City.

CITY OF CALABASAS

By _____
City Manager

APPENDIX A

ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY OF CALABASAS

The following economic and demographic data for the City of Calabasas (the “City”) and the County of Los Angeles are presented for information purposes only. The obligation of the City to make the Base Rental Payments does not constitute a debt of the City or the State of California (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 City 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.

General

The City was incorporated in April 1991 under the General Laws of the State, and is one of the smaller cities in Los Angeles County, with a population of roughly 23,000. The City is located along the Highway 101 corridor in the San Fernando Valley of western Los Angeles County, approximately 20 miles northwest of downtown Los Angeles and encompasses an area of approximately 13 square miles. The City is bordered by Woodland Hills on the east, Hidden Hills on the north, Agoura Hills on the west and unincorporated areas of Los Angeles County and the Santa Monica Mountains on the south.

Educational Institutions and Facilities

Los Virgenes Unified School District operates eight elementary schools, three middle schools and three high schools in the City and surrounding area. In addition, there are many private elementary and high schools located in the area available to residents of the City. 22 California Community Colleges are located in Los Angeles County and provide a two year curriculum and vocational and technical courses of study. Pepperdine University, located in Malibu, is one of the many independent colleges and universities serving the Southern California region. Additionally, the University of California and the California State University both have many campuses located in Southern California which comprise their university system.

Industry

The City is part of the high-tech corridor that extends from the City’s northern boundaries through Agoura Hills, Westlake Village, Thousand Oaks and Newbury Park. The City is also adjacent to Woodland Hills, with the Warner Center business complex that contains many corporate headquarters and companies. San Fernando Valley’s financial, business and industrial centers also provide residents with convenient work locations and career opportunities.

Medical and Health Facilities

The County of Los Angeles - Department of Health Services operates five hospitals, one multi-service ambulatory care center, and six comprehensive health centers. Additionally, nearly 40 private hospitals and medical centers are operate various facilities throughout the County.

Transportation

The area is served by several major highways, with the (101) Ventura Freeway being the major east-west thoroughfare and the (405) San Diego Freeway providing the nearest north-south artery. Metrolink, a premier regional rail system, includes commuter and other passenger services and services

the City. Additionally, the Los Angeles County Metropolitan Transportation Authority operates over 200 Metro Bus lines and four Metro Rail lines, taking you just about anywhere in Los Angeles County. The City of Los Angeles Department of Transportation (LADOT) currently operates the second largest fleet in Los Angeles County, consisting of nearly 400 vehicles which serve approximately 30 million passenger boardings per year. Van Nuys Airport is located within 14 miles of the City and provides a runway capable of handling private and small commuter aircraft. Regularly scheduled air service is available at Burbank Airport which is currently served by Alaska Airlines, American Airlines, America West, Delta, jetBlue, Southwest and United. The Los Angeles International and Long Beach Airports are each within 30 miles of the City.

Recreation and Tourism

The City Community Service Department offers a variety of recreational, educational and special interest programs and classes for all ages. Some of the various facilities include: Agoura Hills/Calabasas Community Center, Calabasas Tennis & Swim Center, Headwaters Corner Interpretive Center and the Santa Monica Mountains Recreation Visitors Center. Community and neighborhood parks as well as natural history and nature programs are among the many outdoor opportunities. The area is appreciative of the many renowned museums it is able to utilize including the Los Angeles County Museum of Art and the Getty Museum. A quick jaunt to a few of the nearby beaches would include the Malibu Pier and Beach and the Santa Monica Pier and Beach. Nearby tourist attractions include Disneyland, Six Flags Magic Mountain, Universal Studios, Knott’s Berry Farm, Aquarium of the Pacific and the Los Angeles Zoo.

Population

The following table sets forth population estimates for the City of Calabasas and County of Los Angeles for the last five years.

Year⁽¹⁾	City of Calabasas	County of Los Angeles
2005	22,519	9,816,153
2006	22,775	9,798,609
2007	22,865	9,780,808
2008	22,947	9,785,474
2009	22,989	9,801,096
2010	23,053	9,822,121
2011	23,109	9,847,712
2012	23,695	9,889,467
2013	23,816	9,963,811
2014	23,943	10,041,797

(1) The data is reported as of January 1.
 Source: State of California Department of Finance.

Unemployment

The following chart provides a comparison, for the years indicated, of the average annual unemployment rates in the City of Calabasas, the County of Los Angeles, the State of California and the United States.

Annual Average Unemployment Rates For Calendar Years 2005 through 2014

Year	City of Calabasas	Los Angeles County	State of California	United States
2005	2.4%	5.4%	5.4%	5.1%
2006	2.1	4.8	4.9	4.6
2007	2.2	5.1	5.4	4.6
2008	3.3	11.6	7.3	5.8
2009	5.3	11.6	11.2	9.3
2010	5.8	12.6	12.2	9.6
2011	5.6	12.3	11.7	8.9
2012	5.0	11.0	10.4	8.1
2013	4.5	9.9	8.9	7.4
2014	5.4	8.3	7.5	6.2

Source: State of California Employment Development Department; U.S. Department of Labor Bureau of Labor Statistics.

Principal Employers

The following table provides a comparison of the principal employers for Fiscal Year 2014 and the principal employers in Fiscal Year 2005.

Principal Employers Current Year and Nine Years Ago

Employer	2014			2005		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Las Virgenes Unified School District	720	1	5.90%	850	1	3.93%
Cheesecake Factory, Inc.	675	2	5.53	195	6	0.90
Bank of America	663	3	5.43			0.00
Viewpoint Education Foundation	285	4	2.34			0.00
Alcatel Internetworking, Inc.	275	5	2.25	373	4	1.72
IXIA Communications	271	6	2.22	275	5	1.27
Spirent Communications	210	7	1.72	400	3	1.85
Sedgwick Claims Management	207	8	1.70			0.00
Informa Research Services	165	9	1.35			0.00
DTS Inc.	161	10	1.32			0.00
Countrywide Home Loans, Inc.	--		--	600	2	2.77
Bob Smith BMW & Mini	--		--	150	7	0.69
Gelson's Market	--		--	135	8	0.62
Calabasas Volvo	--		--	130	9	0.60
Calabasas Motorcars	--		--	130	10	0.60
Total	3,632		29.77%	3,238		14.97%
Total City Employment	12,200					

Notes:

- 1 Results based on direct correspondence with City's local businesses.
- 2 The Las Virgenes School District number represents all employees within the district.
- 3 The City's Parks & Recreation Department staff fluctuates depending on the season, therefore the number of employees reflected here is the maximum over the year.
- 4 Some data from nine years ago, indicated with --, is not available.

Sources: MuniServices, LLC
City of Calabasas Department of Finance
Calabasas Chamber of Commerce
Total City Employment provided by EDD Labor Force Data

**Personal Income
For Calendar Years 2009 Through 2013**

	City of Calabasas		State of California		United States	
	Personal Income ⁽¹⁾	Per capital personal income ⁽²⁾	Personal Income ⁽¹⁾	Per capital personal income ⁽²⁾	Personal Income ⁽¹⁾	Per capital personal income ⁽²⁾
2009	\$395,372,354	\$40,396	\$1,537,094,676	\$41,587	\$12,080,223,000	\$39,379
2010	404,473,004	41,163	1,578,553,439	42,282	12,417,659,000	40,144
2011	425,673,042	43,062	1,685,635,498	44,749	13,189,935,000	42,332
2012	455,788,782	45,800	1,805,193,769	47,505	13,873,161,000	44,200
2013	466,098,988	46,530	1,856,614,186	48,434	14,151,427,000	44,765

(1) Thousands of dollars.

(2) Dollars.

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Commercial Activity

Consumer spending for 2013 resulted in approximately \$513,682,000 taxable sales in the City. The following table sets forth information regarding taxable sales in the City for the years 2009 through 2013.

Type of Business	Taxable Sales For the Years 2009-2013 (In Thousands)				
	2009	2010	2011	2012	2013
Retail and Food Services					
Motor Vehicle and Parts Dealers	124,856	134,770	138,046	130,095	128,132
Home Furnishings and Appliance Stores	14,034	10,702	12,378	11,634	14,310
Bldg. Matrl. and Garden Equip. and Supplies	#	#	#	#	#
Food and Beverage Stores	24,570	23,735	23,808	24,949	25,737
Gasoline Stations	28,640	34,615	39,963	41,128	40,982
Clothing and Clothing Accessories Stores	16,625	18,137	23,465	23,442	26,615
General Merchandise Stores	#	#	#	#	#
Food Services and Drinking Places	37,299	38,434	40,348	44,351	49,173
Other Retail Group	32,833#	33,959#	33,652#	35,950#	39,441#
Total Retail and Food	278,857	294,352	311,660	311,548	324,389
All Other Outlets	196,256	219,331	173,721	192,381	194,386
TOTAL ALL OUTLETS	475,113	513,682	485,381	503,929	518,776

Sales omitted because their publication would result in the disclosure of confidential information.

Source: California State Board of Equalization, Taxable Sales in California (Sales & Use Tax).

APPENDIX B

**THE COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE CITY OF CALABASAS FOR
THE FISCAL YEAR ENDED JUNE 30, 2014**

APPENDIX C
SUMMARY OF PRINCIPAL LEGAL DOCUMENTS

APPENDIX D

PROPOSED FORM OF OPINION OF SPECIAL COUNSEL

Upon delivery of the Certificates, Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, Special Counsel, proposes to render its final approving opinion with respect to the Certificates in substantially the following form:

[Date of Delivery]

Honorable Mayor and City Council
City of Calabasas
Calabasas, California

City of Calabasas
2015 Certificates of Participation
(Civic Center Project)
(Final Opinion)

Ladies and Gentlemen:

We have acted as Special Counsel to the City of Calabasas, California (the “City”) in connection with the execution and delivery of the City of Calabasas 2015 Certificates of Participation (Civic Center Project) (the “Certificates”) evidencing principal in the aggregate amount of \$_____. In such connection, we have reviewed the Sublease, dated as of May 1, 2015 (the “Sublease”), by and between the City and the City of Calabasas Facilities Corporation (the “Corporation”), the Lease, dated as of May 1, 2015 (the “Lease”), by and between the City and the Corporation, the Trust Agreement, dated as of May 1, 2015 (the “Trust Agreement”), by and among the City, U.S. Bank National Association, as Trustee (the “Trustee”), and the Corporation, the Assignment Agreement, dated as of May 1, 2015 (the “Assignment Agreement”), by and between the Corporation and the Trustee, the Tax Certificate of the City, dated as of the date hereof (the “Tax Certificate”), opinions of counsel to the City, the Corporation and the Trustee, certificates of the City, the Corporation, the Trustee and others and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Sublease.

Certain agreements, requirements and procedures contained or referred to in the Trust Agreement, the Sublease, the Lease, the Assignment Agreement, the Tax Certificate and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Certificates) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. No opinion is expressed herein as to any Certificate or the interest components of any Base Rental Payment if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than ourselves.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Certificates has concluded with their

execution and delivery, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the City. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents and of the legal conclusions contained in the opinions, referred to in the first paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Trust Agreement, the Sublease, the Lease, the Assignment Agreement and the Tax Certificate including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause the interest components of Base Rental Payments to be included in gross income for federal income tax purposes.

We call attention to the fact that the rights and obligations under the Certificates, the Trust Agreement, the Sublease, the Lease, the Assignment Agreement, the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, 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 the limitations on legal remedies against cities in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the real or personal property described in or as subject to the lien of the Trust Agreement, the Sublease, the Lease or the Assignment Agreement or the accuracy or sufficiency of the description of any such property contained therein of, or the remedies available to enforce liens on, any such property. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Certificates and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Trust Agreement, the Sublease and the Lease have been duly executed and delivered, and constitute the valid and binding obligations of the City.
2. The obligation of the City to make the Base Rental Payments during the term of the Sublease constitutes a valid and binding obligation of the City, payable from funds of the City lawfully available therefore.
3. Assuming due authorization, execution and delivery of the Trust Agreement and the Certificates by the Trustee, the Certificates are entitled to the benefits of the Trust Agreement.
4. The interest component of the Base Rental Payments paid by the City under the Sublease and received by the registered owners of the Certificates is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. Interest evidenced by the Certificates is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although we observe that it is included in adjusted current earnings when calculating corporate alternative minimum taxable income. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of such interest or the ownership or disposition of the Certificates.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

APPENDIX E

BOOK-ENTRY-ONLY SYSTEM

The description that follows of the procedures and recordkeeping with respect to beneficial ownership interests in the Certificates, payment of principal and interest with respect to the Certificates to Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interests in the Certificates, and other Certificates-related transactions by and between DTC, Participants and Beneficial Owners, is based on information furnished by DTC which the City and the Corporation each believes to be reliable, but the City and the Corporation take no responsibility for the completeness or accuracy thereof.

The Depository Trust Company – Book-Entry Only System

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Certificates. The Certificates 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 for each maturity of the Certificates will be issued for the Certificates in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information on such website is not incorporated herein by such reference or otherwise.

Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC’s records. The ownership interest of each actual purchaser of each Certificate (“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 Certificates 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 Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

To facilitate subsequent transfers, all Certificates 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 Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Certificates 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 Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Certificates, such as prepayments, tenders, defaults, and proposed amendments to the Trust Agreement and Sublease. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates 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.

Prepayment notices shall be sent to DTC. If less than all of the Certificates within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Prepayment proceeds, distributions, and dividend payments on the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name" and will be the responsibility of such Participant and not of DTC, the Trustee, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of prepayment proceeds, distributions, and dividend payments to Cede & C o. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Certificates at any time by giving reasonable notice to the City or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

Discontinuance of DTC Services

In the event that the City determines that it is in the best interests of the beneficial owners of the Certificates that they be able to obtain Certificates, the Trustee shall, upon the written instruction of the City, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of Certificates. In such event, the Certificates will be transferable in accordance with the terms of the Trust Agreement. DTC may determine to discontinue providing its services with respect to the Certificates at any time by giving written notice of such discontinuance to the City and the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Certificates will be transferable in accordance with the Trust Agreement. Whenever DTC requests the City and the Trustee to do so, the Trustee and the City will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all certificates evidencing the Certificates then Outstanding. In such event, the Certificates will be transferable to such securities depository in accordance with the Trust Agreement, and thereafter, all reference in the Trust Agreement to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

APPENDIX F
FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX G

FORM OF DEBT SERVICE RESERVE FUND POLICY

CONTINUING DISCLOSURE AGREEMENT

by and between the

CITY OF CALABASAS

and

U.S. BANK NATIONAL ASSOCIATION,
AS TRUSTEE

Dated as of May 1, 2015

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CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”) is executed and delivered by the City of Calabasas (the “City”) and U.S. Bank National Association, as trustee (the “Trustee”) in connection with the execution and delivery of City of Calabasas 2015 Certificates of Participation (Civic Center Project) evidencing \$_____ aggregate principal amount (the “Certificates”), and as Dissemination Agent hereunder. The Certificates are being executed and delivered pursuant to a Trust Agreement, dated as of May 1, 2015, among the City, the City of Calabasas Facilities Corporation (the “Corporation”), and the Trustee (the “Trustee”). This Disclosure Agreement is being executed and delivered by the City and the Trustee for the benefit of the Holders and Beneficial Owners of the Certificates and in order to assist the Participating Underwriters in complying with the Rule (defined below). Pursuant to the Trust Agreement and the Sublease, the City, the Dissemination Agent and the Trustee covenant and agree as follows:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes of this Disclosure Agreement have the meanings herein specified. Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Trust Agreement.

“Annual Report” means any Annual Report provided by the City pursuant to, and as described in, Sections 2 and 3 hereof.

“Annual Report Date” means the date in each year that is not later than nine months after the end of the City’s fiscal year (presently June 30), commencing with the report for the 2014-15 Fiscal Year.

“Disclosure Representative” shall mean the City Manager of the City or his or her designee, or such other person as the City shall designate in writing to the Dissemination Agent and the Trustee from time to time.

“Dissemination Agent” shall mean initially, U.S. Bank National Association, and thereafter the party designated in writing by the City to serve as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the City and which has filed with the Trustee a written acceptance of such designation.

“Listed Events” means any of the events listed in subsection (a) or subsection (b) of Section 4 hereof.

“MSRB” means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Participating Underwriter” means any of the original underwriters of the Certificates required to comply with the Rule in connection with the offering of the Certificates.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Provision of Annual Reports. (a) The City shall, or shall cause the Dissemination Agent to, provide to the MSRB an Annual Report that is consistent with the requirements of Section 3 hereof, not later than the Annual Report Date, commencing with the report for the 2014-15 Fiscal Year. The Annual Report may include by reference other information as provided in Section 3 hereof; provided, however, that the audited financial statements of the City, if any, may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City’s fiscal year changes, it shall, or it shall instruct the Dissemination Agent to, give notice of such change in a filing with the MSRB.

(b) Not later than 15 business days prior to the date specified in subsection (a) of this Section for the providing of the Annual Report to the MSRB, the City shall provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). If by such date, the Trustee has not received a copy of the Annual Report, the Trustee shall contact the City and the Dissemination Agent to determine if the City is in compliance with the first sentence of this subsection (b).

(c) If the Trustee is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a) of this Section, the Trustee shall, in a timely manner, send a notice to the MSRB in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

- (i) (i) provide each Annual Report received by it to the MSRB, as provided herein; and
- (ii) (ii) file a report with the City and (if the Dissemination Agent is not the Trustee) the Trustee certifying that such Annual Report has been provided pursuant to this Disclosure Agreement and stating the date it was provided to the MSRB.

Section 3. Content of Annual Reports. The City’s Annual Report shall contain or incorporate by reference the following:

(a) The City’s audited financial statements, if any, 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, if any, are not available by the time the Annual Report is required to be filed pursuant to subsection (a) of Section 2 hereof, the Annual Report shall contain unaudited financial statements, in a format similar to that used for the City’s audited financial statements, and the audited financial statements, if any, shall be filed in the same manner as the Annual Report when they become available.

(b) The Annual report shall also contain the following information, substantially in the form as included in the Official Statement, updated to the then current fiscal year:

- (i) Table __ – Principal Tax Revenues By Source;
- (ii) Table __ – Assessed Valuation;
- (iii) Table __ – Secured Property Tax Charges and Delinquencies;
- (iv) Table __ – Largest Local Secured Taxpayers;
- (v) Table __ – Taxable Sales;
- (vi) Table __ – General Fund Balance Sheet;
- (vii) Table __ – General Fund, Statement of Revenues, Expenditures and Changes in Fund Balances;
- (viii) Table __ – General Fund Budgets; and
- (ix) Information appearing in Appendix A in tabular form under the headings Population and Building Permit Activity.

An update of the financial and operating data contained in the Official Statement under the caption “Retirement System” and

An update of the financial and operating data contained in the Official Statement under the caption “Investment of City Funds.”

(c) In addition to any of the information expressly required to be provided under the preceding paragraphs (a) and (b), the City shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

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, that have been made available to the public on the MSRB’s website. The City shall clearly identify each such other document so included by reference.

Section 4. Reporting of Significant Events. (a) Pursuant to the provisions of this Section, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Certificates in a timely manner not later than ten business days after the occurrence of the event:

- (i) Principal and interest payment delinquencies.
- (ii) Unscheduled draws on debt service reserves reflecting financial difficulties.

- (iii) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (iv) Substitution of credit or liquidity providers, or their failure to perform.
- (v) Adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB).
- (vi) Tender offers.
- (vii) Defeasances.
- (viii) Rating changes.
- (ix) Bankruptcy, insolvency, receivership or similar event of the City.

For purposes of the event identified in paragraph (ix), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. 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 governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(b) Pursuant to the provisions of this Section, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Certificates, if material, in a timely manner not later than ten business days after the occurrence of the event:

- (i) Unless described in paragraph (v) of subsection (a) of this Section, material notices or determinations by the Internal Revenue Service with respect to the tax status of the Certificates or other material events affecting the tax status of the Certificates.
- (ii) Modifications to rights of holders of the Certificates.
- (iii) Optional, unscheduled or contingent Certificate calls.
- (iv) Release, substitution, or sale of property securing repayment of the Certificates.
- (v) Non-payment related defaults.

- (vi) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.
- (vii) Appointment of a successor or additional Trustee or the change of name of a Trustee.

(c) The Trustee shall, within one business day of obtaining actual knowledge of the occurrence of any of the Listed Events, contact the Disclosure Representative and inform such person of the event.

(d) If a Listed Event described in subsection (b) of this Section occurs, the City shall determine if such event would be material under applicable Federal securities law.

(e) If a Listed Event described in subsection (a) of this Section occurs, or if the City determines that knowledge of a Listed Event described in subsection (b) of this Section would be material under applicable Federal securities law, the City shall, or shall cause the Dissemination Agent to, file a notice of the occurrence of such Listed Event with the MSRB, within ten business days of such occurrence.

(f) Notwithstanding the foregoing, notice of Listed Events described in paragraph (vii) of subsection (a) of this Section and (iii) of subsection (a) of this Section need not be given any earlier than the notice (if any) of the underlying event is given to holders of affected Certificates pursuant to the Trust Agreement.

Section 5. Format for Filings with MSRB. Any report or filing with the MSRB pursuant to this Disclosure Agreement must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Certificates. If such termination occurs prior to the final maturity of the Certificates, the City shall give, or cause to be given, notice of such termination in a filing with the MSRB.

Section 7. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign by providing 30 days' written notice to the City and the Trustee. The Dissemination Agent shall have no duty to prepare the Annual Report nor shall the Dissemination Agent be responsible for filing any Annual Report not provided to it by the City in a timely manner and in a form suitable for filing. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the City and the Trustee may amend this Disclosure Agreement (and the Trustee shall agree to any amendment so requested by the City; provided, however, that the Trustee shall not be obligated to enter into any amendment increasing or affecting its duties or obligations), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of subsection (a) of Section 2 hereof, Section 3 hereof or subsection (a) or (b) of Section 4 hereof, 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 Certificates, or the 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 Certificates, 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 (i) is approved by Owners of the Certificates in the manner provided in the Trust Agreement for amendments to the Trust Agreement with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of Owners or Beneficial Owners of the Certificates.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the City shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements (i) notice of such change shall be given in a filing with the MSRB, and (ii) the Annual Report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice required to be filed pursuant to this Disclosure Agreement, in addition to that which is required by this Disclosure Agreement. If the City chooses to include any information in any Annual Report or notice in addition to that which is specifically required by this Disclosure Agreement, the City shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event or any other event required to be reported.

Section 10. Default. In the event of a failure of the City, the Trustee or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee

To the Trustee: U.S. Bank National Association
633 W. Fifth Street, 24th Floor
Los Angeles, California 90071
Attention: Corporate Trust Services
Ref.: Calabasas 2015 COPS
(Civic Center Project)

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of City, the Trustee, the Dissemination Agent, the Participating Underwriters, and Holders and Beneficial Owners from time to time of the Certificates, and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the City of Calabasas and U.S. Bank National Association have caused this Agreement to be executed each on its behalf as of the day and year first above written.

CITY OF CALABASAS

By: _____
Authorized Officer

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

U.S. BANK NATIONAL ASSOCIATION,
as Dissemination Agent

By: _____
Authorized Officer

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Calabasas
Name of Issue: City of Calabasas 2015 Certificates of Participation (Civic Center Project)
Date of Issuance: _____, 2015
Name of Obligated Party: City of Calabasas

NOTICE IS HEREBY GIVEN that the City of Calabasas has not provided an Annual Report with respect to the above-named Certificates as required by Section 6.10 of the Trust Agreement, dated as of May 1, 2015, between the City and U.S. Bank National Association, as Trustee. [The City anticipates that the Annual Report will be filed by _____.]

Dated: _____

U.S. BANK NATIONAL ASSOCIATION, on
behalf of City of Calabasas

cc: City of Calabasas

NOTICE INVITING BIDS

\$43,000,000*

**City of Calabasas 2015 Certificates of Participation
(Civic Center Projects)**

NOTICE IS HEREBY GIVEN by the City (the "City") that electronic bids will be received by the City for the purchase of \$43,000,000* principal amount of City of Calabasas 2015 Certificates of Participation (Civic Center Projects) (the "Certificates") up to the time specified below, at the office of the Financial Advisor to the City: C. M. de Crinis & Co., Inc., 100 N Brand Boulevard, Suite 605 Glendale CA 91203, telephone (818) 385-4900. All electronic bids must be submitted via an electronic bidding service offered through I-Deal LLC BIDCOMP/PARITY® System ("Parity") The date and time specified for receipt of bids is as follows:

**Wednesday, May 13, 2015
9:30 a.m., Pacific Standard Time**

(or at the election of the City, at such time on any day thereafter, specified by notification through Thomson Municipal News or Bloomberg News Wire at least 24 hours prior to the scheduled date and time of sale) for the purchase of the Certificates. The Certificates will be issued and sold under the provisions of a Trust Agreement, dated as of [DATED DATE], among the City, the City of Calabasas Facilities Corporation (the "Corporation") and U.S. Bank National Association, as trustee (the "Trustee"), pursuant to the laws of the State of California. The Certificates are more particularly described in the proposed form of the Trust Agreement on file with the City Clerk and copies thereof will be furnished to the bidder upon request.

BOND RATING

The Certificates are expected to be rated "AA+" by Standard & Poor's Ratings Service ("S&P").

DESCRIPTION OF THE CERTIFICATES
--

FORM OF CERTIFICATES: The Certificates will be issued and sold in fully registered form in denominations of \$5,000 or authorized integral multiples thereof, to be dated initially as of the date of delivery to the successful bidder. The City has designated the Certificates to be "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986.

MATURITIES.** The Certificates will mature, serially on December 1 in each of the years and in the amounts, as set forth in the following table. The final aggregate principal amount of the Certificates, and the final amount of each maturity of the Certificates, shall be subject to increase or reduction as described below under the heading "Adjustment of Principal Amounts." *Each Bidder may specify in its bid whether consecutive maturities will be aggregated into a term Certificate subject to mandatory sinking account prepayment in the applicable principal amount set forth below.*

* Preliminary, subject to change.

** Preliminary, subject to change. See also, "Adjustment of Principal Amounts" herein.

Maturity Date December 1	Principal Amount	Maturity Date December 1	Principal Amount
2016		2029	
2017		2030	
2018		2031	
2019		2032	
2020		2033	
2021		2034	
2022		2035	
2023		2036	
2024		2037	
2025		2038	
2026		2039	
2027		2040	
2028		2041	

PAYMENT PROVISIONS: Interest on the Certificates will be payable semiannually on June 1 and December 1 of each year, commencing on December 1, 2015 (each, an "Interest Payment Date"), to the registered owners by check of the Trustee or, in the case of the owner of Certificates in an aggregate principal amount of at least \$1,000,000, at the written request of such owner by wire transfer to an account in the United States of America. Principal and premium (if any) of any Bond will be paid upon presentation and surrender thereof at the corporate trust office of the Trustee in Los Angeles, California, or such other office as may be designated by the Trustee. The principal and premium (if any) of and interest on the Certificates are payable in lawful money of the United States of America.

BOOK ENTRY ONLY: The Certificates will be initially delivered only in book-entry form and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Certificates. Individual purchases of the Certificates will be made in book-entry form only, in denominations of \$5,000 or any integral multiple thereof. Purchasers of Certificates will not receive certificated securities representing their ownership interests in the Certificates purchased. Principal of and interest on the Certificates are payable directly by the Trustee to DTC which is obligated in turn to distribute such payments to the beneficial owners of the Certificates, as provided in the Trust Agreement.

OPTIONAL PREPAYMENT.** The Certificates maturing on or after December 1, 2026, shall be subject to optional prepayment prior to maturity, at the option of the City, on or after December 1, 2025, in whole at any time or in part (by lot within any maturity), on any date, a prepayment price equal to the principal amount to be prepaid, plus accrued interest to the date fixed for prepayment, without premium.

PREPAYMENT FROM NET PROCEEDS OF INSURANCE OR CONDEMNATION AWARDS. The Certificates are subject to prepayment on any date prior to their stated Principal Payment Dates, as a whole, or in part, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a prepayment price equal to the sum of the principal amount evidenced thereby plus accrued interest evidenced thereby to the date fixed for prepayment, without premium.

SINKING ACCOUNT PREPAYMENT. Any bidder may, at its option, specify that one or more maturities of the Certificates will consist of term Certificates which are subject to mandatory sinking account prepayment in consecutive years immediately preceding the maturity thereof, as designated in the bid of such bidder. In the event that the bid of the successful bidder specifies that any maturity of Certificates will be termed, such term Certificates will be subject to mandatory sinking account

prepayment on December 1 in each applicable year in the principal amount for such year as set forth above under the heading "MATURITIES," at a prepayment price equal to the principal amount thereof to be prepaid together with accrued interest thereon to the prepayment date, without premium.

PURPOSE: The proceeds from the sale of the Certificates will be used to (i) advance refund certain obligations of the City in connection with the City's 2006 Certificates of Participation (Civic Center Project) (the "Prior Obligations"), (ii) fund the costs of construction of a senior center and (iii) fund a Reserve Account for the Certificates, and (iv) pay the costs incurred in connection with the execution and delivery of the Certificates, all as further described in the Preliminary Official Statement.

SECURITY: Payments of principal and interest with respect to the Certificates consist solely of the Lease Payments made by the City to the Corporation. The obligation of the City to make Lease Payments is a general fund obligation of the City (subject to abatement of such Lease Payments in the event of the interruption of use of the Leased Property), but does not constitute an obligation for which the City has levied or pledged any form of taxation, nor does the obligation of the City to make Lease Payments constitute an indebtedness of the City, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

Surety Bond: [Discuss if obtained.]

TAX-EXEMPT STATUS: In the opinion of Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, Special Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, the interest component of the Base Rental Payments paid by the City under the Sublease and received by the owners of the Certificates is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Special Counsel, such interest component is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Special Counsel observes that such interest component is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Special Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest with respect to, the Certificates. See the discussion in the Preliminary Official Statement under the heading "TAX EXEMPTION."

CONTINUING DISCLOSURE: In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5) (the "Rule"), the City will undertake, pursuant to a Continuing Disclosure Agreement, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement relating to the Certificates. The City agreed to provide, or cause to be provided, to each Repository Annual Reports, including its Financial Statements with respect to each fiscal year of the City in connection with the issuance of certain of its outstanding debt obligations. **The City did not provide its Annual Report with respect to Fiscal Years _____ and _____ as required in connection with the Prior Obligations, the City of Calabasas Community Facilities District No. 98-1 Special Tax Refunding Bonds and the City of Calabasas Community Facilities District No. 2001-1 Special Tax Refunding Bonds, Series 2001 by the required filing dates. The City subsequently provided to each Repository its audited financial statements with respect to these fiscal years for these Annual Reports and is currently in compliance with the terms of such undertakings.**

LEGAL OPINION: The legal opinion of Orrick, Herrington & Sutcliffe, LLP, Los Angeles, California, Bond Counsel, concerning the validity of the Sublease, and certain other matters, will be furnished to the purchaser of the Certificates without cost.

FURTHER INFORMATION: A copy of the Preliminary Official Statement describing the Certificates, and any other information concerning the proposed financing, will be furnished upon request to the City and to the Financial Advisor to the City: C. M. de Crinis & Co., Inc., 100 N Brand Boulevard, Suite 605 Glendale CA 91203 California, telephone (818) 385-4900.

TERMS OF SALE

FORM OF BID; MAXIMUM DISCOUNT: Each bid must be for not less than all of the Certificates hereby offered for sale. The purchase price to be paid for the Certificates may not be less than 99% of the par value thereof. Any premium must be paid as part of the purchase price.

ELECTRONIC BIDS: Electronic Bids via Bidcomp/Parity (the "Electronic Bidding System") will be accepted in accordance with this Notice Inviting Bids until 9:30 a.m. Pacific Standard Time, Wednesday, May 13, 2015, but no bid will be received after this time. To the extent any instructions or directions set forth in Bidcomp/Parity conflict with this Notice of Sale, the terms of this Official Notice Inviting Bids shall control. For further information about Bidcomp/Parity, potential bidders may contact C. M. de Crinis & Co., Inc., 100 N Brand Boulevard, Suite 605 Glendale CA 91203 California, telephone (818) 385-4900. curt@cmdecrinis.com

THE CITY WILL MAKE ITS BEST EFFORTS TO ACCOMMODATE ELECTRONIC BIDS; HOWEVER, THE CITY, THE FINANCIAL ADVISOR AND BOND COUNSEL ASSUME NO RESPONSIBILITY FOR ANY ERROR CONTAINED IN ANY BID SUBMITTED ELECTRONICALLY, OR FOR FAILURE OF ANY BID TO BE TRANSMITTED, RECEIVED OR OPENED AT THE OFFICIAL TIME FOR RECEIPT OF BIDS. THE OFFICIAL TIME FOR RECEIPT OF BIDS IS AS STATED IN THIS OFFICIAL NOTICE OF SALE AND AS DETERMINED EXCLUSIVELY BY THE FINANCIAL ADVISOR.

DESIGNATION OF INTEREST RATES: Each bidder must specify the rate or rates of interest which the Certificates shall evidence. The maximum rate bid on any Certificates may not exceed 5.50% per annum and the maximum true interest rate bid on the Certificates can not exceed 4.25%. A bidder will be permitted to bid different rates of interest for each maturity of Certificates; but (i) each interest rate specified must be in a multiple of one-twentieth or one-eighth of one percent; (ii) no Certificate shall evidence more than one rate of interest; (iii) payments of interest with respect to each Certificate shall be computed from the date of original delivery thereof to its stated maturity (or, in the case of term Certificates, to the respective dates of mandatory sinking fund redemption thereof as designated in the bid) at the interest rate specified in the proposal, payable on the Interest Payment Date as set forth above; and (iv) all Certificates maturing at any one time shall bear the same rate of interest.

DETERMINATION OF BEST BID: The Certificates will be awarded to the responsible bidder whose bid produces the lowest true interest rate on the Certificates. The true interest rate specified in any bid will be that rate which, when used in computing the present value of all payments of principal and interest to be paid on all Certificates from the date of delivery of the Certificates to the successful bidder to their respective maturity dates produces an amount equal to the purchase price specified in such bid. For purposes of computing the true interest rate represented by any proposal, the purchase price specified in such proposal shall be equal to the par amount of the Certificates less any discount specified in such proposal or plus any premium specified in such proposal, and the true interest rate shall be calculated by the use of a semiannual interval of compounding interest based on the Interest Payment Date for the Certificates.

ADJUSTMENT OF PRINCIPAL AMOUNTS: The City reserves the right to increase or to decrease the principal amount of any maturity of the Certificates in \$5,000 increments as the City deems advisable, based on the actual rates of interest to be borne by the Certificates. Any such increase or decrease shall

be allocated among the various maturities of the Certificates on such basis as the City deems advisable, and shall result in a proportionate increase or decrease (as the case may be) in the amount of any premium or discount bid. Notice of such increase or decrease shall be given to the successful bidder as soon as practicable following the notification of award, as described below. No such adjustment will have the effect of altering the basis upon which the best bid is determined. In no event will the principal amount of the Certificates exceed \$43,000,000.

RIGHT TO REJECT ANY BID: The City reserves the right, in its discretion, to reject any and all proposals and to waive any irregularity or informality in any proposal.

TIME OF AWARD: The City has authorized its Chief Financial Officer to award the sale of the Certificates to the bidder whose proposal is the best responsible proposal determined in accordance herewith. The City will take action awarding the Certificates or rejecting all bids not later than 9:00 a.m. (PST) on **May 14, 2015**, provided that the award may be made after the expiration of the specified time unless the winning bidder provides the City with a notice in writing of the withdrawal of such bid.

DELIVERY AND PAYMENT: Delivery of the definitive Certificates will be made to The Depository Trust Company to the account of the purchaser upon the delivery thereof, which is expected to occur on or about **May , 2015**. Payment for the Certificates must be made by wire transfer of Federal Reserve Bank funds, or Federal Reserve Bank funds check, which is immediately available to the Trustee on the date of delivery. Any expense in providing immediately available funds shall be borne by the purchaser.

GOOD FAITH DEPOSIT: A certified or cashier's check drawn on a responsible bank or trust company having an office in Los Angeles, California, or in San Francisco, California, or a Financial Surety Bond, in the amount of \$100,000, as a guaranty that the bidder, if successful, will accept and pay for the Certificates in accordance with the terms of its proposal, payable to the order of the City. If a check is used, it must accompany each proposal. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of California, and such bond must be submitted to the City or its Financial Advisor prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose deposit is guaranteed by such Financial Surety Bond. If the Certificates are awarded to a bidder utilizing a Financial Surety Bond, then such bidder is required to submit its deposit to the City or its Financial Advisor in the form of a cashier's check (or wire transfer such amount as instructed by the City or its Financial Advisor) not later than 3:30 p.m. California time on the next business day following the award. If such deposit is not received by that time, the Financial Surety Bond may be drawn by the City to satisfy the deposit requirement. The good faith deposit accompanying any accepted proposal will be cashed by the City following the award to the successful bidder. The amount will be applied as a credit towards the payment of the purchase price by the successful bidder. If after the award of the Certificates, the successful bidder fails to complete its purchase on the terms stated in its proposal, the full amount of the good faith deposit will be retained by the City.

The check accompanying unaccepted proposals will be made available for recovery by each unsuccessful bidder as soon as the successful bid has been verified. No interest will be paid upon any good faith check held or deposited by the City as liquidated damages.

STATEMENT OF TRUE INTEREST RATE: Each bidder is requested, but not required, to state in its proposal the percentage true interest rate represented by its proposal, determined as described above, which shall be considered as informative only and not binding on either the bidder or the City.

CERTIFICATION OF REOFFERING PRICE: The successful bidder shall be required, as a condition to the delivery of the Certificates by the City, to deliver to the City a certificate, in form and substance satisfactory to the City, stating (i) that, as of the date of award, the Certificates were expected to be reoffered in a bona fide public offering, (ii) the initial offering price at which a substantial amount (at

least ten percent (10%)) of each maturity of the Certificates were sold to the public, and (iii) that no Certificates of a single maturity were offered at one price to the general public and at a discount from that price to institutional or other investors.

NO LITIGATION: There is no litigation pending concerning the validity of the Certificates, the existence of the City and the Corporation or the entitlement of the officers thereof to their respective offices, and the purchaser will be furnished a no-litigation certificate certifying to the foregoing as of and at the time of delivery of the Certificates.

CUSIP NUMBERS: It is anticipated that CUSIP numbers will be printed on the Certificates, but neither the failure to print such numbers on any Certificates nor any error with respect thereto will constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the Certificates in accordance with the terms hereof. The CUSIP Service Bureau charge for the assignment of said numbers will be the responsibility of and shall be paid for by the purchaser of the Certificates.

CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION FEES: All fees payable to the California Debt and Investment Advisory Commission in connection with the execution and delivery of the Certificates shall be the responsibility of the purchaser of the Certificates.

OFFICIAL STATEMENT: The City and the Corporation have each approved a Preliminary Official Statement relating to the Certificates. Copies of such Preliminary Official Statement will be distributed to any bidder, upon request, prior to the sale in a form "deemed final" by the City and the Corporation for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). Within seven (7) business days from the sale date, the City will deliver to the purchaser up to 100 copies of the Final Official Statement, executed by authorized representatives of the City and the Corporation, in sufficient number to allow the purchaser to comply with paragraph (b)(4) of the Rule and to satisfy the Municipal Securities Rulemaking Board (the "MSRB") Rule G-32 or any other rules adopted by the MSRB, which shall include information permitted to be omitted by paragraph (b)(1) of the Rule and such other amendments or supplements as shall have been approved by the City and the Corporation (the "Final Official Statement"). The purchaser agrees that it will not confirm the sale of any Certificates unless the confirmation of sale is accompanied or preceded by the delivery of a copy of the Final Official Statement.

DISCLOSURE COUNSEL OPINION: The Purchaser shall receive an opinion (or a reliance letter to an opinion addressed to the City), dated the closing date, of Orrick, Herrington & Sutcliffe, LLP, Disclosure Counsel, relating to the contents of the Official Statement.

UNDERWRITING GROUP: Each bidder is requested to furnish the names of all joint managers participating in the bid to the City's Financial Advisor prior to the time of sale. The successful bidder will be required to submit a list of all syndicate members in addition to the managers not later than 24 hours after receiving a verbal award.

Dated: April 27, 2015

CITY OF CALABASAS

By: Gary Lysik
Chief Financial Officer

BID FOR THE PURCHASE OF
 \$43,000,000*
 CITY OF CALABASAS
 2015 CERTIFICATES OF PARTICIPATION
 (CIVIC CENTER PROJECT)

May ____, 2015

City of Calabasas
 c/o C.M. de Crinis & Co., Inc.
 100 N Brand Boulevard, Suite 605
 Glendale CA 91203
 Phone (818) 385-4900
 FAX (818) 385-4904
 email curt@cmdecrinis.com

Ladies and Gentlemen:

We offer to purchase the \$43,000,000* City of Calabasas 2015 Certificates of Participation (Civic Center Project), dated as of the date of delivery, expected to be May ____, 2015, and in the principal amounts, in such denominations, maturing on December 1 in the years and bearing interest as follows:

<u>Maturity Date</u> <u>December 1</u>	<u>Principal Amount</u>	<u>Serial Maturity</u>	<u>Sinking Account Redemption (check)</u>	<u>Interest Rate</u>	<u>Maturity Date</u> <u>December 1</u>	<u>Principal Amount</u>	<u>Serial Maturity</u>	<u>Sinking Account Redemption (check)</u>	<u>Interest Rate</u>
2016					2029				
2017					2030				
2018					2031				
2019					2032				
2020					2033				
2021					2034				
2022					2035				
2023					2036				
2024					2037				
2025					2038				
2026					2039				
2027					2040				
2028					2041				

and to pay therefor the principal amount thereof, plus a premium of \$_____ or minus a discount of \$_____ (not to exceed 1% of the principal amount of the Certificates) on the aggregate principal amount (making an aggregate sum of \$_____).

* Preliminary, subject to change.

This bid is made subject to all the terms and conditions of the Notice Inviting Bids for said Certificates dated as of May __, 2015, all of which terms and conditions are made a part hereof as fully as though set forth in full in this bid.

This proposal is subject to acceptance, in whole or in part, within 26 hours after the expiration of the time for the receipt of proposals, as specified in said Notice Inviting Bids.

This bid is secured by a Financial Surety Bond (as defined in the Notice Inviting Bids), and we certify that evidence thereof has heretofore been provided to C.M. de Crinis & Co., Inc., as financial advisor to the City.

We hereby request that ____ (not to exceed 100) printed copies of the Official Statement pertaining to the Certificates be furnished us in accordance with the terms of said Notice Inviting Bids.

The following is our computation made as provided in the Notice Inviting Bids, but not constituting any part of the foregoing, of the true interest cost under the foregoing proposal:

Total Interest	\$ _____
True Interest Cost	_____ %

Following is a list of the members of our account on whose behalf this bid is made:

Respectfully submitted,

Name of Firm: _____

By: _____

Address: _____

City: _____ State: _____ Zip: _____

SOURCES AND USES OF FUNDS

City of Calabasas
Series 2015 Refunding COPS
Alternative # 5

\$6 M in new money; Delayed Principal to 2018
Capitalized interest; No Extension of Maturities.

Sources:

Bond Proceeds:	
Par Amount	38,700,000.00
Net Premium	3,396,293.20
	42,096,293.20
	42,096,293.20

Uses:

Project Fund Deposits:	
Project Fund	6,000,000.00
Refunding Escrow Deposits:	
Cash Deposit	652.25
Open Market Purchases	35,323,000.00
	35,323,652.25
Other Fund Deposits:	
Capitalized Interest Fund	377,683.56
Delivery Date Expenses:	
Cost of Issuance	200,000.00
Underwriter's Discount	154,800.00
Bond Reserve Fund Surety	38,468.91
	393,268.91
Other Uses of Funds:	
Additional Proceeds	1,688.48
	42,096,293.20
	42,096,293.20

BOND DEBT SERVICE

City of Calabasas
Series 2015 Refunding COPS
Alternative # 5

\$6 M in new money; Delayed Principal to 2018
Capitalized interest; No Extension of Maturities.

Dated Date 06/01/2015
Delivery Date 06/01/2015

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2015			824,996.88	824,996.88	824,996.88
06/01/2016			824,996.88	824,996.88	
12/01/2016			824,996.88	824,996.88	1,649,993.76
06/01/2017			824,996.88	824,996.88	
12/01/2017			824,996.88	824,996.88	1,649,993.76
06/01/2018			824,996.88	824,996.88	
12/01/2018	910,000	4.000%	824,996.88	1,734,996.88	2,559,993.76
06/01/2019			806,796.88	806,796.88	
12/01/2019	950,000	4.000%	806,796.88	1,756,796.88	2,563,593.76
06/01/2020			787,796.88	787,796.88	
12/01/2020	985,000	5.000%	787,796.88	1,772,796.88	2,560,593.76
06/01/2021			763,171.88	763,171.88	
12/01/2021	1,035,000	5.000%	763,171.88	1,798,171.88	2,561,343.76
06/01/2022			737,296.88	737,296.88	
12/01/2022	1,090,000	5.000%	737,296.88	1,827,296.88	2,564,593.76
06/01/2023			710,046.88	710,046.88	
12/01/2023	1,140,000	5.000%	710,046.88	1,850,046.88	2,560,093.76
06/01/2024			681,546.88	681,546.88	
12/01/2024	1,200,000	5.000%	681,546.88	1,881,546.88	2,563,093.76
06/01/2025			651,546.88	651,546.88	
12/01/2025	1,260,000	5.000%	651,546.88	1,911,546.88	2,563,093.76
06/01/2026			620,046.88	620,046.88	
12/01/2026	1,320,000	5.000%	620,046.88	1,940,046.88	2,560,093.76
06/01/2027			587,046.88	587,046.88	
12/01/2027	1,390,000	5.000%	587,046.88	1,977,046.88	2,564,093.76
06/01/2028			552,296.88	552,296.88	
12/01/2028	1,455,000	5.000%	552,296.88	2,007,296.88	2,559,593.76
06/01/2029			515,921.88	515,921.88	
12/01/2029	1,530,000	5.000%	515,921.88	2,045,921.88	2,561,843.76
06/01/2030			477,671.88	477,671.88	
12/01/2030	1,605,000	5.000%	477,671.88	2,082,671.88	2,560,343.76
06/01/2031			437,546.88	437,546.88	
12/01/2031	1,685,000	5.000%	437,546.88	2,122,546.88	2,560,093.76
06/01/2032			395,421.88	395,421.88	
12/01/2032	1,770,000	5.000%	395,421.88	2,165,421.88	2,560,843.76
06/01/2033			351,171.88	351,171.88	
12/01/2033	1,860,000	3.625%	351,171.88	2,211,171.88	2,562,343.76
06/01/2034			317,459.38	317,459.38	
12/01/2034	1,925,000	3.625%	317,459.38	2,242,459.38	2,559,918.76
06/01/2035			282,568.75	282,568.75	
12/01/2035	1,995,000	3.625%	282,568.75	2,277,568.75	2,560,137.50
06/01/2036			246,409.38	246,409.38	
12/01/2036	2,070,000	3.625%	246,409.38	2,316,409.38	2,562,818.76
06/01/2037			208,890.63	208,890.63	
12/01/2037	2,145,000	3.625%	208,890.63	2,353,890.63	2,562,781.26
06/01/2038			170,012.50	170,012.50	
12/01/2038	2,220,000	3.625%	170,012.50	2,390,012.50	2,560,025.00
06/01/2039			129,775.00	129,775.00	

BOND DEBT SERVICE

City of Calabasas
Series 2015 Refunding COPS

Alternative # 5

\$6 M in new money; Delayed Principal to 2018
Capitalized interest; No Extension of Maturities.

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2039	2,305,000	3.625%	129,775.00	2,434,775.00	2,564,550.00
06/01/2040			87,996.88	87,996.88	
12/01/2040	2,385,000	3.625%	87,996.88	2,472,996.88	2,560,993.76
06/01/2041			44,768.75	44,768.75	
12/01/2041	2,470,000	3.625%	44,768.75	2,514,768.75	2,559,537.50
	38,700,000		26,901,397.10	65,601,397.10	65,601,397.10

NET DEBT SERVICE

City of Calabasas
Series 2015 Refunding COPS
Alternative # 5

\$6 M in new money; Delayed Principal to 2018
Capitalized interest; No Extension of Maturities.

Date	Total Debt Service	Capitalized Interest Fund	Net Debt Service
12/01/2015	824,996.88	132,152.60	692,844.28
06/01/2016	824,996.88	130,066.57	694,930.31
12/01/2016	824,996.88	127,980.55	697,016.33
06/01/2017	824,996.88		824,996.88
12/01/2017	824,996.88		824,996.88
06/01/2018	824,996.88		824,996.88
12/01/2018	1,734,996.88		1,734,996.88
06/01/2019	806,796.88		806,796.88
12/01/2019	1,756,796.88		1,756,796.88
06/01/2020	787,796.88		787,796.88
12/01/2020	1,772,796.88		1,772,796.88
06/01/2021	763,171.88		763,171.88
12/01/2021	1,798,171.88		1,798,171.88
06/01/2022	737,296.88		737,296.88
12/01/2022	1,827,296.88		1,827,296.88
06/01/2023	710,046.88		710,046.88
12/01/2023	1,850,046.88		1,850,046.88
06/01/2024	681,546.88		681,546.88
12/01/2024	1,881,546.88		1,881,546.88
06/01/2025	651,546.88		651,546.88
12/01/2025	1,911,546.88		1,911,546.88
06/01/2026	620,046.88		620,046.88
12/01/2026	1,940,046.88		1,940,046.88
06/01/2027	587,046.88		587,046.88
12/01/2027	1,977,046.88		1,977,046.88
06/01/2028	552,296.88		552,296.88
12/01/2028	2,007,296.88		2,007,296.88
06/01/2029	515,921.88		515,921.88
12/01/2029	2,045,921.88		2,045,921.88
06/01/2030	477,671.88		477,671.88
12/01/2030	2,082,671.88		2,082,671.88
06/01/2031	437,546.88		437,546.88
12/01/2031	2,122,546.88		2,122,546.88
06/01/2032	395,421.88		395,421.88
12/01/2032	2,165,421.88		2,165,421.88
06/01/2033	351,171.88		351,171.88
12/01/2033	2,211,171.88		2,211,171.88
06/01/2034	317,459.38		317,459.38
12/01/2034	2,242,459.38		2,242,459.38
06/01/2035	282,568.75		282,568.75
12/01/2035	2,277,568.75		2,277,568.75
06/01/2036	246,409.38		246,409.38
12/01/2036	2,316,409.38		2,316,409.38
06/01/2037	208,890.63		208,890.63
12/01/2037	2,353,890.63		2,353,890.63
06/01/2038	170,012.50		170,012.50
12/01/2038	2,390,012.50		2,390,012.50
06/01/2039	129,775.00		129,775.00
12/01/2039	2,434,775.00		2,434,775.00

NET DEBT SERVICE

City of Calabasas
Series 2015 Refunding COPS
Alternative # 5

\$6 M in new money; Delayed Principal to 2018
Capitalized interest; No Extension of Maturities.

Date	Total Debt Service	Capitalized Interest Fund	Net Debt Service
06/01/2040	87,996.88		87,996.88
12/01/2040	2,472,996.88		2,472,996.88
06/01/2041	44,768.75		44,768.75
12/01/2041	2,514,768.75		2,514,768.75
	65,601,397.10	390,199.72	65,211,197.38

PRIOR BOND DEBT SERVICE

City of Calabasas
Series 2015 Refunding COPS
Alternative # 5

\$6 M in new money; Delayed Principal to 2018
Capitalized interest; No Extension of Maturities.

Dated Date 06/01/2015
Delivery Date 06/01/2015

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2015	300,000	4.000%	718,790.00	1,018,790.00	1,018,790.00
06/01/2016			712,790.00	712,790.00	
12/01/2016	310,000	4.000%	712,790.00	1,022,790.00	1,735,580.00
06/01/2017			706,590.00	706,590.00	
12/01/2017	775,000	3.650%	706,590.00	1,481,590.00	2,188,180.00
06/01/2018			692,446.25	692,446.25	
12/01/2018	805,000	3.750%	692,446.25	1,497,446.25	2,189,892.50
06/01/2019			677,352.50	677,352.50	
12/01/2019	835,000	3.800%	677,352.50	1,512,352.50	2,189,705.00
06/01/2020			661,487.50	661,487.50	
12/01/2020	865,000	3.875%	661,487.50	1,526,487.50	2,187,975.00
06/01/2021			644,728.13	644,728.13	
12/01/2021	900,000	3.900%	644,728.13	1,544,728.13	2,189,456.26
06/01/2022			627,178.13	627,178.13	
12/01/2022	935,000	4.000%	627,178.13	1,562,178.13	2,189,356.26
06/01/2023			608,478.13	608,478.13	
12/01/2023	975,000	4.100%	608,478.13	1,583,478.13	2,191,956.26
06/01/2024			588,490.63	588,490.63	
12/01/2024	1,015,000	4.100%	588,490.63	1,603,490.63	2,191,981.26
06/01/2025			567,683.13	567,683.13	
12/01/2025	1,055,000	4.200%	567,683.13	1,622,683.13	2,190,366.26
06/01/2026			545,528.13	545,528.13	
12/01/2026	1,100,000	4.250%	545,528.13	1,645,528.13	2,191,056.26
06/01/2027			522,153.13	522,153.13	
12/01/2027	1,145,000	4.250%	522,153.13	1,667,153.13	2,189,306.26
06/01/2028			497,821.88	497,821.88	
12/01/2028	1,195,000	4.375%	497,821.88	1,692,821.88	2,190,643.76
06/01/2029			471,681.25	471,681.25	
12/01/2029	1,245,000	4.375%	471,681.25	1,716,681.25	2,188,362.50
06/01/2030			444,446.88	444,446.88	
12/01/2030	1,300,000	4.375%	444,446.88	1,744,446.88	2,188,893.76
06/01/2031			416,009.38	416,009.38	
12/01/2031	1,355,000	4.375%	416,009.38	1,771,009.38	2,187,018.76
06/01/2032			386,368.75	386,368.75	
12/01/2032	1,415,000	4.375%	386,368.75	1,801,368.75	2,187,737.50
06/01/2033			355,415.63	355,415.63	
12/01/2033	1,480,000	4.375%	355,415.63	1,835,415.63	2,190,831.26
06/01/2034			323,040.63	323,040.63	
12/01/2034	1,545,000	4.375%	323,040.63	1,868,040.63	2,191,081.26
06/01/2035			289,243.75	289,243.75	
12/01/2035	1,610,000	4.375%	289,243.75	1,899,243.75	2,188,487.50
06/01/2036			254,025.00	254,025.00	
12/01/2036	1,680,000	4.500%	254,025.00	1,934,025.00	2,188,050.00
06/01/2037			216,225.00	216,225.00	
12/01/2037	1,755,000	4.500%	216,225.00	1,971,225.00	2,187,450.00
06/01/2038			176,737.50	176,737.50	
12/01/2038	1,835,000	4.500%	176,737.50	2,011,737.50	2,188,475.00
06/01/2039			135,450.00	135,450.00	

PRIOR BOND DEBT SERVICE

City of Calabasas
 Series 2015 Refunding COPS
 Alternative # 5

\$6 M in new money; Delayed Principal to 2018
 Capitalized interest; No Extension of Maturities.

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2039	1,920,000	4.500%	135,450.00	2,055,450.00	2,190,900.00
06/01/2040			92,250.00	92,250.00	
12/01/2040	2,005,000	4.500%	92,250.00	2,097,250.00	2,189,500.00
06/01/2041			47,137.50	47,137.50	
12/01/2041	2,095,000	4.500%	47,137.50	2,142,137.50	2,189,275.00
	33,450,000		24,040,307.62	57,490,307.62	57,490,307.62

SUMMARY OF REFUNDING RESULTS

City of Calabasas
Series 2015 Refunding COPS
Alternative # 5\$6 M in new money; Delayed Principal to 2018
Capitalized interest; No Extension of Maturities.

Dated Date	06/01/2015
Delivery Date	06/01/2015
Arbitrage yield	3.313929%
Escrow yield	0.523157%
Bond Par Amount	38,700,000.00
True Interest Cost	3.441439%
Net Interest Cost	3.581226%
Average Coupon	4.071867%
Average Life	17.071
Par amount of refunded bonds	33,450,000.00
Average coupon of refunded bonds	4.394134%
Average life of refunded bonds	16.356
PV of prior debt to 06/01/2015 @ 3.313929%	37,742,263.50
Net PV Savings	1,533,613.02
Percentage savings of refunded bonds	4.584792%
Percentage savings of refunding bonds	3.962824%

SAVINGS

City of Calabasas
Series 2015 Refunding COPS
Alternative # 5

\$6 M in new money; Delayed Principal to 2018
Capitalized interest; No Extension of Maturities.

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 06/01/2015 @ 3.3139289%
12/01/2015	1,018,790.00	824,996.88	193,793.12	193,793.12	190,634.38
06/01/2016	712,790.00	824,996.88	-112,206.88		-108,578.84
12/01/2016	1,022,790.00	824,996.88	197,793.12	85,586.24	188,278.08
06/01/2017	706,590.00	824,996.88	-118,406.88		-110,873.66
12/01/2017	1,481,590.00	824,996.88	656,593.12	538,186.24	604,798.41
06/01/2018	692,446.25	824,996.88	-132,550.63		-120,104.42
12/01/2018	1,497,446.25	1,734,996.88	-237,550.63	-370,101.26	-211,736.74
06/01/2019	677,352.50	806,796.88	-129,444.38		-113,497.45
12/01/2019	1,512,352.50	1,756,796.88	-244,444.38	-373,888.76	-210,836.51
06/01/2020	661,487.50	787,796.88	-126,309.38		-107,167.78
12/01/2020	1,526,487.50	1,772,796.88	-246,309.38	-372,618.76	-205,576.01
06/01/2021	644,728.13	763,171.88	-118,443.75		-97,244.83
12/01/2021	1,544,728.13	1,798,171.88	-253,443.75	-371,887.50	-204,691.03
06/01/2022	627,178.13	737,296.88	-110,118.75		-87,486.56
12/01/2022	1,562,178.13	1,827,296.88	-265,118.75	-375,237.50	-207,196.96
06/01/2023	608,478.13	710,046.88	-101,568.75		-78,084.69
12/01/2023	1,583,478.13	1,850,046.88	-266,568.75	-368,137.50	-201,594.14
06/01/2024	588,490.63	681,546.88	-93,056.25		-69,227.25
12/01/2024	1,603,490.63	1,881,546.88	-278,056.25	-371,112.50	-203,482.49
06/01/2025	567,683.13	651,546.88	-83,863.75		-60,371.44
12/01/2025	1,622,683.13	1,911,546.88	-288,863.75	-372,727.50	-204,556.44
06/01/2026	545,528.13	620,046.88	-74,518.75		-51,909.70
12/01/2026	1,645,528.13	1,940,046.88	-294,518.75	-369,037.50	-201,817.49
06/01/2027	522,153.13	587,046.88	-64,893.75		-43,743.30
12/01/2027	1,667,153.13	1,977,046.88	-309,893.75	-374,787.50	-205,487.02
06/01/2028	497,821.88	552,296.88	-54,475.00		-35,532.98
12/01/2028	1,692,821.88	2,007,296.88	-314,475.00	-368,950.00	-201,782.46
06/01/2029	471,681.25	515,921.88	-44,240.63		-27,924.25
12/01/2029	1,716,681.25	2,045,921.88	-329,240.63	-373,481.26	-204,426.15
06/01/2030	444,446.88	477,671.88	-33,225.00		-20,293.22
12/01/2030	1,744,446.88	2,082,671.88	-338,225.00	-371,450.00	-203,214.39
06/01/2031	416,009.38	437,546.88	-21,537.50		-12,729.37
12/01/2031	1,771,009.38	2,122,546.88	-351,537.50	-373,075.00	-204,383.64
06/01/2032	386,368.75	395,421.88	-9,053.13		-5,177.69
12/01/2032	1,801,368.75	2,165,421.88	-364,053.13	-373,106.26	-204,816.51
06/01/2033	355,415.63	351,171.88	4,243.75		2,348.62
12/01/2033	1,835,415.63	2,211,171.88	-375,756.25	-371,512.50	-204,565.38
06/01/2034	323,040.63	317,459.38	5,581.25		2,988.96
12/01/2034	1,868,040.63	2,242,459.38	-374,418.75	-368,837.50	-197,246.47
06/01/2035	289,243.75	282,568.75	6,675.00		3,459.12
12/01/2035	1,899,243.75	2,277,568.75	-378,325.00	-371,650.00	-192,860.11
06/01/2036	254,025.00	246,409.38	7,615.62		3,818.96
12/01/2036	1,934,025.00	2,316,409.38	-382,384.38	-374,768.76	-188,626.73
06/01/2037	216,225.00	208,890.63	7,334.37		3,559.01
12/01/2037	1,971,225.00	2,353,890.63	-382,665.63	-375,331.26	-182,662.03
06/01/2038	176,737.50	170,012.50	6,725.00		3,157.80
12/01/2038	2,011,737.50	2,390,012.50	-378,275.00	-371,550.00	-174,727.87
06/01/2039	135,450.00	129,775.00	5,675.00		2,578.60
12/01/2039	2,055,450.00	2,434,775.00	-379,325.00	-373,650.00	-169,547.64

SAVINGS

City of Calabasas
Series 2015 Refunding COPS
Alternative # 5

\$6 M in new money; Delayed Principal to 2018
Capitalized interest; No Extension of Maturities.

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 06/01/2015 @ 3.3139289%
06/01/2040	92,250.00	87,996.88	4,253.12		1,870.04
12/01/2040	2,097,250.00	2,472,996.88	-375,746.88	-371,493.76	-162,517.97
06/01/2041	47,137.50	44,768.75	2,368.75		1,007.83
12/01/2041	2,142,137.50	2,514,768.75	-372,631.25	-370,262.50	-155,959.20
	57,490,307.62	65,601,397.10	-8,111,089.48	-8,111,089.48	-4,845,759.02

Savings Summary

PV of savings from cash flow	-4,845,759.02
Plus: Refunding funds on hand	6,379,372.04
Net PV Savings	1,533,613.02

BOND PRICING

City of Calabasas
Series 2015 Refunding COPS
Alternative # 5

\$6 M in new money; Delayed Principal to 2018
Capitalized interest; No Extension of Maturities.

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity
Bond Component:						
	12/01/2015		2.000%	0.150%	100.924	
	12/01/2016		2.000%	0.190%	102.709	
	12/01/2017		3.000%	0.510%	106.177	
	12/01/2018	910,000	4.000%	0.840%	110.876	
	12/01/2019	950,000	4.000%	1.060%	112.886	
	12/01/2020	985,000	5.000%	1.290%	119.636	
	12/01/2021	1,035,000	5.000%	1.500%	121.599	
	12/01/2022	1,090,000	5.000%	1.770%	122.592	
	12/01/2023	1,140,000	5.000%	1.970%	123.607	
	12/01/2024	1,200,000	5.000%	2.150%	124.371	
	12/01/2025	1,260,000	5.000%	2.290%	125.165	
	12/01/2026	1,320,000	5.000%	2.440%	123.586 C	2.612%
	12/01/2027	1,390,000	5.000%	2.580%	122.135 C	2.879%
	12/01/2028	1,455,000	5.000%	2.710%	120.805 C	3.102%
	12/01/2029	1,530,000	5.000%	2.830%	119.592 C	3.290%
	12/01/2030	1,605,000	5.000%	2.930%	118.593 C	3.442%
	12/01/2031	1,685,000	5.000%	3.000%	117.900 C	3.557%
	12/01/2032	1,770,000	5.000%	3.030%	117.604 C	3.632%
		19,325,000				
Term Bond #1:						
	12/01/2041	19,375,000	3.625%	3.780%	97.419	
		38,700,000				

Dated Date	06/01/2015	
Delivery Date	06/01/2015	
First Coupon	12/01/2015	
Par Amount	38,700,000.00	
Premium	3,396,293.20	
Production	42,096,293.20	108.775951%
Underwriter's Discount	-154,800.00	-0.400000%
Purchase Price	41,941,493.20	108.375951%
Accrued Interest		
Net Proceeds	41,941,493.20	

ESCROW REQUIREMENTS

City of Calabasas
Series 2015 Refunding COPS
Alternative # 5

\$6 M in new money; Delayed Principal to 2018
Capitalized interest; No Extension of Maturities.

Period Ending	Principal	Interest	Principal Redeemed	Total
12/01/2015	300,000.00	718,790.00		1,018,790.00
06/01/2016		712,790.00		712,790.00
12/01/2016	310,000.00	712,790.00	32,840,000.00	33,862,790.00
	610,000.00	2,144,370.00	32,840,000.00	35,594,370.00

ESCROW DESCRIPTIONS

City of Calabasas
 Series 2015 Refunding COPS
 Alternative # 5

\$6 M in new money; Delayed Principal to 2018
 Capitalized interest; No Extension of Maturities.

Type of Security	Maturity Date	Par Amount	Rate	Yield	Price	Interest Class	Interest Frequency	Interest Day Basis
Jun 1, 2015:								
TBond	12/01/2015	928,000	0.050%	0.050%	100.000	Periodic	Semiannual	ACT/ACT
TBond	06/01/2016	622,000	0.320%	0.320%	100.000	Periodic	Semiannual	ACT/ACT
TBond	12/01/2016	33,773,000	0.530%	0.530%	100.000	Periodic	Semiannual	ACT/ACT
		35,323,000						

ESCROW COST

City of Calabasas
 Series 2015 Refunding COPS
 Alternative # 5

\$6 M in new money; Delayed Principal to 2018
 Capitalized interest; No Extension of Maturities.

Type of Security	Maturity Date	Par Amount	Rate	Yield	Price	Cost	Total Cost
TBond	12/01/2015	928,000	0.050%	0.050%	100.000	928,000	928,000.00
TBond	06/01/2016	622,000	0.320%	0.320%	100.000	622,000	622,000.00
TBond	12/01/2016	33,773,000	0.530%	0.530%	100.000	33,773,000	33,773,000.00
		35,323,000				35,323,000	35,323,000.00

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
06/01/2015	35,323,000	652.25	35,323,652.25	0.523157%
	35,323,000	652.25	35,323,652.25	



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Administrative Services					
90953	4/8/2015	JACKSON/DAVID C./CRM	RECORDS MGMT CONSULT SVCS	7,558.00	Administrative Services
Total Amount for 1 Line Item(s) from Administrative Services				\$7,558.00	
City Council					
90854	4/1/2015	A RENTAL CONNECTION	EQUIPMENT RENTAL - REORG	392.00	City Council
90863	4/1/2015	CALABASAS HISTORICAL SOCIETY	MEMBERSHIP DUES- M.S. MAURER	200.00	City Council
90937	4/8/2015	CONEJO AWARDS	NAME BADGES	83.85	City Council
Total Amount for 3 Line Item(s) from City Council				\$675.85	
Civic Center O&M					
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	5,560.01	Civic Center O&M
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	5,132.31	Civic Center O&M
90889	4/1/2015	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	835.27	Civic Center O&M
90889	4/1/2015	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	771.01	Civic Center O&M
90942	4/8/2015	DNA ELECTRIC	ELECTRICAL REPAIRS	550.00	Civic Center O&M
90944	4/8/2015	EMERALD COAST PLANTSCAPES, INC	PLANT MAINTENANCE- MAR 2015	500.00	Civic Center O&M
90944	4/8/2015	EMERALD COAST PLANTSCAPES, INC	PLANT MAINTENANCE- MAR 2015	250.00	Civic Center O&M
90948	4/8/2015	G & F LIGHTING SUPPLY CO.	LIGHTING SUPPLIES	128.26	Civic Center O&M
90948	4/8/2015	G & F LIGHTING SUPPLY CO.	LIGHTING SUPPLIES	128.25	Civic Center O&M
90942	4/8/2015	DNA ELECTRIC	ELECTRICAL REPAIRS	107.50	Civic Center O&M
90942	4/8/2015	DNA ELECTRIC	ELECTRICAL REPAIRS	107.49	Civic Center O&M
90889	4/1/2015	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	7.80	Civic Center O&M
90889	4/1/2015	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	7.20	Civic Center O&M
Total Amount for 13 Line Item(s) from Civic Center O&M				\$14,085.10	
Community Development					
90878	4/1/2015	EDGESOFT, INC.	SOFTWARE MAINTENANCE	4,000.00	Community Development
90878	4/1/2015	EDGESOFT, INC.	SOFTWARE MAINTENANCE	4,000.00	Community Development
90878	4/1/2015	EDGESOFT, INC.	SOFTWARE MAINTENANCE	4,000.00	Community Development
90904	4/1/2015	RINCON CONSULTANTS INC	ENVIRONMENTAL CONSULTING	1,975.00	Community Development
90965	4/8/2015	M6 CONSULTING, INC.	INSPECTION SERVICES	1,192.50	Community Development
90876	4/1/2015	CYBERCOPY	COPY/PRINTING SERVICE	232.17	Community Development
90925	4/8/2015	ACORN NEWSPAPER	LEGAL ADVERTISING	186.00	Community Development





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90855	4/1/2015	ACORN NEWSPAPER	LEGAL ADVERTISING	174.00	Community Development
90855	4/1/2015	ACORN NEWSPAPER	LEGAL ADVERTISING	168.00	Community Development
90855	4/1/2015	ACORN NEWSPAPER	LEGAL ADVERTISING	168.00	Community Development
90855	4/1/2015	ACORN NEWSPAPER	LEGAL ADVERTISING	162.00	Community Development
90855	4/1/2015	ACORN NEWSPAPER	LEGAL ADVERTISING	162.00	Community Development
90855	4/1/2015	ACORN NEWSPAPER	LEGAL ADVERTISING	150.00	Community Development
90876	4/1/2015	CYBERCOPY	COPY/PRINTING SERVICE	68.67	Community Development
90925	4/8/2015	ACORN NEWSPAPER	LEGAL ADVERTISING	54.00	Community Development
90876	4/1/2015	CYBERCOPY	COPY/PRINTING SERVICE	47.00	Community Development
90876	4/1/2015	CYBERCOPY	COPY/PRINTING SERVICE	37.88	Community Development
90958	4/8/2015	L.A. CO. ASSESSOR	MAPS AND POSTAGE	37.05	Community Development
90986	4/8/2015	WAREHOUSE OFFICE & PAPER PROD.	OFFICE SUPPLIES	27.96	Community Development
Total Amount for 19 Line Item(s) from Community Development				\$16,842.23	

Community Services

90939	4/8/2015	CUSTOM PRINTING, INC.	RECREATION BROCHURE	17,540.06	Community Services
90928	4/8/2015	ALLIANT INSURANCE SERVICES INC	SPECIAL EVENTS INS- DE ANZA	4,677.00	Community Services
90939	4/8/2015	CUSTOM PRINTING, INC.	POSTAGE	3,586.27	Community Services
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- SCHL	3,088.49	Community Services
90861	4/1/2015	AUDICK/PATRICIA//	RECREATION INSTRUCTOR	2,164.80	Community Services
90967	4/8/2015	MONAHAN/ANN//	RECREATION INSTRUCTOR	2,155.30	Community Services
90923	4/1/2015	MODERN COLLECTORS	RECREATION INSTRUCTOR	1,783.60	Community Services
90877	4/1/2015	DOMINE/JAMES//	RECREATION INSTRUCTOR	1,663.20	Community Services
90924	4/8/2015	A RENTAL CONNECTION	EQUIPMENT RENTAL - EGG HUNT	1,546.14	Community Services
90970	4/8/2015	NICHOLSON/TRISSA//	RECREATION INSTRUCTOR	1,230.60	Community Services
90980	4/8/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	1,225.02	Community Services
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	1,087.19	Community Services
90879	4/1/2015	FEDER/LINDA J.//	RECREATION INSTRUCTOR	662.20	Community Services
90957	4/8/2015	KRAUS/PETER//	RECREATION INSTRUCTOR	661.50	Community Services
90903	4/1/2015	RECYCLE DESIGN, INC.	PICNIC TABLE PARTS	656.85	Community Services
90988	4/8/2015	WEINSTOCK/ARLENE//	RECREATION INSTRUCTOR	604.80	Community Services
90916	4/1/2015	VELARDE/ERIKA RETAMAL//	RECREATION INSTRUCTOR	518.00	Community Services
90942	4/8/2015	DNA ELECTRIC	ELECTRICAL REPAIRS	445.00	Community Services
90928	4/8/2015	ALLIANT INSURANCE SERVICES INC	SPECIAL EVENTS INS- EGG HUNT	379.00	Community Services
90869	4/1/2015	CAYNE/STACIE//	RECREATION INSTRUCTOR	352.80	Community Services
90925	4/8/2015	ACORN NEWSPAPER	RECREATION ADVERTISING	280.00	Community Services



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90854	4/1/2015	A RENTAL CONNECTION	EQUIPMENT RENTAL - SPEAKER SRS	267.11	Community Services
90924	4/8/2015	A RENTAL CONNECTION	EQUIPMENT RENTAL - EGG HUNT	215.73	Community Services
90979	4/8/2015	SENDOWSKI/SHULAMIT//	RECREATION INSTRUCTOR	209.30	Community Services
90874	4/1/2015	COUNTY OF LOS ANGELES	CONTRACT SERVICES	202.00	Community Services
90951	4/8/2015	HANSEN/PHYLLIS//	RECREATION INSTRUCTOR	193.20	Community Services
90929	4/8/2015	ANAYA/FELIPE//	REIMB MILEAGE - FEB-MAR 15	93.10	Community Services
90945	4/8/2015	FILICE/LANA//	REIMB MILEAGE - MAR 15	92.00	Community Services
90913	4/1/2015	UNITED SITE SERVICES OF CA INC	PORTABLE TOILET RENTAL	86.82	Community Services
90935	4/8/2015	CINTAS FIRST AID & SAFETY	QUARTERLY MONITORING- CRKSIDE	36.00	Community Services
Total Amount for 30 Line Item(s) from Community Services				\$47,703.08	
Finance					
90968	4/8/2015	MUNISERVICES, LLC	SALES TAX COLLECTION FEE	24,055.05	Finance
90926	4/8/2015	ADP, INC	PAYROLL PROCESSING	3,135.14	Finance
90983	4/8/2015	UTILITY COST MANAGEMENT LLC	UTILITY TAX SERVICES	780.25	Finance
90986	4/8/2015	WAREHOUSE OFFICE & PAPER PROD.	OFFICE SUPPLIES	8.16	Finance
Total Amount for 4 Line Item(s) from Finance				\$27,978.60	
Klubhouse Preschool					
90976	4/8/2015	ROSATI FARMS	MILK/YOGURT DELIVERY	224.28	Klubhouse Preschool
90906	4/1/2015	ROSATI FARMS	MILK/YOGURT DELIVERY	134.40	Klubhouse Preschool
90856	4/1/2015	ACUITY SPECIALTY PRODUCTS, INC	JANITORIAL SUPPLIES	122.43	Klubhouse Preschool
90931	4/8/2015	ARROWHEAD	WATER SERVICE	87.15	Klubhouse Preschool
90935	4/8/2015	CINTAS FIRST AID & SAFETY	QUARTERLY MONITORING- CRKSIDE	84.00	Klubhouse Preschool
90931	4/8/2015	ARROWHEAD	WATER SERVICE	26.93	Klubhouse Preschool
Total Amount for 6 Line Item(s) from Klubhouse Preschool				\$679.19	
Library					
90975	4/8/2015	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- APR 15	849.76	Library
90933	4/8/2015	CANON BUSINESS SOLUTIONS, INC.	COPIER SVC PROGRAM- SJN11213	749.33	Library
90896	4/1/2015	OCLC, INC.	MEMBERSHIP DUES- MAR 2015	643.23	Library
90865	4/1/2015	CANON BUSINESS SOLUTIONS, INC.	COPIER SVC PROGRAM- JJM06103	617.54	Library
90865	4/1/2015	CANON BUSINESS SOLUTIONS, INC.	COPIER SVC PROGRAM- JJM06103	599.15	Library
90900	4/1/2015	PENGUIN RANDOM HOUSE, LLC	BOOKS ON CD	460.16	Library



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90862	4/1/2015	BAKER & TAYLOR	BOOKS-LIBRARY	450.49	Library
90964	4/8/2015	LINCOLN NATIONAL LIFE	LIFE & DISABILITY INS- APR 15	426.71	Library
90887	4/1/2015	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	319.91	Library
90883	4/1/2015	GALE CENGAGE LEARNING	E-BOOKS	300.00	Library
90912	4/1/2015	TIME WARNER CABLE	CABLE MODEM- LIBRARY	290.00	Library
90883	4/1/2015	GALE CENGAGE LEARNING	E-BOOKS	272.80	Library
90883	4/1/2015	GALE CENGAGE LEARNING	E-BOOKS	258.72	Library
90887	4/1/2015	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	251.52	Library
90859	4/1/2015	AT&T	TELEPHONE SERVICE	156.06	Library
90862	4/1/2015	BAKER & TAYLOR	BOOKS-LIBRARY	146.02	Library
90862	4/1/2015	BAKER & TAYLOR	BOOKS-LIBRARY	96.42	Library
90862	4/1/2015	BAKER & TAYLOR	BOOKS-LIBRARY	79.17	Library
90862	4/1/2015	BAKER & TAYLOR	BOOKS-LIBRARY	71.23	Library
90902	4/1/2015	RECORDED BOOKS, LLC	E-BOOKS	56.90	Library
90902	4/1/2015	RECORDED BOOKS, LLC	E-BOOKS	56.90	Library
90893	4/1/2015	MIDWEST TAPE	DVD'S-LIBRARY	52.68	Library
90887	4/1/2015	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	43.37	Library
90887	4/1/2015	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	39.46	Library
90862	4/1/2015	BAKER & TAYLOR	BOOKS-LIBRARY	33.86	Library
90887	4/1/2015	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	28.95	Library
90887	4/1/2015	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	27.08	Library
90893	4/1/2015	MIDWEST TAPE	DVD'S-LIBRARY	26.34	Library
90893	4/1/2015	MIDWEST TAPE	DVD'S-LIBRARY	26.34	Library
90887	4/1/2015	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	21.99	Library
90887	4/1/2015	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	19.43	Library
90902	4/1/2015	RECORDED BOOKS, LLC	BOOKS ON CD	18.99	Library
90900	4/1/2015	PENGUIN RANDOM HOUSE, LLC	BOOKS ON CD	18.53	Library
90887	4/1/2015	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	18.30	Library
90887	4/1/2015	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	16.46	Library
90887	4/1/2015	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	16.07	Library
90862	4/1/2015	BAKER & TAYLOR	BOOKS-LIBRARY	14.43	Library
90902	4/1/2015	RECORDED BOOKS, LLC	E-BOOKS	12.99	Library
90862	4/1/2015	BAKER & TAYLOR	BOOKS-LIBRARY	10.50	Library
90862	4/1/2015	BAKER & TAYLOR	BOOKS-LIBRARY	-26.10	Library
Total Amount for 40 Line Item(s) from Library				\$7,571.69	



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<u>LMD #22</u>					
90914	4/1/2015	VALLEY CREST LANDSCAPE, INC.	LANDSCAPE MAINTENANCE	4,141.00	LMD #22
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	4,111.10	LMD #22
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	2,655.00	LMD #22
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	2,147.05	LMD #22
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	2,010.00	LMD #22
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	1,768.65	LMD #22
90962	4/8/2015	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	1,617.22	LMD #22
90962	4/8/2015	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	1,506.99	LMD #22
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	1,120.33	LMD #22
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	1,074.49	LMD #22
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	827.35	LMD #22
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	749.00	LMD #22
90962	4/8/2015	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	609.24	LMD #22
90962	4/8/2015	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	570.19	LMD #22
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	550.00	LMD #22
90980	4/8/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	475.85	LMD #22
90914	4/1/2015	VALLEY CREST LANDSCAPE, INC.	LANDSCAPE MAINTENANCE	469.00	LMD #22
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	414.00	LMD #22
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	402.84	LMD #22
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	375.22	LMD #22
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	349.64	LMD #22
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	348.20	LMD #22
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	325.11	LMD #22
90980	4/8/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	259.27	LMD #22
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	246.43	LMD #22
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	155.19	LMD #22
90980	4/8/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	130.10	LMD #22
90975	4/8/2015	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- APR 15	121.52	LMD #22
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	76.00	LMD #22
90964	4/8/2015	LINCOLN NATIONAL LIFE	LIFE & DISABILITY INS- APR 15	75.96	LMD #22
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	74.11	LMD #22
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	49.30	LMD #22
Total Amount for 32 Line Item(s) from LMD #22				\$29,805.35	

LMD #24



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90984	4/8/2015	VANDERGEEST LANDSCAPE CARE INC	LANDSCAPE MAINTENANCE	1,250.00	LMD #24
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	130.69	LMD #24
90975	4/8/2015	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- APR 15	8.68	LMD #24
90964	4/8/2015	LINCOLN NATIONAL LIFE	LIFE & DISABILITY INS- APR 15	5.43	LMD #24
Total Amount for 4 Line Item(s) from LMD #24				\$1,394.80	
<u>LMD #27</u>					
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	25.11	LMD #27
90975	4/8/2015	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- APR 15	2.17	LMD #27
90964	4/8/2015	LINCOLN NATIONAL LIFE	LIFE & DISABILITY INS- APR 15	1.36	LMD #27
Total Amount for 3 Line Item(s) from LMD #27				\$28.64	
<u>LMD #32</u>					
90980	4/8/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	50.72	LMD #32
90975	4/8/2015	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- APR 15	2.17	LMD #32
90964	4/8/2015	LINCOLN NATIONAL LIFE	LIFE & DISABILITY INS- APR 15	1.36	LMD #32
Total Amount for 3 Line Item(s) from LMD #32				\$54.25	
<u>LMD 22 - Common Benefit Area</u>					
90962	4/8/2015	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	4,535.38	LMD 22 - Common Benefit Area
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	1,780.48	LMD 22 - Common Benefit Area
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	1,619.91	LMD 22 - Common Benefit Area
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	1,072.00	LMD 22 - Common Benefit Area
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	731.25	LMD 22 - Common Benefit Area
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	473.51	LMD 22 - Common Benefit Area
90980	4/8/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	431.21	LMD 22 - Common Benefit Area
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	325.00	LMD 22 - Common Benefit Area
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	230.80	LMD 22 - Common Benefit Area
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	218.86	LMD 22 - Common Benefit Area
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	152.71	LMD 22 - Common Benefit Area
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	87.60	LMD 22 - Common Benefit Area
90975	4/8/2015	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- APR 15	82.46	LMD 22 - Common Benefit Area
90964	4/8/2015	LINCOLN NATIONAL LIFE	LIFE & DISABILITY INS- APR 15	51.55	LMD 22 - Common Benefit Area



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Total Amount for 14 Line Item(s) from LMD 22 - Common Benefit Area				\$11,792.72	
<u>Media Operations</u>					
90973	4/8/2015	PERFORMING ARTS EDUCATION CTR	SOTC EVENT	3,274.53	Media Operations
90872	4/1/2015	CLIENTFIRST CONSULTING GRP LLC	IT CONSULTING SERVICES	2,400.00	Media Operations
90932	4/8/2015	AT&T	TELEPHONE SERVICE	1,109.87	Media Operations
90950	4/8/2015	GRANICUS INC.	WEB ARCHIVING SERVICE	750.00	Media Operations
90894	4/1/2015	NATIONAL CAPTIONING INSTITUTE	CLOSED CAPTIONING SVCS	504.00	Media Operations
90901	4/1/2015	PEREIRA/PABLO//	CTV HOST-SPOTLIGHT CALABASAS	500.00	Media Operations
90888	4/1/2015	KEY INFORMATION SYSTEMS, INC.	T-1 LINE MONTHLY FEE	484.53	Media Operations
90966	4/8/2015	MEGAPATH CORPORATION	DSL SERVICE	450.51	Media Operations
90955	4/8/2015	JONES/CASSANDRA//	CTV INTERPRETER	100.00	Media Operations
90918	4/1/2015	WAREHOUSE OFFICE & PAPER PROD.	OFFICE SUPPLIES	93.53	Media Operations
90860	4/1/2015	AT&T MOBILITY	TELEPHONE SERVICE	46.27	Media Operations
Total Amount for 11 Line Item(s) from Media Operations				\$9,713.24	
<u>Non-Departmental</u>					
90943	4/8/2015	DUFFEY'S MOBILE HOME SERVICE	CDBG RES REHAB- MOSTAFARI	10,000.00	Non-Departmental
90986	4/8/2015	WAREHOUSE OFFICE & PAPER PROD.	OFFICE SUPPLIES	686.76	Non-Departmental
90866	4/1/2015	CANON FINANCIAL SERVICES INC	CANON COPIER LEASES	518.19	Non-Departmental
90891	4/1/2015	MAILFINANCE	POSTAGE METER LEASE	451.68	Non-Departmental
90934	4/8/2015	CANON FINANCIAL SERVICES INC	CANON COPIER LEASES	396.32	Non-Departmental
90858	4/1/2015	ARROWHEAD	WATER SERVICE	344.36	Non-Departmental
90986	4/8/2015	WAREHOUSE OFFICE & PAPER PROD.	OFFICE SUPPLIES	329.40	Non-Departmental
90898	4/1/2015	PAPER RECYCLING & SHREDDING	ARCHIVAL RECORD DESTRUCTION	275.00	Non-Departmental
90880	4/1/2015	FEDERAL EXPRESS CORP.	COURIER SERVICE	117.32	Non-Departmental
90933	4/8/2015	CANON BUSINESS SOLUTIONS, INC.	COPIER MAINTENANCE SUPPLIES	99.70	Non-Departmental
Total Amount for 10 Line Item(s) from Non-Departmental				\$13,218.73	
<u>Payroll</u>					
90975	4/8/2015	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- APR 15	9,196.88	Payroll
90964	4/8/2015	LINCOLN NATIONAL LIFE	LIFE & DISABILITY INS- APR 15	4,787.06	Payroll
90886	4/1/2015	HILL/BOB//	HEALTH INS REIMB (RETIREE)	2,065.50	Payroll
90890	4/1/2015	LOPATA/MARVIN//	HEALTH INS REIMB (RETIREE)	2,065.50	Payroll



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90868	4/1/2015	CATE/CHARLES R.//	HEALTH INS REIMB (RETIREE)	2,065.50	Payroll
90885	4/1/2015	GROVEMAN/BARRY//	HEALTH INS REIMB (RETIREE)	2,065.50	Payroll
90919	4/1/2015	WASHBURN/DENNIS//	HEALTH INS REIMB (RETIREE)	2,065.50	Payroll
90882	4/1/2015	FOLEY/KARYN//	HEALTH INS REIMB (RETIREE)	2,065.50	Payroll
90897	4/1/2015	P&A ADMINISTRATIVE SVCS INC	FSA MONTHLY ADMIN FEE- APR 15	72.00	Payroll
Total Amount for 9 Line Item(s) from Payroll				\$26,448.94	
<u>Police / Fire / Safety</u>					
90959	4/8/2015	L.A. CO. SHERIFF'S DEPT.	SHERIFF SVCS- VIEWPOINT	2,534.35	Police / Fire / Safety
90959	4/8/2015	L.A. CO. SHERIFF'S DEPT.	SHERIFF SVCS- THE OAKS	1,854.97	Police / Fire / Safety
90959	4/8/2015	L.A. CO. SHERIFF'S DEPT.	SHERIFF SVCS- PARK EST	927.49	Police / Fire / Safety
90959	4/8/2015	L.A. CO. SHERIFF'S DEPT.	SHERIFF SVCS- FINGERPRINT	35.57	Police / Fire / Safety
Total Amount for 4 Line Item(s) from Police / Fire / Safety				\$5,352.38	
<u>Public Safety & Emergency Preparedness</u>					
90961	4/8/2015	LARSON/DEBBIE//	REIMBURSE CERT MEETING	57.72	Public Safety & Emergency Preparedness
Total Amount for 1 Line Item(s) from Public Safety & Emergency Preparedness				\$57.72	
<u>Public Works</u>					
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- SMART	19,978.00	Public Works
90978	4/8/2015	S & S PAVING, INC.	STREET REPAIRS	11,822.00	Public Works
90864	4/1/2015	CALIFORNIA CIVIL ENGINEERING	CATCH BASIN CLEANING	10,567.54	Public Works
90969	4/8/2015	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	5,155.00	Public Works
90905	4/1/2015	RON'S MAINTENANCE, INC.	CATCH BASIN CLEANING SERVICE	3,900.00	Public Works
90870	4/1/2015	CITY OF LOS ANGELES- PW	SM BAY BEACHES TMDL MONITORING	3,483.19	Public Works
90895	4/1/2015	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	3,185.00	Public Works
90977	4/8/2015	RUIZ CONCRETE & PAVING INC.	STREET REPAIRS	2,879.18	Public Works
90884	4/1/2015	GATEWAY CITIES	CMP MEMBERSHIP	2,669.88	Public Works
90914	4/1/2015	VALLEY CREST LANDSCAPE, INC.	LANDSCAPE MAINTENANCE	2,349.69	Public Works
90989	4/8/2015	WILHELM/RICHARD//	FIELD INVESTIGTN/DRAFTING SVCS	2,310.00	Public Works
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- CIP	2,220.89	Public Works
90875	4/1/2015	COUNTY OF LOS ANGELES	CONTRACT SERVICES	1,827.74	Public Works
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- CIP	1,595.37	Public Works
90915	4/1/2015	VARELA/ADRIAN//	INSPECTION SERVICES	1,440.00	Public Works



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90895	4/1/2015	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	1,350.00	Public Works
90962	4/8/2015	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	1,294.00	Public Works
90895	4/1/2015	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	1,245.00	Public Works
90962	4/8/2015	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	1,133.46	Public Works
90907	4/1/2015	SALGUERO/BRYAN//	CONSULTING SERVICES	1,120.00	Public Works
90971	4/8/2015	ORTIZ/JOEL//	CONSULTING SERVICES	1,120.00	Public Works
90969	4/8/2015	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	875.00	Public Works
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- PARKS	795.50	Public Works
90922	4/1/2015	WILLDAN ASSOCIATES INC.	GEOTECH REVIEW	700.00	Public Works
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- CIP	621.48	Public Works
90984	4/8/2015	VANDERGEEST LANDSCAPE CARE INC	LANDSCAPE MAINTENANCE	542.00	Public Works
90962	4/8/2015	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	455.09	Public Works
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- PARKS	437.50	Public Works
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- PARKS	437.50	Public Works
90895	4/1/2015	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	425.00	Public Works
90969	4/8/2015	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	420.00	Public Works
90917	4/1/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- PARKS	413.84	Public Works
90969	4/8/2015	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	295.00	Public Works
90925	4/8/2015	ACORN NEWSPAPER	RECYCLING ADVERTISING	280.00	Public Works
90925	4/8/2015	ACORN NEWSPAPER	RECYCLING ADVERTISING	280.00	Public Works
90925	4/8/2015	ACORN NEWSPAPER	RECYCLING ADVERTISING	273.21	Public Works
90925	4/8/2015	ACORN NEWSPAPER	RECYCLING ADVERTISING	273.21	Public Works
90969	4/8/2015	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	250.00	Public Works
90980	4/8/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	217.22	Public Works
90922	4/1/2015	WILLDAN ASSOCIATES INC.	GRADING & DRAINAGE REVIEW	175.00	Public Works
90871	4/1/2015	CLEANSTREET INC	MONTHLY SVC - STREET SWEEPING	68.00	Public Works
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	26.65	Public Works
Total Amount for 42 Line Item(s) from Public Works				\$90,907.14	

Recoverable / Refund / Liability

90972	4/8/2015	PELKA/LESLEY//	EMPLOYEE COMPUTER LOAN	2,076.63	Recoverable / Refund / Liability
90991	4/8/2015	ZACHARY/ISAAC//	REFUND RECOVERABLE PROJECT	1,444.84	Recoverable / Refund / Liability
90897	4/1/2015	P&A ADMINISTRATIVE SVCS INC	FSA-MEDICAL CARE REIMBURSEMENT	431.75	Recoverable / Refund / Liability
90897	4/1/2015	P&A ADMINISTRATIVE SVCS INC	FSA-MEDICAL CARE REIMBURSEMENT	281.77	Recoverable / Refund / Liability
90881	4/1/2015	FLORINDO/MIKE//	ARTS FESTIVAL REFUND	275.00	Recoverable / Refund / Liability
90897	4/1/2015	P&A ADMINISTRATIVE SVCS INC	FSA-MEDICAL CARE REIMBURSEMENT	238.18	Recoverable / Refund / Liability



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90947	4/8/2015	FRANCHISE TAX BOARD	WAGE GARNISHMENT- 4/3/15	197.04	Recoverable / Refund / Liability
90897	4/1/2015	P&A ADMINISTRATIVE SVCS INC	FSA-MEDICAL CARE REIMBURSEMENT	192.31	Recoverable / Refund / Liability
90946	4/8/2015	FRANCHISE TAX BOARD	WAGE GARNISHMENT- 4/3/15	184.62	Recoverable / Refund / Liability
90941	4/8/2015	DICKEY/GLORIA//	RECREATION REFUND	131.24	Recoverable / Refund / Liability
90940	4/8/2015	DAGAN/LIMOR//	FACILITY RENTAL REFUND	93.75	Recoverable / Refund / Liability
90960	4/8/2015	LANGLOIS/BRIAN//	FACILITY RENTAL REFUND	83.50	Recoverable / Refund / Liability
90940	4/8/2015	DAGAN/LIMOR//	FACILITY RENTAL REFUND	83.50	Recoverable / Refund / Liability
90981	4/8/2015	STATE DISBURSMENT	WAGE GARNISHMENT- 4/3/15	46.15	Recoverable / Refund / Liability
90960	4/8/2015	LANGLOIS/BRIAN//	FACILITY RENTAL REFUND	30.00	Recoverable / Refund / Liability
90911	4/1/2015	TIME MCCLENDON	ARTS FESTIVAL REFUND	25.00	Recoverable / Refund / Liability
90943	4/8/2015	DUFFEY'S MOBILE HOME SERVICE	CDBG RES REHAB- MOSTAFARI	-1,000.00	Recoverable / Refund / Liability
Total Amount for 17 Line Item(s) from Recoverable / Refund / Liability				\$4,815.28	

Senior Center Construction

90954	4/8/2015	JONES & JONES	SENIOR CENTER PHASE 2	11,610.00	Senior Center Construction
Total Amount for 1 Line Item(s) from Senior Center Construction				\$11,610.00	

Tennis & Swim Center

90910	4/1/2015	SOUTHERN CALIFORNIA GAS CO	GAS SERVICE	6,461.62	Tennis & Swim Center
90962	4/8/2015	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	2,508.59	Tennis & Swim Center
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	1,614.39	Tennis & Swim Center
90867	4/1/2015	CASCIONE/GAYLENE//	RECREATION INSTRUCTOR	1,536.15	Tennis & Swim Center
90949	4/8/2015	GARBA ONADJA ENTERPRISES, LLC	RECREATION INSTRUCTOR	810.00	Tennis & Swim Center
90921	4/1/2015	WELTER/FRANCES//	RECREATION INSTRUCTOR	581.70	Tennis & Swim Center
90857	4/1/2015	ALLIANT INSURANCE SERVICES INC	SPECIAL EVENTS INS- T&SC	432.00	Tennis & Swim Center
90873	4/1/2015	COMMERCIAL AQUATIC SVCS INC	POOL SERVICE/REPAIR	422.48	Tennis & Swim Center
90982	4/8/2015	TIME WARNER CABLE	CABLE MODEM/HDTV- T&SC	421.78	Tennis & Swim Center
90920	4/1/2015	WATERLINE TECHNOLOGIES INC	POOL CHEMICALS	298.94	Tennis & Swim Center
90975	4/8/2015	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- APR 15	276.80	Tennis & Swim Center
90873	4/1/2015	COMMERCIAL AQUATIC SVCS INC	POOL SERVICE/REPAIR	267.16	Tennis & Swim Center
90974	4/8/2015	PETTY CASH-TENNIS & SWIM CNTR	REPLENISH PETTY CASH	225.48	Tennis & Swim Center
90990	4/8/2015	YEEOPP/BETTY//	RECREATION INSTRUCTOR	220.56	Tennis & Swim Center
90964	4/8/2015	LINCOLN NATIONAL LIFE	LIFE & DISABILITY INS- APR 15	206.05	Tennis & Swim Center
90987	4/8/2015	WATERLINE TECHNOLOGIES INC	POOL CHEMICALS	197.77	Tennis & Swim Center
90975	4/8/2015	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- APR 15	140.96	Tennis & Swim Center



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90874	4/1/2015	COUNTY OF LOS ANGELES	CONTRACT SERVICES	101.00	Tennis & Swim Center
90964	4/8/2015	LINCOLN NATIONAL LIFE	LIFE & DISABILITY INS- APR 15	84.10	Tennis & Swim Center
90956	4/8/2015	KISHIMOTO/RAINE//	REIMB MILEAGE - MAR 15	72.80	Tennis & Swim Center
90987	4/8/2015	WATERLINE TECHNOLOGIES INC	POOL CHEMICALS	-193.24	Tennis & Swim Center
Total Amount for 21 Line Item(s) from Tennis & Swim Center				\$16,687.09	
<u>Transportation</u>					
90899	4/1/2015	PARSONS TRANSPORTATION GROUP	LOST HILLS INTERCHANGE	20,416.61	Transportation
90952	4/8/2015	HUITT-ZOLLARS INC	CONSTRUCTION SVCS-LOST HILLS	9,268.01	Transportation
90927	4/8/2015	ALL CITY MANAGEMENT SVCS, INC.	SCHOOL CROSSING GUARD SVCS	4,823.30	Transportation
90892	4/1/2015	MALIBU CANYON SHELL	FUEL CHARGES- MAR 2015 (1/2)	4,158.96	Transportation
90936	4/8/2015	CITY OF LOS ANGELES	B- PERMIT BOND FEE DEPOSIT	2,000.00	Transportation
90909	4/1/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	1,769.38	Transportation
90908	4/1/2015	SIEMENS INDUSTRY INC.	TRAFFIC SIGN MAINTENANCE	1,690.00	Transportation
90985	4/8/2015	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LOST HL	1,246.00	Transportation
90963	4/8/2015	LAS VIRGENES UNIFIED SCHOOL	BEFORE & AFTER SCHOOL AIDES	1,200.00	Transportation
90930	4/8/2015	ARC DOCUMENT SOLUTIONS, LLC	COPY/PRINTING SERVICE	874.03	Transportation
90938	4/8/2015	CROSTOWN ELECTRICAL	TRAFFIC LIGHTING SERVICES	690.00	Transportation
90855	4/1/2015	ACORN NEWSPAPER	LEGAL ADVERTISING	630.00	Transportation
90952	4/8/2015	HUITT-ZOLLARS INC	CONSTRUCTION SVCS-LOST HILLS	540.00	Transportation
90864	4/1/2015	CALIFORNIA CIVIL ENGINEERING	RELOCATE LOST HILLS SIGNS	479.67	Transportation
90855	4/1/2015	ACORN NEWSPAPER	LEGAL ADVERTISING	402.00	Transportation
90980	4/8/2015	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	207.32	Transportation
90918	4/1/2015	WAREHOUSE OFFICE & PAPER PROD.	OFFICE SUPPLIES	179.80	Transportation
Total Amount for 17 Line Item(s) from Transportation				\$50,575.08	
GRAND TOTAL for 305 Line Items				\$395,555.10	

FUTURE AGENDA ITEMS

Department Agenda Headings Agenda Title/Future Agenda

27-May

CC	Consent	Election Resolutions/Consolidation with School District
AS	Consent	Updates to Human Resources Guidelines
PW	New Business	Discussion on Solid Waste Franchise RFP

Future Items

Finance	Consent	MRT contract
CD	Public Hearing	Potential appeal for 3121 Old Topanga
CD	New Business	Plaque recommendations by the HPC
CD	New Business	Business signage
CD	New Business	Car zoning
CD	New Business	Craftman's Corner pre-zoning
CD	New Business	Solar energy ordinance
CD	New Business	Business registration program
CC	New Business	Commissioner interviews for appointments expiring in November 2015
CC	New Business	Effectiveness of Commissions

2015 CITY COUNCIL MEETING DATES

10-Jun	14-Oct
24-Jun	28-Oct
8-Jul - Canceled	3-Nov - Municipal Election
22-Jul - Canceled	11-Nov - Canceled - Veterans' Day
12-Aug	18-Nov - Special Meeting Election Certification - Council Reorg.
26-Aug	25-Nov - Canceled - Thanksgiving Eve
9-Sep	9-Dec
23-Sep - Canceled Yom Kippur	23-Dec - Canceled