NOVEMBER 1, 2016

5:30 P.M.  YUBA COUNTY LEVEE FINANCE AUTHORITY

ROLL CALL - Directors Aikens, Bendorf, Hastey, Meirzwa

Approve minutes of October 18, 2016.

Adopt resolution authorizing issuance and sale of revenue bonds to refund the outstanding Yuba Levee Financing Authority Revenue Bonds 2008 Series A and B issued to finance certain levee and related improvements and approving related documents and official actions.  (all documents on file in Clerk's office.)

PUBLIC COMMENTS

ADJOURN

6:00 P.M.  YUBA COUNTY BOARD OF SUPERVISORS - Welcome to the Yuba County Board of Supervisors meeting.  As a courtesy to others, please turn off cell phones, pagers, or other electronic devices, which might disrupt the meeting. All items on the agenda other than Correspondence and Board and Staff Members Reports are considered items for which the Board may take action. The public will be given opportunity to comment on action items on the agenda when the item is heard and comments shall be limited to three minutes per individual or group.

I.  PLEDGE OF ALLEGIANCE  - Led by Supervisor Abe

II.  ROLL CALL - Supervisors Vasquez, Nicoletti, Griego, Abe, Fletcher

III. CONSENT AGENDA: All matters listed under the Consent Agenda are considered to be routine and can be enacted in one motion.

A. Agricultural Commissioner

1.  (478-1116) Authorize Budget Adjustment in the amount of $5,000 for Account 101-3400-361-5303 Pesticide Use Enforcement Fund and Account 101-3400-426-2200 Office Expense for the purchase of mobile devices to implement CalPEATS pesticide enforcement and tracking program.

2.  (479-1116) Approve agreement with Applied Forest Management Inc. for Consulting Services for activities of Yuba Watershed Protection and Fire Safe Council for Fiscal Year 2016/2017 and authorize Chair to execute.

B. Board of Supervisors

1.  (480-1116) Appoint Deputy Counsel Andrew Naylor as Chair Designee to the Yuba County Law Library Board. (No background material)

C. Clerk of the Board of Supervisors

1.  (481-1116) Reappoint Raymond Bradley to Peoria Cemetery District for a term to end November 1, 2020.

2.  (482-1116) Approve meeting minutes of October 15, 2016.
IV. **PUBLIC COMMUNICATIONS:** Any person may speak about any subject of concern provided it is within the jurisdiction of the Board of Supervisors and is not already on today's agenda. The total amount of time allotted for receiving such public communication shall be limited to a total of 15 minutes and each individual or group will be limited to no more than three minutes. Prior to this time speakers are requested to fill out a "Request to Speak" card and submit it to the Clerk of the Board of Supervisors. Please note: No Board action can be taken on comments made under this heading.

V. **COUNTY DEPARTMENTS**

A. County Administrator link here for background

   1. (483-1116) Adopt resolution approving proceedings to refund the outstanding Yuba Levee Financing Authority revenue Bonds, 2008 Series A and Series B issued to finance certain levee and related improvements, and approving issuance and sale of revenue bonds by Yuba Levee Financing Authority for such purposes and approving related documents and official actions. (Fifteen minute estimate)

B. Health and Human Services

   1. (484-1116) Accept monetary donations totaling $80,283.49 and in-kind donations from various individuals, agencies and/or organizations for 14Forward Project. (Thirty minute estimate)

C. Probation

   1. (485-1116) Authorize budget adjustment to appropriate grant funding from Governor's Office of Emergency Services for Victim Services Program in the total amount of $117,706. (Ten minute estimate)

VI. **ORDINANCES AND PUBLIC HEARINGS:** If you challenge in court the action or decision of the Yuba County Board of Supervisors regarding a zoning, planning, land use or environmental protection matter made at any public hearing described in this notice, you may be limited to raising only those issues you or someone else raised at such public hearing, or in written correspondence delivered to the Yuba County Board of Supervisors at, or prior to, such public hearing and such public comments will be limited to three minutes per individual or group.

   A. (486-1116) Ordinance - Hold public hearing, waive reading and introduce ordinance repealing and re-enacting certain sections of Chapters 10.05 of the Yuba County Ordinance Code relating to standards of construction. (First Reading) (Roll Call Vote) (Five minute estimate).

VII. **BOARD AND STAFF MEMBERS’ REPORTS:** This time is provided to allow Board and staff members to report on activities or to raise issues for placement on future agendas.

VIII. **CLOSED SESSION**

A. Personnel pursuant to Government Code 54957.6(a) - Labor Negotiations DSA/County of Yuba

IX. **ADJOURN**

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available. If you have a disability and need disability-related modifications or accommodations to participate in this meeting, please contact the Clerk of the Board's office at (530) 749-7510 or (530) 749-7353 (fax). Requests must be made two full business days before the start of the meeting. To place an item on the agenda, contact the office of the Clerk of the Board of Supervisors.
YUBA LEVEE FINANCING AUTHORITY

BOARD OF DIRECTORS

OCTOBER 18, 2016 MINUTES

The Board of Directors met in special session on the above date, commencing at 9:36 a.m., within the Government Center, Marysville, California, with a quorum being present as follows: Directors Robert Bendorf, Brent, Hastey, and Dan Mierzwa. Director Curt Aikens was absent. Also present were County Counsel Angil Morris-Jones, and Clerk of the Board of Supervisors Donna Stottlemeyer. Chair Hastey presided.

1. Roll Call - Directors Aikens, Bendorf, Hastey, Meirzwa - Director Aikens absent.

2. Election of Chair and Vice-Chair

   Motion: Move to appoint Brent Hastey Chair and Dan Meirzwa Vice Chair
   Moved: Robert Bendorf    SECOND: Brent Hastey
   AYES: Robert Bendorf, Brent Hastey, Dan Mierzwa
   NOES: None    ABSTAIN: None    ABSENT: Curt Aikens

3. Approve minutes of September 13, 2016.

   MOTION: Move to approve    MOVED: Robert Bendorf    SECOND: Dan Mierzwa
   AYES: Robert Bendorf, Brent Hastey, Dan Mierzwa
   NOES: None    ABSTAIN: None    ABSENT: Curt Aikens

4. Adopt resolution establishing regular meetings dates shall occur on any regular meeting day of the Yuba County Board of Supervisors at 1:00 p.m. or other time to be set as needed; and schedule next regular meeting for November 1, 2016 at 5:30 p.m.

   MOTION: Move to approve    MOVED: Robert Bendorf    SECOND: Dan Mierzwa
   AYES: Robert Bendorf, Brent Hastey, Dan Mierzwa
   NOES: None    ABSTAIN: None    ABSENT: Curt Aikens

5. Approve agreement with Capitol Public Finance Group for Municipal Security Issuance Services related to issuance of 2016 Refunding Revenue Bonds to refinance the revenue bonds, 2008 Series A and Taxable Revenue Bonds, 2008 Series B for savings and authorize Executive Director to execute.

   MOTION: Move to approve    MOVED: Robert Bendorf    SECOND: Dan Mierzwa
   AYES: Robert Bendorf, Brent Hastey, Dan Mierzwa
   NOES: None    ABSTAIN: None    ABSENT: Curt Aikens
6. ADJOURN: 9:39 a.m.

_________________________    Chairman

ATTEST: DONNA STOTTEMEYER
CLERK OF THE BOARD OF SUPERVISORS

_________________________    Approved: ______________
DATE: November 1, 2016
TO: Yuba Levee Financing Authority (YLFA) Board of Directors
FROM: Robert Bendorf, County Administrator
RE: Resolution Authorizing the Issuance of Refunding Revenue Bonds

RECOMMENDATION

It is recommended that the Board of Directors approve the attached resolution authorizing the issuance of Revenue Bonds to refund the outstanding YLFA’s 2008 Revenue Bonds.

BACKGROUND

In September 2008, the YLFA, a joint powers authority, formed by the County of Yuba (County) and the Yuba County Water Agency (Agency), issued revenue bonds (Bonds) in the aggregate amount of $78.37 million. The purpose of the Bonds was to provide the local match for the Phase 4 Feather River Setback Levee Improvement Project (Project).

On September 27, 2016, the County’s Financial Advisor presented the proposed refunding to the County and Agency. The presentation provided information on the cost of the refunding and estimated cash flow savings of approximately $1.3 million per year through 2038, the maturity date of the Bonds. The presentation further indicated that an additional $4 million of project funds could be obtained at a cost of approximately $310,000 per year. Net estimated annual savings would be approximately $1 million if the additional $4 million is borrowed. Actual savings will be based on market conditions at the time of sale, which is estimated as early as November 17, 2016.

FISCAL IMPACT

The proposed refunding will reduce the County and Agency’s obligation to pay annual debt service that is not funded by impact fees. Costs of the refunding will be paid from the refinancing. In the event YLFA obtains a credit rating, but later decides not to refinance the Bonds, out-of-pocket expenses are estimated at approximately $50,000.
YUBA LEVEE FINANCING AUTHORITY

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF REVENUE BONDS TO REFUND THE OUTSTANDING YUBA LEVEE FINANCING AUTHORITY REVENUE BONDS, 2008 SERIES A (YUBA COUNTY LEVEE FINANCING PROJECT), AND THE OUTSTANDING YUBA LEVEE FINANCING AUTHORITY TAXABLE REVENUE BONDS, 2008 SERIES B (YUBA COUNTY LEVEE FINANCING PROJECT), ISSUED TO FINANCE CERTAIN LEVEE AND RELATED IMPROVEMENTS, AND APPROVING RELATED DOCUMENTS AND OFFICIAL ACTIONS

RESOLVED, by the Board of Directors (the “Board”) of the Yuba Levee Financing Authority (the “Authority”), as follows:

WHEREAS, the Authority is a joint powers entity duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated as of July 22, 2008, by and between the County of Yuba (the “County”) and the Yuba County Water Agency (the “Agency” and, with the County, the “Members”), and under the provisions of Articles 1 through 4 (commencing with section 6500) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the “Act”), the Authority is authorized pursuant to Article 4 of the Act to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, public entities, including the Members, and to provide financing for public capital improvements of public entities, including the Members;

WHEREAS, for the purpose of providing funds to finance a portion of the Feather River Phase IV levee and related improvements in the County (the “Project”), the Authority issued its Yuba Levee Financing Authority Revenue Bonds, 2008 Series A (Yuba County Levee Financing Project), in the aggregate principal amount of $64,175,000 (the “2008A Bonds”), and its Yuba Levee Financing Authority Taxable Revenue Bonds, 2008 Series B (Yuba County Levee Financing Project), in the aggregate principal amount of $14,195,000 (the “2008B Bonds” and, with the 2008A Bonds, the “2008 Bonds”), the total original principal of which remains outstanding;

WHEREAS, the Authority plans to refinance the Project by providing for the refunding of the outstanding 2008 Bonds;

WHEREAS, to provide amounts required to refund the 2008A Bonds, the Authority has determined to issue its Yuba Levee Financing Authority Refunding Revenue Bonds, 2016 Series A (Yuba County Levee Refinancing Project), (the “2016A Bonds”), and to provide amounts required to refund the 2008B Bonds, the Authority has determined to issue its Yuba Levee Financing Authority Taxable Refunding Revenue Bonds, 2016 Series B (Yuba County Levee Refinancing Project) (the “2016B Bonds” and, with the 2016A Bonds, the “2016 Bonds”);
WHEREAS, the 2016 Bonds will be issued under the provisions of Article 4 (commencing with section 6584) of the Act and an indenture of trust (the "Indenture"), by and between the Authority and U.S. Bank National Association, as trustee;

WHEREAS, in order to provide for the repayment of the 2016 Bonds, the Authority will (a) lease certain property (the "Leased Property") to the County pursuant to a lease agreement (the "Lease Agreement") under which the County will agree to make lease payments to the Authority from moneys in its General Fund, and the County will budget and appropriate sufficient amounts in each year to pay a portion of the principal of and interest on the 2016 Bonds, and (b) sell certain property (the "Sale Property") to the Agency pursuant to an installment sale agreement (the "Installment Sale Agreement") under which the Agency will agree to make installment payments to the Authority from a pledge of Water Revenues (as defined in the Indenture) to pay a portion of the principal of and interest on the 2016 Bonds;

WHEREAS, the amounts received by the Authority from the County and the amounts received from the Agency will be, in the aggregate, sufficient to pay the principal of and interest on the 2016 Bonds when due;

WHEREAS, the Board desires to make a finding of significant public benefit pursuant to section 6586.5(a)(2) of the California Government Code, and to approve of the refinancing of the Project and the refunding of the 2008 Bonds and the transactions contemplated thereby; and

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

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

Section 1. Findings. The Board hereby finds that significant public benefits will arise from the refinancing of, the Project and the refunding of the 2008 Bonds from the proceeds of the 2016 Bonds, in accordance with section 6586 of the California Government Code, in that the financing will result in demonstrable savings in effective interest rates.

Section 2. Issuance of Bonds; Approval of Indenture. The Board hereby authorizes the issuance of the 2016 Bonds under and pursuant to the Law and the Indenture for the purpose of providing funds to refinance the Project and refund the 2008 Bonds. The Board hereby approves the Indenture in the form on file with the Secretary, together with any changes therein or additions thereto approved by the Executive Director or the Assistant Executive Director (the "Designated Officers"), whose execution thereof shall be conclusive evidence of such approval. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the Authority to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Indenture for and in the name of the Authority. The Board hereby authorizes the delivery and performance of the Indenture.

Section 3. Approval of Site and Facility Lease. The Board hereby approves a site and facility lease, by and between the County and the Authority (the "Site and Facility Lease"), pursuant to which the County will lease the Leased Property to the Authority, to be leased back to the County pursuant to the Lease Agreement, in the form on file with the Secretary, together with any changes therein or additions thereto deemed advisable by any Designated Officer, whose execution thereof shall be conclusive evidence of such approval. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on
behalf of the Authority to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Site and Facility Lease for and in the name of the Authority. The Board hereby authorizes the delivery and performance of the Site and Facility Lease.

Section 4. Approval of Lease Agreement. The Board hereby approves the Lease Agreement, in the form on file with the Secretary, together with any changes therein or additions thereto deemed advisable by any Designated Officer, whose execution thereof shall be conclusive evidence of such approval. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the Authority to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Lease Agreement for and in the name of the Authority. The Board hereby authorizes the delivery and performance of the Lease Agreement.

Section 5. Approval of Acquisition Agreement. The Board hereby approves an acquisition agreement by and between the Agency and the Authority (the "Acquisition Agreement"), pursuant to which the Agency will sell the Sale Property to the Authority, to be sold back to the Agency pursuant to the Installment Sale Agreement, in the form on file with the Secretary, together with any changes therein or additions thereto deemed advisable by any Designated Officer, whose execution thereof shall be conclusive evidence of such approval. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the Authority to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Acquisition Agreement for and in the name of the Authority. The Board hereby authorizes the delivery and performance of the Acquisition Agreement.

Section 6. Approval of Installment Sale Agreement. The Board hereby approves the Installment Sale Agreement, in the form on file with the Secretary, together with any changes therein or additions thereto deemed advisable by any Designated Officer, whose execution thereof shall be conclusive evidence of such approval. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the Authority to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Installment Sale Agreement for and in the name of the Authority. The Board hereby authorizes the delivery and performance of the Installment Sale Agreement.

Section 7. Approval of Escrow Agreement. The Board hereby approves an escrow agreement (the "Escrow Agreement"), by and among the Authority, the County, the Agency and U.S. Bank National Association, as escrow bank, providing for the defeasance of the 2008 Bonds, in the form on file with the Secretary, together with any changes therein or additions thereto deemed advisable by any Designated Officer, whose execution thereof shall be conclusive evidence of such approval. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the Authority to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Escrow Agreement for and in the name of the Authority. The Board hereby authorizes the delivery and performance of the Escrow Agreement.

Section 8. Approval of Termination Agreement. The Board hereby approves a termination agreement, by and among the County, the Authority and U.S. Bank National Association, as trustee for the 2008 Bonds, providing for the termination of the recorded documents relating to the 2008 Bonds (the "Termination Agreement"), in the form on file with the Secretary, together with any changes therein or additions thereto deemed advisable by any Designated Officer, whose execution thereof shall be conclusive evidence of the approval of any such changes or additions. The Designated Officers, each acting alone, are hereby authorized
and directed for and in the name and on behalf of the Authority to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Termination Agreement for and in the name of the Authority. The Board hereby authorizes the delivery and performance of the Termination Agreement.

Section 9. Sale of Bonds; Approval of Bond Purchase Agreement. The Board hereby approves the negotiated sale of the 2016 Bonds to Raymond James & Associates, Inc. and Hilltop Securities Inc. (the "Underwriters"). The Board hereby approves a bond purchase agreement, by and among the Authority, the County, the Agency and the Underwriters (the "Bond Purchase Agreement"), in the form on file with the Secretary, together with any changes therein or additions thereto deemed advisable by any Designated Officer, whose execution thereof shall be conclusive evidence of the approval of any such changes or additions, so long as the Underwriters' discount with respect to the 2016 Bonds does not exceed 0.60% of the aggregate principal amount thereof, and the debt service on the 2016 Bonds, as compared to the debt service with respect to the 2008 Bonds, provides net present value savings to the Authority of at least 5%. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the Authority to execute the final form of the Bond Purchase Agreement for and in the name of the Authority. The Board hereby authorizes the delivery and performance of the Bond Purchase Agreement.

Section 10. Official Statement. The Board hereby approves, and hereby deems nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 (the "Rule"), the preliminary official statement describing the 2016 Bonds (the "Preliminary Official Statement") in the form on file with the Secretary. The Designated Officers, each acting alone, are hereby authorized and directed to execute an appropriate certificate stating the Authority's determination that the Preliminary Official Statement is nearly final within the meaning of the Rule. Distribution of the Preliminary Official Statement in connection with the sale of the 2016 Bonds is hereby approved. The Designated Officers, each acting alone, are hereby authorized and directed to approve any changes in or additions to a final form of official statement (the "Final Official Statement"), and the execution thereof by any Designated Officer shall be conclusive evidence of approval of any such changes and additions. The Board hereby authorizes the distribution of the Final Official Statement by the Underwriters. The Final Official Statement shall be executed in the name and on behalf of the Authority by any Designated Officer.

Section 11. Credit Documents. The Designated Officers, each acting alone, are hereby authorized and directed to solicit proposals for municipal bond insurance to provide credit support for the 2016 Bonds and a reserve fund surety bond in lieu of cash funding a reserve fund for the 2016 Bonds. Any Designated Officer, or his designee, is hereby authorized to determine whether such municipal bond insurance and/or reserve fund surety bond is financially advantageous to the Authority. If it is determined that such municipal bond insurance and/or reserve fund surety bond is financially advantageous to the Authority and a commitment therefor is received, the any Designated Officer, or his designee, is hereby authorized to accept such commitment and to revise the legal documents as may be appropriate to provide for such items.

Section 12. Official Actions. The Executive Director, the Assistant Executive Director the Secretary and all other officers of the Authority are each authorized and directed in the name and on behalf of the Authority to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the documents approved pursuant to this Resolution.
Whenever in this Resolution any officer of the Authority is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such office shall be absent or unavailable.

Section 13. Effective Date. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED at a regular meeting of the Board of Supervisors of the County of Yuba, State of California on the _____ day of ____________________ 2016.

AYES: 
NOES: 
ABSENT: 
ABSTAIN: 

______________________________
Chairman

ATTEST: 
CLERK OF THE BOARD OF SUPERVISORS 
DONNA STOTTLEMEYER

______________________________
APPROVED AS TO FORM: COUNTY COUNSEL 
ANGIL MORRIS JONES

I, the undersigned Clerk of the Board of Supervisors of the County of Yuba, California hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted by the Board of Supervisors of the County at a meeting thereof on the 1st day of November, 2016.

CLERK OF THE BOARD OF SUPERVISORS 
DONNA STOTTLEMEYER
Refinance Opportunity for Yuba Levee Financing Authority

November 1, 2016

Background

$78.37 million of revenue bonds issued in 2008

- To fund Phase 4 Feather River Setback Levee
- Average interest rate of 5.08%
- Matures in 2038

Project nearing completion with all funds allocated
Good Credit Resulted in Lower Than Anticipated Cost of Funds

- In August 2008, the Board approved a total repayment of $236 million
  - Final pricing resulted in total repayment of approximately $166 million

- The County’s underlying COP credit rating came in higher than expected
  - Were able to shorten the term and achieve lower interest rates

- In 2014 the COP credit rating was increased from "A-" to "A"

Levee Bond Structure

- Capitalized interest funded payments from 2008 through 2014

- Debt repaid by impact fees combined with County and Water Agency sharing 50/50 on any shortfall
  - In 2014 County and Water Agency entered into an agreement with Water Agency covering any debt service not covered by impact fees through 2020
  - Agreement contains an option to extend
Refinance Opportunity

Good credit rating

+ 

Opportunity to refinance the outstanding Bonds for savings

Low market interest rates

Refinance Plan

Update of original financing
- Assume no change to structure
- Pending feedback from rating agency

Negotiated sale
- Co-managed by Raymond James and Hilltop Securities

10 Year Par Call
- Evaluating the costs and benefits of various bond structures
Sources and Uses of Funds

<table>
<thead>
<tr>
<th>Sources</th>
<th>Series 2016A Refunding</th>
<th>Series 2016B Refunding</th>
<th>Total</th>
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<tbody>
<tr>
<td>Par Amount</td>
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<td>Net Premium</td>
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<td>$4,510,764</td>
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<td><strong>$15,318,557</strong></td>
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<tr>
<th>Uses</th>
<th>Series 2016A Refunding</th>
<th>Series 2016B Refunding</th>
<th>Total</th>
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<tbody>
<tr>
<td>Escrow Deposit</td>
<td>$67,081,799</td>
<td>$15,046,928</td>
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<td>Cost of Issuance</td>
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<td>$70,290</td>
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<td>Underwriter's Discount</td>
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<td>Bond Insurance</td>
<td>$252,652</td>
<td>$61,246</td>
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<tr>
<td>Surety Reserve</td>
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<td><strong>$15,320,313</strong></td>
<td><strong>$83,510,764</strong></td>
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Through the refinance, Debt Service Reserve Fund would be replaced by a Surety Reserve.

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Use of Reserve Funds

The Authority has additional projects to be funded:
- Western Pacific Interceptor Canal Project
- Goldfields Project

Reserve funds from the prior bonds can be used to fund projects:
- Debt service would be adjusted accordingly
- Would still result in annual savings

Using reserves for additional project costs will result in proportionately larger issuance costs.
A Refinance Will Save the Authority Approx. $29 Million on a Cash Flow Basis, or Approx. $15 Million on a Net Present Value Basis After Deducted Existing Reserve Funds, Equating to Over 19% of the Refunded Bonds.

**Next Steps**

- **Oct 25**
  - Authority Board action to consider authorization of refinance

- **Late Nov**
  - Sale of refunding bonds

- **Mid Dec**
  - Closing of refunding bonds
To: Honorable Board of Supervisors

From: Stephen M. Scheer Agricultural Commissioner

Subject: Consider approval of a budget adjustment request for purchase of mobile devices for implementation of the California Pesticide Enforcement Activity Tracking System (CalPEATS).

Date: November 1, 2016

Recommendation:
Recommend to the Board the approval of the budget adjustment for purchase of mobile devices in the Agriculture Commissioner FY 16/17 budget.

Background:
Over the past several years the California Agricultural Commissioners and Sealers Association (CACASA) and the California Department of Pesticide Regulation have worked together to develop CalPEATS. The CalPEATS software system consists of a mobile application for performing and recording pesticide enforcement inspections in the field and a web-based software package that includes the inspection functionality and adds screens for tracking and reporting on investigations, enforcement responses, and monthly staff activities. To fully implement the program the department needs to purchase 5 mobile devices (iPads) and associated hardware. CACASA has provided a Letter of Intent for CalPEATS Mobile Device Purchases and will be reimbursing the cost of the devices and hardware.

Discussion:
The purchase of 5 iPads and associated hardware at a cost of up to $5,000.00 will be reimbursed by CACASA. We have received a Letter of Intent from CACASA to reimburse Yuba County for the cost of devices and hardware up to $5,000.00.

Committee Action:
The Finance and Administration Committee was bypassed as the purchases are $5,000.00 or less and the costs will be fully reimbursed.

Fiscal Impact:
The purchases will be fully reimbursed by CACASA. A letter of intent has been provided by CACASA to reimburse the funds expended for purchase of the devices and associated hardware. The proposed purchase has no net impact on the FY16/17 General Fund contribution to the Agricultural Commissioners budget.

Enclosure:
Budget Adjustment Request Form
Letter of Intent for CalPEATS Mobile Device Purchases
**COUNTY OF YUBA**  
AUDITOR-CONTROLLER'S OFFICE  
BUDGET ADJUSTMENT REQUEST FORM  

**DEPARTMENT:** Agriculture  
**PREPARED BY/PHONE:** Stephen Scheer/5405  
**FISCAL YEAR:** 16/17  

### REVENUE APPROPRIATIONS

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<tr>
<th>Account Number</th>
<th>Account Name</th>
<th>Amount INC/(DEC)</th>
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<tbody>
<tr>
<td>101 3400 361 5303</td>
<td>Pesticide Use Enforcement</td>
<td>5,000.00</td>
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### EXPENDITURE APPROPRIATIONS

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<th>Account Number</th>
<th>Account Name</th>
<th>Amount INC/(DEC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>101 3400 426 2200</td>
<td>Office Expense</td>
<td>5,000.00</td>
</tr>
</tbody>
</table>

**TOTAL NET REVENUE INCREASE/(DECREASE):** 5,000.00  
**TOTAL NET EXPENDITURES INCREASE/(DECREASE):** 5,000.00  

**EXPLANATION FOR BUDGET ADJUSTMENT:**

Mobile devices and associated hardware need to be purchased for the departments implementation of CalPEATS a pesticide enforcement and tracking program. The California Agricultural Commissioners and Sealers Association will reimburse Yuba County for expenditures to purchase devices in the amount of $5000.00.

**FUNDING SOURCE FOR INCREASES:**

**BUDGET TRANSFER #:** (assigned by ACO)

**APPROVALS:**  
Availability and appropriateness of budget amounts, balances, and accounts of the above has been verified and approved.

1) DEPARTMENT HEAD:  
[Signature] 10/4/16  
2) AUDITOR-CONTROLLER:  
[Signature] 10/4/16  
2) COUNTY ADMINISTRATOR:  
[Signature] 10/4/16  

**GENERAL LEDGER:**

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**COMPLETED BY:**

[Signature]  
**DATE:**
October 10, 2016

Steve Scheer
Yuba County Agricultural Commissioner
915 8th St, Ste 127
Marysville, CA 95901-5273

APPROVAL AND LETTER OF INTENT FOR CALPEATS MOBILE DEVICE PURCHASES

Dear Steve Scheer,

We are pleased, as the Chairs of the Information Management Committee (IMC) and the CalPEATS Steering Committee, to notify you of the one-time funding for mobile devices and related hardware accessories in your county. As you may recall, funding in the amount of $1,000 per device was allocated to reimburse every county for the purchase of mobile devices that will be used for the new CalPEATS statewide program.

The amount of funding that each county is allotted through this program is based on the number of Pesticide Use Enforcement (PUE) field inspectors in each county, with $1,000 allocated per field inspector equipped for using CalPEATS. The amount allocated for reimbursement to YUBA County is $5,000.00 towards the purchase of mobile device hardware to be used in your county. Reimbursable hardware includes the tablet or laptop devices themselves, plus optional accessories such as protective cases, external keyboards, pointing devices, portable printers for use in the field, and any other hardware needed to support field use of CalPEATS. Counties are responsible for the maintenance and support of each device and subsequent purchases after their allocation of funds from this start-up funding program is exhausted.

We expect the reimbursement timing to be phased, pending each county’s needs, as some counties already utilize field tablets and may wish to wait to purchase new tablets as a replacement is needed.

Attached is an invoicing form for your use when submitting for reimbursement. Please contact Sandy Elles at 707-235-6135 or selles@cacasa.org with any questions you may have.

Sincerely,

Ruben J. Arroyo
Information Management Committee Chairman
Julie Jensen
CalPEATS Steering Committee Chairwoman

cc: Tim Niswander, Executive Secretary/Treasurer – CACASA
    Sandy Elles, Executive Director – CACASA

Attachment: CACASA CalPEATS Reimbursement form
To: Honorable Board of Supervisors
From: Stephen M. Scheer Agricultural Commissioner
Subject: Consider approval of Agreement with Applied Forest Management Inc. for Consultant Services to coordinate activities of the Yuba Watershed Protection and Fire Safe Council for Fiscal Year 2016/2017 and Authorize Chair of the Board to sign the Agreement
Date: November 1, 2016

Recommendation:
Consider approval of Agreement with Applied Forest Management Inc. for Consultant Services to coordinate activities of the Yuba Watershed Protection and Fire Safe Council for Fiscal Year 2016/2017 and Authorize Chair of the Board to sign the Agreement.

Background:
The Board has approved this Agreement for Consultant Services for the Yuba Watershed Protection and Fire Safe Council for the past nine years. This is a continuation of an existing agreement with Applied Forest Management Inc. that will provide consultant services for Fiscal Years 2016/2017. By way of this agreement, Applied Forest Management Inc. will provide the services of a “Fire Safe Coordinator” for the Yuba Watershed Protection and Fire Safe Council. In the past Title III project funds under the Secure Rural Schools and Community Self-Determination Act of 2000 (HR2389) paid for the Fire Safe Coordinator. For 2016/2017 the Yuba County Water Agency has granted the funds to pay for the Fire Safe Coordinator in the absence of funds from the Secure Rural Schools and Community Self-Determination Act of 2000 (HR2389).

Discussion:
Approval of this Agreement will provide for the continuing services of the currently contracted Fire Safe Council Coordinator position. This will allow continued fire education and planning to occur in high fire risk areas of Yuba County for fiscal year 2016/2017.

Committee Action:
The Protective Inspection Committee was bypassed as this has been an ongoing agreement for the past nine years.

Fiscal Impact:
This project is funded by a grant from the Yuba County Water Agency which is already on deposit with the Yuba County Auditor Controller and requires no County General Funds. The cost of this agreement is $32,000 per fiscal year.

Enclosure: Yuba Watershed Protection and Fire Safe Council Agreement
Yuba County Water Agency Grant Agreement
YUBA COUNTY WATER AGENCY
GRANT AGREEMENT WITH
County of Yuba
For Yuba Watershed Protection and Fire Safe Council

THIS AGREEMENT is made this 1st day of July, 2016, by and between Yuba County Water Agency, a public agency ("Agency") and Yuba County ("Grantee"). This grant is for the purpose of providing temporary funding for the Yuba Watershed Protection and Fire Safe Council. Agency and Grantee agree as follows:

1. **Grant.** The Agency agrees to grant to Grantee a sum of up to Thirty-two Thousand Dollars ($32,000.00) on and subject to the terms of this Agreement. The grant shall be used by Grantee solely for the purposes described in Exhibit A, attached hereto and incorporated herein. Agency shall not be liable for any costs for the Work (see section 2) in excess of this amount, or for any unauthorized or ineligible costs.

2. **Work To Be Performed.** Grantee shall fully perform the work described in the Exhibits and Attachments (the "Work").

3. **Method of Payment.** Upon request by Grantee, Agency shall advance total amount of grant proceeds to Grantee. Total payment shall not exceed the grant amount. If Grantee is in compliance with this Agreement, then Agency shall pay within 30 days of receipt of the request.

4. **Term & Termination.**

   4.1. This Agreement shall take effect July 1, 2016. Grantee must complete the Work on or before June 30, 2017, and all grant fund reimbursement/payment requests must be submitted to Agency by July 31, 2017, unless this deadline is extended by mutual agreement of the parties. Any grant funds not expended by August 31, 2017 or any extended deadline shall be forfeited by the Grantee and retained by Agency.

   4.2. Agency may terminate this Agreement at any time for cause by giving 14 days prior written notice to Grantee. Cause shall mean: (a) Grantee violates this Agreement, and such violation continues for a period of 30 days after notice of violation from Agency, which notice shall specify the violation; (b) Grantee files or there is filed against Grantee a bankruptcy petition (unless, in the case of a petition filed against Grantee, the same is dismissed or stayed within 60 days); (c) Grantee makes an assignment for the benefit of creditors; (d) Grantee becomes insolvent or there shall occur a material adverse change in the financial conditions of Grantee; (e) Grantee applies for or consents to the appointment of a receiver, trustee, or conservator, or such appointment is made without Grantee's consent and is not vacated within 60 days; (f) Grantee files a petition or resolution of application for reorganization; or (g) Agency's River Management
Fund suffers a significant loss of revenue, deposits or reserves, resulting in a loss of sufficient funds for this grant.

5. **Compliance with Laws.** Grantee shall perform the Work in compliance with all applicable federal, state and local laws and regulations and codes, and Grantee shall obtain all required permits, licenses, entitlements, and authorizations.

6. **Public Works Requirement.** If any of the Work consists of public works, as defined at Labor Code sections 1720 to 1720.4, then Grantee and its contractors and subcontractors shall comply with California statutes and regulations applicable to public works projects, including, but not limited to, the following requirements: payment of prevailing wage rates; employment of apprentices; hours of labor limitations and overtime; payroll records; workers' compensation insurance; payment/labor and materials bond; non-discrimination laws; contractors’ state license requirements; and California Environmental Quality Act review.

7. **Inspections.** Agency reserves the right to inspect any Work to determine whether it is being performed in accordance with this Agreement. Agency may withhold grant payments if it finds any Work does not conform to this Agreement, until Grantee remedies the nonconformity.

8. **Record Keeping and Reporting**

8.1 Grantee shall keep and maintain bookkeeping records, accounts, and documentation pertaining to the receipt, disbursement, and use of grant proceeds to pay vendors, contractors, suppliers, and others who perform any Work for Grantee, including all invoices, receipts, canceled checks, contracts, purchase orders, and other source documents.

8.2 These records shall be retained for a period of not less than three years from the date of the final grant payment.

8.3 These records shall be accessible and available for inspection or audit by Agency, or by its employees, accountants, attorneys or agents, at reasonable times and upon reasonable notice.

8.4 Grantee will submit a report to the Agency documenting work product.

9. **Indemnification.** Grantee shall indemnify, defend, protect, and hold harmless Agency, and its officers, employees, volunteers and agents from and against any and all liability, losses, claims, damages, expenses, demands, and costs (including but not limited to, attorney, expert witness and consultant fees, and litigation costs) of every nature arising out of Grantee's performance of the Work and caused by the negligent or willful act or omission of Grantee or its contractor or subcontractor or any of their employees, agents or
subcontractors, except where caused by the active negligence, sole negligence or willful misconduct of Agency or as otherwise provided or limited by law. Contractor's obligations under this indemnification provision shall survive the termination of, or completion of Work under, this Agreement.


10.1 Integration. This Agreement constitutes the sole, final, complete, exclusive and integrated expression and statement of terms of this contract among the parties concerning the subject matter addressed in this Agreement, and it supersedes all prior negotiations, representations or agreements, either oral or written, that may be related to the subject matter of this Agreement, except those other documents that are expressly referenced in this agreement.

10.2 Waiver. The waiver at any time by any party of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.

10.3 Successors and Assignment. This Agreement shall bind and inure to the benefit of the respective successors, assigns, heirs, devisees and personal representatives of the parties.

10.4 Governing Law and Venue. Except as otherwise required by law, this Agreement shall be interpreted, governed by, and construed under the laws of the State of California.

10.5 Notices. Any notice, demand, invoice or other communication required or permitted to be given under this Agreement shall be in writing and either served personally or sent by prepaid, first class U.S. mail addressed as follows:

Agency:

General Manager
Yuba County Water Agency
1220 F Street
Marysville, CA 95901

Grantee:

Yuba County Administrator
915 8th Streets, Suite 115
Marysville, CA 95901

Any party may change its address by notifying the other party of the change in the manner provided above.
YUBA COUNTY WATER AGENCY

By: Curt Aikens, General Manager

GRANTEE

By: Robert Bendor, County Administrator

Exhibits Incorporated Into this Grant Agreement
Exhibit A  Scope of Work

Yuba Watershed Protection & Fire Safe Council - Fire Safe Coordinator

The Yuba Watershed Protection & Fire Safe Council (YWPFSC) is a community-based group consisting of concerned citizens, local, state and fire professionals, law enforcement, professional foresters, local timber farming companies and resource conservation groups to contribute to the following:

- Maintain forest health
- Prevention of wildfire where possible
- Mitigate the detrimental effects of wildfire on wildlands and watersheds
- Facilitate cooperative efforts between law enforcement and fire professionals to identify routing resources for development of evacuation plans
- Research innovative applications for forest products
- Develop and provide information for the public to help them prepare for an protect their lives, homes and property from wildfire

The main focus of the YWPFSC is to prevent future wildfires in an effort to save property, the forest and the watershed. The watershed is directly affected by wildfires. A devastating wildfire could create soil erosion and subsequent sediment getting into the water source. This could obstruct streamflow and create issues with water channel stability. In addition, vegetative canopies (dead trees, brush, ash) created by the fire could prevent precipitation to enter into the soil which could reduce the amount of water storage under the ground. A healthy fire resistant forest is paramount to the health of the ecosystem and subsequent waterway biodiversity and water quality.

For the past several years, Yuba County has contracted with a licensed forester (consultant) from Applied Forest Management to assist the YWPFSC by writing and securing grants as well as management of the related grant projects. Past projects have included writing and maintaining the Yuba County Community Wildfire Protection Plan, securing of over $2 million dollars in grant funds for fuel reduction projects, public education and outreach and assisting the community with defensible space and the chipping program.

Yuba County has paid for the consultant in the past through its allocation of the Secured Rural Schools (HR2389) program. Congress has ended and reinstated the program several times over the last few years with a reduction in the allocation each year. The
allocation now (aprx. $16,000) only covers a portion of the consultant costs with the remaining amount being paid for by the County General Fund. The County has eliminated its General Fund appropriation for FY 2016-17 in the amount of $32,000 to help balance the budget.
AGREEMENT FOR
CONSULTANT SERVICES FOR
THE YUBA WATERSHED PROTECTION AND FIRE SAFE COUNCIL

THIS AGREEMENT for CONSULTANT Services ("Agreement") is made as of the Agreement Date set forth below by and between the County of Yuba, a political subdivision of the State of California ("the COUNTY"), and

APPLIED FOREST MANAGEMENT, INC.,
a California Corporation,
("CONSULTANT")

In consideration of the Services to be rendered, the sums to be paid, and each and every covenant and condition contained herein, the parties hereto agree as follows:

OPERATIVE PROVISIONS

1. SERVICES.

The CONSULTANT shall provide those services described in Attachment "A", Provision A-1 (hereinafter, the "Services"). CONSULTANT shall provide said services at the time, place and in the manner specified in Attachment "A", Provisions A-1 through A-4.

2. TERM.

Commencement Date: July 1, 2016
Termination Date: June 30, 2017

3. PAYMENT.

COUNTY shall pay CONSULTANT for services rendered pursuant to this Agreement at the time and in the amount set forth in Attachment "B". The payment specified in Attachment "B" shall be the only payment made to CONSULTANT for services rendered pursuant to this Agreement. CONSULTANT shall submit all billings for said services to COUNTY in the manner specified in Attachment "B".
4. **FACILITIES, EQUIPMENT AND OTHER MATERIALS AND OBLIGATIONS OF COUNTY.**

CONSULTANT shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Agreement, unless an exception to this requirement is provided in Attachment "A", Provision A-4.

5. **ADDITIONAL PROVISIONS.**

Those additional provisions unique to this Agreement are set forth in Attachment "C".

6. **GENERAL PROVISIONS.**

The general provisions set forth in Attachment "D" are part of this Agreement. Any inconsistency between said general provisions and any other terms or conditions of this Agreement shall be controlled by the other term or condition insofar as it is inconsistent with the general provisions.

7. **DESIGNATED REPRESENTATIVES.**

The Yuba County Agricultural Commissioner is the representative of the COUNTY and will administer this Agreement for the COUNTY.

Stevan W. Andrews is the authorized representative for CONSULTANT. Changes in designated representatives shall occur only by advance written notice to the other party.

8. **ATTACHMENTS.**

All attachments referred to herein are attached hereto and by this reference incorporated herein. Attachments include:

- Attachment A – Services (page 4)
- Attachment B – Payment (page 6)
- Attachment C – Additional Provisions (page 7)
- Attachment D – General Provisions (page 8)
9. **TERMINATION.** COUNTY and CONSULTANT shall each have the right to terminate this Agreement upon thirty (30) days written notice to the other party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on ______________________, 2016.

"COUNTY"

COUNTY OF YUBA

Chairman Yuba County Board of Supervisors

"CONSULTANT"

APPLIED FOREST MANAGEMENT, INC.
A California Corporation

STEVAN W. ANDREWS
Manager

APPROVED AS TO FORM:
COUNTY COUNSEL

RISK MANAGEMENT
ATTACHMENT A

A.1 SCOPE OF SERVICES AND DUTIES.

The services to be provided by CONSULTANT and the scope of CONSULTANT’s duties shall be to coordinate the activities of the Yuba Watershed Protection & Fire Safe Council (the “COUNCIL”), as directed by the Yuba County Agricultural Commissioner and the COUNCIL, under authority of the Yuba County Board of Supervisors. The Coordinator position is intended to conduct fire safe education and planning for high fire risk areas of Yuba County. Those duties include the following:

Responsibility: CONSULTANT will work under the Yuba County Agricultural Commissioner and in cooperation with the COUNCIL in coordinating the activities of the COUNCIL.

Specific Duties: CONSULTANT agrees to perform the following Services, which Services may be modified from time to time by CONSULTANT, Yuba County Agricultural Commissioner and COUNCIL, as the time and funds set forth in Attachment "B" will provide for; said Services being as prioritized and approved by the COUNCIL for completion under its 2005-2006 strategic operating plan:

Operations

1. Assist the COUNCIL’s Chair/Facilitator in preparing for meetings. Prepare and email agenda packets and all supporting reports and documentation, and attend all meetings.

2. Attend all committee and Task groups meetings and provide assistance as required.

3. Communicate with other county Fire Safe Councils.

Grants

1. Perform the tasks (deliverables) required and funded by grants. Report progress to the COUNCIL through written monthly reports. Prepare periodic reports to grant funders as required.

2. Prepare a monthly Executive Summary for the COUNCIL on all grants in progress.
Projects

1. Work with the COUNCIL, CalFire, local Fire Districts, and the community to develop and implement Community Coordinated Landscape Plans including the Yuba County All-Hazards Mitigation Planning effort.

2. Reengage local communities with the COUNCIL.

3. Provide general oversight and assistance in implementing a Community Defensible Space Chipping and Shredding Program.

Outreach

1. Conduct community awareness campaigns by speaking to community groups, preparing press releases, planning and conducting community events, television and radio interviews. Coordinate all press and public relations activities and inquiries related to the activities of the Council. Reply to requests and inquiries from the community.

2. Prepare flyers, brochures, posters and other materials to educate the public about fire safety.

A.2. TIME SERVICES RENDERED.

CONSULTANT shall provide services in a timely basis within the term of this Agreement.

A.3. MANNER SERVICES ARE TO BE PERFORMED.

As an independent contractor, CONSULTANT shall be responsible for providing services and fulfilling obligations hereunder in a professional manner. COUNTY shall not control the manner of performance.

A.4. FACILITIES FURNISHED BY COUNTY.

CONSULTANT shall, at his/her sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Agreement.
ATTACHMENT B

PAYMENT

COUNTY shall pay CONSULTANT as follows:

B.1 BASE CONTRACT FEE. Pursuant to Operative Provision 2. above, COUNTY shall pay CONSULTANT on a monthly basis, a contract fee not to exceed Two Thousand Six Hundred, Sixty Six Dollars, Sixty Six Cents ($2,666.66) per month for CONSULTANT to perform Forty One Hours (41) per month in the provision of the services set forth in Attachment “A”. CONSULTANT shall submit requests for payment after completion of services or no later than the tenth (10th) day of the month following provision of services. In no event shall total compensation paid to CONSULTANT under this Provision B.1 exceed Thirty Two Thousand Dollars ($32,000) without an amendment to this Agreement approved by the Yuba County Board of Supervisors.

B.2 TRAVEL COSTS. COUNTY shall not pay CONSULTANT for meals, lodging or other travel costs not included in this Agreement unless said costs are approved in advance by the COUNTY representative (Operative Provision 7) and then COUNTY shall pay COUNTY per diem rates in effect on the date of invoice upon presentation of invoices.

B.3 AUTHORIZATION REQUIRED. Services performed by CONSULTANT and not authorized in this Agreement shall not be paid for by COUNTY. Payment for additional services shall be made to CONSULTANT by COUNTY if, and only if, this Agreement is amended by both parties in advance of performing additional services.
ATTACHMENT C

OTHER TERMS

C.1 FUNDING AVAILABILITY. CONSULTANT acknowledges that COUNTY is the recipient of funds which are being used to pay for the services of CONSULTANT. Should the funds become unavailable, COUNTY shall have the right to immediately terminate this agreement upon giving written notice of termination to CONSULTANT. This notice shall be effective starting with the date it is mailed.

C.2 CONFLICT OF INTEREST.

a. CONSULTANT certifies that CONSULTANT is aware the Political Reform Act (California Government Code section 81000 and following) prohibits CONSULTANT from using its official position to influence the making of any decision that will affect a financial interest of the CONSULTANT. A violation of the Political Reform Act subjects the CONSULTANT to administrative, civil, and criminal penalties. Additionally, California Government Code section 1090 prohibits employees and officers of the County from being financially interested in any grant or contract made by them in their official capacity, and provides that any such grant or contract is void from its inception. A violation of Government Code section 1090 is a felony and a conviction results in depriving the officer or employee from holding any office in the State of California.

b. CONSULTANT shall be subject to the terms of the Yuba County Conflict of Interest Code and shall be required to file a Statement of Financial Interest with the Yuba County Clerk prior to providing services pursuant to this Agreement, annually during the term of this Agreement, and within thirty days after the Agreement terminates. CONSULTANT shall be required to disclose all investments and business positions in business entities, sources of income and interests in real property within the County of Yuba and within two miles of the exterior boundaries of Yuba County.
ATTACHMENT D

GENERAL PROVISIONS

D.1 INDEPENDENT CONTRACTOR. At all times during the term of this Agreement, CONSULTANT shall be responsible for their own operating costs and expenses, property and income taxes, workers' compensation insurance and any other costs and expenses in connection with performance of services under this Agreement. CONSULTANT shall be an independent contractor and shall not be an employee of the COUNTY. COUNTY shall have the right to control CONSULTANT only insofar as the results of CONSULTANT's services rendered pursuant to this Agreement. COUNTY shall not have the right to control the means by which CONSULTANT accomplishes services rendered pursuant to this Agreement.

D.2 LICENSES, PERMITS, ETC. CONSULTANT represents and warrants to COUNTY that it has all licenses, permits, qualifications, and approvals of whatsoever nature which are legally required for CONSULTANT to practice its profession. CONSULTANT represents and warrants to COUNTY that CONSULTANT shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, and approvals which are legally required for CONSULTANT to practice its profession at the time the services are performed. Failure of the CONSULTANT to comply with this provision shall authorize the COUNTY to immediately terminate this agreement notwithstanding Operative Provision No. 9.

D.3 TIME. CONSULTANT shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for the satisfactory performance of CONSULTANT's obligations pursuant to this Agreement. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.

D.4 INSURANCE. CONSULTANT shall produce and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CONSULTANT, his agents, representatives, employees or SUBCONTRACTORS. If CONSULTANT fails to maintain the Insurance provided herein, COUNTY may secure such insurance and deduct the cost thereof from any funds owing to CONSULTANT.

D.4.1 MINIMUM SCOPE OF INSURANCE. Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence Form CG 00 01).
2. Insurance Services Office Form Number CA 00 01 covering Automobile Liability, code 1 (any auto).
3. Worker’s Compensation insurance as required by the State of California and Employer’s Liability Insurance.

D.4.2 MINIMUM LIMITS OF INSURANCE. CONSULTANT shall maintain limits no less than:

1. General Liability: \( $1,000,000 \) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: \( $1,000,000 \) per accident for bodily injury and property damage.

3. Workers’ Compensation: As required by the State of California.

4. Employer’s Liability: \( $1,000,000 \) each accident, \( $1,000,000 \) policy limit bodily injury by disease, \( $1,000,000 \) each employee bodily injury by disease.

If the CONSULTANT maintains higher limits than the minimums shown above, the COUNTY shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

D.4.3 DEDUCTIBLES AND SELF-INSURED RETENATIONS. Any deductibles or self-insured retentions must be declared to and approved by the COUNTY. At the option of the COUNTY, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the COUNTY, its officers, officials, employees and volunteers; or the CONSULTANT shall provide a financial guarantee satisfactory to the COUNTY guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

D.4.4 OTHER INSURANCE PROVISIONS. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The COUNTY, its officers, officials, employees, and volunteers are to be covered as insured’s with respect to liability arising out of automobile’s owned, leased, hired or borrowed by or on behalf of the CONSULTANT; and with respect to liability arising out of work or operations performed by or on behalf of the CONSULTANT including materials, parts or
equipment furnished in connection with such work or operations. General Liability coverage shall be provided in the form of an Additional Insured endorsement (CG 20 10 11 85 or equivalent) to the CONSULTANT’S insurance policy, or as a separate owner’s policy.

2. For any claims related to this project, the CONSULTANT’S insurance coverage shall be primary insurance as respects the COUNTY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, employees, or volunteers shall be excess of the CONSULTANT’S insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) day’s prior written notice has been provided to the COUNTY.

D.4.5 WAIVER OF SUBROGATION. CONSULTANT hereby agrees to waive subrogation which any insurer of CONSULTANT may acquire from CONSULTANT by virtue of the payment of any loss. CONSULTANT agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

The Workers’ Compensation policy shall be endorsed with a waiver of subrogation in favor of the COUNTY for all worked performed by the CONSULTANT, its employees, agents and SUBCONTRACTORS.

D.4.6 ACCEPTIBILITY OF INSURERS. Insurance is to be placed with insurers with a current A.M. Best’s rating if no less then A:VII unless otherwise acceptable to the COUNTY.

D.4.7 VERIFICATION OF COVERAGE. CONSULTANT shall furnish the COUNTY with original certificates and endorsements effecting coverage required by this clause. The endorsements should be forms provided by the COUNTY or on other than the COUNTY’S forms, provided those endorsements or policies conform to the requirements. All certificates and endorsements are to be received and approved by the COUNTY before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

D.4.8 SUBCONTRACTORS. CONSULTANT shall require and verify that all SUBCONTRACTORS maintain insurance meeting all the requirements stated herein.

D.5 INDEMNITY. CONSULTANT shall defend, indemnify, and hold harmless COUNTY, its elected and appointed councils, boards, commissions, officers, agents, and employees from any liability for damage or claims for damage for personal injury, including death, as well as for property damage, which may arise from the intentional or
negligent acts or omissions of CONSULTANT in the performance of services rendered under this Agreement by CONSULTANT, or any of CONSULTANT's officers, agents, or employees, provided that this indemnification shall not apply to any damage or injury which is caused by the intentional or negligent acts of COUNTY, its elected and appointed councils, boards, commissions, officers, agents, or employees. This indemnification shall specifically survive the termination or expiration of this Agreement.

COUNTY shall defend, indemnify, and hold harmless CONSULTANT, its officers, agents, and employees from any liability for damage or claims for damage for personal injury, including death, as well as for property damage, which may arise from the intentional or negligent acts or omissions of COUNTY in the performance of its duties under this Agreement by COUNTY or any of COUNTY's elected and appointed councils, boards, commissions, officers, agents, or employees; provided that this indemnification shall not apply to any damage or injury which is caused by the intentional or negligent acts of CONSULTANT, its officers, agents, or employees. This indemnification shall specifically survive the termination or expiration of this Agreement.

D.6 CONSULTANT NOT AGENT. Except as COUNTY may specify in writing, CONSULTANT shall have no authority, express or implied, to act on behalf of COUNTY in any capacity whatsoever as an agent. CONSULTANT shall have no authority, express or implied, pursuant to this Agreement to bind COUNTY to any obligation whatsoever.

D.7 ASSIGNMENT PROHIBITED. CONSULTANT may not assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no legal effect.

D.8 PERSONNEL. CONSULTANT shall assign only competent personnel to perform services pursuant to this Agreement. In the event that COUNTY, in its sole discretion, at any time during the term of this Agreement, desires the removal of any person or persons assigned by CONSULTANT to perform services pursuant to this Agreement, CONSULTANT shall remove any such person immediately upon receiving written notice from COUNTY of its desire for removal of such person or persons.

D.9 STANDARD OF PERFORMANCE. CONSULTANT shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which CONSULTANT is engaged. All products of whatsoever nature which CONSULTANT delivers to COUNTY pursuant to this Agreement shall be prepared in a first class and workmanlike manner and shall conform to the standards or quality normally observed by a person practicing in CONSULTANT's profession.

D.10 POSSESSORY INTEREST. The parties to this Agreement recognize that certain rights to property may create a "possessory interest", as those words are used in the California Revenue and Taxation Code (107). For all purposes of compliance by COUNTY with Section 107.6 of the California Revenue and Taxation Code, this recital
shall be deemed full compliance by the COUNTY. All questions of initial determination of possessory interest and valuation of such interest, if any, shall be the responsibility of the County Assessor and the granting parties hereto. A taxable possessory interest may be created by this grant; and if created, the party in whom such an interest is vested will be subject to the payment of property taxes levied on such an interest.

D.11 TAXES. CONSULTANT hereby grants to the COUNTY the authority to deduct from any payments to CONSULTANT any COUNTY imposed taxes, fines, penalties and related charges which are delinquent at the time such payments under this Agreement are due to CONSULTANT.

D.12 TERMINATION. Upon termination of this Agreement as otherwise provided herein, CONSULTANT shall immediately cease rendering service upon the termination date and the following shall apply:

D.12.1 CONSULTANT shall deliver copies of all writings prepared by it pursuant to this Agreement. The term "writings" shall be construed to mean and include: handwriting, typewriting, printing, photostating, photographing, and every other means of recording upon any tangible thing, and form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof.

D.12.2 COUNTY shall have full ownership and control of all such writings or other communications delivered by CONSULTANT pursuant to this Agreement.

D.12.3 COUNTY shall pay CONSULTANT the reasonable value of services rendered by CONSULTANT to the date of termination pursuant to this Agreement not to exceed the amount documented by CONSULTANT and approved by COUNTY as work accomplished to date; provided, however, COUNTY shall not in any manner be liable for lost profits which might have been made by CONSULTANT had CONSULTANT completed the services required by this Agreement. In this regard, CONSULTANT shall furnish to COUNTY such financial information as in the judgment of the COUNTY is necessary to determine the reasonable value of the services rendered by CONSULTANT. In the event of a dispute as to the reasonable value of the services rendered by CONSULTANT, the decision of the COUNTY shall be final. The foregoing is cumulative and does not affect any right or remedy which COUNTY or CONSULTANT may have in law or equity.

CONSULTANT may terminate its services under this Agreement upon thirty (30) days written notice to the COUNTY, without liability for damages, if CONSULTANT is not compensated according to the provisions of the Agreement or upon any other material breach of the Agreement by COUNTY.
D.13 NON-DISCRIMINATION. Throughout the duration of this Agreement, CONSULTANT shall not unlawfully discriminate against any employee of the CONSULTANT or of the COUNTY or applicant for employment or for services or any member of the public because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age or sex.

CONSULTANT shall ensure that in the provision of services under this Agreement, its employees and applicants for employment and any member of the public are free from such discrimination. CONSULTANT shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900, et seq.). The applicable regulations of the Fair Employment Housing Commission implementing Government Code Section 12900, set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. CONSULTANT shall also abide by the Federal Civil Rights Act of 1964 and all amendments thereto, and all administrative rules and regulations issued pursuant to said Act. CONSULTANT shall give written notice of its obligations under this clause to any labor agreement. CONSULTANT shall include the non-discrimination and compliance provision of this paragraph in all subcontracts to perform work under this Agreement.

D.14 REHABILITATION ACT OF 1973/AMERICANS WITH DISABILITIES ACT OF 1990. In addition to application of the non-discrimination provision of this Agreement, above, CONSULTANT agrees to comply with all provisions of section 504 et seq. of the Rehabilitation Act of 1973, and with all provisions of the Americans with Disabilities Act of 1990, and all amendments thereto, and all administrative rules and regulations issued pursuant to said Acts, pertaining to the prohibition of discrimination against qualified handicapped and disabled persons, in all programs or activities, as to employees or recipients of services.

D.15 OWNERSHIP OF INFORMATION. Notwithstanding anything to the contrary contained herein, all professional and technical information and writings developed under this Agreement and all work sheets, reports, and related data shall become the property of COUNTY, and CONSULTANT agrees to deliver reproducible copies of such documents to COUNTY on completion or termination of the services hereunder. The COUNTY agrees to defend, indemnify and hold CONSULTANT harmless from any claim arising out of reuse of such documents for other than this project or arising out of any change in or alteration of such documents by COUNTY to which changes CONSULTANT has not previously consented to in writing.

D.16 WAIVER. A waiver by any party of any breach of any term, covenant or condition herein contained or a waiver of any right or remedy of such party available hereunder at law or in equity shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained or of any continued or subsequent right to the same right or remedy. No party shall be deemed to have made any such waiver unless it is in writing and signed by the party so waiving.
D.17 COMPLETENESS OF INSTRUMENT. This Agreement, together with its specific references and attachments, constitutes all of the agreements, understandings, representations, conditions, warranties and covenants made by and between the parties hereto. Unless set forth herein, neither party shall be liable for any representations made express or implied.

D.18 SUPERSEDES PRIOR AGREEMENTS. It is the intention of the parties hereto that this Agreement shall supersede any prior agreements, discussions, commitments, representations, or agreements, written or oral, between the parties hereto.

D.19 CAPTIONS. The captions of this Agreement are for convenience in reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

D.20 DEFINITIONS. Unless otherwise provided in this Agreement, or unless the context otherwise requires, the following definitions and rules of construction shall apply herein.

D.20.1 NUMBER AND GENDER. In this Agreement, the neuter gender includes the feminine and masculine, and the singular includes the plural, the word "person" includes corporations, partnerships, firms or associations, wherever the context so requires.

D.20.2 MANDATORY AND PERMISSIVE. "Shall" and "will" and "agrees" are mandatory. "May" is permissive.

D.21 TERM INCLUDES EXTENSIONS. All references to the term of this Agreement or the Agreement Term shall include any extensions of such term.

D.22 SUCCESSORS AND ASSIGNS. All representations, covenants and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

D.23 MODIFICATION. No modification or waiver of any provision of this Agreement or its attachments shall be effective unless such waiver or modification shall be in writing, signed by all parties, and then shall be effective only for the period and on the condition, and for the specific instance for which given.

D.24 COUNTERPARTS. This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

D.25 OTHER DOCUMENTS. The parties agree that they shall cooperate in good faith to accomplish the object of this Agreement and to that end, agree to execute and deliver
such other and further instruments and documents as may be necessary and convenient to the fulfillment of these purposes.

**D.26 PARTIAL INVALIDITY.** If any term, covenant, condition or provision of this Agreement is held by a Court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provision and/or provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

**D.27 JURISDICTION.** It is agreed by the parties hereto that unless otherwise expressly waived by them, any action brought to enforce any of the provisions hereof or for declaratory relief hereunder shall be filed and remain in a Court of competent jurisdiction in the County of Yuba, State of California.

**D.28 CONTROLLING LAW.** The validity, interpretation and performance of this Agreement shall be controlled by and construed under the laws of the State of California.

**D.29 TIME IS OF THE ESSENCE.** Time is of the essence of this Agreement and each covenant and term a condition herein.

**D.30 AUTHORITY.** All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, estates or firms represented or purported to be represented by such entity(s), person(s), estate(s) or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Further, by entering into this Agreement, neither party hereto shall have breached the terms or conditions of any other contract or agreement to which such party is obligated, which such breach would have a material effect hereon.

**D.31 CONFLICT OF INTEREST.** Neither a COUNTY employee whose position in COUNTY enables such employee to influence the award of this Agreement or any competing Agreement, nor a spouse or economic dependent of such employee, shall knowingly be employed in any capacity by CONSULTANT herein, or have any other direct or indirect financial interest in this Agreement.

**D.32 NOTICES.** All notices and demands of any kind which either party may require or desire to serve on the other in connection with this Agreement must be served in writing either by personal service or by registered or certified mail, return receipt requested, and shall be deposited in the United States Mail, with postage thereon fully prepaid, and addressed to the party so to be served as follows:
If to "COUNTY":

Agricultural Commissioner
915 8th Street, Suite 127
Marysville, CA 95901

With a copy to:

County Counsel
915 8th Street, Suite 111
Marysville, CA 95901

If to "CONSULTANT":

Stevan W. Andrews
Applied Forest Management
200 Litton Drive, Suite 310
Grass Valley, CA 95945
The County of Yuba
Office of Clerk of the Board of Supervisors

To: Board of Supervisors

From: Donna Stottlemeyer, Clerk of the Board

Subject: Peoria Cemetery District Reappointment

Date: November 1, 2016

Recommendation

Reappoint Raymond Bradley to the Peoria Cemetery District for a term to expire November 1, 2020.

Background and Discussion

The Local Appointment List of all Boards/Commissions/Committees is continually posted indicating vacancies, appointees, terms of office, qualifications and meeting information. This is a scheduled vacancy due to the expiration of Mr. Bradley’s term. Mr. Bradley has been in service on the District since August 22, 2000 and would like to continue in this capacity. In light of the expressed interest, it would be appropriate to appoint at this time.

Fiscal Impact

None due to appointment.

Committee Action

None required.

attachment
The County of Yuba

BOARD OF SUPERVISORS

OCTOBER 18, 2016 - MINUTES

Call to order 9:41 a.m. with Supervisors Andy Vasquez, John Nicoletti, Mary Jane Griego, Roger Abe, and Randy Fletcher present.

I. PLEDGE OF ALLEGIANCE - Led by Supervisor Nicoletti

II. ROLL CALL - Supervisors Vasquez, Nicoletti, Griego, Abe, Fletcher - All present.

III. CONSENT AGENDA: All matters listed under the Consent Agenda are considered to be routine and can be enacted in one motion.

MOTION: Move to approve Consent Agenda
MOVED: Andrew Vasquez
SECOND: Randy Fletcher
AYES: Andrew Vasquez, John Nicoletti, Mary Jane Griego, Roger Abe, Randy Fletcher
NOES: None
ABSENT: None
ABSTAIN: None

A. Administrative Services

1. (442-1016) Approve memorandum of understanding with Local Agency Formation Commission (LAFCO) for space rental in Yuba County Government Center for a period of five years and authorize Chair to execute. Pulled from consideration.

B. Clerk of the Board of Supervisors

1. (443-1016) Approve minutes from meetings of September 27 and October 4, 2016. Approved.

C. Community Development and Services

1. (435-1016) Award contract to R & R Horn, Inc. apparent low bidder, for North Beale Road Complete Streets Phase 1 and authorize Chair to execute agreement upon review and approval of County Counsel and Caltrans. Moved to October 25, 2016.

2. (444-1016) Award contract to The Hanna Group (THG) to provide construction management services for the Scales Road over Slate Creek Bridge Replacement Project authorize Chair to execute upon approval of County Counsel. Approved.

D. Health and Human Services

E. Human Resources

1. (446-1016) Adopt resolution amending Classification System- Basic Salary/ Hourly Schedule by adding Extra Help Classification System Hourly Schedule, effective July 1, 2016. Adopted Resolution No. 2016-105, which is on file in Yuba County Resolution Book No. 47.

IV. SPECIAL PRESENTATION

A. (447-1016) Present proclamation honoring Lowell and America Callahan 2016 National Parents of the Year. (No background material) (Five minute estimate) Postponed.

B. (448-1016) Presentation of Employee Recognition Award Plaques. (Thirty minute estimate) County Administrator Robert Bendorff presented awards to the following:
   - Outstanding Leadership Award - Melissa Gianelli, Health and Human Services
   - Public Service Excellence - Molly Quisenberry, Agriculture Weights and Measures
   - Workforce Excellence - Tiffany Manuel, Human Resources
   - Exceptional Teamwork - TRAKIT Core Team - Kathy Gregg, Tony Gon, Bobby Washburn Community Development and Services and Katie Atkinson, Doug Elliot Information Technology
   - Sustained Effort, Public Service Excellence - Tammy Turner, Health and Human Services
   - Sustained Effort Recognition, Workforce Excellence - Grace Mull, County Administrator
   - Sustained Effort Recognition in all categories - Supervisor John Nicoletti - 12 years and Supervisor Mary Jane Griego - 16 years

C. (449-1016) Receive Yuba County Digital Law Library’s Annual Report for fiscal year 2015-2016. (Five minute estimate) Deputy County Counsel John Whidden recapped activities of the Law Library, location of research computers within the County, and responded to inquiries.

D. (450-1016) Receive update from First Five Yuba Children and Families Commission on Five year strategic plan goals for early childhood development. (20 minute estimate) Executive Director Cynthia Sodari and Ms. Lisa Colvig-Niclai, Applied Survey Research, provided a PowerPoint presentation recapping the plan including the strategies and goals and responded to inquiries.

V. PUBLIC COMMUNICATIONS: None.

VI. COUNTY DEPARTMENTS

A. Human Resources/Health and Human Services

1. (451-1016) Adopt resolutions amending the Department Allocation Schedule and Classification System- Basic Salary/ Hourly Schedule as it relates to Supervising Public Health Nurse I/II effective October 1, 2016. Director Jill Abel recapped restructuring of Public Health Division and responded to inquiries.

MOTION: Move to approve MOVED: John Nicoletti SECOND: Randy Fletcher
AYES: Andrew Vasquez, John Nicoletti, Mary Jane Griego, Roger Abe, Randy Fletcher
NOES: None ABSENT: None ABSTAIN: None

Adopted Resolution Nos. 2016-106 and 2016-107, which is on file in Yuba County Resolution Book No. 47.

B. Board of Supervisors

1. (452-1016) Receive introduction and appoint Weenlyn McCleary Yuba County Public Guardian/Conservator, effective November 1, 2016; approve dual encumbrance of Public
Guardian/Conservator effective October 18 - 31 for transition purposes with current Public Guardian/Conservator; approve employment agreement and authorize Chair to execute; and adopt resolution amending the Classification System-Basic Salary Schedule as it relates to the Public Guardian/Conservator effective November 1, 2016. (15 minute estimate) County Administrator Robert Bendorf made introductions, appointment of Ms. McCleary by the Board and commended Asha Davis for her service to the county.

Ms. Davis commented on her service to the county and thanked the Board for the opportunity to serve as Public Guardian.

Board members commended the service of Ms. Davis and welcomed Ms. McCleary.

MOTION: Move to approve  MOVED: John Nicoletti  SECOND: Randy Fletcher
AYES: Andrew Vasquez, John Nicoletti, Mary Jane Griego, Roger Abe, Randy Fletcher
NOES: None  ABSENT: None  ABSTAIN: None

Adopted Resolution No. 2016-108, which is on file in Yuba County Resolution Book No. 47.

VII. ORDINANCES AND PUBLIC HEARINGS: The Clerk read the disclaimer.

A. (453-1016) Public Hearing - Hold public hearing and approve Foothill Fire Protection District Conflict of Interest Code. (Five minute estimate) Clerk of the Board Donna Stottlemeyer briefly recapped the revision of code by the District. Chair Abe opened the public hearing. No comment.

MOTION: Move to close public hearing and adopt  MOVED: John Nicoletti  SECOND: Randy Fletcher
AYES: Andrew Vasquez, John Nicoletti, Mary Jane Griego, Roger Abe, Randy Fletcher
NOES: None  ABSENT: None  ABSTAIN: None

VIII. CORRESPONDENCE: The Board may direct any item of informational correspondence to a department head for appropriate action.

A. (454-1016) Notice of hearing and agenda from Central Valley Regional Water Quality Control for October 13 - 14, 2016. Received.

B. (455-1016) Three notices from California Fish and Game Commission relating to regulatory actions in the California Code of Regulations. Received.


IX. BOARD AND STAFF MEMBERS REPORTS: This time is provided to allow Board and staff members to report on activities or to raise issues for placement on future agendas.

Supervisor Nicoletti:
♦ Chinese delegation tour of agriculture within Yuba and Sutter Counties
♦ Probation Day Reporting Center
♦ Business walk with YSEDC
♦ SMUD event regarding presentation on 14Forward project
♦ California Water Company General Manager Lee Seidel retirement - Proclamation
Supervisor Fletcher - meetings attended:
- 10-5 Congressman Garamendi community meeting
- 10-6 Library Advisory Commission
- 10-9 Hilltop breakfast
- 10-11 YCWA; Fire Chiefs; Oregon House Community meeting
- 10-13 Staff meeting regarding homeless issue
- 10-14 Area 4 Agency on Aging
- 10-16 Alliance Club

County Administrator Robert Bendorf:
- CAO Association Conference October 21 and 22
- Out of office October 25-28

X. CLOSED SESSION: The Board retired into closed session at 10:59 a.m. and returned at 11:53 a.m. with all present as indicated above.

A. Personnel pursuant to Government Code §54957.6(a) - Labor Negotiations DSA/County of Yuba No report.

B. Pending litigation pursuant to Government Code §54956.9(d)(2) - One Claim By unanimous vote authorization given.

C. Conference with Real Property Negotiator pursuant to Government Code §54956.8 - Property: APN-019-270-010 Property Owner: Darryle and Jerry Kay Stubblefield Negotiating Parties: County of Yuba/Mike Lee Negotiation: Terms of Payment By unanimous vote authorization given.

XI. 1:30 P.M. ADMINISTRATIVE APPEAL HEARING

A. (457-1016) Administrative Appeal Hearing - Hold appeal hearing to determine public nuisance regarding property located at 9019 Marysville Road, Oregon House, CA 95962, APN 048-080-035, owner Jevaughn Bennett, in the amount of $419,581.02. (Roll call vote) (Ten minutes) Continued to October 25, 2016 at 3:30 p.m.

XII. ADJOURN: 1:34 p.m. in memory of Mr. Herschel Todd.

ATTEST: DONNA STOTTELMeyer
CLERK OF THE BOARD OF SUPERVISORS

Approved: ____________________________

Chair

10/18/2016

MINUTE BOOK NO. 73 PAGE 137
DATE: November 1, 2016
TO: Yuba County Board of Supervisors
FROM: Robert Bendorf, County Administrator
RE: Refunding of Revenue Bonds

RECOMMENDATION

It is recommended that the Board of Supervisors authorize the attached resolution approving proceedings to refund the outstanding Yuba Levee Financing Authority (YLFA) 2008 Revenue Bonds.

BACKGROUND

In September 2008, the YLFA, a joint powers authority, formed by the County of Yuba (County) and the Yuba County Water Agency (Agency), issued revenue bonds (Bonds) in the aggregate amount of $78.37 million. The purpose of the Bonds was to provide the local match for the Phase 4 Feather River Setback Levee Improvement Project (Project).

On September 27, 2016, the County’s Financial Advisor presented the proposed refunding to the County and the Agency. The presentation provided information on the cost of the refunding and estimated cash flow savings of approximately $1.3 million per year through 2038, the maturity date of the Bonds. The presentation further indicated that an additional $4 million in project funds could be obtained at a cost of approximately $310,000 per year. Net estimated annual savings would be approximately $1 million if the additional $4 million is borrowed. Actual savings are based on market conditions at the time of sale, which is estimated as early as November 17, 2016.

FISCAL IMPACT

The proposed refunding will reduce the County and Agency’s obligation to pay annual debt service that is not funded by impact fees. Costs of the refunding will be paid from the refinancing. In the event YLFA obtains a credit rating, but later decides not to refinance the Bonds, out-of-pocket expenses are estimated at approximately $50,000.
BOARD OF SUPERVISORS
COUNTY OF YUBA, CALIFORNIA

RESOLUTION NO. _____

RESOLUTION APPROVING PROCEEDINGS TO REFUND THE OUTSTANDING YUBA LEVEE FINANCING AUTHORITY REVENUE BONDS, 2008 SERIES A (YUBA COUNTY LEVEE FINANCING PROJECT), AND THE OUTSTANDING YUBA LEVEE FINANCING AUTHORITY TAXABLE REVENUE BONDS, 2008 SERIES B (YUBA COUNTY LEVEE FINANCING PROJECT), ISSUED TO FINANCE CERTAIN LEVEE AND RELATED IMPROVEMENTS, AND APPROVING THE ISSUANCE AND SALE OF REVENUE BONDS BY THE YUBA LEVEE FINANCING AUTHORITY FOR SUCH PURPOSES AND APPROVING RELATED DOCUMENTS AND OFFICIAL ACTIONS

RESOLVED, by the Board of Supervisors (the “Board”) of the County of Yuba, California (the “County”), as follows:

WHEREAS, the Yuba Levee Financing Authority (the “Authority”) is a joint powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated as of July 22, 2008, by and between the County and the Yuba County Water Agency (the “Agency” and, with the County, the “Members”), and under the provisions of Articles 1 through 4 (commencing with section 6500) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the “Act”), the Authority is authorized pursuant to Article 4 of the Act to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, public entities, including the Members, and to provide financing for public capital improvements of public entities, including the Members;

WHEREAS, the Authority issued its Yuba Levee Financing Authority Revenue Bonds, 2008 Series A (Yuba County Levee Financing Project), in the aggregate principal amount of $64,175,000 (the “2008A Bonds”), and its Yuba Levee Financing Authority Taxable Revenue Bonds, 2008 Series B (Yuba County Levee Financing Project), in the aggregate principal amount of $14,195,000 (the “2008B Bonds” and, with the 2008A Bonds, the “2008 Bonds”), the total original principal of which remains outstanding, to finance a portion of the Feather River Phase IV levee and related improvements in the County (the “Project”);

WHEREAS, the Authority plans to refinance the Project by providing for the refunding the outstanding 2008 Bonds;

WHEREAS, to provide amounts required to refund the 2008A Bonds, the Authority has determined to issue its Yuba Levee Financing Authority Refunding Revenue Bonds, 2016 Series A (Yuba County Levee Refinancing Project), (the “2016A Bonds”), and to provide amounts required to refund the 2008B Bonds, the Authority has determined to issue its Yuba Levee Financing Authority Taxable Refunding Revenue Bonds, 2016 Series B (Yuba County Levee Refinancing Project), (the “2016B Bonds” and, with the 2016A Bonds, the “2016 Bonds”);
Levee Financing Authority Taxable Refunding Revenue Bonds, 2016 Series B (Yuba County Levee Refinancing Project), (the “2016B Bonds” and, with the 2016A Bonds, the “2016 Bonds”);

WHEREAS, the 2016 Bonds will be issued under the provisions of Article 4 (commencing with section 6584) of the Act and an indenture of trust (the “Indenture”), by and between the Authority and U.S. Bank National Association, as trustee;

WHEREAS, in order to provide for the repayment of the 2016 Bonds, the Authority will (a) lease certain property (the “Leased Property”) to the County pursuant to a lease agreement (the “Lease Agreement”) under which the County will agree to make lease payments to the Authority from moneys in its General Fund, and the County will budget and appropriate sufficient amounts in each year to pay a portion of the principal of and interest on the 2016 Bonds, and (b) sell certain property (the “Sale Property”) to the Agency pursuant to an installment sale agreement (the “Installment Sale Agreement”) under which the Agency will agree to make installment payments to the Authority from a pledge of Water Revenues (as defined in the Indenture) to pay a portion of the principal of and interest on the 2016 Bonds;

WHEREAS, the amounts received by the Authority from the County and the amounts received from the Agency will be, in the aggregate, sufficient to pay the principal of and interest on the 2016 Bonds when due;

WHEREAS, the Board desires to make a finding of significant public benefit pursuant to section 6586.5(a)(2) of the California Government Code, and to approve of the refinancing of the Project and the refunding of the 2008 Bonds and the transactions contemplated thereby; and

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

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

Section 1. Findings. The Board hereby finds that significant public benefits will arise from the refinancing of the Project and the refunding of the 2008 Bonds from the proceeds of the 2016 Bonds in accordance with section 6586 of the California Government Code, in that the financing will result in demonstrable savings in effective interest rates.

Section 2. Approval of Bonds. The Board hereby approves the issuance of the 2016 Bonds by the Authority for the purpose of providing funds to refinance the Project and refund the 2008 Bonds.

Section 3. Approval of Site and Facility Lease. The Board hereby approves a site and facility lease, by and between the County and the Authority (the “Site and Facility Lease”), pursuant to which the County will lease the Leased Property to the Authority, to be leased back to the County pursuant to the Lease Agreement, in the form on file with the Clerk of the Board, together with any changes therein or additions thereto deemed advisable by the Chair of the Board, the County Administrative Officer or the Treasurer-Tax Collector (the “Designated Officers”), whose execution thereof shall be conclusive evidence of such approval. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the County to execute, and the Clerk of the Board is hereby authorized and directed to attest, the final form of the Site and Facility Lease for and in the name of the County. The Board hereby authorizes the delivery and performance of the Site and Facility Lease.
Section 4. Approval of Lease Agreement. The Board hereby approves the Lease Agreement, in the form on file with the Clerk of the Board, together with any changes therein or additions thereto deemed advisable by any Designated Officer, whose execution thereof shall be conclusive evidence of the approval of any such changes or additions, so long as the County’s payment obligation under the Lease Agreement does not exceed 50% of the debt service on the 2016 Bonds and the debt service on the 2016 Bonds, as compared to the debt service with respect to the 2008 Bonds, provides net present value savings to the Authority of at least 5%. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the County to execute, and the Clerk of the Board is hereby authorized and directed to attest, the final form of the Lease Agreement for and in the name of the County. The Board hereby authorizes the delivery and performance of the Lease Agreement.

Section 5. Approval of Escrow Agreement. The Board hereby approves an escrow agreement (the “Escrow Agreement”), by and among the Authority, the County, the Agency and U.S. Bank National Association, as escrow bank, providing for the defeasance of the 2008 Bonds, in the form on file with the Clerk of the Board, together with any changes therein or additions thereto deemed advisable by any Designated Officer, whose execution thereof shall be conclusive evidence of such approval. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the County to execute, and the Clerk of the Board is hereby authorized and directed to attest, the final form of the Escrow Agreement for and in the name of the County. The Board hereby authorizes the delivery and performance of the Escrow Agreement.

Section 6. Approval of Termination Agreement. The Board hereby approves a termination agreement, by and among the County, the Authority and U.S. Bank National Association, as trustee for the 2008 Bonds, providing for the termination of the recorded documents relating to the 2008 Bonds (the “Termination Agreement”), in the form on file with the Clerk of the Board, together with any changes therein or additions thereto deemed advisable by any Designated Officer, whose execution thereof shall be conclusive evidence of the approval of any such changes or additions. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the County to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Termination Agreement for and in the name of the County. The Board hereby authorizes the delivery and performance of the Termination Agreement.

Section 7. Sale of Bonds; Approval of Bond Purchase Agreement. The Board hereby approves the negotiated sale of the 2016 Bonds to Raymond James & Associates, Inc. and Hilltop Securities Inc. (the "Underwriters"). The Board hereby approves a bond purchase agreement, by and among the Authority, the County, the Agency and the Underwriters (the “Bond Purchase Agreement”), in the form on file with the Clerk of the Board, together with any changes therein or additions thereto deemed advisable by any Designated Officer, whose execution thereof shall be conclusive evidence of the approval of any such changes or additions, so long as the Underwriters’ discount with respect to the 2016 Bonds does not exceed 0.60% of the aggregate principal amount thereof, and the debt service on the 2016 Bonds, as compared to the debt service with respect to the 2008 Bonds, provides net present value savings to the Authority of at least 5%. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the County to execute the final form of the Bond Purchase Agreement for and in the name of the County. The Board hereby authorizes the delivery and performance of the Bond Purchase Agreement.

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Section 8. Official Statement. The Board hereby approves, and hereby deems nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 (the "Rule"), the preliminary official statement describing the 2016 Bonds (the "Preliminary Official Statement") in the form on file with the Clerk of the Board. The Designated Officers, each acting alone, are hereby authorized and directed to execute an appropriate certificate stating the County’s determination that the Preliminary Official Statement is nearly final within the meaning of the Rule. Distribution of the Preliminary Official Statement in connection with the sale of the 2016 Bonds is hereby approved. The Designated Officers, each acting alone, are hereby authorized and directed to approve any changes in or additions to a final form of official statement (the “Final Official Statement”), and the execution thereof by any Designated Officer shall be conclusive evidence of approval of any such changes and additions. The Board hereby authorizes the distribution of the Final Official Statement by the Underwriters. The Final Official Statement shall be executed in the name and on behalf of the County by any Designated Officer.

Section 9. Credit Documents. The Designated Officers, each acting alone, are hereby authorized and directed to solicit proposals for municipal bond insurance to provide credit support for the 2016 Bonds and a reserve fund surety bond in lieu of cash funding a reserve fund for the 2016 Bonds. Any Designated Officer, or his designee, is hereby authorized to determine whether such municipal bond insurance and/or reserve fund surety bond is financially advantageous to the County. If it is determined that such municipal bond insurance and/or reserve fund surety bond is financially advantageous to the County and a commitment therefor is received, any Designated Officer, or his designee, is hereby authorized to accept such commitment and to revise the legal documents as may be appropriate to provide for such items.

Section 10. Official Actions. The Chair of the Board, the County Administrative Officer or the Treasurer-Tax Collector, the Clerk of the Board and all other officers of the County are each authorized and directed in the name and on behalf of the County to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the documents approved pursuant to this Resolution. Whenever in this Resolution any officer of the County is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

Section 11. Effective Date. This Resolution shall take effect from and after its adoption.
PASSED AND ADOPTED at a regular meeting of the Board of Supervisors of the County of Yuba, State of California on the _____ day of _______________ 2016.

AYES:
NOES:
ABSENT:
ABSTAIN:

Chairman

ATTEST:
CLERK OF THE BOARD OF SUPERVISORS
DONNA STOTTLMEYER

APPROVED AS TO FORM: COUNTY COUNSEL
ANGIL MORRIS JONES

I, the undersigned Clerk of the Board of Supervisors of the County of Yuba, California hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted by the Board of Supervisors of the County at a meeting thereof on the 1st day of November, 2016.

CLERK OF THE BOARD OF SUPERVISORS
DONNA STOTTLMEYER
AFTER RECORDATION RETURN TO:
Quint & Thimmig LLP
900 Larkspur Landing Circle, Suite 270
Larkspur, CA 94939-1726
Attention: Brian D. Quint, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

SITE AND FACILITY LEASE

Dated as of December 1, 2016

by and between the

COUNTY OF YUBA, as Lessor

and

YUBA LEVEE FINANCING AUTHORITY, as Lessee

Relating to

$________
Yuba Levee Financing Authority
Refunding Revenue Bonds, 2016 Series A
(Yuba County Levee Refinancing Project)

and

$________
Yuba Levee Financing Authority
Taxable Refunding Revenue Bonds, 2016 Series B
(Yuba County Levee Refinancing Project)
SITE AND FACILITY LEASE

This SITE AND FACILITY LEASE, dated as of December 1, 2016, is by and between the COUNTY OF YUBA, a political subdivision organized and existing under and by virtue of the laws of the State of California (the “County”), as lessor, and the YUBA LEVEE FINANCING AUTHORITY, a joint exercise of powers authority organized and existing under and by virtue of the laws of the State of California, as lessee (the “Authority”);

WITNESSETH:

WHEREAS, the Authority intends to assist the County by leasing certain real property and improvements to the County pursuant to a Lease Agreement, dated as of December 1, 2016, and recorded concurrently herewith by memorandum thereof (the “Lease Agreement”), and the County proposes to enter into this Site and Facility Lease with the Authority as a material consideration for the Authority’s agreement to lease such real property and improvements to the County;

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED, as follows:

Section 1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Site and Facility Lease shall have the respective meanings specified in that certain Indenture of Trust, dated as of December 1, 2016, by and between the Authority and U.S. Bank National Association, as trustee thereunder (the “Indenture”).

Section 2. Site and Facility Lease. The County hereby leases to the Authority and the Authority hereby leases from the County, on the terms and conditions hereinafter set forth, those certain parcels of real property situated in the County of Yuba, State of California, more particularly described in Exhibit A attached hereto and made a part hereof (collectively, the “Site”), and an existing office building located on the Site, more particularly described in Exhibit B attached hereto and made a part hereof (the “Facility”).

Section 3. Term. The term of this Site and Facility Lease shall commence on the date of recordation of this Site and Facility Lease in the Office of the County Recorder of the County of Yuba, State of California, and shall end on September 1, 2038, unless such term is extended or sooner terminated as hereinafter provided. If, on September 1, 2038, the Indenture shall not be discharged by its terms or if the Lease Payments payable under the Lease Agreement shall have been abated at any time and for any reason, then the term of this Site and Facility Lease shall be extended until there has been deposited with the Trustee an amount sufficient to pay all obligations due under the Lease Agreement, but in no event shall the term of this Site and Facility Lease extend beyond September 1, 2048. If, prior to September 1, 2038, all Lease Payments shall be fully paid or provision made for such payment in accordance with Section 4.3 or 4.4 of the Lease Agreement, the term of this Site and Facility Lease shall end ten (10) days thereafter.

Section 4. Rental. The County acknowledges receipt from the Authority as and for rental hereunder the sum of one dollar ($1.00), on or before the date of delivery of this Site and Facility Lease.

Section 5. Purpose. The Authority shall use the Site and the Facility solely for the purpose of leasing the Site and the Facility to the County pursuant to the Lease Agreement and for such purposes as may be incidental thereto; provided, however, that in the event of default by
the County under the Lease Agreement, the Authority and its assigns may exercise the remedies provided in the Lease Agreement.

Section 6. City’s Interest in the Site and the Facility. The County covenants that it is the owner of fee title to the Site and the Facility.

Section 7. Assignments; Subleases; Amendments. Unless the County shall be in default under the Lease Agreement, the Authority may not assign its rights under this Site and Facility Lease or sublet the Site or the Facility, except as provided in the Lease Agreement and the Indenture, without the prior written consent of the County. This Site and Facility Lease may be amended, if required, pursuant to the provisions of Section 8.3 of the Lease Agreement.

Section 8. Right of Entry. The County reserves the right, for any of its duly authorized representatives, to enter upon the Site and the Facility at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 9. Termination. The Authority agrees, upon the termination of this Site and Facility Lease, to quit and surrender the Site and the Facility in the same good order and condition as the same was at the time of commencement of the term hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the Site and the Facility at the time of the termination of this Site and Facility Lease shall remain thereon and title thereto shall vest in the County.

Section 10. Default. In the event the Authority shall be in default in the performance of any obligation on its part to be performed under the terms of this Site and Facility Lease, which default continues for thirty (30) days following notice and demand for correction thereof to the Authority, the County may exercise any and all remedies granted by law, except that no merger of this Site and Facility Lease and of the Lease Agreement shall be deemed to occur as a result thereof; provided, however, that so long as any Bonds are outstanding and unpaid in accordance with the terms thereof, the Lease Payments assigned by the Authority to the Trustee under the Indenture shall continue to be paid to the Trustee.

Section 11. Quiet Enjoyment. The Authority, at all times during the term of this Site and Facility Lease, shall peaceably and quietly have, hold and enjoy the Site and the Facility subject to the provisions of the Lease Agreement and the Indenture.

Section 12. Waiver of Personal Liability. All liabilities under this Site and Facility Lease on the part of the Authority are solely liabilities of the Authority and the County hereby releases each and every member, director, officer, employee and agent of the Authority of and from any personal or individual liability under this Site and Facility Lease. No member, director, officer, employee or agent of the Authority shall at any time or under any circumstances be individually or personally liable under this Site and Facility Lease for anything done or omitted to be done by the Authority hereunder.

Section 13. Taxes. The County covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Site and the Facility (including both land and improvements).

Section 14. Eminent Domain. In the event the whole or any part of the Site or the Facility is taken by eminent domain proceedings, the interest of the Authority shall be recognized and is hereby determined to be the amount of the then unpaid Bonds including the unpaid principal and interest with respect to any such Bonds then outstanding and, subject to the provisions of the Lease Agreement, the balance of the award, if any, shall be paid to the County.
Section 15. Use of the Proceeds. The County and the Authority hereby agree that the lease to the Authority of the County’s right, title and interest in the Site and the Facility pursuant to Section 2 serves the public purposes of the County. The County hereby agrees that the proceeds of the Bonds shall be used solely for the purpose of refunding the 2008 Bonds, issued to finance financing the costs of the Project (as defined in the Indenture).

Section 16. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site and Facility Lease shall, to any extent, be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding, order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site and Facility Lease shall be affected thereby, and each provision of this Site and Facility Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 17. Notices. All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests 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 mail, return receipt requested, postage prepaid, and, if to the County, to the County Administrative Officer, County of Yuba, 915 8th Street, Marysville, CA 95901, and if to the Authority, to the Executive Director, Yuba Levee Financing Authority, 42915 8th Street, Marysville, CA 95901, or to such other addresses as the respective parties may from time to time designate by notice in writing.

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 of this Site and Facility Lease.

Section 19. Applicable Law. This Site and Facility Lease shall be governed by and construed in accordance with the laws of the State.
Section 20. Execution in Counterparts. This Site and Facility Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the County and the Authority have caused this Site and Facility Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

COUNTY OF YUBA, as Lessor

By ______________________________
Name ______________________________
Title ______________________________

Attest:

______________________________
Name
Clerk of the Board of Supervisors

YUBA LEVEE FINANCING AUTHORITY, as Lessee

By ______________________________
Name ______________________________
Title ______________________________

Attest:

______________________________
Name
Secretary
[NOTARY ACKNOWLEDGMENTS TO BE ATTACHED]
EXHIBIT A

DESCRIPTION OF THE SITE

All that certain real property situated in the County of Yuba, State of California, described as follows:

A CERTAIN RECTANGULAR PARCEL OF LAND LOCATED IN RANGE “C” DELINEATED AND DESIGNATED AS “CORTEZ SQUARE”, UPON THE MAP OF MARYSVILLE, RECORDED FEBRUARY 7, 1851, IN VOLUME 2 OF DEEDS, PAGES 213 AND 214 AND UPON THE OFFICIAL MAP OF THE CITY OF MARYSVILLE, APPROVED MARCH 22, 1856, AND NOW ON FILE IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF YUBA, STATE OF CALIFORNIA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT WHERE THE CENTER LINE OF B STREET INTERSECTS WITH THE SOUTH PROPERTY LINE OF SIXTH STREET IF PRODUCED EASTERLY FROM THE WEST; THENCE WESTERLY AND PARALLEL WITH AND FORTY (40) FEET DISTANT FROM THE CENTER LINE OF SIXTH STREET TO THE WEST PROPERTY LINE OF B STREET AND THE POINT OF BEGINNING; THENCE SOUTHERLY ALONG THE WESTERLY BOUNDARY LINE OF B STREET, 325.35 FEET TO A POINT ON THE NORTH PROPERTY LINE OF FIFTH STREET AND DISTANT FORTY (40) FEET FROM THE CENTER LINES OF B STREET AND FIFTH STREET; THENCE WESTERLY ALONG THE NORTH PROPERTY LINE OF FIFTH STREET, 345.65 FEET TO A POINT ON THE EASTERLY PROPERTY LINE OF C STREET AND FORTY (40) FEET DISTANT FROM THE CENTER LINE OF FIFTH STREET AND C STREET; THENCE NORTHERLY ALONG THE EASTERLY PROPERTY LINE OF C STREET 325.1 FEET TO A POINT ON THE SOUTHERLY PROPERTY LINE OF SIXTH STREET AND FORTY (40) FEET DISTANT FROM THE CENTER LINE OF C STREET SIXTH STREET; THENCE EASTERLY ALONG THE SOUTHERLY PROPERTY LINE OF SIXTH STREET 345.93 FEET TO A POINT FORTY (40) FEET DISTANT FROM THE CENTERLINES OF SIXTH STREET AND B STREET, ALSO THE POINT OF BEGINNING.

A.P.N. 010-184-001
EXHIBIT B

DESCRIPTION OF THE FACILITY

Yuba County Jail and Courthouse Complex (215 Fifth Street, Marysville, California). The complex is a three story facility that houses both the Courthouse and the Jail. The Courthouse was built in approximately 1950, and the jail was an addition that was completed in the early 1990s. An additional extensive remodel of a large portion of the building was completed 5 years ago. The total square footage of the complex is 241,646 square feet, and houses the jail (approx. 168,000 sq. ft.), the courts and judges' chambers (approx. 30,000 sq. ft.), Sheriff (approx. 21,000 sq. ft.), District Attorney (Approx. 8,000 sq. ft.) and Probation (approx. 13,000 sq. ft.). Additionally there is a basement level parking garage with approximately 50 parking spaces, work areas for building maintenance and storage areas.
LEASE AGREEMENT

Dated as of December 1, 2016

by and between the

YUBA LEVEE FINANCING AUTHORITY, as Lessor

and the

COUNTY OF YUBA, as Lessee

Relating to

$________

Yuba Levee Financing Authority
Refunding Revenue Bonds, 2016 Series A
(Yuba County Levee Refinancing Project)

and

$________

Yuba Levee Financing Authority
Taxable Refunding Revenue Bonds, 2016 Series B
(Yuba County Levee Refinancing Project)
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LEASE AGREEMENT

THIS LEASE AGREEMENT (the “Lease Agreement”), dated for convenience as of December 1, 2016, by and between the YUBA LEVEE FINANCING AUTHORITY, a joint exercise of powers authority organized and existing under and by virtue of the laws of the State of California, as lessor (the “Authority”), and THE COUNTY OF YUBA, a political subdivision organized and existing under and by virtue of the laws of the State of California, as lessee (the “County”);

WITNESSETH:

WHEREAS, pursuant to that certain Site and Facility Lease, dated as of December 1, 2016 (the “Site and Facility Lease”), the County has leased to the Authority those certain parcels of real property situated in the County of Yuba, State of California, more particularly described in Exhibit A attached hereto and made a part hereof (the “Site”), and the existing improvements located on the Site, more particularly described in Exhibit B attached hereto and made a part hereof (the “Facility” and, with the Site, the “Leased Property”);

WHEREAS, to refund the Yuba Levee Financing Authority Revenue Bonds, 2008 Series A (Yuba County Levee Financing Project) (the “2008A Bonds”), and the Yuba Levee Financing Authority Taxable Revenue Bonds, 2008 Series B (Yuba County Levee Financing Project) (the “2008B Bonds” and, with the 2008A Bonds, the “2008 Bonds”), issued to for the purpose of providing funds to finance a portion of the Feather River Phase IV levee and related improvements in the County (the “Project”), and the Authority has determined to issue its Yuba Levee Financing Authority Refunding Revenue Bonds, 2016 Series A (Yuba County Levee Refinancing Project), in the aggregate principal amount of $_________ (the “Series A Bonds”), and its Yuba Levee Financing Authority Taxable Refunding Revenue Bonds, 2016 Series B (Yuba County Levee Refinancing Project), in the aggregate principal amount of $_________ (the “Series B Bonds” and, with the Series A Bonds, the “Bonds”);

WHEREAS, in order to provide a portion of the revenues necessary to enable the Authority to pay debt service on the Bonds as it becomes due, the Authority proposes to lease the Leased Property to the County pursuant to this Lease Agreement and to assign its right to receive lease payments under this Lease Agreement (the “Lease Payments”), its right to enforce payment of the Lease Payments and otherwise to enforce its interest and rights under this Lease Agreement in the event of a default hereunder by the County, to U.S. Bank National Association, as trustee (the “Trustee”), pursuant to that certain Indenture of Trust, dated as of December 1, 2016, by and between the Authority and the Trustee (the “Indenture”); and

WHEREAS, the proceeds of the Bonds, together with other available moneys, will be applied to (a) refund the 2008 Bonds, (b) purchase a reserve fund municipal bond insurance policy in lieu of cash funding a reserve fund for the Bonds, and (c) pay the costs of issuance of the Bonds;

WHEREAS, the Authority and the County have duly authorized the execution and delivery of this Lease Agreement;

NOW, THEREFORE, for and in consideration of the premises and the material covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows:
ARTICLE I

DEFINITIONS AND EXHIBITS

Section 1.1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Lease Agreement shall have the respective meanings specified in Section 1.01 of the Indenture.

Section 1.2. Exhibits. The following exhibits are attached to, and by this reference made a part of, this Lease Agreement:

- Exhibit A: Description of the Site
- Exhibit B: Description of the Facility
- Exhibit C: Schedule of the Series A Lease Payments
- Exhibit D: Schedule of the Series B Lease Payments
- Exhibit E: Schedule of the Total Lease Payments
ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of Authority. The Authority makes the following covenants, representations and warranties as the basis for its undertakings herein contained:

(a) *Due Organization and Existence.* The Authority is joint exercise of powers entity, organized and existing under and by virtue of the laws of the State; has power to enter into the Site and Facility Lease, this Lease Agreement and the Indenture; is possessed of full power to own and hold, improve and equip real and personal property, and to lease and lease back the same; and has duly authorized the execution and delivery of each of the aforesaid agreements and such agreements constitute the legal, valid and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms.

(b) *Due Execution.* The representatives of the Authority executing the Site and Facility Lease, this Lease Agreement and the Indenture are fully authorized to execute the same pursuant to official action taken by the governing body of the Authority.

(c) *Valid, Binding and Enforceable Obligations.* The Site and Facility Lease, this Lease Agreement and the Indenture have been duly authorized, executed and delivered by the Authority and constitute the legal, valid and binding agreements of the Authority, enforceable against the Authority in accordance their respective terms.

(d) *No Conflicts.* The execution and delivery of the Site and Facility Lease, this Lease Agreement and the Indenture, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Authority is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Authority, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site and Facility Lease, this Lease Agreement and the Indenture or the financial condition, assets, properties or operations of the Authority.

(e) *Consents and Approvals.* No consent or approval of any trustee or holder of any indebtedness of the Authority, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of the Site and Facility Lease, this Lease Agreement and the Indenture, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.

(f) *No Litigation.* Except as disclosed in the official statement relating to the sale of the Bonds, there is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the Authority after reasonable investigation, threatened against or affecting the Authority or the assets, properties or operations of the Authority which, if determined adversely to the Authority or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of the Site and Facility Lease, this Lease
Agreement or the Indenture, or upon the financial condition, assets, properties or operations of the Authority, and the Authority is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site and Facility Lease, this Lease Agreement or the Indenture or the financial conditions, assets, properties or operations of the Authority.

Section 2.2. Representations, Covenants and Warranties of the County. The County makes the following covenants, representations and warranties to the Authority as of the date of the execution and delivery of this Lease Agreement:

(a) Due Organization and Existence. The County is a political subdivision organized and existing under the laws of the State, has full legal right, power and authority under the laws of the State to enter into the Site and Facility Lease and this Lease Agreement and to carry out and consummate all transactions contemplated hereby and thereby, and by proper action the County has duly authorized the execution and delivery of the Site and Facility Lease and this Lease Agreement.

(b) Due Execution. The representatives of the County executing the Site and Facility Lease and this Lease Agreement have been fully authorized to execute the same pursuant to a resolution duly adopted by the Board of Supervisors of the County.

(c) Valid, Binding and Enforceable Obligations. The Site and Facility Lease and this Lease Agreement have been duly authorized, executed and delivered by the County and constitute the legal, valid and binding obligations of the County enforceable against the County in accordance with their respective terms.

(d) No Conflicts. The execution and delivery of the Site and Facility Lease and this Lease Agreement, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof and thereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the County is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the County, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site and Facility Lease and this Lease Agreement, or the financial condition, assets, properties or operations of the County.

(e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the County or of the voters of the County, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of the Site and Facility Lease and this Lease Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.

(f) No Litigation. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the County after reasonable investigation, threatened against or affecting the County or the assets, properties or operations of the County which, if determined adversely to the County or its interests, would have a material and adverse effect upon the consummation of
the transactions contemplated by or the validity of the Site and Facility Lease and this Lease Agreement, or upon the financial condition, assets, properties or operations of the County, and the County is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site and Facility Lease and this Lease Agreement, or the financial conditions, assets, properties or operations of the County.
ARTICLE III

ISSUANCE OF THE BONDS

Section 3.1. The Bonds. The Authority has authorized the issuance of the Bonds pursuant to the Indenture in the aggregate principal amount of ____________ dollars ($_________). The Authority agrees that the proceeds of sale of the Bonds shall be paid to the Trustee on the Closing Date for deposit and application pursuant to the terms and conditions of the Indenture, which terms and conditions authorize the Authority to draw upon specified proceeds of the Bonds for purposes of paying the costs of the Project. The County hereby approves the Indenture, the assignment to the Trustee of the rights of the Authority assigned or purported to be assigned thereunder, and the issuance of the Bonds by the Authority thereunder.
ARTICLE IV
LEASE OF PROPERTY; TERM OF THE LEASE AGREEMENT;
LEASE PAYMENTS

Section 4.1. Lease of Leased Property. The Authority hereby leases the Leased Property to the County, and the County hereby leases the Leased Property from the Authority, upon the terms and conditions set forth in this Lease Agreement.

Section 4.2. Term of Lease. This Lease Agreement shall take effect on the Closing Date, and shall end on the earlier of September 1, 2038, or such earlier date on which the Bonds shall no longer be Outstanding under the Indenture. If, on September 1, 2038, the Indenture shall not be discharged by its terms or if the Lease Payments payable hereunder shall have been abated at any time and for any reason, then the Term of the Lease Agreement shall be extended until there has been deposited with the Trustee an amount sufficient to pay all obligations due under the Lease Agreement, but in no event shall the Term of the Lease Agreement extend beyond September 1, 2048.

Notwithstanding the foregoing, the Term of the Lease Agreement shall not end so long as any amounts are owed to the Municipal Bond Insurer with respect to the Municipal Bond Insurance Policy or the Reserve Policy.

Section 4.3. Lease Payments.

(a) Obligation to Pay. In consideration of the lease of the Leased Property from the Authority hereunder and subject to the provisions of Section 6.2, the County agrees to pay to the Authority, its successors and assigns, as rental for the use and occupancy of the Leased Property during each Fiscal Year, the Series A Lease Payments (denominated into components of principal and interest) for a portion of the Leased Property in the respective principal amounts specified in Exhibit C hereto, plus interest commencing on the Closing Date, to be due and payable on the respective Lease Payment Dates commencing February 15, 2017, and the Series B Lease Payments (denominated into components of principal and interest) for a portion of the Leased Property in the respective amounts specified in Exhibit D hereto, plus interest commencing on the Closing Date, to be due and payable on the respective Lease Payment Dates commencing February 15, 2017. The Series A Lease Payments are equal to the portion of the debt service payments on the Series A Bonds that is allocable to the County and the Series B Lease Payments are equal to the portion of the debt service payments on the Series B Bonds that is allocable to the County. Any amount held in the Revenue Fund (except the Reserve Account therein), the Interest Account, the Principal Account or the Sinking Account on any Lease Payment Date, derived from any source of funds of or allocable to the County, shall be credited towards the Lease Payment then due and payable by the County. The Lease Payments coming due and payable in any Fiscal Year shall be for the use of the Leased Property for such Fiscal Year.

The County’s obligation to pay Lease Payments hereunder shall be absolute and unconditional subject only to abatement, in the event and to the extent that there is substantial interference with the use and occupancy of the Leased Property or any portion thereof.

(b) Rate on Overdue Payments. In the event the County should fail to make any of the payments required in this Section 4.3, the payment in default shall continue as an obligation of the County until the amount in default shall have been fully paid, and the County agrees to pay the same with interest thereon, from the date of default to the date of payment at the highest
rate of interest borne by any Outstanding Bond. Such interest, if received, shall be deposited in the Revenue Fund.

(c) *Fair Rental Value.* The Lease Payments and Additional Payments coming due and payable in each Fiscal Year shall constitute the total rental for the Leased Property for each Fiscal Year and shall be paid by the County in each Fiscal Year for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of, the Leased Property during each Fiscal Year. The Authority and the County hereby agree and determine that the total Lease Payments do not exceed the fair rental value of the Leased Property. In making such determination, consideration has been given to the obligations of the parties under this Lease Agreement, the value of the Leased Property, the uses and purposes which may be served by the Leased Property and the benefits therefrom which will accrue to the County and the general public.

(d) *Source of Payments; Budget and Appropriation.* The Lease Payments shall be payable from any source of available funds of the County, subject to the provisions of Section 6.2. The County covenants to take such action as may be necessary to include all Lease Payments and Additional Payments, if any, due hereunder in each of its budgets during the Term of the Lease Agreement and to make the necessary annual appropriations for all such Lease Payments. The covenants on the part of the County herein contained shall be deemed to be and shall be construed to be ministerial duties imposed by law and it shall be the duty of each and every public official of the County to take such action and do such things as are required by law in the performance of the official duty of such official to enable the County to carry out and perform the covenants and agreements in this Lease Agreement agreed to be carried out and performed by the County. During the Term of the Lease Agreement, the County shall furnish to the Authority and the Trustee, no later than ten days following the adoption of a budget for the current Fiscal Year, a certificate stating that the Lease Payments and Additional Payments, if any, due in that Fiscal Year have been included in the budget approved by the Board of Supervisors of the County for such Fiscal Year.

(e) *Assignment.* The County understands and agrees that all Lease Payments have previously been assigned by the Authority to the Trustee in trust, pursuant to Section 5.01 of the Indenture, for the benefit of the Owners of the Bonds, and the County hereby assents to such assignment. The Authority hereby directs the County, and the County hereby agrees, to pay all of the Lease Payments to the Trustee at its Office.

(f) *Security Deposit.* Notwithstanding any other provision of this Lease Agreement, the County may on any date secure the payment of the Lease Payments for the Leased Property in whole or in part by depositing with the Trustee an amount of cash which, together with other available amounts, including but not limited to amounts on deposit in the Revenue Fund and the Reserve Account allocable to the Lease Payments, is either (i) sufficient to pay such Lease Payments, including the principal and interest components thereof, and premium, if any, in accordance with the Lease Payment schedules set forth in Exhibits C and D, or (ii) invested in whole or in part in Defeasance Obligations in such amount as will, in the opinion of an Independent Accountant, together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay such Lease Payments when due hereunder, as the County shall instruct at the time of said deposit. Said security deposit shall be deemed to be and shall constitute a special fund for the payment of Lease Payments in accordance with the provisions of this Lease Agreement.

Section 4.4. *Prepayment Option.* The Authority hereby grants an option to the County to prepay the principal component of the Lease Payments in full, or in part, without premium, as described in the Indenture with respect to the redemption of Bonds.
Section 4.5. Quiet Enjoyment. During the Term of the Lease Agreement, the Authority shall provide the County with quiet use and enjoyment of the Leased Property, and the County shall, during such Term, peaceably and quietly have and hold and enjoy the Leased Property without suit, trouble or hindrance from the Authority, except as expressly set forth in this Lease Agreement. The Authority will, at the request of the County and at the County’s cost, join in any legal action in which the County asserts its right to such possession and enjoyment to the extent the Authority may lawfully do so. Notwithstanding the foregoing, the Authority shall have the right to inspect the Leased Property as provided in Section 7.2.

Section 4.6. Title. If the County pays all of the Lease Payments and Additional Payments during the Term of the Lease Agreement as the same become due and payable, or if the County posts a security deposit for payment of the Lease Payments pursuant to Section 4.3(f), and if the County has paid in full all of the Additional Payments coming due and payable as of such date, and provided in any event that no Event of Default shall have occurred and be continuing, all right, title and interest of the Authority in and to the Leased Property shall be transferred to and vested in the County. The Authority agrees to take any and all steps and execute and record any and all documents reasonably required by the County to consummate such transfer of title.

Section 4.7. Additional Payments. In addition to the Lease Payments, the County shall pay when due the following Additional Payments:

(a) Any fees and expenses incurred by the Authority in connection with or by reason of its leasehold estate in the Leased Property as and when the same become due and payable;

(b) Any amounts due to the Trustee pursuant to Section 8.06 of the Indenture for all services rendered under the Indenture and for all reasonable expenses, charges, costs, liabilities, legal fees and other disbursements incurred in and about the performance of its powers and duties under the Indenture;

(c) Any reasonable fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Authority or the Trustee to prepare audits, financial statements, reports, opinions or provide such other services required under this Lease Agreement or the Indenture; and

(d) Any reasonable out-of-pocket expenses of the Authority in connection with the execution and delivery of this Lease Agreement or the Indenture, or in connection with the issuance of the Bonds, including any and all expenses incurred in connection with the authorization, issuance, sale and delivery of the Bonds, or incurred by the Authority in connection with any litigation which may at any time be instituted involving this Lease Agreement, the Bonds, the Indenture or any of the other documents contemplated hereby or thereby, or incurred by the Authority in connection with the Continuing Disclosure Certificate, or otherwise incurred in connection with the administration hereof or thereof.

(e) The County hereby agrees to pay or reimburse the Municipal Bond Insurer, to the extent permitted by law, (i) for all amounts paid by the Municipal Bond Insurer under the terms of the Municipal Bond Insurance Policies, and (ii) any and all charges, fees, costs and expenses which the Municipal Bond Insurer may reasonably pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (A) any accounts established to facilitate payments under the Municipal Bond Insurance Policies, (B) the administration, enforcement, defense or preservation of any rights in respect this Lease Agreement or the Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the County or any affiliate thereof) relating to this Lease Agreement or the Indenture, any party to this Lease Agreement or the Indenture or the transaction contemplated by the Site and
Facility Lease, this Lease Agreement or the Indenture, (C) the foreclosure against, sale or other disposition of any collateral securing any obligations under the Site and Facility Lease, this Lease Agreement or the Indenture, or the pursuit of any remedies under this Lease Agreement or the Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, or (D) any amendment, waiver or other action with respect to, or related to, the Site and Facility Lease, this Lease Agreement or the Indenture whether or not executed or completed; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the Municipal Bond Insurer spent in connection with the actions described in clauses (B) through (D) above. In addition, the Municipal Bond Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Site and Facility Lease, this Lease Agreement or the Indenture. The County will pay interest on the amounts owed in this paragraph from the date of any payment due or paid, at the per annum rate of interest publicly announced from time to time by JPMorgan Chase Bank, National Association at its principal office in New York, New York as its prime lending rate (any change in such prime rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank, National Association) plus three percent (3%) per annum (the “Reimbursement Rate”). The Reimbursement Rate shall be calculated on the basis of the actual number of days elapsed over a 360-day year. In the event JPMorgan Chase Bank ceases to announce its prime rate publicly, the prime rate shall be the publicly announced prime rate or base lending rate of such national bank, as the Municipal Bond Insurer shall specify. The provisions of this paragraph shall survive the redemption, defeasance or termination of the Bonds or the termination of this Lease Agreement or the Indenture.

(f) In addition to any and all rights of reimbursement, subrogation and any other rights pursuant hereto or under law or in equity, the County agrees to pay or reimburse the Municipal Bond Insurer, to the extent permitted by law, any and all charges, fees, costs, claims, losses, liabilities (including penalties), judgments, demands, damages, and expenses which the Municipal Bond Insurer or its officers, directors, shareholders, employees, agents and each person, if any, who controls the Municipal Bond Insurer within the meaning of either Section 15 of the Securities Act of 1933, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended, may reasonably pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, of any nature in connection with, in respect of or relating to the transactions contemplated by this Lease Agreement or the Indenture by reason of:

(i) any omission or action (other than of or by the Municipal Bond Insurer) in connection with the offering, issuance, sale, remarketing or delivery of the Bonds;

(ii) the negligence, bad faith, willful misconduct, misfeasance, malfeasance or theft committed by any director, officer, employee or agent of the County or the Authority in connection with any transaction arising from or relating to the Site and Facility Lease, this Lease Agreement or the Indenture;

(iii) the violation by the County of any law, rule or regulation, or any judgment, order or decree applicable to it;

(iv) the breach by the County of any representation, warranty or covenant under the Site and Facility Lease or this Lease Agreement or the occurrence, in respect of the County, under the Site and Facility Lease, this Lease Agreement or the Indenture of any “event of default” or any event which, with the giving of notice or lapse of time or both, would constitute any “event of default”; or
(v) any untrue statement or alleged untrue statement of a material fact contained in any official statement relating to the Bonds, if any, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such claims arise out of or are based upon any untrue statement or omission in information included in an official statement, if any, and furnished by the Municipal Bond Insurer in writing expressly for use therein.
ARTICLE V
MAINTENANCE, TAXES, INSURANCE AND OTHER MATTERS

Section 5.1. Maintenance, Utilities, Taxes and Assessments. Throughout the Term of the Lease Agreement, as part of the consideration for the rental of the Leased Property, all improvement, repair and maintenance of the Leased Property shall be the responsibility of the County and the County shall pay for or otherwise arrange for the payment of all utility services supplied to the Leased Property which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, water and all other utility services, and shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Leased Property resulting from ordinary wear and tear or want of care on the part of the County or any assignee or lessee thereof. In exchange for the Lease Payments herein provided, the Authority agrees to provide only the Leased Property, as hereinbefore more specifically set forth. The County waives the benefits of subsections 1 and 2 of Section 1932 of the California Civil Code, but such waiver shall not limit any of the rights of the County under the terms of this Lease Agreement.

The County shall also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Authority or the County affecting the Leased Property or the respective interests or estates therein; provided, however, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the County shall be obligated to pay only such installments as are required to be paid during the Term of the Lease Agreement as and when the same become due.

The County may, at the County’s expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Authority shall notify the County that, in the reasonable opinion of the Authority, by nonpayment of any such items, the interest of the Authority in the Leased Property will be materially endangered or the Leased Property or any part thereof will be subject to loss or forfeiture, in which event the County shall promptly pay such taxes, assessments or charges or provide the Authority with full security against any loss which may result from nonpayment, in form satisfactory to the Authority and the Trustee.

Section 5.2. Modification of Leased Property. The County shall, at its own expense, have the right to make additions, modifications and improvements to the Leased Property. All additions, modifications and improvements to the Leased Property shall thereafter comprise part of the Leased Property and be subject to the provisions of this Lease Agreement. Such additions, modifications and improvements shall not in any way damage the Leased Property or cause the Leased Property to be used for purposes other than those authorized under the provisions of State and federal law; and the County shall file with the Trustee and the Authority a Written Certificate of the County stating that the Leased Property, upon completion of any additions, modifications and improvements made thereto pursuant to this Section 5.2, shall be of a value which is not substantially less than the value of the Leased Property immediately prior to the making of such additions, modifications and improvements. The County will not permit any mechanic’s or other lien to be established or remain against the Leased Property for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the County pursuant to this Section 5.2; provided, however, that if any such lien is established and the County shall first notify or cause to be notified the Authority of the County’s intention to do so, the County may in good faith contest any lien filed or established against the Leased Property, and in such event may
permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide the Authority with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Authority. The Authority will cooperate fully in any such contest, upon the request and at the expense of the County.

Section 5.3. Public Liability and Leased Property Damage Insurance. The County shall maintain or cause to be maintained throughout the Term of the Lease Agreement, a standard comprehensive general insurance policy or policies in protection of the Authority, the County, and their respective members, officers, agents, employees and assigns. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Leased Property. Said policy or policies shall provide coverage in the minimum liability limits of $1,000,000 for personal injury or death of each person and $3,000,000 for personal injury or deaths of two or more persons in each accident or event, and in a minimum amount of $100,000 (subject to a deductible clause of not to exceed $5,000) for damage to property resulting from each accident or event. Such public liability and property damage insurance may, however, be in the form of a single limit policy in the amount of $3,000,000 covering all such risks. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the County, and such liability insurance may be maintained in whole or in part in the form of self-insurance by the County, subject to the provisions of Section 5.7, or in the form of the participation by the County in a joint powers agency or other program providing pooled insurance. The proceeds of such liability insurance shall be applied by the County toward extinguishment or satisfaction of the liability with respect to which paid.

Section 5.4. Fire and Extended Coverage Insurance. The County shall procure and maintain, or cause to be procured and maintained, throughout the Term of the Lease Agreement, insurance against loss or damage to the improvements constituting a part of the Leased Property by fire and lightning, with extended coverage and vandalism and malicious mischief insurance. Said extended coverage insurance, when required, 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, and shall include earthquake coverage if such coverage is available at reasonable cost from reputable insurers in the judgment of the County. Such insurance shall be in an amount at least equal to the lesser of (a) one hundred percent (100%) of the replacement cost of all of the insured improvements, or (b) one half of the aggregate principal amount of the outstanding Bonds. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the County, and may be maintained in whole or in part in the form of the participation by the County in a joint powers agency or other program providing pooled insurance; provided however, that such insurance may not be maintained by the County in the form of self-insurance. The Net Proceeds of such insurance shall be applied as provided in Section 6.1(a).

Section 5.5. Rental Interruption Insurance. The County shall procure and maintain, or cause to be procured and maintained, throughout the Term of the Lease Agreement, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of the Leased Property as a result of any of the hazards covered in the insurance required by Section 5.4, in an amount at least equal to the maximum Lease Payments coming due and payable during any future twenty-four (24) month period. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the County, and may be maintained in whole or in part in the form of the participation by the County in a joint powers agency or other program providing pooled insurance; provided, however, that such insurance may not be maintained in the form of self-insurance. The proceeds of such insurance, if any, shall be paid to the Trustee and deposited in the Revenue Fund, and shall be credited towards the payment of the Lease Payments as the same become due and payable.
Section 5.6. Recordation Hereof; Title Insurance. The County shall provide, from moneys in the Costs of Issuance Fund or at its own expense, contemporaneously with the acquisition of the Leased Property, a CLTA title insurance policy covering, and in the amount of not less than one half of the principal amount of the Bonds, insuring the County’s leasehold estate in the Leased Property, subject only to Permitted Encumbrances. A copy of such policy shall be delivered to the Municipal Bond Insurer.

Section 5.7. Net Proceeds of Insurance; Form of Policies. Each policy of insurance maintained pursuant to Sections 5.3, 5.4 and 5.5 shall name the Trustee as loss payee so as to provide that all proceeds thereunder shall be payable to the Trustee. All required insurance policies shall be provided by a commercial insurer rated at least “A” by A.M. Best or S&P. The County shall pay or cause to be paid when due the premiums for all insurance policies required by this Lease Agreement. All such policies shall provide that the Trustee and the Municipal Bond Insurer shall be given thirty (30) days’ notice of each expiration, any intended cancellation thereof or reduction of the coverage provided thereby. The Trustee shall not be responsible for the sufficiency or amount of any insurance or self-insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss. The County shall cause to be delivered to the Trustee and the Municipal Bond Insurer annually, no later than August 1 in each year, a certificate stating that all of the insurance policies required by this Lease Agreement are in full force and effect and identifying whether any such insurance is then maintained in the form of self-insurance.

In the event that any insurance maintained pursuant to Section 5.3 shall be provided in the form of self-insurance, the County shall file with the Trustee and the Municipal Bond Insurer annually, within ninety (90) days following the close of each Fiscal Year, a statement of the County risk manager, insurance consultant or actuary identifying the extent of such self-insurance and stating the determination that the County maintains sufficient reserves with respect thereto. In the event that any such insurance shall be provided in the form of self-insurance by the County, the County shall not be obligated to make any payment with respect to any insured event except from such reserves. The results of such review shall be filed with the Trustee and the Municipal Bond Insurer.

Section 5.8. Installation of Personal Leased Property. The County may, at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed items of equipment or other personal property in or upon any portion of the Leased Property. All such items shall remain the sole property of the County, in which neither the Authority nor the Trustee shall have any interest, and may be modified or removed by the County at any time provided that the County shall repair and restore any and all damage to the Leased Property resulting from the installation, modification or removal of any such items. Nothing in this Lease Agreement shall prevent the County from purchasing or leasing items to be installed pursuant to this Section 5.8 under a lease or conditional sale agreement, or subject to a vendor’s lien or security agreement, as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the Leased Property.

Section 5.9. Liens. Neither the County nor the Authority shall, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to any portion of the Leased Property, other than the respective rights of the Trustee, the Authority and the County as provided herein and Permitted Encumbrances. Except as expressly provided in this Article V, the County and the Authority shall promptly, at their own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time. The County shall reimburse the Authority for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.
Section 5.10. Tax Covenants.

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

(b) Federal Guarantee Prohibition. The County shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Series A Bonds to be “federally guaranteed” within the meaning of section 149(b) of the Code.

(c) Rebate Requirement. The County shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Series A Bonds.

(d) No Arbitrage. The County shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Series A Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Series A Bonds to be “arbitrage bonds” within the meaning of section 148 of the Code.

(e) Maintenance of Tax-Exemption. The County shall take all actions necessary to assure the exclusion of interest with respect to the Series A Bonds from the gross income of the Owners of the Series A Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the Closing Date.

Section 5.11. Continuing Disclosure. The County hereby covenants and agrees that it will execute and will comply with and carry out all of the provisions of the Continuing Disclosure Certificate executed by the County. Notwithstanding any other provision of this Lease Agreement, failure of the County to comply with such Continuing Disclosure Certificate, when required, shall not constitute an Event of Default hereunder; provided, however, that the Participating Underwriter or any Owner or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance by the County of its obligations under this Section 5.11, including seeking mandate or specific performance by court order.
ARTICLE VI
DAMAGE, DESTRUCTION AND EMINENT DOMAIN; ABATEMENT OF LEASE PAYMENTS

Section 6.1. Application of Net Proceeds.

(a) From Insurance Award. The Net Proceeds of any insurance award resulting from any damage to or destruction of the Leased Property by fire or other casualty shall be paid by the County to the Trustee and shall be deposited in the Insurance and Condemnation Fund by the Trustee and applied as set forth in Section 5.08 of the Indenture.

(b) From Eminent Domain Award. If the Leased Property or any portion thereof shall be taken permanently or temporarily under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Net Proceeds resulting therefrom shall be deposited in the Insurance and Condemnation Fund and applied as set forth in Section 5.08 of the Indenture.

(c) From Title Insurance Award. The Net Proceeds of any title insurance award shall be paid to the Trustee, deposited in the Insurance and Condemnation Fund and applied as set forth in Section 5.08 of the Indenture.

Section 6.2. Abatement of Lease Payments.

(a) Abatement Due to Damage or Destruction of the Leased Property. The Lease Payments shall be abated during any period in which by reason of damage to or destruction of the Leased Property (other than by eminent domain which is hereinafter provided for) there is substantial interference with the use and occupancy by the County of the Leased Property or any portion thereof. The amount of such abatement shall be an amount agreed upon by the County and the Authority such that the resulting Lease Payments represent fair consideration for the use and occupancy of the portions of the Leased Property not damaged or destroyed and available for use and possession by the County. Such abatement shall continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction or the date when the remaining portion of the Leased Property is available for use and possession by the County. In the event of any such damage, destruction, this Lease Agreement shall continue in full force and effect and the County waives any right to terminate this Lease Agreement by virtue of any such damage or destruction. There shall be no abatement of the Lease Payments to the extent that moneys derived from any person as a result of such damage or destruction are available to pay the amount which would otherwise be abated or if there is any money available in the Revenue Fund or the Reserve Account to pay the amount which would otherwise be abated.

(b) Abatement Due to Eminent Domain. If all of the Leased Property shall be taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Term of the Lease Agreement shall cease with respect to the Leased Property as of the day possession shall be so taken. If less than all of the Leased Property shall be taken permanently, or if all of the Leased Property or any part thereof shall be taken temporarily under the power of eminent domain, (a) this Lease Agreement shall continue in full force and effect and shall not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary, and (b) there shall be a partial abatement of Lease Payments in an amount to be agreed upon by the County and the Authority such that the resulting Lease Payments for the Leased Property represent fair consideration for the use and occupancy of the remaining usable portion of the Leased Property.
ARTICLE VII

DISCLAIMER OF WARRANTIES; ACCESS; INDEMNITY

Section 7.1. Disclaimer of Warranties. THE AUTHORITY MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE COUNTY OF THE LEASED PROPERTY, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE LEASED PROPERTY. IN NO EVENT SHALL THE AUTHORITY AND ITS ASSIGNS BE LIABLE FOR INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THE SITE AND FACILITY LEASE, THIS LEASE AGREEMENT OR THE INDENTURE FOR THE EXISTENCE, FURNISHING, FUNCTIONING OR THE COUNTY’S USE OF THE LEASED PROPERTY.

Section 7.2. Rights of Access. The County agrees that the Authority and any Authorized Representative of the Authority, and the Authority’s successors or assigns, and the Municipal Bond Insurer shall have the right at all reasonable times to enter upon and to examine and inspect the Leased Property. The County further agrees that the Authority, any Authorized Representative of the Authority, and the Authority’s successors or assigns, and the Municipal Bond Insurer shall have such rights of access to the Leased Property as may be reasonably necessary to cause the proper maintenance of the Leased Property in the event of failure by the County to perform its obligations hereunder; provided, however, that the Authority’s assigns shall not be required to cause such proper maintenance.

Section 7.3. Release and Indemnification Covenants. The County shall and hereby agrees to indemnify and save the Authority, the Trustee and their respective officers, agents, successors and assigns, harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of (a) the use, maintenance, condition or management of, or from any work or thing done on the Leased Property by the County, (b) any breach or default on the part of the County in the performance of any of its obligations under this Lease Agreement, (c) any act or negligence of the County or of any of its agents, contractors, servants, employees or licensees with respect to the Leased Property, (d) any act or negligence of any lessee of the County with respect to the Leased Property, or (e) the performance by the Trustee of its duties hereunder or under the Indenture. No indemnification is made under this Section 7.3 or elsewhere in this Lease Agreement for willful misconduct or negligence under this Lease Agreement by the Authority, the Trustee or any of their respective officers or employees. The indemnification hereunder shall survive removal or resignation of the Trustee, termination of this Lease Agreement or discharge of the Bonds.
ARTICLE VIII

ASSIGNMENT, LEASING AND AMENDMENT

Section 8.1. Assignment by the Authority. Certain rights of the Authority under this Lease Agreement, including the right to receive and enforce payment of the Lease Payments to be made by the County under this Lease Agreement, have been pledged and assigned to the Trustee for the benefit of the Owners of the Bonds pursuant to the Indenture, to which pledge and assignment the County hereby consents. The assignment of this Agreement to the Trustee is solely in its capacity as Trustee under the Indenture and the duties, powers and liabilities of the Trustee in acting hereunder shall be subject to the provisions of the Indenture, including, without limitation, the provisions of Article VIII thereof.

Section 8.2. Assignment and Subleasing by the County. This Lease Agreement may not be assigned by the County. The County may sublease the Leased Property or any portion thereof, subject to, and delivery to the Authority of a certificate as to, all of the following conditions:

(a) This Lease Agreement and the obligation of the County to make Lease Payments hereunder shall remain obligations of the County;

(b) The County shall, within thirty (30) days after the delivery thereof, furnish or cause to be furnished to the Authority, the Trustee and the Municipal Bond Insurer a true and complete copy of such sublease;

(c) No such sublease by the County shall cause the Leased Property to be used for a purpose other than as may be authorized under the provisions of the laws of the State.

(d) The County shall furnish the Authority, the Trustee and the Municipal Bond Insurer with a written opinion of Bond Counsel, stating that such sublease is permitted by this Lease Agreement and the Indenture, and will not cause the interest on the Series A Bonds to become included in gross income for federal income tax purposes; and

(e) The County shall obtain the prior written consent of the Municipal Bond Insurer.

Section 8.3. Amendment of Lease.

(a) Substitution of Site or Facility. The County shall have, and is hereby granted, the option at any time and from time to time during the Term of the Lease Agreement to substitute other land (a “Substitute Site”) and/or a substitute facility or substitute facilities (a “Substitute Facility”) for the Site (the “Former Site”), or a portion thereof, and/or the Facility (the “Former Facility”), or a portion thereof, provided that the County shall satisfy all of the following requirements which are hereby declared to be conditions precedent to such substitution:

(i) If a substitution of the Site, the County shall file with the Authority and the Trustee an amendment to the Site and Facility Lease which adds thereto a description of such Substitute Site and deletes therefrom the description of the Former Site;

(ii) If a substitution of the Site, the County shall file with the Authority and the Trustee an amendment to this Lease Agreement which adds thereto a description of such Substitute Site and deletes therefrom the description of the Former Site;
(iii) If a substitution of the Facility, the County shall file with the Authority and the Trustee an amendment to the Site and Facility Lease which adds thereto a description of such Substitute Facility and deletes therefrom the description of the Former Facility;

(iv) If a substitution of the Facility, the County shall file with the Authority and the Trustee an amendment to this Lease Agreement which adds thereto a description of such Substitute Facility and deletes therefrom the description of the Former Facility;

(v) The County shall certify in writing to the Authority and the Trustee that such Substitute Site and/or Substitute Facility serve the purposes of the County, constitutes property that is unencumbered, subject to Permitted Encumbrances, and constitutes property which the County is permitted to lease under the laws of the State;

(vi) The County certifies to the Trustee and the Authority that the Substitute Facility has a useful life equal to or greater than the Former Facility;

(vii) The County certifies to the Trustee, and the Authority and, if required by the Municipal Bond Insurer, provides further evidence, that the Substitute Site and/or Substitute Facility, together with the remaining portions of the Site and/or Facility are of equal or greater value than the Outstanding principal amount of the Bonds;

(viii) The Substitute Site and/or Substitute Facility shall not cause the County to violate any of its covenants, representations and warranties made in this Lease Agreement and in the Indenture;

(ix) The County shall obtain an amendment to the title insurance policy required pursuant to this Lease Agreement which adds thereto a description of the Substitute Site and deletes therefrom the description of the Former Site;

(x) The County shall certify that the Substitute Site and/or the Substitute Facility is of the same or greater essentiality to the County as was the Former Site and/or the Former Facility;

(xi) The County shall obtain the prior written consent of the Municipal Bond Insurer to such substitution and notice of such consent shall be given by the County to any rating agency then rating the Bonds; and

(xii) The County shall furnish the Authority, the Trustee and the Municipal Bond Insurer, with a written opinion of Bond Counsel stating that such substitution does not cause interest on the Series A Bonds to become subject to federal income taxes.

(b) Release of Site. The County shall have, and is hereby granted, the option at any time and from time to time during the Term of the Lease Agreement to release any portion of the Site, provided that the County shall satisfy all of the following requirements which are hereby declared to be conditions precedent to such release:

(i) The County shall file with the Authority and the Trustee an amendment to the Site and Facility Lease which describes the Site, as revised by such release;

(ii) The County shall file with the Authority and the Trustee an amendment to this Lease Agreement which describes the Site, as revised by such release;
(iii) The County certifies to the Trustee and the Authority and, if required by the Municipal Bond Insurer, provides further evidence, that the Site, as revised by such release, together with the Facility, is of equal or greater value than the Outstanding principal amount of the Bonds;

(iv) Such release shall not cause the County to violate any of its covenants, representations and warranties made in this Lease Agreement and in the Indenture;

(v) The County shall obtain an amendment to the title insurance policy required pursuant to this Lease Agreement which describes the Site, as revised by such release;

(vi) The County shall obtain the prior written consent of the Municipal Bond Insurer to such release and notice of such consent shall be given by the County to any rating agency then rating the Bonds; and

(vii) The County shall furnish the Authority, the Trustee the Municipal Bond Insurer with a written opinion of Bond Counsel stating that such release does not cause interest on the Series A Bonds to become subject to federal income taxes.

(c) Release of Facility. The County shall have, and is hereby granted, the option at any time and from time to time during the Term of the Lease Agreement to release any portion of the Facility, provided that the County shall satisfy all of the following requirements which are declared to be conditions precedent to such release:

(i) The County shall file with the Authority and the Trustee an amendment to the Site and Facility Lease which describes the Facility, as revised by such release;

(ii) The County shall file with the Authority and the Trustee an amendment to this Lease Agreement which describes the Facility, as revised by such release;

(iii) The County certifies to the Trustee and the Authority and, if required by the Municipal Bond Insurer, provides further evidence, that the Facility, as revised by such release, together with the Site, also as revised to reflect a corresponding release of a portion of the Site required because of such release of a portion of the Facility, is of equal or greater value than the Outstanding principal amount of the Bonds;

(iv) Such release shall not cause the County to violate any of its covenants, representations and warranties made in this Lease Agreement and in the Indenture;

(v) The County shall obtain the prior written consent of the Municipal Bond Insurer to such release and notice of such consent shall be given by the County to any rating agency then rating the Bonds; and

(vi) The County shall furnish the Authority, the Trustee and the Municipal Bond Insurer with a written opinion of Bond Counsel stating that such release does not cause interest on the Series A Bonds to become subject to federal income taxes.

(d) Generally. The Authority and the County may at any time amend or modify any of the provisions of this Lease Agreement, without the prior written consent of the Owners of the Outstanding Bonds, but with the prior written consent of the Municipal Bond Insurer, but only if such amendment or modification is for any one or more of the following purposes:
(i) to add to the covenants and agreements of the County contained in this Lease Agreement, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power reserved to or conferred upon the County;

(ii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Lease Agreement, or in any other respect whatsoever as the Authority and the County may deem necessary or desirable, provided that, in the opinion of Bond Counsel, such modifications or amendments will not materially adversely affect the interests of the Owners; or

(iii) to amend any provision thereof relating to the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exclusion from gross income of interest with respect to the Series A Bonds under the Code, in the opinion of Bond Counsel.
ARTICLE IX
EVENTS OF DEFAULT; REMEDIES

Section 9.1. Events of Default Defined. The following shall be “Events of Default” under this Lease Agreement:

(a) Failure by the County to pay any Lease Payment required to be paid hereunder at the time specified herein.

(b) Failure by the County to make any Additional Payment required hereunder and the continuation of such failure for a period of thirty (30) days.

(c) Failure by the County to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in the preceding clauses (a) or (b), for a period of sixty (60) days after written notice specifying such failure and requesting that it be remedied has been given to the County by the Authority or the Trustee; provided, however, that if in the reasonable opinion of the County the failure stated in the notice can be corrected, but not within such sixty (60) day period, such failure shall not constitute an Event of Default if (i) the County shall commence to cure such failure within such sixty (60) day period and thereafter diligently and in good faith shall cure such failure in a reasonable period of time, and (ii) the County has obtained the prior written consent of the Municipal Bond Insurer.

(d) The filing by the County of a voluntary petition in bankruptcy, or failure by the County promptly to lift any execution, garnishment or attachment, or adjudication of the County as a bankrupt, or assignment by the County for the benefit of creditors, or the entry by the County into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the County in any proceedings instituted under the provisions of applicable federal bankruptcy law, or under any similar acts which may hereafter be enacted.

Section 9.2. Remedies on Default. Whenever any Event of Default referred to in Section 9.1 shall have happened and be continuing, it shall be lawful for the Authority to exercise any and all remedies available pursuant to law or granted pursuant to this Lease Agreement; provided, however, that notwithstanding anything to the contrary herein or in the Indenture, there shall be no right under any circumstances to accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable or to terminate this Lease Agreement or to cause the fee interest or the leasehold interest of the County in the Leased Property to be sold, assigned or otherwise alienated. Each and every covenant hereof to be kept and performed by the County is expressly made a condition and, upon the breach thereof, the Authority may exercise any and all rights of entry and re-entry upon the Leased Property. The County hereby irrevocably consents to the Authority’s repossession of the Leased Property if such an Event of Default shall occur and consents to the Authority’s re-letting of the Leased Property for the account of the County. In the event of such default and notwithstanding any re-entry by the Authority, the County shall, as herein expressly provided, continue to remain liable for the payment of the Lease Payments and/or damages for breach of this Lease Agreement and the performance of all conditions herein contained and, in any event, such rent and/or damages shall be payable to the Authority at the time and in the manner as herein provided, to wit:

(a) The County agrees to and shall remain liable for the payment of all Lease Payments and the performance of all conditions herein contained and shall reimburse the Authority for any deficiency arising out of the re-leaseing of the Leased Property, or, in the event the Authority
is unable to re-lease the Leased Property, then for the full amount of all Lease Payments to the end of the Term of the Lease Agreement, but said Lease Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Lease Payments hereunder, notwithstanding such entry or re-entry by the Authority or any suit in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining possession of the Leased Property or the exercise of any other remedy by the Authority.

(b) The County hereby irrevocably appoints the Authority as the agent and attorney-in-fact of the County to enter upon and re-lease the Leased Property in the event of default by the County in the performance of any covenants herein contained to be performed by the County and to remove all personal property whatsoever situated upon the Leased Property to place such property in storage or other suitable place in the County of Yuba, for the account of and at the expense of the County, and the County hereby exempts and agrees to save harmless the Authority from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and re-leasing of the Leased Property and the removal and storage of such property by the Authority or its duly authorized agents in accordance with the provisions herein contained.

(c) The County hereby waives any and all claims for damages caused or which may be caused by the Authority 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 County that may be in or upon the Leased Property.

(d) The County agrees that the terms of this Lease Agreement constitute full and sufficient notice of the right of the Authority to re-lease the Leased Property in the event of such re-entry without effecting a surrender of this Lease Agreement, and further agrees that no acts of the Authority in effecting such re-leasing shall constitute a surrender or termination of this Lease Agreement irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise.

Section 9.3. Limitation on Remedies. Notwithstanding the foregoing provisions of Section 9.2, neither the Authority nor the Trustee shall exercise any remedies against the Leased Property to the extent such remedies would generate funds which are not available to satisfy the obligations of this Lease Agreement or the Indenture.

Section 9.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive and every such remedy shall be cumulative and shall, except as herein expressly provided to the contrary, be in addition to every other remedy given under this Lease Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it in this Article IX it shall not be necessary to give any notice, other than such notice as may be required in this Article IX or by law.

Section 9.5. Agreement to Pay Attorneys’ Fees and Expenses. In the event either party to this Lease Agreement should default under any of the provisions hereof and the nondefaulting party should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the nondefaulting party the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party.
Section 9.6. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Lease Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 9.7. Trustee and Bond Owners to Exercise Rights. Such rights and remedies as are given to the Authority under this Article IX have been assigned by the Authority to the Trustee under the Indenture, to which assignment the County hereby consents. Such rights and remedies shall be exercised by the Trustee, the Municipal Bond Insurer and the Owners of the Bonds as provided in the Indenture. The Trustee and the Municipal Bond Insurer shall each be considered a third party beneficiary for enforcing its rights under this Lease Agreement.
ARTICLE X
MISCELLANEOUS

Section 10.1. Notices. All written notices to be given under this Lease Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, confirmed by telephone, (b) upon receipt after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt.

If to the Authority: Yuba Levee Financing Authority 915 8th Street Marysville, CA 95901 Attention: Executive Director Phone: (530) 749-7575 Fax: (530) 749-7312

If to the County: County of Yuba 915 8th Street Marysville, CA 95901 Attention: County Administrative Officer Phone: (530) 749-7575 Fax: (530) 749-7312

If to the Trustee: U.S. Bank National Association One California Street, Suite 2100 San Francisco, CA 94111 Attention: Global Corporate Trust Services Phone: (415) 677-____ Fax: (415) 677-____

If to the Municipal Bond Insurer: ____________________________ ____________________________ ____________________________ Attention: ____________________________ Phone: (____) ___-____ Fax: (____) ___-____

The Authority, the County, the Trustee or the Municipal Bond Insurer may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

Section 10.2. Information to be Given to the Municipal Bond Insurer.

(a) The County shall provide the Municipal Bond Insurer with the following information:

   (i) The fiscal year budget of the County within thirty (30) days after adoption of such budget;

   (ii) annual audited financial statements of the County prepared by an independent certified public accountant, together with a certificate of the Obligor County stating that no event of default has occurred or is continuing under this Installment Sale Agreement or the Indenture;
(ii) prior to issuing additional debt secured on a parity with the Lease Payments, any disclosure document or financing agreement pertaining to such additional debt, which disclosure document or financing agreement shall include, without limitation, the applicable maturity schedule, interest rate or rates, redemption and security provisions pertaining to any such additional debt;

(iv) within thirty (30) days following any litigation or investigation that may have a material adverse effect on the financial position of the County notice of such litigation;

(v) immediate notice of any draw on the Reserve Account; and

(vi) immediate notice of any event of non-appropriation of Lease Payments.

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

(c) Any reorganization or liquidation plan with respect to the County must be acceptable to the Municipal Bond Insurer. In the event of any reorganization or liquidation, the Municipal Bond Insurer shall have the right to vote on behalf of all Owners who hold Bonds guaranteed by the Municipal Bond Insurer, absent a default by the Municipal Bond Insurer under the Municipal Bond Insurance Policies.

Section 10.2. Binding Effect. This Lease Agreement shall inure to the benefit of and shall be binding upon the Authority and the County and their respective successors and assigns.

Section 10.3. Severability. In the event any provision of this Lease Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.4. Net-net-net Lease. This Lease Agreement shall be deemed and construed to be a “net-net-net lease” and the County hereby agrees that the Lease Payments shall be an absolute net return to the Authority, free and clear of any expenses, charges or set-offs whatsoever.

Section 10.5. Further Assurances and Corrective Instruments. The Authority and the County agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Property hereby leased or intended so to be or for carrying out the expressed intention of this Lease Agreement.

Section 10.6. Execution in Counterparts. This Lease Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.7. Applicable Law. This Lease Agreement shall be governed by and construed in accordance with the laws of the State.
Section 10.8. Authorized Representatives. Whenever under the provisions of this Lease Agreement the approval of the Authority or the County is required, or the Authority or the County is required to take some action at the request of the other, such approval or such request shall be given for the Authority by an Authorized Representative of the Authority and for the County by an Authorized Representative of the County, and any party hereto shall be authorized to rely upon any such approval or request.

Section 10.9. Waiver of Personal Liability. All liabilities under this Lease Agreement on the part of the County are solely liabilities of the County and the Authority hereby releases each and supervisor, officer, employee and agent of the County of and from any personal or individual liability under this Lease Agreement. No supervisor, officer, employee or agent of the County shall at any time or under any circumstances be individually or personally liable under this Lease Agreement for anything done or omitted to be done by the County hereunder.

Section 10.10. Limitation of Rights to Parties and Bond Owners. Nothing in this Lease Agreement expressed or implied is intended or shall be construed to give to any person other than the Authority, the Trustee, the County, the Municipal Bond Insurer and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Lease Agreement or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Authority, the Trustee, the County, the Municipal Bond Insurer and the Owners of the Bonds.

Section 10.11. Captions. The captions or headings in this Lease Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Lease Agreement.
IN WITNESS WHEREOF, the Authority has caused this Lease Agreement to be executed in its name by its duly authorized officers; and the County has caused this Lease Agreement to be executed in its name by its duly authorized officers, as of the date first above written.

YUBA LEVEE FINANCING AUTHORITY, as Lessor

By __________________________
Name _________________________
Title __________________________

Attest:

Name __________________________
Secretary

COUNTY OF YUBA, as Lessee

By __________________________
Name _________________________
Title __________________________

Attest:

Name __________________________
Clerk of the Board of Supervisors
[NOTARY ACKNOWLEDGMENTS TO BE ATTACHED]
EXHIBIT A

DESCRIPTION OF THE SITE

All that certain real property situated in the County of Yuba, State of California, described as follows:

A CERTAIN RECTANGULAR PARCEL OF LAND LOCATED IN RANGE “C” DELINEATED AND DESIGNATED AS “CORTEZ SQUARE”, UPON THE MAP OF MARYSVILLE,Recorded February 7, 1851, in Volume 2 of Deeds, Pages 213 and 214, and upon the Official Map of the City of Marysville, Approved March 22, 1856, and now on file in the Office of the County Recorder of the County of Yuba, State of California, and being more particularly described as follows:

COMMENCING AT A POINT WHERE THE CENTER LINE OF B STREET INTERSECTS WITH THE SOUTH PROPERTY LINE OF SIXTH STREET IF PRODUCED EASTERLY FROM THE WEST; THENCE WESTERLY AND PARALLEL WITH AND FORTY (40) FEET DISTANT FROM THE CENTER LINE OF SIXTH STREET TO THE WEST PROPERTY LINE OF B STREET AND THE POINT OF BEGINNING; THENCE SOUtherLY ALONG THE WESTERLY BOUNDARY LINE OF B STREET, 325.35 FEET TO A POINT ON THE NORTH PROPERTY LINE OF FIFTH STREET AND DISTANT FORTY (40) FEET FROM THE CENTER LINES OF B STREET AND FIFTH STREET; THENCE WESTERLY ALONG THE NORTH PROPERTY LINE OF FIFTH STREET, 345.65 FEET TO A POINT ON THE EASTERLY PROPERTY LINE OF C STREET AND FORTY (40) FEET DISTANT FROM THE CENTER LINE OF FIFTH STREET AND C STREET; THENCE NORTHERLY ALONG THE EASTERLY PROPERTY LINE OF C STREET 325.1 FEET TO A POINT ON THE SOUTHERLY PROPERTY LINE OF SIXTH STREET AND FORTY (40) FEET DISTANT FROM THE CENTER LINE OF C STREET SIXTH STREET; THENCE EASTERLY ALONG THE SOUTHERLY PROPERTY LINE OF SIXTH STREET 345.93 FEET TO A POINT FORTY (40) FEET DISTANT FROM THE CENTERLINES OF SIXTH STREET AND B STREET, ALSO THE POINT OF BEGINNING.

A.P.N. 010-184-001
EXHIBIT B

DESCRIPTION OF THE FACILITY

Yuba County Jail and Courthouse Complex (215 Fifth Street, Marysville, California). The complex is a three story facility that houses both the Courthouse and the Jail. The Courthouse was built in approximately 1950, and the jail was an addition that was completed in the early 1990s. An additional extensive remodel of a large portion of the building was completed 5 years ago. The total square footage of the complex is 241,646 square feet, and houses the jail (approx. 168,000 sq. ft.), the courts and judges’ chambers (approx. 30,000 sq. ft.), Sheriff (approx. 21,000 sq. ft.), District Attorney (Approx. 8,000 sq. ft.) and Probation (approx. 13,000 sq. ft.). Additionally there is a basement level parking garage with approximately 50 parking spaces, work areas for building maintenance and storage areas.
## EXHIBIT C

**SCHEDULE OF SERIES A LEASE PAYMENTS**

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### EXHIBIT D

**SCHEDULE OF SERIES B LEASE PAYMENTS**

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## EXHIBIT E

**SCHEDULE OF TOTAL LEASE PAYMENTS**

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ESCROW AGREEMENT

by and among the

YUBA LEVEE FINANCING AUTHORITY,

the

COUNTY OF YUBA

the

YUBA COUNTY WATER AGENCY

and

U.S. BANK NATIONAL ASSOCIATION, as Escrow Bank

Dated December __, 2016

Advance refunding of the outstanding
Yuba Levee Financing Authority
Revenue Bonds, 2008 Series A
(Yuba County Levee Financing Project)
and
Yuba Levee Financing Authority
Taxable Revenue Bonds, 2008 Series B
(Yuba County Levee Financing Project)
This ESCROW AGREEMENT (this “Escrow Agreement”), dated December __, 2016, is by and among the YUBA LEVEE FINANCING AUTHORITY, a joint exercise of powers entity, organized and existing under and by virtue of the laws of the State of California (the “Authority”), the COUNTY OF YUBA, a political subdivision organized and existing under and by virtue of the laws of the State of California (the “County”), the YUBA COUNTRY WATER AGENCY, a water agency organized and existing under and by virtue of the laws of the State of California (the “Agency”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as escrow agent (the “Escrow Bank”).

WITNESSETH:

WHEREAS, the Authority has heretofore issued, on September 23, 2008, its Yuba Levee Financing Authority Revenue Bonds, 2008 Series A (Yuba County Levee Financing Project), in the aggregate principal amount of $64,175,000 (the “2008A Bonds”), and its Yuba Levee Financing Authority Taxable Revenue Bonds, 2008 Series B (Yuba County Levee Financing Project), in the aggregate principal amount of $14,195,000 (the “2008B Bonds” and, with the 2008A Bonds, the “2008 Bonds”), to finance a portion of the Feather River Phase IV levee and related improvements and certain other levee improvements in the County, the total original principal of which remains outstanding;

WHEREAS, the 2008 Bonds were issued pursuant to the terms of an indenture of trust, dated as September 1, 2008 (the “2008 Indenture”), by and between the Authority and U.S. Bank National Association, as trustee thereunder (the “2008 Trustee”);

WHEREAS, in order to provide for the repayment of the 2008 Bonds, the Authority (a) leased certain property (the “Leased Property”) to the County pursuant to a lease agreement (the “Lease Agreement”) under which the County agreed to make lease payments to the Authority in sufficient amounts in each year to pay a portion of the principal of and interest on the 2008 Bonds, and (b) sold certain property (the “Sale Property”) to the Agency pursuant to an installment sale agreement (the “Installment Sale Agreement”) under which the Agency agreed to make installment payments to the Authority in sufficient amounts in each year to pay a portion of the principal of and interest on the 2008 Bonds;

WHEREAS, the County and the Agency have determined that, as a result of favorable financial market conditions and for other reasons, it is in the best interests of the County at this time to refinance the County’s obligation to make the lease payments under the Lease Agreement and it is in the best interests of the Agency at this time to refinance the Agency’s obligation to make the installment payment payments under the Installment Sale Agreement and, as a result thereof, to provide for the payment of the interest on the 2008 Bonds to and including September 1, 2017, and for the redemption of the 2008 Bonds in full on September 1, 2017 (the “Redemption Date”), at the redemption price equal to 100% of the principal amount thereof (the “Redemption Price”), and to that end, the County proposes to enter into a new lease agreement, dated as of December 1, 2016, by and between the Authority and the County, and the Agency proposes to enter into a new installment sale agreement, dated as of December 1, 2016, by and between the Authority and the Agency;

WHEREAS, the Authority, the County and the Agency propose to provide for the payments described above and to appoint the Escrow Bank as their agent for the purpose of applying said deposit to provide for the payment and prepayment of the 2008 Installment
Payments in accordance with the instructions provided by this Escrow Agreement and of applying said 2008 Installment Payments to the payment and redemption of the 2008 Bonds and the Escrow Bank desires to accept said appointment;

WHEREAS, the Authority, the County and the Agency wish to provide for the payments described above and to enter into this Escrow Agreement for the purpose of providing the terms and conditions for the deposit and application of amounts so deposited;

WHEREAS, to provide amounts required to refund the 2008A Bonds, the Authority has issued its $_______ Yuba Levee Financing Authority Refunding Revenue Bonds, 2016 Series A (Yuba County Levee Refinancing Project), (the “2016A Bonds”), and to provide amounts required to refund the 2008B Bonds, the Authority has issued its $_______ Yuba Levee Financing Authority Taxable Refunding Revenue Bonds, 2016 Series B (Yuba County Levee Refinancing Project) (the “2016B Bonds” and, with the 2016A Bonds, the “2016 Bonds”), pursuant to the terms of an indenture, dated as December 1, 2016 (the “Indenture”), by and between the Authority and U.S. Bank National Association, as trustee thereunder (the “Trustee”); and

WHEREAS, the Escrow Bank has full powers to act with respect to the escrow created herein and to perform the duties and obligations to be undertaken pursuant to this Escrow Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants herein set forth, the parties hereto do hereby agree as follows:

Section 1. Discharge of Bonds. The Authority, the County and the Agency hereby irrevocably elect to pay and discharge all indebtedness payable by the County under the Lease Agreement, all indebtedness payable by the Agency under the 2008 Installment Sale Agreement and all indebtedness payable by the Authority under the 2008 Indenture, and to terminate all obligations of the County, the Agency and the Authority thereunder.

Section 2. Escrow Fund.

(a) There is hereby established a special fund, to be held by the Escrow Bank for the benefit of the owners of the 2008 Bonds, to be known as the “Escrow Fund.” Upon the issuance of the 2016 Bonds, there shall be deposited into the Escrow Fund an amount equal to $_______, derived as follows:

(i) $___________ from the proceeds of the 2016A Bonds,

(ii) $___________ from the proceeds of the 2016B Bonds, and

(ii) $___________ from amounts on deposit in the funds and accounts held by the 2008 Trustee under the 2008 Indenture for the 2008 Bonds (the “2008 Moneys”).

(b) The Escrow Bank shall invest $_______ of the moneys deposited into the Escrow Fund pursuant to the preceding paragraph in the securities set forth in Exhibit A attached hereto and by this reference incorporated herein (the “Escrowed Federal Securities”) and shall hold the remaining $_______ in cash, uninvested. The Escrowed Federal Securities shall be deposited with and held by the Escrow Bank in the Escrow Fund solely for the uses and purposes set forth herein.

(c) The Escrow Bank may rely upon the conclusion of Causey Demgen & Moore, P.C., as contained in its opinion and accompanying schedules (the “Report”) dated December __, 2016,
that the Escrowed Federal Securities mature and bear interest payable in such amounts and at such times as, together with cash on deposit in the Escrow Fund, will be sufficient to provide for the payment of the interest on the 2008 Bonds to and including September 1, 2017, and to redeem the outstanding 2008 Bonds on the Redemption Date at the Redemption Price.

(d) The Escrow Bank shall not be liable or responsible for any loss resulting from its full compliance with the provisions of this Escrow Agreement.

(e) Any money left on deposit in the Escrow Fund after payment in full of the 2008 Bonds, and the payment of all amounts due to the Escrow Bank hereunder, shall be transferred to the Trustee and applied to the payment of debt service on the 2016 Bonds.

(f) If the Escrow Bank learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of state and local government series securities ("SLGS") that is to be submitted pursuant to this Escrow Agreement, the Escrow Bank shall promptly request alternative written investment instructions from the County and the Agency with respect to funds which were to be invested in SLGS. The Escrow Bank shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Bank shall hold such funds uninvested and without liability for interest until receipt of further written instructions from the County and the Agency. In the absence of investment instructions from the County and the Agency, the Escrow Bank shall not be responsible for the investment of such funds or interest thereon. The Escrow Bank may conclusively rely upon the County’s and the Agency’s selection of an alternative investment as a determination of the alternative investment’s legality and suitability and shall not be liable for any losses related to the alternative investments or for non-compliance with any yield restriction applicable thereto.

Section 3. Instructions as to Application of Deposit.

(a) The moneys and Escrowed Federal Securities deposited in the Escrow Fund pursuant to Section 2 shall be applied by the Escrow Bank for the sole purpose of paying the interest on the 2008 Bonds to and including September 1, 2017, and redeeming the outstanding 2008 Bonds in full on the Redemption Date at the Redemption Price, all as set forth in Exhibit B attached hereto and by this reference incorporated herein.

(b) The Escrow Bank, in its capacity as 2008 Trustee, is hereby requested, and the Escrow Bank, in its capacity as 2008 Trustee, hereby agrees to give notice of the defeasance of the 2008A Bonds to the owners of the 2008A Bonds and to the Municipal Securities Rulemaking Board (at http://emma.msrb.org) in the form of defeasance notice attached hereto as Exhibit C.

(c) The Escrow Bank, in its capacity as 2008 Trustee, is hereby requested, and the Escrow Bank, in its capacity as 2008 Trustee, hereby agrees to give notice of the defeasance of the 2008B Bonds to the owners of the 2008B Bonds and to the Municipal Securities Rulemaking Board (at http://emma.msrb.org) in the form of defeasance notice attached hereto as Exhibit D.

(d) The Escrow Bank, in its capacity as 2008 Trustee, is hereby requested, and the Escrow Bank, in its capacity as 2008 Trustee, hereby agrees to give notice, of the redemption of the 2008A Bonds on the Redemption Date in accordance with the applicable provisions of the 2008 Indenture and the form of redemption notice attached hereto as Exhibit E.

(e) The Escrow Bank, in its capacity as 2008 Trustee, is hereby requested, and the Escrow Bank, in its capacity as 2008 Trustee, hereby agrees to give notice, of the redemption of the 2008B Bonds on the Redemption Date in accordance with the applicable provisions of the 2008 Indenture and the form of redemption notice attached hereto as Exhibit F.
Section 4. Investment of Any Remaining Moneys. The Escrow Bank shall invest and reinvest the proceeds received from any of the Escrowed Federal Securities, and the cash originally deposited into the Escrow Fund, for a period ending not later than the next succeeding interest payment date relating to the 2008 Bonds, in Federal Securities pursuant to written directions of the County and the Agency; provided, however, that (a) such written directions of the County and the Agency shall be accompanied by (i) a certification of an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions that the Federal Securities then to be so deposited in the Escrow Fund, together with the cash then on deposit in the Escrow Fund, together with the interest to be derived therefrom, shall be in an amount at all times at least sufficient to make the payments specified in Section 3 hereof, and (ii) an opinion of nationally recognized bond counsel ("Bond Counsel") that investment in accordance with such directions will not affect, for Federal income tax purposes, the exclusion from gross income of interest due with respect to the 2008A Bonds, and (b) if the County and the Agency direct such investment or reinvestment to be made in United States Treasury Securities-State and Local Government Series, the County and the Agency shall, at its cost, cause to be prepared all necessary subscription forms therefor in sufficient time to enable the Escrow Bank to acquire such securities. In the event that the County and the Agency shall fail to file any such written directions with the Escrow Bank concerning the reinvestment of any such proceeds, such proceeds shall be held uninvested by the Escrow Bank. Any interest income resulting from investment or reinvestment of moneys pursuant to this Section 4 and not required for the purposes set forth in Section 2, as indicated by such verification, shall, promptly upon the receipt of such interest income by the Escrow Bank, be paid to the County and the Agency Trustee and applied to the payment of debt service on the 2016 Bonds.

Section 5. Substitution or Withdrawal of Federal Securities. The County and the Agency may, at any time, direct the Escrow Bank in writing to substitute Federal Securities for any or all of the Escrowed Federal Securities then deposited in the Escrow Fund, or to withdraw and transfer to the County and the Agency any portion of the Federal Securities then deposited in the Escrow Fund, provided that any such direction and substitution or withdrawal shall be simultaneous and shall be accompanied by (a) a certification of an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions that the Federal Securities then to be so deposited in the Escrow Fund together with interest to be derived therefrom, or in the case of withdrawal, the Federal Securities to be remaining in the Escrow Fund following such withdrawal together with the interest to be derived therefrom, together with the cash then on deposit in the Escrow Fund, shall be in an amount at all times at least sufficient to make the payments specified in Section 3 hereof; and (b) an opinion of Bond Counsel that the substitution or withdrawal will not affect, for Federal income tax purposes, the exclusion from gross income of interest on the 2008A Bonds. In the event that, following any such substitution of Federal Securities pursuant to this Section 5, there is an amount of moneys or Federal Securities in excess of an amount sufficient to make the payments required by Section 2 hereof, as indicated by such verification, such excess shall be paid to the Trustee and applied to the payment of debt service on the 2016 Bonds.

Section 6. Application of 2008 Funds. On the date of deposit of amounts in the Escrow Fund pursuant to Section 2, the Escrow Bank, as 2008 Trustee, is hereby directed to withdraw all 2008 Moneys ($______) and transfer such sum to the Escrow Fund.

Any amounts remaining in any fund or account created with respect to the 2008 Bonds, including interest earnings received by the 2008 Trustee, after payment of all fees and expenses of the 2008 Trustee, shall be transferred to the Authority Trustee to be applied to the payment of debt service on the 2016 Bonds.
Section 7. Application of Certain Terms of 2008 Indenture. All of the terms of the 2008 Indenture relating to the making of payments of principal and interest with respect to the 2008 Bonds are incorporated in this Escrow Agreement as if set forth in full herein. The provisions of the 2008 Indenture relating to the limitations from liability and protections afforded the 2008 Trustee and the resignation and removal of the 2008 Trustee are also incorporated in this Escrow Agreement as if set forth in full herein and shall be the procedure to be followed with respect to any resignation or removal of the Escrow Bank hereunder.

Section 8. Compensation to Escrow Bank. The County and the Agency shall pay the Escrow Bank full compensation for its duties under this Escrow Agreement, including out-of-pocket costs such as publication costs, prepayment or redemption expenses, legal fees and other costs and expenses relating hereto. Under no circumstances shall amounts deposited in the Escrow Fund be deemed to be available for said purposes.

Section 9. Liabilities and Obligations of Escrow Bank. The Escrow Bank shall have no obligation to make any payment or disbursement of any type or incur any financial liability in the performance of its duties under this Escrow Agreement unless the County and the Agency shall have deposited sufficient funds with the Escrow Bank. The Escrow Bank may rely and shall be protected in acting upon the written instructions of the County and the Agency or their agents relating to any matter or action as Escrow Bank under this Escrow Agreement.

The Escrow Bank and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the acceptance of the moneys and securities deposited therein, the sufficiency of the uninvested moneys held hereunder to accomplish the purposes set forth herein, or any payment, transfer or other application of moneys by the Escrow Bank in accordance with the provisions of this Escrow Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Bank made in good faith in the conduct of its duties. The recitals of fact contained in the “whereas” clauses herein shall be taken as the statements of the Authority, the County and the Agency, and the Escrow Bank assumes no responsibility for the correctness thereof. The Escrow Bank makes no representations as to the sufficiency of the moneys and securities to accomplish the purposes set forth herein or to the validity of this Escrow Agreement as to the Authority, the County or the Agency and, except as otherwise provided herein, the Escrow Bank shall incur no liability in respect thereof. The Escrow Bank shall not be liable in connection with the performance of its duties under this Escrow Agreement except for its own negligence or willful misconduct, and the duties and obligations of the Escrow Bank shall be determined by the express provisions of this Escrow Agreement.

The Escrow Bank may consult with counsel, who may or may not be counsel to the Authority or the County and the Agency, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Bank shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Escrow Agreement, such matter (except the matters set forth herein as specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of counsel) may be deemed to be conclusively established by a written certification of the County and the Agency.

Anything in this Escrow Agreement to the contrary notwithstanding, in no event shall the Escrow Bank be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Bank has been advised of the likelihood of such loss or damage and regardless of the form of action.
The Escrow Bank shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means ("Electronic Means") shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Bank, or another method or system specified by the Escrow Bank as available for use in connection with its services hereunder); provided, however, that the Authority, the County and the Agency shall provide to the Escrow Bank an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Authority, the County and the Agency, whenever a person is to be added or deleted from the listing. If the Authority, the County or the Agency elects to give the Escrow Bank Instructions using Electronic Means and the Escrow Bank in its discretion elects to act upon such Instructions, the Escrow Bank’s understanding of such Instructions shall be deemed controlling. The County and the Agency understand and agree that the Escrow Bank cannot determine the identity of the actual sender of such Instructions and that the Escrow Bank shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Bank have been sent by such Authorized Officer. The Authority, the County and the Agency shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Bank and that the Authority, the County, the Agency and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority, the County and the Agency. The Escrow Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Bank’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Authority, the County and the Agency agree: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Bank, including without limitation the risk of the Escrow Bank acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Bank and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Authority, the County and the Agency; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Bank immediately upon learning of any compromise or unauthorized use of the security procedures.

The Authority, the County and the Agency hereby assume liability for, and hereby agree (whether or not any of the transactions contemplated hereby are consummated), to the extent permitted by law, to indemnify, protect, save and hold harmless the Escrow Bank and its respective successors, assigns, agents, officers, directors, employees and servants from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Bank (whether or not also indemnified against by any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the retention of the moneys and securities therein and any payment, transfer or other application of moneys by the Escrow Bank in accordance with the provisions of this Escrow Agreement, or as may arise by reason of any act, omission or error of the Escrow Bank made in good faith in the conduct of its duties; provided, however, that the Authority, the County and the Agency shall not be required to indemnify the Escrow Bank against its own negligence or misconduct. The indemnities contained in this Section 9 shall survive the termination of this Escrow Agreement or the resignation or removal of the Escrow Bank.
The Authority, the County and the Agency acknowledge that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Authority, the County and the Agency the right to receive brokerage confirmations of security transactions as they occur, the Authority, the County and the Agency specifically waive receipt of such confirmations to the extent permitted by law. The Escrow Bank will furnish the Authority, the County and the Agency monthly cash transaction statements which include detail for all investment transactions made by the Escrow Bank hereunder.

No provision of this Escrow Agreement shall require the Escrow Bank to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers.

The Escrow Bank may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

The Escrow Bank may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

The Escrow Bank may at any time resign by giving 30 days written notice of resignation to the Authority, the County and the Agency. Upon receiving such notice of resignation, the Authority, the County and the Agency shall promptly appoint a successor and, upon the acceptance by the successor of such appointment, release the resigning Escrow Bank from its obligations hereunder by written instrument, a copy of which instrument shall be delivered to each of the Authority, the County, the Agency, the resigning Escrow Bank and the successor. If no successor shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Escrow Bank may petition any court of competent jurisdiction for the appointment of a successor.

Section 10. Amendment. This Escrow Agreement may be modified or amended at any time by a supplemental agreement which shall become effective when the written consents of the owners of one hundred percent (100%) in aggregate principal amount of the 2008 Bonds shall have been filed with the Escrow Bank. This Escrow Agreement may be modified or amended at any time by a supplemental agreement, without the consent of any such owners, but only (1) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power herein or therein reserved to the County and the Agency, (2) to cure, correct or supplement any ambiguous or defective provision contained herein, (3) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which, in the opinion of counsel, shall not materially adversely affect the interests of the owners of the 2008 Bonds or the 2016 Bonds, and that such amendment will not cause interest on the 2008 Bonds or the 2016 Bonds to become subject to federal income taxation. In connection with any contemplated amendment or revocation of this Escrow Agreement, prior written notice thereof and draft copies of the applicable legal documents shall be provided by the Authority, the County and the Agency to each rating agency then rating the 2008 Bonds.

Section 11. Notice of Escrow Bank, Authority, County and Agency. Any notice to or demand upon the Escrow Bank may be served and presented, and such demand may be made, at the corporate trust office of the Escrow Bank as specified by the Escrow Bank as 2008 Trustee in accordance with the provisions of the 2008 Indenture. Any notice to or demand upon the
Authority, the County or the Agency shall be deemed to have been sufficiently given or served for all purposes by being mailed by first class mail, and deposited, postage prepaid, in a post office letter box, addressed to such party as provided in the 2008 Indenture (or such other address as may have been filed in writing by the Authority, the County and the Agency with the Escrow Bank).

Section 12. Merger or Consolidation of Escrow Bank. Any company into which the Escrow Bank may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Bank may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible to act as trustee under the 2008 Indenture, shall be the successor hereunder to the Escrow Bank without the execution or filing of any paper or any further act.

Section 13. Execution in Several Counterparts. This Escrow Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts shall together constitute but one and the same instrument.

Section 14. Governing Law. This Escrow Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 15. Severability. In case any one or more of the provisions contained in this Escrow Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Escrow Agreement, but this Escrow Agreement shall be construed as if such invalid or illegal or unenforceable provisions had never been contained herein.

Section 16. Counterparts. This Escrow Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and such counterparts, or as many of them as the Authority, the County, the Agency and the Escrow Bank shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 17. Business Days. Whenever any act is required by this Escrow Agreement to be done on a specified day or date, and such day or date shall be a day other than a business day for the Escrow Bank, then such act may be done on the next succeeding business day.
IN WITNESS WHEREOF the parties hereto have caused this Escrow Agreement to be executed in their respective names by their respective duly authorized officers, all as of the day and year first above written.

YUBA LEVEE FINANCING AUTHORITY

By ____________________________
Name ____________________________
Title ____________________________

COUNTY OF YUBA

By ____________________________
Name ____________________________
Title ____________________________

YUBA COUNTY WATER AGENCY

By ____________________________
Name ____________________________
Title ____________________________

U.S. BANK NATIONAL ASSOCIATION, as Escrow Bank

By ____________________________
Name ____________________________
Title ____________________________

EXHIBIT A

SCHEDULE OF ESCROW SECURITIES

<table>
<thead>
<tr>
<th>Type</th>
<th>Maturity</th>
<th>Coupon</th>
<th>Par</th>
<th>Price</th>
<th>Cost</th>
<th>Accrued</th>
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EXHIBIT B

PAYMENT AND REDEMPTION SCHEDULE

<table>
<thead>
<tr>
<th>2008A Bonds</th>
<th>Maturing</th>
<th>Called</th>
<th>Redemption</th>
<th>Total</th>
</tr>
</thead>
</table>
### Exhibit C

**NOTICE OF DEFEASANCE**

_Yuba Levee Financing Authority  
Revenue Bonds, 2008 Series A  
(Yuba County Levee Financing Project)_

<table>
<thead>
<tr>
<th>Maturity Date</th>
<th>Amount Defeased</th>
<th>Interest Rate</th>
<th>CUSIP No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>9/1/2024</td>
<td>$1,580,000</td>
<td>4.50%</td>
<td>988211 AA6</td>
</tr>
<tr>
<td>9/1/2025</td>
<td>3,235,000</td>
<td>4.625</td>
<td>988211 AB4</td>
</tr>
<tr>
<td>9/1/2026</td>
<td>3,385,000</td>
<td>4.625</td>
<td>988211 AC2</td>
</tr>
<tr>
<td>9/1/2027</td>
<td>3,540,000</td>
<td>4.750</td>
<td>988211 AD0</td>
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<tr>
<td>9/1/2028</td>
<td>3,710,000</td>
<td>4.750</td>
<td>988211 AE8</td>
</tr>
<tr>
<td>9/1/2029</td>
<td>1,885,000</td>
<td>4.750</td>
<td>988211 AF5</td>
</tr>
<tr>
<td>9/1/2029</td>
<td>2,000,000</td>
<td>5.000</td>
<td>988211 AH1</td>
</tr>
<tr>
<td>9/1/2030</td>
<td>4,075,000</td>
<td>4.750</td>
<td>988211 AT5</td>
</tr>
<tr>
<td>9/1/2033</td>
<td>13,460,000</td>
<td>5.000</td>
<td>988211 AG3</td>
</tr>
<tr>
<td>9/1/2038</td>
<td>27,305,000</td>
<td>5.000</td>
<td>988211 AJ7</td>
</tr>
</tbody>
</table>

NOTICE IS HEREBY GIVEN, on behalf of the Yuba Levee Financing Authority (the “Authority”) to the owners of the outstanding Yuba Levee Financing Authority Revenue Bonds, 2008 Series A (Yuba County Levee Financing Project), described above (the “Bonds”), that pursuant to the indenture authorizing the issuance of the Bonds (the “Indenture”), the lien of the Indenture with respect to the Bonds has been discharged through the irrevocable deposit of cash and U.S. Treasury securities in an escrow fund (the “Escrow Fund”). The Escrow Fund has been established and is being maintained pursuant to that certain Escrow Agreement, dated December __, 2016, by and among the Authority, the County of Yuba (the “County”), the Yuba County Water Agency (the “Agency”) and U.S. Bank National Association, as escrow bank. As a result of such deposit, the Bonds are deemed to have been paid and defeased in accordance with the Indenture. The pledge of the funds provided for under the Indenture and all other obligations of the Authority, the County and the Agency to the owners of the defeased Bonds shall hereafter be limited to the application of moneys and securities in the Escrow Fund for the payment of the principal, interest and redemption price of the Bonds as described below.

As evidenced by the verification report delivered to the Escrow Bank, money and securities deposited in the Escrow Fund are calculated to provide sufficient moneys to pay the interest on the Bonds to and including September 1, 2017, and to redeem the outstanding Bonds in full on September 1, 2017 (the “Redemption Date”), at a redemption price equal to 100% of the principal amount thereof. From and after the Redemption Date, interest with respect to the Bonds shall cease to accrue and be payable.

Exhibit B
None of the Authority, the County, the Agency or U.S. Bank National Association shall be held responsible for the selection or use of the CUSIP numbers, nor is any representation made as to its correctness as shown in this Defeasance Notice. It is included solely for convenience of the Owners.

Dated: ________________, 2016

U.S. BANK NATIONAL ASSOCIATION, as Escrow Bank

EXHIBIT D

NOTICE OF DEFEASANCE

Yuba Levee Financing Authority
Taxable Revenue Bonds, 2008 Series B
(Yuba County Levee Financing Project)

<table>
<thead>
<tr>
<th>Maturity Date</th>
<th>Amount Defeased</th>
<th>Interest Rate</th>
<th>CUSIP No.</th>
</tr>
</thead>
<tbody>
<tr>
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<td>6.10%</td>
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</tr>
<tr>
<td>9/1/2020</td>
<td>2,380,000</td>
<td>6.250</td>
<td>988211 AL2</td>
</tr>
<tr>
<td>9/1/2021</td>
<td>2,530,000</td>
<td>6.375</td>
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<tr>
<td>9/1/2022</td>
<td>2,695,000</td>
<td>6.500</td>
<td>988211 AN8</td>
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<tr>
<td>9/1/2023</td>
<td>2,870,000</td>
<td>6.500</td>
<td>988211 AP3</td>
</tr>
<tr>
<td>9/1/2024</td>
<td>1,475,000</td>
<td>6.500</td>
<td>988211 AQ1</td>
</tr>
</tbody>
</table>

NOTICE IS HEREBY GIVEN, on behalf of the Yuba Levee Financing Authority (the “Authority”) to the owners of the outstanding Yuba Levee Financing Authority Taxable Revenue Bonds, 2008 Series B (Yuba County Levee Financing Project), described above (the “Bonds”), that pursuant to the indenture authorizing the issuance of the Bonds (the “Indenture”), the lien of the Indenture with respect to the Bonds has been discharged through the irrevocable deposit of cash and U.S. Treasury securities in an escrow fund (the “Escrow Fund”). The Escrow Fund has been established and is being maintained pursuant to that certain Escrow Agreement, dated December __, 2016, by and among the Authority, the County of Yuba (the “County”), the Yuba County Water Agency (the “Agency”) and U.S. Bank National Association, as escrow bank. As a result of such deposit, the Bonds are deemed to have been paid and defeased in accordance with the Indenture. The pledge of the funds provided for under the Indenture and all other obligations of the Authority, the County and the Agency to the owners of the defeased Bonds shall hereafter be limited to the application of moneys and securities in the Escrow Fund for the payment of the principal, interest and redemption price of the Bonds as described below.

As evidenced by the verification report delivered to the Escrow Bank, money and securities deposited in the Escrow Fund are calculated to provide sufficient moneys to pay the interest on the Bonds to and including September 1, 2017, and to redeem the outstanding Bonds in full on September 1, 2017 (the “Redemption Date”), at a redemption price equal to 100% of the principal amount thereof. From and after the Redemption Date, interest with respect to the Bonds shall cease to accrue and be payable.

None of the Authority, the County, the Agency or U.S. Bank National Association shall be held responsible for the selection or use of the CUSIP numbers, nor is any representation made as to its correctness as shown in this Defeasance Notice. It is included solely for convenience of the Owners.

Dated: ________________, 2016

U.S. BANK NATIONAL ASSOCIATION, as Escrow Bank

EXHIBIT E

NOTICE OF FULL AND FINAL REDEMPTION

Yuba Levee Financing Authority
Revenue Bonds, 2008 Series A

Exhibit C
(Yuba County Levee Financing Project)

<table>
<thead>
<tr>
<th>Dated Date</th>
<th>Maturity Date</th>
<th>Redemption Date</th>
<th>Redeemed Principal</th>
<th>Redemption Premium</th>
<th>Redemption Price</th>
<th>Interest Rate</th>
<th>CUSIP No.</th>
</tr>
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<tbody>
<tr>
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<td>9/1/2017</td>
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<td>—</td>
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</tr>
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<td>9/23/2008</td>
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<tr>
<td>9/23/2008</td>
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<td>9/1/2017</td>
<td>3,385,000</td>
<td>—</td>
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</tr>
<tr>
<td>9/23/2008</td>
<td>9/1/2027</td>
<td>9/1/2017</td>
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<td>3,540,000</td>
<td>4.750%</td>
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</tr>
<tr>
<td>9/23/2008</td>
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<td>9/1/2017</td>
<td>3,710,000</td>
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<td>4.750%</td>
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<td>9/1/2017</td>
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<td>—</td>
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</tr>
<tr>
<td>9/23/2008</td>
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<td>9/1/2017</td>
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<td>9/23/2008</td>
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<tr>
<td>9/23/2008</td>
<td>9/1/2038</td>
<td>9/1/2017</td>
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<td>—</td>
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<td>5.000%</td>
<td>988211 AJ7</td>
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</tbody>
</table>

NOTICE is hereby given that the Yuba Levee Financing Authority (the “Authority”) has called for redemption on September 1, 2017 (the “Redemption Date”), the outstanding Yuba Levee Financing Authority Revenue Bonds, 2008 Series A (Yuba County Levee Financing Project), described above (the “Bonds”), in the aggregate principal amount of $64,175,000 at a price equal to 100% of the principal amount thereof, plus accrued interest to the date fixed for redemption (the “Redemption Price”).

Payment of principal will be made upon presentation on and after September 1, 2017, at the following addresses:

U.S. Bank National Association
Global Corporate Trust Services
111 Fillmore Avenue E.
St. Paul, MN 55107

Owners of Bonds presenting their Bonds in person for the same day payment must surrender their Bonds by 1:00 p.m. on the Redemption Date and a check will be available for pickup after 2:00 p.m. Checks not picked up by 4:30 p.m. will be mailed to the owner by first class mail.

Interest with respect to the principal amount designated to be redeemed shall cease to accrue on and after the Redemption Date.

If payment of the Redemption Price is to be made to the owner of the Bonds, such owner is not required to endorse the Bond to collect the Redemption Price.

Under the Economic Growth and Tax Relief Reconciliation Act of 2001 (the “Act”) 28% of the Redemption Price will be withheld if a tax identification number is not properly certified. The Form W-9 may be obtained from the Internal Revenue Service.

None of the Authority, the County of Yuba, the Yuba County Water Agency or U.S. Bank National Association shall be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness as shown in this Redemption Notice. It is included solely for convenience of the Owners.

Dated: ____________________, 2017

U.S. BANK NATIONAL ASSOCIATION, as Trustee

EXHIBIT F

NOTICE OF FULL AND FINAL REDEMPTION

Yuba Levee Financing Authority
Taxable Revenue Bonds, 2008 Series B

Exhibit A
(Yuba County Levee Financing Project)

<table>
<thead>
<tr>
<th>Dated Date</th>
<th>Maturity Date</th>
<th>Redemption Date</th>
<th>Redeemed Principal</th>
<th>Redemption Premium</th>
<th>Redemption Price</th>
<th>Interest Rate</th>
<th>CUSIP No.</th>
</tr>
</thead>
<tbody>
<tr>
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<td>9/1/2017</td>
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<td>6.375%</td>
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<td>9/23/2008</td>
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<td>9/1/2017</td>
<td>2,695,000</td>
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<td>2,695,000</td>
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<td>9/1/2017</td>
<td>2,870,000</td>
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<td>6.500%</td>
<td>988211 AP3</td>
</tr>
<tr>
<td>9/23/2008</td>
<td>9/1/2024</td>
<td>9/1/2017</td>
<td>1,475,000</td>
<td>—</td>
<td>1,475,000</td>
<td>6.500%</td>
<td>988211 AQ1</td>
</tr>
</tbody>
</table>

**NOTICE** is hereby given that the Yuba Levee Financing Authority (the “Authority”) has called for redemption on September 1, 2017 (the “Redemption Date”), the outstanding Yuba Levee Financing Authority Taxable Revenue Bonds, 2008 Series B (Yuba County Levee Financing Project), described above (the “Bonds”), in the aggregate principal amount of $14,195,000 at a price equal to 100% of the principal amount thereof, plus accrued interest to the date fixed for redemption (the “Redemption Price”).

Payment of principal will be made upon presentation on and after September 1, 2017, at the following addresses:

U.S. Bank National Association  
Global Corporate Trust Services  
111 Fillmore Avenue E.  
St. Paul, MN 55107

Owners of Bonds presenting their Bonds in person for the same day payment must surrender their Bonds by 1:00 p.m. on the Redemption Date and a check will be available for pickup after 2:00 p.m. Checks not picked up by 4:30 p.m. will be mailed to the owner by first class mail.

Interest with respect to the principal amount designated to be redeemed shall cease to accrue on and after the Redemption Date.

If payment of the Redemption Price is to be made to the owner of the Bonds, such owner is not required to endorse the Bond to collect the Redemption Price.

Under the Economic Growth and Tax Relief Reconciliation Act of 2001 (the “Act”) 28% of the Redemption Price will be withheld if a tax identification number is not properly certified. The Form W-9 may be obtained from the Internal Revenue Service.

None of the Authority, the County of Yuba, the Yuba County Water Agency or U.S. Bank National Association shall be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness as shown in this Redemption Notice. It is included solely for convenience of the Owners.

Dated: __________________, 2017  
U.S. BANK NATIONAL ASSOCIATION, as Trustee

Exhibit A
YUBA LEVEE FINANCING AUTHORITY
Refunding Revenue Bonds, 2016 Series A
(Yuba County Levee Refinancing Project)

YUBA LEVEE FINANCING AUTHORITY
Taxable Refunding Revenue Bonds, 2016 Series B
(Yuba County Levee Refinancing Project)

BOND PURCHASE AGREEMENT

November __, 2016

Yuba Levee Financing Authority
915 8th Street
Marysville, CA 95901

County of Yuba
915 8th Street
Marysville, CA 95901

Yuba County Water Agency
1220 F Street
Marysville, CA 95901

Ladies and Gentlemen:

Raymond James & Associates, Inc. and Hilltop Securities Inc., as underwriters (collectively, the “Underwriters”), hereby offer to enter into this bond purchase agreement (the “Bond Purchase Agreement”) with the Yuba Levee Financing Authority (the “Authority”), the County of Yuba (the “County”) and the Yuba County Water Agency (the “Agency”). Upon the acceptance hereof by the Authority, the County and the Agency, this offer will be binding upon the Authority, the County, the Agency and the Underwriters. This offer is made subject to (a) the written acceptance hereof by the Authority, the County and the Agency, and (b) withdrawal by the Underwriters upon written notice (given electronically or otherwise) delivered to the Authority, the County and the Agency at any time prior to the acceptance hereof by each of the Authority, the County and the Agency.

The Authority, the County and the Agency hereby acknowledge and agree that (a) the purchase and sale of the Bonds (hereinafter defined) pursuant to this Bond Purchase Agreement is an arm’s-length commercial transaction among the Authority, the County, the Agency and the Underwriters, (b) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have
been acting solely as a principals and are not acting as the agents or fiduciaries of the Authority, the County or the Agency, (c) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Authority, the County or the Agency with respect to the offering and sale of the Bonds contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Authority, the County and/or the Agency on other matters) and the Underwriters have no obligation to the Authority, the County or the Agency with respect to the offering and sale of the Bonds contemplated hereby except the obligations expressly set forth in this Bond Purchase Agreement, and (d) the Authority, the County and the Agency have consulted their own legal, financial and other advisors to the extent they have deemed appropriate, in connection with the issuance of the Bonds and the other matters contemplated by this Bond Purchase Agreement.

The Authority, the County and the Agency hereby acknowledge receipt from the Underwriters of disclosures required by the Municipal Securities Rulemaking Board (“MSRB”) Rule G-17 (as set forth in MSRB Notice 2012-25 (May 7, 2012), relating to disclosures concerning the Underwriters’ role in the transaction, disclosures concerning the Underwriters’ compensation, conflict disclosures, if any, and disclosures concerning complex municipal securities financing, if any.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Underwriters hereby agree to purchase on the Closing Date (as defined herein), and the Authority hereby agrees to sell and deliver to the Underwriters on the Closing Date, (a) the $______ aggregate principal amount of Yuba Levee Financing Authority Refunding Revenue Bonds, 2016 Series A (Yuba County Levee Refinancing Project) (the “Series A Bonds”), and (b) the $______ aggregate principal amount of Yuba Levee Financing Authority Taxable Refunding Revenue Bonds, 2016 Series B (Yuba County Levee Refinancing Project) (the “Series B Bonds” and, with the Series A Bonds, the “Bonds”).

The Bonds shall be dated their date of delivery, and shall have the maturities, bear interest at the rates, have reoffering yields, and be subject to mandatory sinking fund redemption as shown on Exhibit A hereto.

The aggregate purchase price to be paid by the Underwriters for the Series A Bonds is hereby agreed to be $______, which amount represents the principal amount of the Series A Bonds of $______, less $______, representing the Underwriters’ discount, plus $______, representing net original issue premium. As an accommodation to the Authority, the Underwriters will remit the premium for the municipal bond insurance policy relating to the Series A Bonds (the “Series A Municipal Bond Insurance Policy”) to ____________ as issuer thereof (the “Municipal Bond Insurer”), will remit a portion of the premium for the reserve fund municipal bond insurance policy relating to the Bonds (the “Reserve Policy”) to the Municipal Bond Insurer, and will remit the net amount of the purchase price for the Series A Bonds ($______) to U.S. Bank National Association, as trustee (the “Trustee”).

The aggregate purchase price to be paid by the Underwriters for the Series B Bonds is hereby agreed to be $______, which amount represents the principal amount of the Series B Bonds of $______, less $______, representing the Underwriters’ discount, less $______, representing net original issue discount. As an accommodation to the Authority, the Underwriters will remit the premium for the municipal bond insurance policy relating to the Series B Bonds (the “Series B Municipal Bond Insurance Policy” and, with the Series A Municipal Bond Insurance Policy, the “Municipal Bond Insurance Policies”) to the Municipal Bond Insurer, will remit a portion of the premium for the Reserve Policy to the Municipal Bond Insurer.
Insurer, and will remit the net amount of the purchase price for the Series B Bonds ($_______) to the Trustee.

Such payment and delivery of the Bonds and the other actions contemplated hereby to take place at the time of such payment and delivery being herein sometimes called the “Closing.”

The Bonds are being issued pursuant to Article 4, Chapter 5, Division 7, Title 1 of the California Government Code (the “Marks-Roos Act”), a resolution of the Authority authorizing the issuance of the Bonds, adopted on October 25, 2016 (the “Authority Resolution”), and an Indenture, dated as of December 1, 2016 (the “Indenture”), by and between the Authority and the Trustee.

The Bonds are being issued to (a) refund the outstanding Yuba Levee Financing Authority Revenue Bonds, 2008 Series A (Yuba County Levee Financing Project) (the “2008A Bonds”), and the outstanding Yuba Levee Financing Authority Taxable Revenue Bonds, 2008 Series B (Yuba County Levee Financing Project) (the “2008B Bonds” and, with the 2008A Bonds, the “2008 Bonds”), issued to finance a portion of the Feather River Phase IV levee and related improvements in the County, and to (b) purchase the Reserve Policy in lieu of cash funding a reserve fund for the Bonds, and (c) pay costs of issuance of the Bonds, including the purchase of the Municipal Bond Insurance Policies.

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

The County will lease certain real property and all buildings and other improvements installed thereon (collectively, the “Leased Property”) to the Authority pursuant to a Site and Facility Lease, dated as of December 1, 2016 (the “Site and Facility Lease”). The Leased Property will be leased by the Authority to the County pursuant to a Lease Agreement, dated as of December 1, 2016 (the “Lease Agreement”), by and between the Authority and the County.

Under the Lease Agreement, the County is required to make Lease Payments and Additional Payments from legally available funds. All of the Authority’s right, title and interest in and to the Lease Agreement (except for the right to receive Additional Payments to the extent payable to the Authority and certain rights to indemnification), including the right to receive Lease Payments under the Lease Agreement, are assigned to the Trustee for the benefit of the Owners of the Bonds.

The Agency will sell certain (the “Sale Property”) to the Authority pursuant to an Acquisition Agreement, dated as of December 1, 2016 (the “Acquisition Agreement”). The Sale Property will be sold by the Authority to the Agency pursuant to an Installment Sale Agreement, dated as of December 1, 2016 (the “Installment Sale Agreement”), by and between the Authority and the Agency.

Under the Installment Sale Agreement, the Agency is required to make Installment Payments and Additional Payments from Water Revenues. All of the Authority’s right, title and interest in and to the Installment Sale Agreement (except for the right to receive Additional Payments to the extent payable to the Authority and certain rights to indemnification), including the right to receive Installment Payments under the Installment Sale Agreement, are assigned to the Trustee for the benefit of the Owners of the Bonds.

Payment of principal of and interest on the Bonds will be insured by the Municipal Bond Insurance Policies issued by the Municipal Bond Insurer.
A Preliminary Official Statement of the Authority, the County and the Agency, dated November __, 2016 (together with the Appendices thereto, any documents incorporated therein by reference and any supplements or amendments thereto and as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the “Preliminary Official Statement”), has been prepared for use in marketing the Bonds, and a final Official Statement of the Authority, the County and the Agency to be dated the date hereof, as amended to conform to the terms of this Bond Purchase Agreement, and with such changes and amendments as are mutually agreed to by the Authority, the County, the Agency and the Underwriters, including the cover page, inside cover page, the appendices and all information incorporated therein by reference, is herein collectively referred to as the “Official Statement,” will be prepared which shall be in substantially the form of the Preliminary Official Statement, with such changes and amendments thereto as may be mutually agreed upon by the Underwriters, the Authority, the County and the Agency.

It shall be a condition to the Authority’s obligation to sell and to deliver the Bonds to the Underwriters and to the obligation of the Underwriters to purchase, to accept delivery of and to pay for the Bonds that the entire $_______ aggregate principal amount of the Bonds as authorized by the Indenture shall be sold and delivered by the Authority and accepted and paid for by the Underwriters at the Closing. The Underwriters may change the offering prices (or yields) of the Bonds from time to time at any time. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. The obligation of the Authority to sell and deliver the Bonds to the Underwriters shall also be conditioned upon the delivery by Quint & Thimmig LLP, Bond Counsel (“Bond Counsel”), of its approving legal opinions with respect to the Bonds.

The Authority, the County and the Agency hereby authorize the Underwriters to use and distribute the Site and Facility Lease, the Lease Agreement, the Acquisition Agreement, the Installment Sale Agreement, the Indenture and the Official Statement and the information contained in such documents in connection with the public offering and sale of the Bonds. The Authority, the County and the Agency have authorized the use of the Preliminary Official Statement in connection with the public offering of the Bonds by the Underwriters prior to the date hereof.

2. The Bonds. The Bonds will be issued, executed and delivered pursuant to the Indenture. The Authority will assign its interest in the Site and Facility Lease, the Lease Agreement, the Acquisition Agreement and the Installment Sale Agreement to the Trustee pursuant to the Indenture. The Board of Supervisors of the County adopted a resolution on November 1, 2016, relating to the Bonds (the “County Resolution”). The Board of Directors of the Agency adopted a resolution on October 25, 2016, relating to the Bonds (the “Agency Resolution”). This Bond Purchase Agreement, the Site and Facility Lease, the Lease Agreement, the County Continuing Disclosure Certificate (as hereinafter defined) and the Escrow Agreement, dated the Closing Date, by and among the Authority, the County, the Agency and U.S. Bank National Association, as escrow bank (the “Escrow Bank”), relating to the refunding of the 2008 Bonds (the “Escrow Agreement”), are collectively referred to as the “County Documents.” This Bond Purchase Agreement, the Acquisition Agreement, the Installment Sale Agreement, the Agency Continuing Disclosure Certificate (as hereinafter defined) and the Escrow Agreement, are collectively referred to as the “Agency Documents.” This Bond Purchase Agreement, the Indenture, the Site and Facility Lease, the Lease Agreement, the Acquisition Agreement, the Installment Sale Agreement and the Escrow Agreement are collectively referred to as the “Authority Documents.”

(a) The Authority, the County and the Agency represent that they have deemed the Preliminary Official Statement to be final as of its date, except for either revisions or additions to the offering price(s), interest rate(s), yield(s) to maturity, selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “Rule”).

(b) The Underwriters agree that, prior to the time the final Official Statement is available, the Underwriters will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent electronically or by first class mail (or other equally prompt means) not later than the second business day following the date upon which each such request is received.

(c) The Authority agrees to deliver to the Underwriters, at such addresses as the Underwriters shall specify, as many copies of the final Official Statement relating to the Bonds as the Underwriters shall reasonably request as necessary to comply with paragraph (b)(4) of the Rule and with Rule G-32, Rule G-36 and all other applicable rules of the Municipal Securities Rulemaking Board. The Authority agrees to deliver such Official Statements within seven business days after the execution hereof. The Underwriters agree to give notice to the Authority on the date after which the Underwriters shall no longer be obligated to deliver Official Statements pursuant to paragraph (b)(4) of the Rule, which date shall be no earlier than 25 days after the “end of the underwriting period,” as determined in accordance with Section 14 herein.

(d) Prior to the earlier of (i) receipt of notice from the Underwriters that no participating underwriter, as such term is defined in the Rule, remains obligated to deliver Official Statements pursuant to paragraph (b)(4) of the Rule or (ii) 25 days after the date of the Closing (as defined below), the Authority, the County and the Agency shall provide the Underwriters with such information regarding the Authority, the County and the Agency, each of their current financial conditions and ongoing operations as the Underwriters may reasonably request.

(e) The County hereby covenants and agrees that it will, on or prior to the Closing Date, enter into an agreement or contract for the benefit of the owners of the Bonds in which the County will undertake to provide financial information, operating data and notices of material events as required by paragraph (d)(2)(ii) of the Rule substantially in the applicable form in Appendix F to the Official Statement (the “County Continuing Disclosure Certificate”).

(f) The Agency hereby covenants and agrees that it will, on or prior to the Closing Date, enter into an agreement or contract for the benefit of the owners of the Bonds in which the Agency will undertake to provide financial information, operating data and notices of material events as required by paragraph (d)(2)(ii) of the Rule substantially in the applicable form in Appendix F to the Official Statement (the “Agency Continuing Disclosure Certificate”).

4. Representations, Warranties and Agreements of the County. The County represents, warrants and agrees as follows:

(a) The County is a political subdivision duly organized and validly existing under its charter and the Constitution and laws of the State of California.
(b) The County has full legal right, power and authority (i) to enter into, execute and deliver the County Documents; and (ii) to carry out and consummate the transactions on its part contemplated by the County Documents and the Official Statement.

(c) By all necessary official action, the County has duly authorized and approved the County Documents, has duly authorized and approved the Preliminary Official Statement and the Official Statement and approved the distribution thereof (including in electronic form), has duly authorized and approved the execution and delivery of, and the performance by the County of the obligations on its part contained in the County Documents, and the consummation by it of all other transactions contemplated by the County Documents, all pursuant to the County Resolution adopted at a meeting duly called and held in accordance with the requirements of all applicable laws and at which a quorum of the members of the Board of Supervisors of the County was continuously present. The County Resolution has not been modified, amended or rescinded since the date of its adoption.

(d) The County is not in any material respect in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or of the United States, or any agency or instrumentality of either, or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement (including, without limitation, the County Documents) or other instrument to which the County is a party which breach or default has or may have an adverse effect on the ability of the County to perform its obligations under the County Documents, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the execution and delivery of the County Documents, and compliance with the provisions on the County’s part contained therein, will not conflict in any material way with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the County is a party nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the County or under the terms of any such law, regulation or instrument, except as provided by the County Documents.

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the County of its obligations under the County Documents or the consummation by it of all other transactions contemplated by the County Documents have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds; except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the County of its obligations under the County Documents have been duly obtained.

(f) There is no action, suit, proceeding, inquiry or investigation, notice of which has been duly served on the County, at law or in equity before or by any court, government agency, public board or body, pending or to the best knowledge of the officer of the County executing this Bond Purchase Agreement, threatened against the County, affecting the existence of the County or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, execution or delivery of the Bonds pursuant to the Indenture, or
contesting or affecting as to the County the validity or enforceability of the Bonds or the County Documents, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the County to cause the execution and delivery of the County Documents, or in any way contesting or challenging the consummation of the transactions contemplated hereby or thereby; nor, to the best knowledge of the County, is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the Bonds or the authorization, execution, delivery or performance by the County of the County Documents.

(g) The County will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request in order (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the County shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction, and the Underwriters shall bear all costs in connection with the foregoing.

(h) As of the date thereof, the Preliminary Official Statement did not, except for the omission of certain information permitted to be omitted in accordance with the Rule, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(i) At the time of the County’s acceptance hereof, and (unless an event occurs of the nature described in paragraph (k) of this Section 4) at all times subsequent thereto up to and including the Closing Date, the Official Statement (other than information therein provided by the Underwriters) did not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(j) If the Official Statement is supplemented or amended pursuant to paragraph (k) of this Section 4, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing Date, the Official Statement (other than information therein provided by the Underwriters) as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) If between the date of this Bond Purchase Agreement and that date which is 25 days after the end of the underwriting period (as determined in accordance with Section 14 hereof) any event of which the officer of the County executing this Bond Purchase Agreement has knowledge shall occur affecting the County which might adversely affect the marketability of the Bonds or the market prices thereof, or which might cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the County shall notify the Underwriters thereof, and if in the opinion of the Underwriters such event requires the preparation and publication of a supplement or amendment to the Official Statement, the County will at its expense prepare and furnish to the Underwriters a reasonable number of copies of such supplement to, or amendment of, the Official Statement in a form and in a manner approved by the Underwriters.
(l) Any certificate signed by any officer of the County and delivered to the Underwriters pursuant to the County Documents or any document contemplated thereby or required for the valid execution and delivery of the Bonds shall be deemed a representation and warranty by the County to the Underwriters as to the statements made therein.

(m) So long as any of the Bonds are outstanding and except as may be authorized by the Indenture, the County will not issue or sell, or cause to be issued or sold, any bonds or other obligations, other than the Bonds delivered thereunder, the interest on and premium, if any, or principal of which will be payable from Lease Payments.

(n) The County shall honor all other covenants on its part contained in the Lease Agreement which are incorporated herein and made a part of this Bond Purchase Agreement.

5. Representations, Warranties and Agreements of the Agency. The Agency represents, warrants and agrees as follows:

(a) The Agency is a county water agency duly organized and validly existing under the Constitution and laws of the State of California.

(b) The Agency has full legal right, power and authority (i) to enter into, execute and deliver the Agency Documents; and (ii) to carry out and consummate the transactions on its part contemplated by the Agency Documents and the Official Statement.

(c) By all necessary official action, the Agency has duly authorized and approved the Agency Documents, has duly authorized and approved the Preliminary Official Statement and the Official Statement and approved the distribution thereof (including in electronic form), has duly authorized and approved the execution and delivery of, and the performance by the Agency of the obligations on its part contained in the Agency Documents, and the consummation by it of all other transactions contemplated by the Agency Documents, all pursuant to the Agency Resolution adopted at a meeting duly called and held in accordance with the requirements of all applicable laws and at which a quorum of the members of the Board of Supervisors—Directors of the Agency was continuously present. The Agency Resolution has not been modified, amended or rescinded since the date of its adoption.

(d) The Agency is not in any material respect in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or of the United States, or any agency or instrumentality of either, or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement (including, without limitation, the Agency Documents) or other instrument to which the Agency is a party which breach or default has or may have an adverse effect on the ability of the Agency to perform its obligations under the Agency Documents, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the execution and delivery of the Agency Documents, and compliance with the provisions on the Agency’s part contained therein, will not conflict in any material way with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Agency is a party nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Agency or under the terms of any such law, regulation or instrument, except as provided by the Agency Documents.
(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Agency of its obligations under the Agency Documents or the consummation by it of all other transactions contemplated by the Agency Documents have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds; except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Agency of its obligations under the Agency Documents have been duly obtained.

(f) There is no action, suit, proceeding, inquiry or investigation, notice of which has been duly served on the Agency, at law or in equity before or by any court, government agency, public board or body, pending or to the best knowledge of the officer of the Agency executing this Bond Purchase Agreement, threatened against the Agency, affecting the existence of the Agency or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, execution or delivery of the Bonds pursuant to the Indenture, or contesting or affecting as to the Agency the validity or enforceability of the Bonds or the Agency Documents, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the Agency to cause the execution and delivery by the Agency of the Agency Documents, or in any way contesting or challenging the consummation of the transactions contemplated hereby or thereby; nor, to the best knowledge of the Agency, is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the Bonds or the authorization, execution, delivery or performance by the Agency of the Agency Documents.

(g) The Agency will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request in order (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the Agency shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction, and the Underwriters shall bear all costs in connection with the foregoing.

(h) As of the date thereof, the Preliminary Official Statement did not, except for the omission of certain information permitted to be omitted in accordance with the Rule, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(i) At the time of the Agency’s acceptance hereof, and (unless an event occurs of the nature described in paragraph (k) of this Section 5) at all times subsequent thereto up to and including the Closing Date, the Official Statement (other than information therein provided by the Underwriters) did not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.
(j) If the Official Statement is supplemented or amended pursuant to paragraph (k) of this Section 5, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing Date, the Official Statement (other than information therein provided by the Underwriters) as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) If between the date of this Bond Purchase Agreement and that date which is 25 days after the end of the underwriting period (as determined in accordance with Section 14 hereof) any event of which the officer of the Agency executing this Bond Purchase Agreement has knowledge shall occur affecting the Agency which might adversely affect the marketability of the Bonds or the market prices thereof, or which might cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Agency shall notify the Underwriters thereof, and if in the opinion of the Underwriters such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Agency will at its expense prepare and furnish to the Underwriters a reasonable number of copies of such supplement to, or amendment of, the Official Statement in a form and in a manner approved by the Underwriters.

(l) Any certificate signed by any officer of the Agency and delivered to the Underwriters pursuant to the Agency Documents or any document contemplated thereby or required for the valid execution and delivery of the Bonds shall be deemed a representation and warranty by the Agency to the Underwriters as to the statements made therein.

(m) So long as any of the Bonds are outstanding and except as may be authorized by the Indenture, the Agency will not issue or sell, or cause to be issued or sold, any bonds or other obligations, other than the Bonds delivered thereunder, the interest on and premium, if any, or principal of which will be payable from Installment Payments.

(n) The Agency shall honor all other covenants on its part contained in the Installment Sale Agreement which are incorporated herein and made a part of this Bond Purchase Agreement.

6. Representations, Warranties and Agreements of the Authority. The Authority represents, warrants and agrees as follows:

(a) The Authority is a joint exercise of powers entity duly organized and validly existing under the laws of the State of California pursuant to a Joint Exercise of Powers Agreement between the County and the Agency, dated July 22, 2008 (the "JPA Agreement").

(b) The Authority has full legal right, power and authority (i) to enter into, execute and deliver the Authority Documents and to sell and deliver the Bonds to the Underwriters as provided herein; and (ii) to carry out and consummate the transactions on its part contemplated by the Authority Documents and the Official Statement.

(c) By all necessary official action, the Authority has duly authorized and approved the issuance of the Bonds and the Authority Documents, has duly authorized and approved the Preliminary Official Statement and the Official Statement and approved the distribution thereof (including in electronic form), has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations in connection with the execution and delivery of the Bonds on its part contained in the Bonds and the Authority Documents, and the
consummation by it of all other transactions contemplated by the Authority Documents in connection with the execution and delivery of the Bonds, all pursuant to the Authority Resolution adopted at a meeting duly called and held in accordance with the requirements of all applicable laws and at which a quorum of the board members of the Authority was continuously present. The Authority Resolution has not been modified, amended or rescinded since the date of its adoption and each Authority Document is the valid and binding obligation of the Authority.

(d) The Authority is not in any material respect in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or of the United States, or any agency or instrumentality of either, or any applicable judgment or decree, or the JPA Agreement, or any loan agreement, indenture, bond, note, resolution, agreement (including, without limitation, the Authority Documents) or other instrument to which the Authority is a party which breach or default has or may have an adverse effect on the ability of the Authority to perform its obligations under the Bonds or the Authority Documents, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the execution and delivery of the Bonds and the Authority Documents, and compliance with the provisions on the Authority’s part contained therein, will not conflict in any material way with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, Bond, note, resolution, agreement or other instrument to which the Authority is a party nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Authority or under the terms of any such law, regulation or instrument, except as provided by the Bonds and the Authority Documents.

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Authority of its obligations in connection with the execution and delivery of the Bonds under the Authority Documents or the consummation by it of all other transactions contemplated by the Authority Documents have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds; except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Authority of its obligations under the Bonds and the Authority Documents have been duly obtained.

(f) The Bonds, when executed, issued, authenticated and delivered in accordance with the Indenture, and sold to the Underwriters as provided herein, will be validly executed and outstanding obligations, entitled to the benefits of the Indenture, and upon such execution and delivery, the Indenture will provide, for the benefit of the Owners from time to time of the Bonds, the legally valid and binding security interest it purports to create.

(g) There is no action, suit, proceeding, inquiry or investigation, notice of which has been duly served on the Authority, at law or in equity before or by any court, government agency, public board or body, pending or to the best knowledge of the officer of the Authority executing this Bond Purchase Agreement, threatened against the Authority, affecting the existence of the Authority or the titles of its officers to their respective offices, or affecting or
seeking to prohibit, restrain or enjoin the sale, issuance, execution or delivery of the Bonds pursuant to the Indenture, or contesting or affecting as to the Authority the validity or enforceability of the Bonds or the Authority Documents, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the Authority to cause the execution and delivery of the Bonds, or the execution and delivery or adoption by the Authority of the Authority Documents, or in any way contesting or challenging the consummation of the transactions contemplated hereby or thereby; nor, to the best knowledge of the Authority, is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the Bonds or the authorization, execution, delivery or performance by the Authority of the Bonds or the Authority Documents.

(h) The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request in order (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the Authority shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction, and the Underwriters shall bear all costs in connection with the foregoing.

(i) As of the date thereof, the Preliminary Official Statement did not, except for the omission of certain information permitted to be omitted in accordance with the Rule, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(j) At the time of the Authority’s acceptance hereof, and (unless an event occurs of the nature described in paragraph (l) of this Section 6) at all times subsequent thereto up to and including the Closing Date, the Official Statement (other than information therein provided by the Underwriters) did not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) If the Official Statement is supplemented or amended pursuant to paragraph (l) of this Section 6, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing Date, the Official Statement (other than information therein provided by the Underwriters) as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(l) If between the date of this Bond Purchase Agreement and that date which is 25 days after the end of the underwriting period (as determined in accordance with Section 14 hereof) any event of which the officer of the Authority executing this Bond Purchase Agreement has knowledge shall occur affecting the Authority which might adversely affect the marketability of the Bonds or the market prices thereof, or which might cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Authority shall notify the Underwriters thereof, and if in the opinion of the Underwriters such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will at its expense prepare
and furnish to the Underwriters a reasonable number of copies of such supplement to, or amendment of, the Official Statement in a form and in a manner approved by the Underwriters.

(m) Any certificate signed by any officer of the Authority and delivered to the Underwriters pursuant to the Authority Documents or any document contemplated thereby or required for the valid execution and delivery of the Bonds shall be deemed a representation and warranty by the Authority to the Underwriters as to the statements made therein.

(n) The Authority will cause the proceeds from the sale of the Bonds to be paid to the Trustee for the purposes specified in the Indenture and the Official Statement. So long as any of the Bonds are outstanding and except as may be authorized by the Indenture, the Authority will not issue or sell any Bonds or other obligations, other than the Bonds delivered thereunder, the interest on and premium, if any, or principal of which will be payable from the Revenues.

(o) The Authority shall honor all other covenants on its part contained in the Indenture, the Lease Agreement and the Installment Sale Agreement which are incorporated herein and made a part of this Bond Purchase Agreement.

7. Closing. At 8:00 A.M., California time, on December __, 2016, or on such other date and time, as may be mutually agreed upon by the Authority, the County, the Agency and the Underwriters (the “Closing Date”), the Authority will, subject to the terms and conditions hereof, deliver to the Underwriters, through the facilities of The Depository Trust Company (“DTC”), or at such other place as the Authority, the County, the Agency and the Underwriters may mutually agree, the Bonds in definitive, fully registered form (one Bond for each maturity), duly executed and registered in the name of Cede & Co. as nominee of DTC; and, subject to the terms and conditions hereof, the Underwriters shall wire to the Trustee Federal Reserve Bank Funds in the amount of the purchase price of the Bonds.

8. Closing Conditions. The Underwriters have entered into this Bond Purchase Agreement in reliance upon the representations and warranties of the Authority, the County and the Agency contained herein, and in reliance upon the representations and warranties to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Authority, the County and the Agency of their obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriters’ obligations under this Bond Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Authority, the County and the Agency of their respective obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, shall be subject, at the option of the Underwriters, to the accuracy in all material respects of the statements the officers and other officials of the Authority, of the County and of the Agency, as the Underwriters, authorized representatives of Bond Counsel, the Trustee, County Counsel and counsel to the Agency made in any certification or other documents furnished pursuant to the provisions hereof, and shall also be subject to the following additional conditions:

(a) The respective representations and warranties of the Authority, the County and the Agency contained herein shall be true and correct on the date hereof and on and as of the Closing Date, as if made on the Closing Date;

(b) At the time of Closing, the County Documents, the Agency Documents and the Authority Documents shall be in full force and effect in accordance with their terms and shall not have been amended, modified or supplemented and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriters;
(c) All necessary official action of the Authority, the County, the Agency and of the other parties thereto relating to the County Documents, the Agency Documents and the Authority Documents shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect;

(d) Subsequent to the date hereof, there shall not have occurred any change in or affecting particularly the Authority, the County, the Agency or the Bonds, as the foregoing are described in the Official Statement, which in the reasonable opinion of the Underwriters materially impairs the investment quality of the Bonds; and

(e) At or prior to the Closing Date, the Underwriters shall have received copies of each of the following documents:

(i) the Official Statement and each supplement or amendment, if any, thereto, executed by authorized officers of the Authority, the County and the Agency;

(ii) a copy of the Indenture, executed by the parties thereto;

(iii) a copy of the Site and Facility Lease, executed by the parties thereto;

(iv) a copy of the Lease Agreement, executed by the parties thereto;

(v) a copy of the Acquisition Agreement, executed by the parties thereto;

(vi) a copy of the Installment Sale Agreement, executed by the parties thereto;

(vii) a copy of the County Continuing Disclosure Certificate, executed by the County;

(viii) a copy of the Agency Continuing Disclosure Certificate, executed by the Agency;

(ix) a copy of the Escrow Agreement;

(x) a certified copy of the JPA Agreement;

(xi) a certificate or certificates of the County, dated the Closing Date, to the effect that:

(A) the representations and warranties of the County contained herein are true and correct in all material respects on and as of the Closing Date as if made on the Closing Date and the County has complied with all of the terms and conditions of this Bond Purchase Agreement required to be complied with by the County at or prior to the Closing Date;

(B) none of the proceedings or authority for (i) the authorization, sale, execution and delivery of the Bonds, (ii) the adoption of the County Resolution, or (iii) the execution and delivery of the County Documents and performance of its obligations thereunder, has been repealed, modified, amended, revoked or rescinded;

(C) subsequent to June 30, 2015, and prior to Closing, there have been no material adverse changes in the financial position of the County;
(D) no event affecting the County has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purposes for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect;

(E) the information and statements contained in the Official Statement (other than information relating to The Depository Trust Company and its book-entry system) do not contain an untrue statement of a material fact required to be stated therein or necessary to make such statements therein, in the light of the circumstances under which they were made, not misleading in any material respect; and to the best of its knowledge after reasonable investigation, the County is not in breach of or default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement (including but not limited to the Lease Agreement) or other instrument to which the County is a party or is otherwise subject, which would have a material adverse impact on the County’s ability to perform its obligations under the County Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument; and

(F) no consent is required for the inclusion of the County’s fiscal year 2014-15 audited financial statements in the Official Statement;

(xii) a certificate or certificates of the Agency, dated the Closing Date, to the effect that:

(A) the representations and warranties of the Agency contained herein are true and correct in all material respects on and as of the Closing Date as if made on the Closing Date and the Agency has complied with all of the terms and conditions of this Bond Purchase Agreement required to be complied with by the Agency at or prior to the Closing Date;

(B) none of the proceedings or authority for (i) the authorization, sale, execution and delivery of the Bonds, (ii) the adoption of the Agency Resolution, or (iii) the execution and delivery of the Agency Documents and performance of its obligations thereunder, has been repealed, modified, amended, revoked or rescinded;

(C) subsequent to June 30, 2015, and prior to Closing, there have been no material adverse changes in the financial position of the Agency;

(D) no event affecting the Agency has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purposes for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect;

(E) the information and statements contained in the Official Statement with respect to the Agency and its assets and operations do not contain an untrue statement of a material fact required to be stated therein or necessary to make such statements therein, in the light of the circumstances under which they were made, not misleading in any material respect; and to the best of its knowledge
after reasonable investigation, the Agency is not in breach of or default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement (including but not limited to the Installment Sale Agreement) or other instrument to which the Agency is a party or is otherwise subject, which would have a material adverse impact on the Agency’s ability to perform its obligations under the Agency Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument; and

(F) no consent is required for the inclusion of the Agency’s 2014-15 audited financial statements in the Official Statement.

(xiii) a certificate or certificates of the Authority, dated the Closing Date, to the effect that:

(A) the representations and warranties of the Authority contained herein are true and correct in all material respects on and as of the Closing Date as if made on the Closing Date and the Authority has complied with all of the terms and conditions of this Bond Purchase Agreement required to be complied with by the Authority at or prior to Closing Date;

(B) none of the proceedings or authority for (i) the authorization, sale, execution and delivery of the Bonds, (ii) the adoption of the Authority Resolution, or (iii) the execution and delivery of the Authority Documents, has been repealed, modified, amended, revoked or rescinded;

(C) no event affecting the Authority has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purposes for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; and

(D) the information and statements contained in the Official Statement (other than information relating to the Underwriters and The Depository Trust Company and its book-entry system) do not contain an untrue statement of a material fact required to be stated therein or necessary to make such statements therein, in the light of the circumstances under which they were made, not misleading in any material respect; and to the best of its knowledge after reasonable investigation, the Authority is not in breach of or default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, which would have a material adverse impact on the Authority’s ability to perform its obligations under the Authority Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument;

(xiv) An opinion or opinions, dated the Closing Date and addressed to the Underwriters and the Authority, of County Counsel, to the effect that:
(A) the County is a political subdivision duly organized and validly existing under the Constitution and laws of the State of California;

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

(C) except as described in the Official Statement, there is no litigation, inquiry, or investigation pending or to the best of such counsel’s knowledge after due inquiry, threatened, which: (1) challenges the right or title of any member of the Board of Supervisors of the County or officer of the County to hold his or her office or exercise or perform the powers and duties pertaining thereto; (2) challenges the validity or enforceability of the Bonds or the County Documents; (3) seeks to restrain or enjoin the sale of the Bonds or the execution and delivery by the County of, or the performance by the County of its legal obligations under, the County Documents or in which a final adverse decision could materially adversely affect the operations of the County with respect to the Leased Property; or (4) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, nor, to the best of such counsel’s knowledge, is there any basis therefor;

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

(E) as of the date hereof, the statements and information relating to the County contained in the Preliminary Official Statement and Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances, under which they were made not misleading;

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

(G) except as may be required under the “blue sky” or securities laws of the United States or any state, there is no authorization, approval, consent or other order of, or filing with, or certification by, the State or any other governmental authority or agency within the State having jurisdiction over the County required for the issuance of the Bonds or the consummation by the County of the other financial transactions contemplated by the Official Statement and the County Documents; and
(H) based on the information made available to the County Counsel, and without having undertaken to determine independently or assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement, nothing has come to its attention which would lead it to believe that the Official Statement as of its date and as of the date of Closing (excluding therefrom the financial and statistical data and forecasts included therein, as to which no opinion is expressed and the Depository Trust Company and its book entry system) contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(xv) An opinion or opinions, dated the Closing Date and addressed to the Underwriters and the Authority, of Bartkiewicz, Kronick & Shanahan, counsel to the Agency, to the effect that:

(A) the Agency is a county water agency duly organized and validly existing under its charter and the Constitution and laws of the State of California;

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

(C) except as described in the Official Statement, there is no litigation, inquiry, or investigation pending or to the best of such counsel’s knowledge after due inquiry, threatened, which: (1) challenges the right or title of any member of the Board of Directors of the Agency or officer of the Agency to hold his or her office or exercise or perform the powers and duties pertaining thereto; (2) challenges the validity or enforceability of the Bonds or the Agency Documents; (3) seeks to restrain or enjoin the sale of the Bonds or the execution and delivery by the Agency of, or the performance by the Agency of its legal obligations under, the Agency Documents or in which a final adverse decision could materially adversely affect the operations of the Agency with respect to the Sale Property; or (4) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, nor, to the best of such counsel’s knowledge, is there any basis therefor;

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

(E) as of the date hereof, the statements and information relating to the Agency contained in the Preliminary Official Statement and Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances, under which they were made not misleading;

(F) the Agency Documents have been duly authorized, executed and delivered by the Agency and, assuming due authorization, execution and

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delivery of the Agency Documents by the parties thereto other than the Agency, the Agency Documents constitute legal, valid and binding agreements of the Agency, enforceable against the Agency in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors’ rights and remedies in general, or by the application of equitable principles if equitable remedies are sought;

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

\[(H_G)\] based on the information made available to the counsel to the Agency, and without having undertaken to determine independently or assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement, nothing has come to its attention which would lead it to believe that the Official Statement as of its date and as of the date of Closing (excluding therefrom the financial and statistical data and forecasts included therein, as to which no opinion is expressed and the Depository Trust Company and its book entry system) contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(xvi) an opinion or opinions, dated the Closing Date and addressed to the Underwriters, of the County Counsel, as counsel for the Authority, to the effect that:

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

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

\[(C)\] except as described in the Official Statement, there is no litigation, inquiry, or investigation pending to the best of such counsel’s knowledge after due inquiry, or threatened, which: (1) challenges the right or title of any member of the Board of Directors of the Authority or officer of the Authority to hold his or her office or exercise or perform the powers and duties pertaining thereto; (2) challenges the validity or enforceability of the Bonds or the Authority Documents; (3) seeks to restrain or enjoin the sale of the Bonds or the execution and delivery by the Authority of, or the performance by the Authority of its legal obligations under, the Authority Documents or in which a final adverse decision could materially adversely affect the operations of the Authority; or (4) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, nor, to the best of such counsel’s knowledge, is there any basis therefor;
(D) the execution and delivery by the Authority of, and the performance by the Authority of its obligations under, the Authority Documents, do not conflict with, violate or constitute a default under any provision of any law, court order or decree or any contract, instrument or agreement to which the Authority is a party or by which it is bound and of which such counsel has knowledge;

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

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

(G) based on the information made available to counsel to the Authority, and without having undertaken to determine independently or assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement under the captions entitled “INTRODUCTION—The Authority,” and “ABSENCE OF LITIGATION—Authority,” nothing has come to such County Counsel’s attention that would lead him to believe that the statements contained under the above-referenced captions as of the date of the Official Statement and as of the date of Closing (excluding therefrom the financial and statistical data and forecasts included therein, as to which no opinion is expressed) contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(xvii) opinions, dated the Closing Date and addressed to the Authority, of Bond Counsel, substantially in the forms set forth in Appendix E to the Official Statement, together with a letter or letters from such counsel, dated the Closing Date and addressed to the Underwriters, to the effect that the foregoing opinions may be relied upon by the Underwriters to the same extent as if such opinions were addressed to the Underwriters;

(xviii) a supplemental opinion, dated the Closing Date and addressed to the Underwriters, of Bond Counsel, to the effect that:

(A) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;
(B) the Bond Purchase Agreement has been duly executed and delivered by the Authority, the County and the Agency and is a valid and binding agreement of the Authority, the County and the Agency; and

(C) the statements contained in the Official Statement under the captions "THE BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and "TAX MATTERS" and in APPENDIX D--"SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS," insofar as such statements expressly summarize certain provisions of the Indenture, the Site and Facility Lease, the Lease Agreement, the Acquisition Agreement, the Installment Sale Agreement and the final opinions of Bond Counsel concerning certain tax matters relating to the Bonds, are accurate in all material respects;

(xix) an opinion letter, dated the Closing Date and addressed to the Authority and the Underwriters of Quint & Thimmig, LLP, Larkspur, California, Disclosure Counsel ("Disclosure Counsel"), to the effect that based upon their participation in the preparation of the Official Statement as Disclosure Counsel, without assuming any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement nor making any representation regarding independent verification of the accuracy, completeness or fairness of any of the statements contained in the Official Statement, and except to the extent set forth in their supplemental opinions such counsel advises that during the course of such representation of the Authority as disclosure counsel on this matter, no information came to the attention of the attorneys in such firm rendering legal services in connection with such representation which caused them to believe that the Official Statement as of its date (except for any financial, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion (except opinions of Bond Counsel), the information in Appendices B, C, G, H and I to the Official Statement, information regarding the Municipal Bond Insurer, the Municipal Bond Insurance Policies or the Reserve Policy, or any information about book-entry or DTC included therein, as to which no opinion or view is expressed) contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(xx) the opinion of Schiff Hardin LLP, Underwriters’ Counsel, dated the date of Closing and addressed to the Underwriters, to the effect that (a) the Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1933, as amended, and (b) without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement and based upon the information made available to them in the course of their participation in the review of the Official Statement as counsel for the Underwriters, nothing has come to their attention which would cause them to believe that the Official Statement (excluding therefrom the financial statements and the statistical data included in the Official Statement, and the appendices thereto, and information regarding the Municipal Bond Insurer, the Municipal Bond Insurance Policies or the Reserve Policy and DTC and its book-entry only system, as to which no opinion need be expressed), as of the date thereof and the as of the date of Closing, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and the County Continuing Disclosure Certificate and the Agency Continuing Disclosure Certificate provide a suitable basis for the Underwriters, in
connection with the Offering (as defined in Rule 15c2-12) of the of the Bonds to make a reasonable determination as required by section (b)(5) of such Rule;

(xxi) a certificate of an authorized officer of the Trustee satisfactory to the Underwriters, certifying substantially as follows:

(A) the Trustee is a national banking association duly organized and in good standing under the laws of the United States of America and has all necessary power and authority to enter into the Indenture and to perform its duties under the Indenture;

(B) the Trustee is duly authorized to enter into the Indenture and to authenticate and deliver the Bonds to the Underwriters pursuant to the terms of the Indenture and, when executed by the other parties thereto, the Indenture will constitute a legal, valid and binding obligation of the Trustee enforceable in accordance with its terms;

(C) the Bonds have been duly authenticated and delivered to the Underwriters pursuant to direction from the Authority;

(D) the Trustee is not in breach of or default under any law or administrative rule or regulation of the State of California or of any department, division, agency or instrumentality thereof, of any applicable court or administrative decree or order, or any other instrument to which the Trustee is a party or is otherwise subject or bound and which would materially impair the ability of the Trustee to perform its obligations under the Indenture;

(E) no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, is pending or threatened in any way affecting the existence of the Trustee or the titles of its directors or officers to their respective offices, or seeking to restrain or enjoin the execution, sale or delivery of the Bonds, the application of the proceeds thereof in accordance with the Indenture, or in any way contesting or affecting the validity or enforceability of the Bonds or the Indenture;

(F) the execution and delivery of the Indenture will not conflict with or constitute a breach of or default under the Trustee’s duties under such documents, or any law, administrative regulation, court decree, resolution, charter, bylaws or other agreement to which the Trustee is subject or by which it is bound; and

(G) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the authentication and delivery of the Bonds, the execution and delivery of the Indenture, the performance of the Trustee’s duties under the Indenture or the consummation by the Trustee of the other transactions contemplated by the Indenture, except as such may be required under the state securities or blue sky laws in connection with the distribution of the Bonds by the Underwriters.
(xxii) a certificate of an authorized officer of the Escrow Bank satisfactory to the Underwriters, certifying substantially as follows:

(A) the Escrow Bank is a national banking association duly organized and in good standing under the laws of the United States of America and has all necessary power and authority to enter into the Escrow Agreement and to perform its duties under the Escrow Agreement;

(B) the Escrow Bank is duly authorized to enter into the Escrow Agreement and, when executed by the other parties thereto, the Escrow Agreement will constitute a legal, valid and binding obligation of the Escrow Bank enforceable in accordance with its terms;

(C) the Escrow Bank is not in breach of or default under any law or administrative rule or regulation of the State of California or of any department, division, agency or instrumentality thereof, of any applicable court or administrative decree or order, or any other instrument to which the Escrow Bank is a party or is otherwise subject or bound and which would materially impair the ability of the Escrow Bank to perform its obligations under the Escrow Agreement;

(D) no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, is pending or threatened in any way affecting the existence of the Escrow Bank or the titles of its directors or officers to their respective offices, or in any way contesting or affecting the validity or enforceability of the Escrow Agreement;

(E) the execution and delivery of the Escrow Agreement will not conflict with or constitute a breach of or default under the Escrow Bank’s duties under such document, or any law, administrative regulation, court decree, resolution, charter, bylaws or other agreement to which the Escrow Bank is subject or by which it is bound; and

(F) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Escrow Bank that has not been obtained is or will be required for the execution and delivery of the Escrow Agreement, the performance of the Escrow Bank’s duties under the Escrow Agreement or the consummation by the Escrow Bank of the other transactions contemplated by the Escrow Agreement.

(xxiii) an opinion of counsel to the Trustee in form and substance acceptable to the Underwriters;

(xxiv) an opinion of counsel to the Escrow Bank in form and substance acceptable to the Underwriters;

(xxv) evidence, satisfactory to Bond Counsel and the Underwriters, of insurance, including a CLTA title insurance policy, in compliance with the Lease Agreement;

(xxvi) 15c2-12 certificates of County, the Agency and the Authority;

(xxvii) certified copies of the County Resolution, the Agency Resolution and the Authority Resolution;
(xxviii) receipt by the Trustee of the Municipal Bond Insurance Policies and the Reserve Policy, together with any endorsements thereto, issued by the Municipal Bond Insurer as well as an opinion of counsel to the Municipal Bond Insurer and a Certificate of the Municipal Bond Insurer satisfactory to Bond Counsel.

(xxix) evidence that S&P Global Ratings has assigned the ratings of “AA” (insured) and “___” (underlying) to the Bonds.

(xxx) evidence of any required filings with the California Debt and Investment Advisory Commission;

(xxxi) an Arbitrage Certificate relating to the Series A Bonds in a form satisfactory to Bond Counsel;

(xxxii) a verification report of Causey Demgen & Moore, P.C. as to the sufficiency of the moneys, investment earnings and maturing escrow securities in the Escrow Agreement to provide for the defeasance of the 2008 Bonds;

(xxxiii) a defeasance opinion of Bond Counsel relating to the 2008 Bonds;

(xxxiv) a transcript of all proceedings relating to the authorization, issuance, execution and delivery of the Bonds; and

(xxxv) such additional legal opinions, certificates, instruments and other documents as the Underwriters may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the County’s, the Agency’s and the Authority’s representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the County, the Agency and the Authority on or prior to the date of the Closing of all the agreements then to be performed and conditions then to be satisfied by each of them.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Bond Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to Bond Counsel and the Underwriters.

If the Authority, the County and the Agency shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Bond Purchase Agreement, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and none of the Underwriters, the Authority, the County or the Agency shall be under any further obligation hereunder.

9. Termination. The Underwriters shall have the right to terminate the Underwriters’ obligations under this Bond Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds by notifying the Authority, the County and the Agency in writing or by telegram, of its election to do so; if, after the execution hereof and prior to the Closing: (a) the United States has become engaged in hostilities or there has occurred an escalation of hostilities which, in the reasonable opinion of the Underwriters, materially adversely affects the marketability or market price of the Bonds; (b) there shall have occurred the declaration of a general banking moratorium by any authority of the United States or the State of New York or the State of California; (c) an event shall have occurred or been discovered which in the opinion of the
Underwriters requires the preparation and publication of disclosure material or a supplement or amendment to the Official Statement; (d) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency in the State of California, or a decision by any court of competent jurisdiction within the State of California shall be rendered which, in the Underwriters’ reasonable opinion, materially adversely affects the market price of the Bonds; (e) any rating of the Bonds or the rating of any obligations of the County secured by the County’s general fund or of the Agency shall have been downgraded or withdrawn by national rating services which, in the opinion of the Underwriters, materially adversely affects the market price of the Bonds; (f) legislation shall be introduced, by amendment or otherwise, or be enacted by the House of Representatives or the Senate of the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by or on behalf of the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or proposed, to the effect that the execution, issuance, delivery, offering or sale of obligations of the general character of the Bonds, or the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect, or with the purpose or effect of otherwise prohibiting the issuance, offering or sale of obligations of the general character of the Bonds or the Bonds, as contemplated hereby or by the Official Statement; (g) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; (h) the New York Stock Exchange, or other national securities exchange or association or any governmental authority, shall impose as to the Bonds, or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by or the charge to the net capital requirements of broker-dealers; (i) trading in securities on the New York Stock Exchange or other national securities exchange or association shall have been suspended or limited or minimum prices have been established on either such exchange; or (j) any action shall have been taken by any government in respect of its monetary affairs which, in the reasonable opinion of the Underwriters, has a material adverse effect on the United States securities market; or as of the date hereof that in the Underwriters’ reasonable opinion materially adversely affects the marketability or market price of the Bonds.

If this Bond Purchase Agreement shall be terminated pursuant to Section 8 or this Section 9, or if the purchase provided for herein is not consummated because any condition to the Underwriters’ obligations hereunder is not satisfied or because of any refusal, inability or failure on the part of the County, the Agency or the Authority to comply with any of the terms or to fulfill any of the conditions of this Bond Purchase Agreement, or if for any reason the County, the Agency or the Authority shall be unable to perform any of its respective obligations under this Bond Purchase Agreement, none of the County, the Agency or the Authority shall be liable to the Underwriters for damages on account of loss of anticipated profits arising out of the transactions covered by this Bond Purchase Agreement. The Underwriters may, in their sole discretion, waive any of the conditions set forth in Section 8 or this Section 9.

10. Changes in Official Statement. After the Closing, none of the Authority, the County or the Agency will adopt any amendment of or supplement to the Official Statement to which the Underwriters shall reasonably object in writing. Within 25 days following the “end of the underwriting period” (as defined in Section 240.15c-12 in Chapter II of Title 17 of the Code of Federal Regulations (Rule 15c2-12), whichever occurs first, if any event relating to or affecting the Bonds, the County, the Agency or the Authority shall occur as a result of which it is necessary, in the opinion of the Underwriters, to amend or supplement the Official Statement in order to make the Official Statement not misleading in any material respect in the light of the circumstances existing at the time it is delivered to a purchaser, the Authority will forthwith
prepare and furnish to the Underwriters an amendment or supplement that will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to purchaser, not misleading. The County, the Agency and the Authority shall cooperate with the Underwriters in the filing by the Underwriters of such amendment or supplement to the Official Statement with a nationally recognized municipal securities repository.

11. Payment of Costs and Expenses.

(a) All costs and expenses incident to the sale and delivery of the Bonds to the Underwriters shall be payable by the Authority from the proceeds of the Bonds, including, but not limited to: (i) the fees and expenses of the County, its counsel and consultants; (ii) the fees and expenses of the Agency, its counsel and consultants; (iii) the fees and expenses of the Authority, its counsel and consultants; (iv) the fees and expenses of Bond Counsel; (v) the fees and expenses of Disclosure Counsel; (vi) the fees and expenses of Capital Public Finance Group, LLC, the County’s financial advisor; (vii) all expenses in connection with the preparation and printing of the Bonds; (viii) all expenses in connection with the preparation, printing, distribution and delivery of the Preliminary Official Statement, the Official Statement and any amendment or supplement thereto; (ix) the initial fees and expenses of the Trustee, including the reasonable fees and expenses of its counsel; (x) the fees and expenses of any rating agency rating the Bonds; and (xi) any credit enhancement costs for the Bonds, including the premiums for the Financial Guaranty Insurance Policies.

(b) The Underwriters shall pay all expenses incurred by it in connection with the public offering and distribution of the Bonds including, but not limited to: (i) all advertising expenses in connection with the offering of the Bonds; (ii) the fees and disbursements of Underwriters’ Counsel and (iii) all out-of-pocket disbursements and expenses incurred by the Underwriters in connection with the offering and distribution of the Bonds, including, air travel and hotel accommodations in connection with the pricing of the Bonds; investor meetings, rating agency trips and meetings; the Closing; meals and transportation for the County, the Agency, the Underwriters and other working group personnel during rating agency, investor meetings; pricing and Closing trips; expenses related to attending working group meetings, such as parking, meals and transportation and any other miscellaneous costs associated with the Closing; (iv) all other expenses incurred by the Underwriters in connection with the public offering and distribution of Bonds, except as provided in (a) above or as otherwise agreed to by the Underwriters, the Authority, the County and the Agency, and (v) the fees of the California Debt and Investment Advisory Commission.

12. Notices. All written notices to be given under this Bond Purchase Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, confirmed by telephone, (b) after deposit in the United States mail, postage prepaid, upon receipt, or (c) in the case of personal delivery to any person, upon actual receipt. The Authority, the County, the Agency or the Underwriters may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder:

If to the Authority: Yuba Levee Financing Authority
915 8th Street
Marysville, CA 95901
Attention: Executive Director
Phone: (530) 749-7575

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If to the County: County of Yuba
915 8th Street
Marysville, CA 95901
Attention: County Administrative Officer
Phone: (530) 749-7575

If to the Agency: Yuba County Water Agency
1220 F Street
Marysville, CA 95901
Attention: General Manager
Phone: (530) 741 6278

To the Underwriters: Raymond James & Associates, Inc.
One Embarcadero Center, Suite 650
San Francisco, CA 94111
(415) 616-8025

Hilltop Securities Inc.
2535 South Coast Highway 101, Suite 250
Cardiff by the Sea, CA 92007
(760) 632-1347

13. Parties in Interest. This Bond Purchase Agreement is made solely for the benefit of the Authority, the County, the Agency and the Underwriters (including the successors or assigns of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the Authority’s, the County’s and the Agency’s representations, warranties and agreements contained in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of: (a) any investigations made by or on behalf of the Underwriters; (b) delivery of and payment for the Bonds pursuant to this Bond Purchase Agreement; and (c) any termination of this Bond Purchase Agreement.

14. Determination of End of the Underwriting Period. For purposes of this Bond Purchase Agreement, the end of the underwriting period for the Bonds shall mean the earlier of (a) the Closing Date unless the County, the Agency and the Authority have been notified in writing by the Underwriters, on or prior to the Closing Date, that the “end of the underwriting period” for the Bonds for all purposes of the Rule will not occur on the Closing Date, or (b) the date on which notice is given to the County, the Agency the Authority by the Underwriters in accordance with the following sentence. In the event that the Underwriters has given notice to the County, the Agency and the Authority pursuant to clause (a) above that the “end of the underwriting period” for the Bonds will not occur on the Closing Date, the Underwriters agrees to notify the County, the Agency and the Authority in writing as soon as practicable following the “end of the underwriting period” for the Bonds for all purposes of the Rule. The Underwriters agrees to file a copy of the Official Statement with each of the nationally recognized municipal securities information repositories.

15. No Assignment. This Bond Purchase Agreement is entered into among the County, the Agency, the Authority and the Underwriters, and none of them shall assign any right or obligation hereunder without the prior written consent of the other parties hereto.

16. Effectiveness. This Bond Purchase Agreement shall become effective upon the execution of the acceptance hereof by an authorized representative of the County, an authorized representative of the Agency and an authorized representative of the Authority, and shall be valid and enforceable at the time of such acceptance.

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

18. **Governing Law.** This Bond Purchase Agreement shall be interpreted, governed and enforced in accordance with the laws of the State of California.

19. **Counterparts.** This Bond Purchase Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.
If the foregoing is in accordance with your understanding of this Bond Purchase Agreement please sign and return to us the enclosed duplicate copies hereof, whereupon it will become a binding agreement among the County, the Agency, the Authority and the Underwriters in accordance with its terms.

Very truly yours,

RAYMOND JAMES & ASSOCIATES, INC.,
as Underwriter

By ____________________________
Authorized Officer

HILLTOP SECURITIES INC., as
Underwriter

By ____________________________
Authorized Officer

Accepted and Agreed to:

YUBA LEVEE FINANCING AUTHORITY

By ____________________________
Name __________________________
Title __________________________

COUNTY OF YUBA

By ____________________________
Name __________________________
Title __________________________

YUBA COUNTY WATER AGENCY

By ____________________________
Name __________________________
Title __________________________
EXHIBIT A

$______

YUBA LEVEE FINANCING AUTHORITY
Refunding Revenue Bonds, 2016 Series A
(Yuba County Levee Refinancing Project)

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES AND YIELDS

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<th>Principal Amount</th>
<th>Interest Rate</th>
<th>Yield</th>
<th>Price</th>
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<tr>
<td>September 1</td>
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Redemption Provisions

Mandatory Redemption of Bonds From Optional Prepayment of Lease Payments or Installment Payments.

Series A Bonds maturing on or after September 1, ____, shall be subject to mandatory redemption as a whole or in part, upon 40 days written notice to the Trustee by the County of its intention to optionally prepay the Lease Payments or by the Agency of its intention to optionally prepay the Installment Payments, on any date on or after September 1, ____, from any available source of funds of the County or the Water Agency, at a redemption price equal to the principal amount of the Series A Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium. Any such redemption shall be in such order of maturity as the entity so electing to prepay shall designate (and, if no specific order of redemption is designated, in inverse order of maturity).

Mandatory Sinking Account Redemption

The Series A Bonds maturing on September 1, ____, (the “Series A Term Bonds”) are also subject to mandatory sinking fund redemption in part by lot on September 1, ____, and on each September 1 thereafter, to and including September 1, ____, from Mandatory Sinking Account Payments made by the Authority at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, in the aggregate respective principal amounts and on the respective dates as set forth in the following table; provided, however, that if some but not all of the Series A Term Bonds have been optionally redeemed, the total amount of all future Sinking Account payments will be reduced by the aggregate principal amount of Series A Term Bonds so redeemed, to be allocated among the Mandatory Sinking Account Payments as are thereafter payable on a pro rata basis in integral multiples of $5,000 as determined by the Authority (notice of which determination is required to be given by the Authority to the Trustee).
†Maturity

Extraordinary Redemption from Insurance or Condemnation Proceeds

The Series A Bonds are also subject to redemption as a whole, or in part on a pro rata basis among maturities, on any date, in integral multiples of $5,000, to the extent of prepayments made by the County from insurance proceeds or condemnation proceeds not used to repair, reconstruct or replace any portion of the Leased Property damaged or destroyed or elected by the County to be used for such purpose, at a redemption price equal to 100% of the principal amount thereof plus interest accrued thereon to the date fixed for redemption, without premium.
EXHIBIT B

$__________

YUBA LEVEE FINANCING AUTHORITY
Taxable Refunding Revenue Bonds, 2016 Series B
(Yuba County Levee Refinancing Project)

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES AND YIELDS

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<th>Interest Rate</th>
<th>Yield</th>
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<tbody>
<tr>
<td>September 1</td>
<td></td>
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</table>

Redemption Provisions

Mandatory Redemption of Bonds From Optional Prepayment of Lease Payments or Installment Payments.

Series B Bonds maturing on or after September 1, ____, shall be subject to mandatory redemption as a whole or in part, upon 40 days written notice to the Trustee by the County of its intention to optionally prepay the Lease Payments or by the Agency of its intention to optionally prepay the Installment Payments, on any date on or after September 1, ____, from any available source of funds of the County or the Water Agency, at a redemption price equal to the principal amount of the Series B Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium. Any such redemption shall be in such order of maturity as the entity so electing to prepay shall designate (and, if no specific order of redemption is designated, in inverse order of maturity).

Extraordinary Redemption from Insurance or Condemnation Proceeds

The Series B Bonds are also subject to redemption as a whole, or in part on a pro rata basis among maturities, on any date, in integral multiples of $5,000, to the extent of prepayments made by the County from insurance proceeds or condemnation proceeds not used to repair, reconstruct or replace any portion of the Leased Property damaged or destroyed or elected by the County to be used for such purpose, at a redemption price equal to 100% of the principal amount thereof plus interest accrued thereon to the date fixed for redemption, without premium.
In the opinion of Quint & Thimig LLP, Larkspur, California, Bond Counsel, subject, however, to certain qualifications described herein, under existing law, the interest on the Series A Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, although for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining certain income and earnings. It is not the intent of the Authority that interest on the Series B Bonds be exempt for federal income tax purposes and Bond Counsel expresses no opinion on whether such interest is excluded from gross income of the owners of Series B Bonds for federal income tax purposes. In the further opinion of Bond Counsel, interest on both the Series A Bonds and the Series B Bonds is exempt from California personal income taxes. See “TAX MATTERS” herein.

YUBA LEVEE FINANCING AUTHORITY
Refunding Revenue Bonds, 2016 Series A
(Yuba County Levee Refinancing Project)

Dated: Date of Delivery

Due: September 1, 2016, as shown on the inside cover hereof

The Yuba Levee Financing Authority Refunding Revenue Bonds, 2016 Series A (Yuba County Levee Refinancing Project) (the “Series A Bonds”), and the Yuba Levee Financing Authority Taxable Refunding Revenue Bonds, 2016 Series B (Yuba County Levee Refinancing Project) (the “Series B Bonds”) and, together with the Series A Bonds, the “Bonds”), are being issued by the Yuba Levee Financing Authority (the “Authority”) pursuant to an Indenture of Trust, dated as of December 1, 2016 (the “Indenture”), and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”). The Bonds are special obligations of the Authority payable from Revenues (as defined herein) consisting primarily of (a) lease payments (the “Lease Payments”) payable by the County of Yuba (the “County”) under a lease agreement, dated as of December 1, 2016, by and between the Authority, as lessor, and the County, as lessee (the “Lease Agreement”), and (b) installment payments (the “Installment Payments”) payable by the County of Yuba Water Agency (the “Water Agency”) under an installment sale agreement, dated as of December 1, 2016, by and between the Authority, as seller, and the Water Agency, as purchaser (the “Installment Sale Agreement”).

The Bonds are being issued in denominations of $5,000 and any integral multiple thereof. Interest on the Bonds is payable on March 1 and September 1 of each year, commencing March 1, 2017. See “THE BONDS” herein. The Bonds will be delivered in fully registered form only, and, when delivered, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”). DTC will act as securities depository of the Bonds. Ownership interests in the Bonds may be purchased in book-entry form only. Principal of, premium, if any, and interest on the Bonds will be paid by the Trustee to DTC or its nominee, which will in turn remit such payment to its participants for subsequent disbursement to the beneficial owners of the Bonds. See “THE BONDS—General” herein and “APPENDIX G—DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

The Bonds are being issued to (a) refund the Yuba Levee Financing Authority Revenue Bonds, 2008 Series A (Yuba County Levee Refinancing Project), and the Yuba Levee Financing Authority Taxable Revenue Bonds, 2008 Series B (Yuba County Levee Refinancing Project), issued to finance a portion of the Feather River Phase IV levee improvements, (b) purchase a municipal bond insurance policy in lieu of cash funding a reserve fund for the Bonds, and (c) pay certain costs incurred in connection with issuance, sale and delivery of the Bonds. See “THE REFUNDING PLAN” and “Sources and Uses of Bond Proceeds” herein.

The County will covenant in the Lease Agreement to make the Lease Payments from any lawfully available funds for its use and occupancy of certain property, to include annual Lease Payments in its annual budgets, and to make the necessary annual appropriations for the Lease Payments. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Lease Payments” herein. The Lease Payments are subject to abatement under certain circumstances, as described herein. See “RISK FACTORS—Lease Payment Related Risks—Abatement Risk” herein. The Water Agency will covenant in the Installment Sale Agreement to make the Installment Payments as the purchase price of certain property from a pledge of certain Water Revenues (as defined in the Indenture), of the Water Agency. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Installment Payments” herein. The Installment Payments are not subject to abatement.

The Bonds are subject to redemption prior to maturity from optional prepayments of Lease Payments and Installment Payments, from scheduled sinking fund payments and from certain insurance and condemnation proceeds, as described herein. See “THE BONDS—Redemption” herein.

The scheduled payment of principal and interest on the Bonds when due will be guaranteed under two municipal bond insurance policies, one for each series of the Bonds, to be issued concurrently with the delivery of the Bonds by __________. See “BOND INSURANCE” herein.

[INSURER LOGO]


MATURITY SCHEDULE

(See inside cover page)

This cover page contains information for reference only. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision with respect to the Bonds. See “RISK FACTORS” herein for a discussion of certain factors that should be considered, in addition to other matters set forth herein, in evaluating the investment quality of the Bonds.

The following firm, serving as financial advisor to the County, has structured this issue:

Capitol Phils

The Bonds are offered when, as and if issued and accepted by the Underwriters, subject to approval as to their legality by Quint & Thimig LLP, Larkspur, California, Bond Counsel, and subject to certain other conditions. Certain legal matters will be passed on for the Authority by Quint & Thimig LLP, Larkspur, California, as Disclosure Counsel for the Authority. Certain legal matters will be passed on for the Authority and the County by the County Counsel, for the Water Agency by Barcus, Kronick & Shanahan, Sacramento, California, and for the Underwriters by Schiff Hardin LLP, San Francisco, California. It is anticipated that the Bonds, in book entry form, will be available for delivery through the facilities of DTC on or about December ___, 2016.

RAYMOND JAMES

HilltopSecurities

The date of this Official Statement is November ___, 2016

*Preliminary, subject to change.
TO:          Board of Supervisors  
            Yuba County  

FROM:    Jennifer Vasquez, Director  
         Chaya Galicia, Project Manager  
         Health & Human Services Department  

DATE:    November 1, 2016  

SUBJECT: Approval to Accept Monetary and In-Kind Donations from Various Individuals, Agencies and/or Organizations for the Benefit of 14Forward  

RECOMMENDATION: It is recommended that the Board of Supervisors, on behalf of its Health and Human Services Department (HHSD), approve the acceptance of the in-kind donations from various individuals, agencies and/or organizations as reflected in Attachment A for the benefit of 14Forward.

BACKGROUND: Yuba County owns real property located at 938 14th Street, Marysville, which is being used to provide temporary emergency housing to County residents subject to displacement from the homeless encampments in Yuba County. Several individuals, local agencies and/or organizations donated money, materials, supplies, and services (see Attachment A) in preparation of opening 14Forward to the eligible homeless.

DISCUSSION: The acceptance of the monetary and in-kind donations of materials, supplies and services for the 14Forward project will allow the County to continue assisting the homeless with the goal of achieving self-sufficiency.

COMMITTEE: The Human Services Committee was by-passed because the donations will not impact County General Funds.

FISCAL IMPACT: Approval of the donations will not impact County General Funds.
### In-Kind Donations

- Marysville Police Department - 15 used bikes
- Twin Cities Rescue Mission - bike rack
- Yuba County Victim Witness - couch, white board, yard equipment
- Velocity Charging Solutions - phone charging station
- Community members - household supplies, linens
- Yuba County Employees - linens
- Sherry Scott - pet supplies, food
- Frank Sorgea - pet supplies, food
- Mary Jane Griego - pet supplies, food
- Marysville Veterinary Hospital - vaccinations, animal care
- California Water Service Company - donation to Twin City Rescue Missions, misc. items
- Teichert Construction - aggregate base
- Darwazeh Construction - interior finish of office
- Proffitt's Painting - office
- Miller's Synthetic Turf - "grass" outside porches
- Basalite Concrete Products - unit porches
- Home Depot - spikes for porches
- Appeal Democrat - subscription through 12/31/16
- Linda Firefighters Association - fire extinguishers, smoke alarms
- Norcal Flooring / Yuba City Floor Covering - office flooring
- Rideout Health Group - propane heater
- Rideout Employees - household supplies
- Recology Yuba-Sutter - one year sanitary facilities rental
- Recology Yuba-Sutter - cleanup efforts, dumping - 151,000 tons
- Yuba-Sutter Economic Development Corporation - 200 staff hours
- Habitat for Humanity - building and supplies

**Total County Estimated In-Kind Donations** $79,191.46

### Private Donations

<table>
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<th>Amount</th>
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<tr>
<td>Richard &amp; Arlene Webb</td>
<td>100.00</td>
</tr>
<tr>
<td>Brenda T. Wong</td>
<td>100.00</td>
</tr>
<tr>
<td>Bruce Stottlemyer</td>
<td>50.00</td>
</tr>
<tr>
<td>Anonymous Donation</td>
<td>25.00</td>
</tr>
<tr>
<td>Yuba County S.T.A.R.S</td>
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</tr>
<tr>
<td>Jeannie Klever</td>
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<tr>
<td>Veronica Randall</td>
<td>50.00</td>
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<tr>
<td>Pieternal Van Giersbergen</td>
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<tr>
<td>Unknown Donor</td>
<td>6.00</td>
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**Total Private** $961.00
## Grants Received

<table>
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<tr>
<th>Organization</th>
<th>Amount</th>
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<tr>
<td>Yuba County Community Services Commission</td>
<td>41,192.49</td>
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<tr>
<td>Bank of America</td>
<td>2,500.00</td>
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**Total Grants**  
$43,692.49

## GoFundMe Donors

<table>
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<th>Amount</th>
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<tbody>
<tr>
<td>Robert Coe</td>
<td>50.00</td>
</tr>
<tr>
<td>John Nicolette</td>
<td>100.00</td>
</tr>
<tr>
<td>Ricky Samayoa</td>
<td>100.00</td>
</tr>
<tr>
<td>Rikki Shaffer</td>
<td>100.00</td>
</tr>
<tr>
<td>Doug Gibbs</td>
<td>100.00</td>
</tr>
<tr>
<td>Wendy Zapata</td>
<td>100.00</td>
</tr>
<tr>
<td>Dana Burroughs</td>
<td>100.00</td>
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<tr>
<td>Canna Delivers</td>
<td>100.00</td>
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<tr>
<td>Patrick Dilling</td>
<td>200.00</td>
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<tr>
<td>Marcia Stranix</td>
<td>100.00</td>
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<tr>
<td>Anonymous</td>
<td>500.00</td>
</tr>
<tr>
<td>Marc Flacks</td>
<td>50.00</td>
</tr>
<tr>
<td>Randy Fletcher (YCWA Employee Pledge)</td>
<td>250.00</td>
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<tr>
<td>Renovate American/HERO Program</td>
<td>750.00</td>
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**Total GoFundMe**  
$2,600.00

## Committed Sponsors - Shelter Unit Purchases

<table>
<thead>
<tr>
<th>Sponsor</th>
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<tbody>
<tr>
<td>Kiwanis Club of Marysville</td>
<td>3,500.00</td>
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<td>Peach Tree Clinic</td>
<td>3,500.00</td>
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<tr>
<td>Hilbers, Inc.</td>
<td>3,500.00</td>
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<tr>
<td>Rideout Health</td>
<td>3,500.00</td>
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<tr>
<td>Yuba-Sutter Healthcare Council</td>
<td>3,500.00</td>
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<tr>
<td>Yuba-Sutter United Way</td>
<td>3,500.00</td>
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<tr>
<td>Employees of Yuba County Water Agency</td>
<td>3,530.00</td>
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<tr>
<td>SaveMart CARES</td>
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<tr>
<td>The Bloxham Company</td>
<td>5,000.00</td>
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</table>

**Total Sponsorships**  
$33,030.00

**Total Monetary Donations**  
$80,283.49
October 19, 2016

TO: Board of Supervisors
FROM: James L. Arnold, Chief Probation Officer
BY: Jason Roper
SUBJECT: Appropriate funding through the Governor’s Office of Emergency Services, County Victim Services Program, XC16010580

RECOMMENDATION:

Authorize the attached budget transfer to appropriate grant funding for the County Victim Services Program, XC 16010580.

BACKGROUND:

In December 2014, President Obama signed into law the "Consolidated and Further Continuing Appropriations Act, 2015." This bill raised the Crime Victim Fund cap from $745 million to $2.361 billion, allowing awards to states through the VOCA Victim Assistance Formula Grant Program to quadruple for 2015. It is unknown if this funding level will be sustained for future years, therefore, Cal OES is increasing funding for ongoing programs for 2015-2016 and also funding additional one-time, 24-month projects, like the XC Program.

VOCA authorizes federal financial assistance to states through the Formula Grant Program for the purpose of supporting eligible crime victim assistance programs that: 1) respond to the emotional and physical needs of crime victims; 2) help primary and secondary victims of crime to stabilize their lives after a victimization; 3) help victims to understand and participate in the criminal justice system; and 4) provide victims with a measure of safety and security.

DISCUSSION:

The Yuba County Probation Department’s, Victim services Program established a county Victim Services Steering Committee which convened two times to discuss the needs of Yuba County as it pertains to victim services. The group decided that having a team of advocates which could respond to violent crimes in the field, or more rapidly was needed. Additionally, improving facilities to interview children forensically and having sexual assault counselors more available was identified as a major need. The Yuba County Violent Crime Response (VCR) Team was created from this steering committee. The County probation department is asking for the board to approve the appropriations for the XC Grant.

COMMITTEE:

This matter was not sent to committee a there is no general fund impact.
FISCAL IMPACT:

Grant funds in the amount of $117,706 would be utilized to create this program in each of the next two fiscal years with no county general fund impact.
### COUNTY OF YUBA
#### AUDITOR-CONTROLLER'S OFFICE
##### BUDGET ADJUSTMENT REQUEST FORM

**DEPARTMENT:** Probation-Victim/Witness  
**PREPARED BY/PHONE:** Angie Martinez 741-6275

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Account Name</th>
<th>Amount INC/(DEC)</th>
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<tbody>
<tr>
<td>101 3107 362720</td>
<td>Aid For Corrections</td>
<td>117,706.00</td>
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<table>
<thead>
<tr>
<th>Account Number</th>
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<tbody>
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<td>101 3107 423 0202</td>
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<td>101 3107 423 6200</td>
<td>Fixed Assets</td>
<td>13,925.00</td>
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</table>

**TOTAL NET REVENUE INCREASE/(DECREASE):** 117,706.00  
**TOTAL NET EXPENDITURES INCREASE/(DECREASE):** 117,706.00

**EXPLANATION FOR BUDGET ADJUSTMENT:**
Program received funding for Victim Crime Scene Response. This is a two year grant. Appropriation is for first year of grant.

**FUNDING SOURCE FOR INCREASES:**

- **EXTERNAL**
- **INTERNAL**

**BUDGET TRANSFER #**

-MUST INCLUDE DOCUMENTATION FOR THE ADDITIONAL FUNDING   
-MUST INCLUDE A JOURNAL REQUEST FORM or ACCOUNT BALANCE OF SOURCE FUND(S)

**APPROVALS:**
Availability and appropriateness of budget amounts, balances, and accounts of the above has been verified and approved.

1) **DEPARTMENT HEAD:**
2) **COUNTY ADMINISTRATOR:**

---

**GENERALLedger:**

<table>
<thead>
<tr>
<th>FUND</th>
<th>BASE</th>
<th>4000/8000</th>
<th>DR</th>
<th>CR</th>
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<td>280</td>
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</tr>
</tbody>
</table>

**COMPLETED BY:**

---

AOC (REV AUG 2014)
CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES
GRANT SUBAWARD FACE SHEET

The California Governor's Office of Emergency Services (Cal OES), makes a Grant Subaward of funds set forth to the following:

1. Subrecipient: County of Yuba

2. Implementing Agency: Yuba County Probation, victim Services

3. Implementing Agency Address: 215 5th Street, Suite 154

4. Location of Project: Olivehurst

5. Disaster/Program Title: Violent Crime Response (VCR) Team

6. Performance Period: 07/01/2016 to 06/30/2017

7. indirect Cost Rate: ☐ N/A; ☐ 10% de minimis; ☐ Federally Approved ICR

---

<table>
<thead>
<tr>
<th>Grant Year</th>
<th>Fund Source</th>
<th>A. State</th>
<th>B. Federal</th>
<th>C. Total</th>
<th>D. Cash Match</th>
<th>E. In-Kind Match</th>
<th>F. Total Match</th>
<th>G. Total Project Cost</th>
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<td>$215,882</td>
<td></td>
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<td>$53,971</td>
<td>$53,971</td>
<td>$269,853</td>
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<tr>
<td>TOTALS</td>
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<td></td>
<td>$215,882</td>
<td>$215,882</td>
<td></td>
<td></td>
<td></td>
<td>$269,853</td>
</tr>
</tbody>
</table>

13. This Grant Subaward consists of this title page, the application for the grant, which is attached and made a part hereof, and the Assurances/Certifications. I hereby certify I am vested with the authority to enter into this Grant Subaward, and have the approval of the City/County Financial Officer, City Manager, County Administrator, Governing Board Chair, or other Approving Body. The Subrecipient certifies that all funds received pursuant to this agreement will be spent exclusively on the purposes specified in the Grant Subaward. The Subrecipient accepts this Grant Subaward and agrees to administer the grant project in accordance with the Grant Subaward as well as all applicable state and federal laws, audit requirements, federal program guidelines, and Cal OES policy and program guidance. The Subrecipient further agrees that the allocation of funds may be contingent on the enactment of the State Budget.

14. Official Authorized to Sign for Subrecipient:

Name: James L. Arnold
Telephone: 530-749-7550
FAX: 530-749-7913

Payment Mailing Address: 215 5th Street, Suite 154

Signature: [Signature]

15. Federal Employer ID Number: 94-6000549
Title: Chief Probation Officer
Email: jarnold@co.yuba.ca.us
City: Marysville
Zip+4: 95901-5737
Date: 5.23.16

I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purposes of this expenditure stated above.

[Signature] 10/4/16

Cal OES Fiscal Officer

[Signature] 10/4/16

Cal OES Director (or designee)

Yr. 2016-17 / Chapter: 231 / PCA No: 18405
Issue: 0590-102-0480 / Component: 42.30.651
PAIN #: 2015-VA-GX-0058 / CFDA #: 16.575
Federal Award Dates: 10/01/14-09/30/18
Funded: Federal Trust
Program: County Victim Services
Match Req.: 20%, 50% based on TPC
Amount: $215,882

Grant Subaward Face Sheet – Cal OES 2-101 (Revised 2/2016)
October 6, 2016

James L. Arnold, Chief Probation Officer
Yuba County
215 5th Street, Suite 154
Marysville, CA 95901

Subject: NOTIFICATION OF APPLICATION APPROVAL
County Victim Services Program
Subaward #: XC16 01 0580, Cal OES ID: 115-00000

Dear Chief Arnold:

Congratulations! The California Governor’s Office of Emergency Services (Cal OES) has approved your application in the amount of $215,882, subject to Budget approval. A copy of your approved subaward is enclosed for your records.

Cal OES will make every effort to process payment requests within 45 days of receipt.

This subaward is subject to the Cal OES Subrecipient Handbook. You are encouraged to read and familiarize yourself with the Cal OES Subrecipient Handbook, which can be viewed on Cal OES website at www.caloes.ca.gov.

Any funds received in excess of current needs, approved amounts, or those found owed as a result of a close-out or audit, must be refunded to the State within 30 days upon receipt of an invoice from Cal OES.

Should you have questions on your subaward please contact your Program Specialist.

VSPS Grants Processing

Enclosure

c: Subrecipient's file
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November 1, 2016

To: Yuba County Board of Supervisors

From: Kevin Mallen, CDSA Director

Subject: State Mandated Updates to Yuba County Building Codes

RECOMMENDATION

Adopt the attached ordinance repealing and reenacting certain sections of Chapter 10.05 of the Yuba County Ordinance Code relating to standards of building construction.

BACKGROUND

The State Building Standards Commission adopts building construction standards on a triennial basis which are codified in Title 24 of the California Code of Regulations. Local agencies are required to begin enforcement of these regulations within 180 days of publication.

DISCUSSION

Due to the Building Standards Commission’s adoption of the 2016 Codes, Yuba County is required to have our codes updated to be in conformance by January 1, 2017. In addition to referencing the updated codes, staff is proposing a couple minor edits to make administration of the code more straightforward. Attached is a copy of the proposed changes to sections of Chapter 10.05 in redline strikeout as well as a table summarizing the changes below.

<table>
<thead>
<tr>
<th>CODE SECTION</th>
<th>PROPOSED CHANGE</th>
<th>SUMMARY OF CHANGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.05.140A</td>
<td>AMENDED</td>
<td>Reference the current triennial version of the California Code of Regulations Title 24.</td>
</tr>
<tr>
<td>10.05.140B.2</td>
<td>AMENDED</td>
<td>Repeal the 2012 IAPMO Uniform Swimming Pool, Spa and Hot Tub Code and replace it with the 2015 International Swimming Pool and Spa Code.</td>
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<tr>
<td>10.05.140B.3</td>
<td>REPEALED</td>
<td>Repeal the 2012 IAPMO Uniform Solar Code.</td>
</tr>
<tr>
<td>Ordinance</td>
<td>Amended</td>
<td>Action</td>
</tr>
<tr>
<td>-----------</td>
<td>---------</td>
<td>--------</td>
</tr>
<tr>
<td>10.05.170A</td>
<td>AMENDED</td>
<td>Corrected the reference to section 10.05.130 to read section 10.05.140</td>
</tr>
<tr>
<td>10.05.200A</td>
<td>AMENDED</td>
<td>Added language to the definition of an Alteration to include a change in occupancy or use.</td>
</tr>
<tr>
<td>10.05.440B</td>
<td>AMENDED</td>
<td>Repealed the 400 square foot limitation for temporary structures. Revised the language to authorize the Building Official discretion to require construction documentation and plan check service for temporary structures.</td>
</tr>
</tbody>
</table>

**COMMITTEE ACTION**

The proposed changes are considered routine in nature and are being presented directly to the full Board.

**ENVIRONMENTAL REVIEW**

Pursuant to the State Guidelines to implement the California Environmental Quality Act (CEQA), the ordinance has been reviewed for its potential to impact the environment. It is recommended that the Board of Supervisors determine that the proposal consists of the adoption of Codes for the regulation and safe construction of otherwise permitted structures within the unincorporated County. As the Ordinance addresses safety standards and shall not allow land uses by right-of-zone that are not otherwise allowed, it can be seen that the proposed ordinance will not have an adverse impact upon the environment and it is, therefore, EXEMPT from further environmental review pursuant to CEQA Section 15061(b)(3).

**ATTACHMENTS**

1. Ordinance
2. Proposed Code Amendments – Tracked Changes Format
ORDINANCE NO. ________________

AN ORDINANCE REPEALING AND RE-ENACTING AS AMENDED SECTIONS 10.05.140, 10.05.170, 10.05.200, AND 10.05.440 OF CHAPTER 10.05 OF THE YUBA COUNTY ORDINANCE CODE RELATING TO STANDARDS OF BUILDING CONSTRUCTION

The following ordinance consisting of three (3) sections was duly and regularly passed and adopted by the Board of Supervisors of the County of Yuba, State of California, at a regular meeting of the Board of Supervisors held on _____ day of ________________, _______, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

______________________________
Chairperson of the Board of Supervisors
Of the County of Yuba, State of California

ATTEST: DONNA STOTTLMEYER
Clerk of the Board of Supervisors

By: ____________________________

APPROVED AS TO FORM
ANGIL MORRIS-JONES:

By: [Signature]

Page 1 of 6
THE BOARD OF SUPERVISORS OF THE COUNTY OF YUBA, STATE OF CALIFORNIA DOES ORDAIN AS FOLLOWS:

Section 1. This ordinance shall take effect thirty (30) days after its passage, and before the expiration of fifteen (15) days after its passage a summary shall be published with the names of the members voting for and against the same, once in a local newspaper of general circulation in the County of Yuba, State of California.

Section 2. Sections 10.05.140, 10.05.170, 10.05.200, and 10.05.440 or Chapter 10.05 of Title X of the Yuba County Ordinance Code are hereby repealed and re-enacted as amended and set forth herein below:

10.05.140 Adoption of Codes and Standards. The following codes, standards, and/or publications are hereby adopted by reference and incorporated in this code.

A. California Code of Regulations, Title 24, Building Standards Code. The current triennial version of the California Code of Regulations, Title 24, published by the California Building Standards Commission including the most current errata, are hereby adopted as listed and amended below. The provisions of the Administrative sections as well as the appendixes shall not apply unless specifically adopted below.

1. 2016 California Administrative Code, Title 24 Part 1
2. 2016 California Building Code, Title 24, Part 2, Volumes 1 and 2, including Appendixes C, F and J
3. 2016 California Residential Code, Title 24, Part 2.5
4. 2016 California Electrical Code, Title 24, Part 3
5. 2016 California Mechanical Code, Title 24, Part 4
6. 2016 California Plumbing Code, Title 24 Part 5, including Appendixes A and C
7. 2016 California Energy Code, Title 24 Part 6
8. 2016 California Historical Building Code, Title 24 Part 8
9. 2016 California Fire Code, Title 24 Part 9
10. 2016 California Existing Building Code, Title 24 Part 10
11. 2016 California Green Building Standards, Title 24 Part 11
12. 2016 California Building Standards, Title 24 Part 12

B. Supplementary Codes and Standards

1. 2012 ICC International Property Maintenance Code, including Appendix A
   a. Exception: Scope and Administrative provisions contained in Sections 103, 106, 107, 110.2 and 111 shall not apply. Administrative and Abatement activities shall comply with Chapter 7.36 or 7.40 of the Yuba County Ordinance Code
2. 2015 ICC International Swimming Pool and Spa Code
3. 1997 ICBO Uniform Code For The Abatement Of Dangerous Buildings, Chapter 3
4. 1997 ICBO Uniform Housing Code, Chapters 4, 5, 6, 7, 8, 9 and 10

10.05.170 Referenced Codes and Standards. The codes and standards referenced in this code shall be considered part of the requirements of this code.

A. Where the extent of the reference to a referenced code or standard includes subject matter that is within the scope of this code or the California Codes listed in Section 10.05.140, the provisions of this code or the California Codes listed in Section 10.05.140, as applicable, shall take precedence over the provisions in the referenced code or standard.

B. All reference to International Codes or other similar codes in referenced standards shall be replaced by equivalent provisions in the California Building Standards Codes.

10.05.200 For the purposes of this Chapter, the following definitions shall govern:

A. Alteration – to change or modify an existing building or structure, whether dilapidated or not, where such change or modification does not cause an increase in the building or structure footprint or square footage. Alteration shall have the same meaning as remodel or change in use or occupancy.

B. As-Built Plans – means detailed drawings of an existing non-compliant building or structure constructed without permits including reviews and approvals

C. Chief Building Official – shall mean the person, certified pursuant to the California Health and Safety Code, who oversees the Building Department and is assigned the responsibility of enforcing the provisions of this code including his or her deputies, designees or contract employees. The Chief Building Official may also be referred to as “Building Official” or the “Director of the Building Department”.

D. Costs of Enforcement - means all costs, direct or indirect, actual or incurred related to the performance of various administrative acts required pursuant to the enforcement of this Chapter, which include but are not limited to: administrative overhead, salaries and
expenses incurred by County Officers, site inspections, investigations, notices, telephone contacts and correspondence, conducting hearings, as well as time expended by County staff in calculating the above expenses. The costs also include the cost of an Administrative Law Judge (ALJ), the cost of time and expenses associated with bringing the matter to hearing, the costs associated with any appeals from any decision rendered by any hearing body, the costs of judicially abating a violation and all costs associated with removing, correcting or otherwise abating any violation including administrative penalties of this Chapter.

E. Emplacement – to place a building or structure that is already prebuilt or preassembled onto a parcel.

F. Existing Construction – development including buildings and structures that have been maintained in good condition, have been in continuous use and do not otherwise create a public nuisance, or health or safety hazard.

G. Like Materials – shall mean materials, either new or used, that are equivalent to original materials. Like materials shall in no case perform less than the original materials or as prescribed by this code.

H. Master Plan – Building or structure plans that will result in 3 or more buildings or structures being built within the County of Yuba.

I. New Construction – Construction where no construction has ever occurred before, or construction on a lot where work begins two or more years after a disaster has been declared, or where 50% or more of any structural components, exclusive of the foundation, or 75% of any nonstructural components are being replaced with new materials.

J. Non-Compliant Structure – a building or structure built, or emplaced, without required reviews, approvals and permits.

K. Permit, Reinstatement – to make an expired permit operative again under the original permit’s approved terms and conditions, provided that no changes have been made to the building or plans.

L. Permit, Renewal – to extend an unexpired permit for a specific amount of time allowing continuous work under the original permit’s approved terms and conditions.

M. Prebuilt – designed, manufactured and assembled off site at a remote location and transported to a final site complete.

N. Prefabricated – designed and manufactured off site and then assembled on-site.

O. Production House – Housing that is built pursuant to a Master Plan.

P. Rehabilitation – to fix, repair or replace building materials that have become deteriorated, dilapidated or obsolete making the building or structure anew without altering the structure or building. Rehabilitation may be considered new construction based on the scope of work to be performed.
Q. **Remodel** – to reconfigure space or to replace building materials, including appliances, with new materials. Remodel shall have the same meaning as Alteration but not repair or rehabilitation.

R. **Repair, Major** – the act of fixing or replacing building materials where the work is not limited in scope. Major repair shall be the same as Rehabilitation where no alterations are being made.

S. **Repair, Minor** – the act of replacing, putting back together or reassembling existing building materials to fix what is broken. Minor repairs are limited to 10% or less, in any consecutive 12 month period, to one wall line or plane (delimited by changes in direction of any degree) and may include both structural and nonstructural elements. Minor repairs shall not result, when combined over time, in major repair or rehabilitation.

T. **Replacement** – for the purposes of fee application, replacement structures shall have an internal configuration, footprint and square footage similar to the original building or structure being replaced, and must fall within the two (2) year period as outlined in Chapter 10.35.

U. **Rules, Mandatory** – are rules that identify actions that are specifically required or prohibited and are characterized by the use of the terms shall or shall not.

V. **Rules, Permissive** – are those that identify actions that are allowed but not required, are normally used to describe options or alternative methods, and are characterized by the use of the terms may, shall be permitted, shall not be required or is authorized.

W. **Scope of Work** – means a written detail, which may or may not include plans, of anticipated work and shall accurately identify all areas and components of the structure that will be altered, repaired, replaced, removed or rehabilitated.

X. **Story** – one floor level consisting of rooms and does not include an attic or basement.

Y. **Unsafe Structures, Property or Equipment** – Shall mean insanitary or deficient because of inadequate means of egress facilities, inadequate light and ventilation, or which constitute a fire hazard, or are otherwise dangerous to human life or the public welfare, or that involve illegal or improper occupancy or inadequate maintenance, and shall also include but not be limited to the definitions as listed in Section 302 of the Uniform Code for the Abatement of Dangerous Buildings, Section 1001 of the Uniform Housing Code (1997 Editions), shall be deemed an unsafe condition. A vacant structure that is not secured against entry shall be deemed unsafe.

**10.05.440 Temporary Structures and Uses.**

A. **General.** The building official may issue a permit for temporary structures and temporary uses. Such permits shall be limited as to time of service, but shall not be permitted for more than 180 days. The building official may, upon written request
supported by good cause, to grant a one-time extension of not more than 90 days. An application for temporary permit shall be made to the building official and shall contain a plot plan that accurately, to a scale of ¼ inch per foot, identifies property lines, required setbacks (structure to structure, property lines to structures, septic and well locations), grading activities (a separate permit may be required), existing structures and the proposed structure. The application shall also contain a signed and notarized acknowledgement stating that the structure is temporary and must be removed by the permit expiration date and that failure to do so will result in the issuance of a Notice and Order to Abate Public Nuisance (pursuant to Chapter 7.36 of the Yuba County Ordinance Code) along with all applicable enforcement costs and penalties.

B. Conformance. Temporary structures and uses shall be limited to the U Occupancy classification. The use of these temporary structures shall be limited to non-hazardous storage or an agricultural/horticultural use. Vehicle, chemical or hazardous material storage in these structures is prohibited. Construction documentation and plan-check service as required by this code may be required by the building official; however the structure must conform to generally accepted construction and/or engineering practices and shall not pose a fire/life/safety hazard to the community. The building official shall collect the fee for temporary structures as prescribed in Title XIII of the Yuba County Ordinance Code. Inspections pursuant to this Section include, but are not limited to, apparent fire/life/safety hazards, verification of setbacks, construction method, ground-attachment, temporary plumbing and electrical services/fixtures. In addition, verification of the structure’s final removal shall also be authorized by the permit.

C. Termination of Approval. Where the temporary structure or use creates a hazard or is otherwise determined to be a public nuisance, the building official is authorized to terminate such permit for the temporary structure or use and to order the temporary structure or use to be discontinued. No refund of any fee paid pursuant to this section shall be reimbursed to the owner, applicant or authorized agent after a permit has been issued.

Section 3. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be unconstitutional and invalid, such decision shall not affect the validity of the remaining portion of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional.
THE BOARD OF SUPERVISORS OF THE COUNTY OF YUBA, STATE OF CALIFORNIA DOES ORDAIN AS
FOLLOWS:

Section 1. This ordinance shall take effect thirty (30) days after its passage, and before the
expiration of fifteen (15) days after its passage a summary shall be published with the names of the
members voting for and against the same, once in a local newspaper of general circulation in the County
of Yuba, State of California.

Section 2. Sections 10.05.140, 10.05.170, 10.05.200, and 10.05.440 or Chapter 10.05 of Title X of
the Yuba County Ordinance Code are hereby repealed and re-enacted as amended and set forth herein
below:

10.05.1440 Adoption of Codes and Standards. The following codes, standards, and/or
publications are hereby adopted by reference and incorporated in this code.

A. California Code of Regulations, Title 24, Building Standards Code. The current triennial
version of the California Code of Regulations, Title 24, published by the California
Building Standards Commission including the most current errata, are hereby adopted
as listed and amended below. The provisions of the Administrative sections as well as
the appendixes shall not apply unless specifically adopted below.

1. 2013-2016 California Administrative Code, Title 24 Part 1
2. 2013-2016 California Building Code, Title 24, Part 2, Volumes 1 and 2, including
Appendixes C, F and J
3. 2013-2016 California Residential Code, Title 24, Part 2.5
4. 2013-2016 California Electrical Code, Title 24, Part 3
5. 2013-2016 California Mechanical Code, Title 24, Part 4
6. 2013-2016 California Plumbing Code, Title 24 Part 5, including Appendixes A and
   C
7. 2013-2016 California Energy Code, Title 24 Part 6
8. 2013-2016 California Historical Building Code, Title 24 Part 8
9. 2013-2016 California Fire Code, Title 24 Part 9
10. 2013-2016 California Existing Building Code, Title 24 Part 10
11. 2013-2016 California Green Building Standards, Title 24 Part 11
12. 2013-2016 California Building Standards, Title 24 Part 12

B. Supplementary Codes and Standards
   1. 2012 ICC International Property Maintenance Code, including Appendix A
      a. Exception: Scope and Administrative provisions contained in Sections 103, 106, 107, 110.2 and 111 shall not apply. Administrative and Abatement activities shall comply with Chapter 7.36 or 7.40 of the Yuba County Ordinance Code
   2. 2012 IAPMO Uniform Swimming Pool and Hot Tub Code
   3. 2015 ICC International Swimming Pool and Spa Code
   4. 2012 IAPMO Uniform Solar Code
   4. 1997 ICBO Uniform Code For The Abatement Of Dangerous Buildings, Chapter 3
   5. 1997 ICBO Uniform Housing Code, Chapters 4, 5, 6, 7, 8, 9 and 10

10.05.1770 Referenced Codes and Standards. The codes and standards referenced in this code shall be considered part of the requirements of this code.
   A. Where the extent of the reference to a referenced code or standard includes subject matter that is within the scope of this code or the California Codes listed in Section 10.05.1430, the provisions of this code or the California Codes listed in Section 10.05.1440, as applicable, shall take precedence over the provisions in the referenced code or standard.
   B. All reference to International Codes or other similar codes in referenced standards shall be replaced by equivalent provisions in the California Building Standards Codes.

10.05.200 For the purposes of this Chapter, the following definitions shall govern:
   A. Alteration – to change or modify an existing building or structure, whether dilapidated or not, where such change or modification does not cause an increase in the building or structure footprint or square footage. Alteration shall have the same meaning as remodel or change in use or occupancy.
   B. As-Built Plans – means detailed drawings of an existing non-compliant building or structure constructed without permits including reviews and approvals
   C. Chief Building Official – shall mean the person, certified pursuant to the California Health and Safety Code, who oversees the Building Department and is assigned the
responsibility of enforcing the provisions of this code including his or her deputies, designees or contract employees. The Chief Building Official may also be referred to as “Building Official” or the “Director of the Building Department”.

D. Costs of Enforcement - means all costs, direct or indirect, actual or incurred related to the performance of various administrative acts required pursuant to the enforcement of this Chapter, which include but are not limited to: administrative overhead, salaries and expenses incurred by County Officers, site inspections, investigations, notices, telephone contacts and correspondence, conducting hearings, as well as time expended by County staff in calculating the above expenses. The costs also include the cost of an Administrative Law Judge (ALJ), the cost of time and expenses associated with bringing the matter to hearing, the costs associated with any appeals from any decision rendered by any hearing body, the costs of judicially abating a violation and all costs associated with removing, correcting or otherwise abating any violation including administrative penalties of this Chapter.

E. Emplacement – to place a building or structure that is already prebuilt or preassembled onto a parcel.

F. Existing Construction – development including buildings and structures that have been maintained in good condition, have been in continuous use and do not otherwise create a public nuisance, or health or safety hazard.

G. Like Materials – shall mean materials, either new or used, that are equivalent to original materials. Like materials shall in no case perform less than the original materials or as prescribed by this code.

H. Master Plan – Building or structure plans that will result in 3 or more buildings or structures being built within the County of Yuba.

I. New Construction – Construction where no construction has ever occurred before, or construction on a lot where work begins two or more years after a disaster has been declared, or where 50% or more of any structural components, exclusive of the foundation, or 75% of any nonstructural components are being replaced with new materials.

J. Non-Compliant Structure – a building or structure built, or emplaced, without required reviews, approvals and permits.

K. Permit, Reinstatement – to make an expired permit operative again under the original permit’s approved terms and conditions, provided that no changes have been made to the building or plans.

L. Permit, Renewal – to extend an unexpired permit for a specific amount of time allowing continuous work under the original permit’s approved terms and conditions.

M. Prebuilt – designed, manufactured and assembled off site at a remote location and transported to a final site complete.

N. Prefabricated – designed and manufactured off site and then assembled on-site.
O. Production House – Housing that is built pursuant to a Master Plan.

P. Rehabilitation – to fix, repair or replace building materials that have become deteriorated, dilapidated or obsolete making the building or structure anew without altering the structure or building. Rehabilitation may be considered new construction based on the scope of work to be performed.

Q. Remodel – to reconfigure space or to replace building materials, including appliances, with new materials. Remodel shall have the same meaning as Alteration but not repair or rehabilitation.

R. Repair, Major – the act of fixing or replacing building materials where the work is not limited in scope. Major repair shall be the same as Rehabilitation where no alterations are being made.

S. Repair, Minor – the act of replacing, putting back together or reassembling existing building materials to fix what is broken. Minor repairs are limited to 10% or less, in any consecutive 12 month period, to one wall line or plane (delimited by changes in direction of any degree) and may include both structural and nonstructural elements. Minor repairs shall not result, when combined over time, in major repair or rehabilitation.

T. Replacement – for the purposes of fee application, replacement structures shall have an internal configuration, footprint and square footage similar to the original building or structure being replaced, and must fall within the two (2) year period as outlined in Chapter 10.35.

U. Rules, Mandatory – are rules that identify actions that are specifically required or prohibited and are characterized by the use of the terms shall or shall not.

V. Rules, Permissive – are those that identify actions that are allowed but not required, are normally used to describe options or alternative methods, and are characterized by the use of the terms may, shall be permitted, shall not be required or is authorized.

W. Scope of Work - means a written detail, which may or may not include plans, of anticipated work and shall accurately identify all areas and components of the structure that will be altered, repaired, replaced, removed or rehabilitated.

X. Story – one floor level consisting of rooms and does not include an attic or basement.

Y. Unsafe Structures, Property or Equipment – Shall mean insanitary or deficient because of inadequate means of egress facilities, inadequate light and ventilation, or which constitute a fire hazard, or are otherwise dangerous to human life or the public welfare, or that involve illegal or improper occupancy or inadequate maintenance, and shall also include but not be limited to the definitions as listed in Section 302 of the Uniform Code for the Abatement of Dangerous Buildings, Section 1001 of the Uniform Housing Code (1997 Editions), shall be deemed an unsafe condition. A vacant structure that is not secured against entry shall be deemed unsafe.
10.05.4440 Temporary Structures and Uses.

A. General. The building official may issue a permit for temporary structures and temporary uses. Such permits shall be limited as to time of service, but shall not be permitted for more than 180 days. The building official may, upon written request supported by good cause, to grant a one-time extension of not more than 90 days. An application for temporary permit shall be made to the building official and shall contain a plot plan that accurately, to a scale of ¼ inch per foot, identifies property lines, required setbacks (structure to structure, property lines to structures, septic and well locations), grading activities (a separate permit may be required), existing structures and the proposed structure. The application shall also contain a signed and notarized acknowledgement stating that the structure is temporary and must be removed by the permit expiration date and that failure to do so will result in the issuance of a Notice and Order to Abate Public Nuisance (pursuant to Chapter 7.36 of the Yuba County Ordinance Code) along with all applicable enforcement costs and penalties.

B. Conformance. Temporary structures and uses shall be limited to the U Occupancy classification, limited to 400 square foot, or less, in size; with the use of these structures shall be limited to non-hazardous storage or an agricultural/horticultural use; vehicle, chemical or hazardous material storage in these structures is prohibited. Construction documentation and plan-check service as required by this code shall not be required may be required by the building official; however the structure must conform to generally accepted construction and/or engineering practices and shall not pose a fire/life/safety hazard to the community. The building official shall collect the fee for temporary structures as prescribed in Title XIII of the Yuba County Ordinance Code. Inspections pursuant to this Section include, but are not limited to, apparent fire/life/safety hazards, verification of setbacks, construction method, ground-attachment, temporary plumbing and electrical services/fixtures. In addition, verification of the structure’s final removal shall also be authorized by the permit.

C. Termination of Approval. Where the temporary structure or use creates a hazard or is otherwise determined to be a public nuisance, the building official is authorized to terminate such permit for the temporary structure or use and to order the temporary structure or use to be discontinued. No refund of any fee paid pursuant to this section shall be reimbursed to the owner, applicant or authorized agent after a permit has been issued.