



AGENDA
REGULAR MEETING OF THE MAYWOOD CITY COUNCIL AND THE
SUCCESSOR AGENCY TO THE MAYWOOD COMMUNITY
REDEVELOPMENT AGENCY

WEDNESDAY, APRIL 28, 2021 AT 7:00 PM

Maywood City Council Chambers
4319 E. Slauson Avenue, Maywood, CA 90270
www.cityofmaywood.com

I. CALL TO ORDER/ROLL CALL

CALL TO ORDER
ROLL CALL

II. CITY OFFICIALS

MAYOR
Ricardo Lara

MAYOR PRO TEM
Heber Marquez

COUNCIL MEMBERS
Eduardo De La Riva
Frank Garcia
Jessica Torres

CITY CLERK
Flor Aguiluz

CITY TREASURER
Mary Mariscal

CITY MANAGER
Jennifer E. Vasquez

CITY ATTORNEY
Roxanne Diaz

III. COVID-19 MEETING PROCEDURES

PUBLIC ADVISORY: THE CITY COUNCIL CHAMBERS WILL NOT BE OPEN TO THE PUBLIC Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the regular meeting of the City Council for April 28, 2021 will be conducted telephonically through Zoom and broadcast live on the City's Facebook page. Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Council

Chambers will not be open for the meeting. Council Members will be participating telephonically and will not be physically present in the Council Chambers.

If you would like to speak on an agenda item, you can access the meeting remotely via zoom:

Join by phone 1-669-900-6833 Enter Meeting ID: 858 7141 4020 Passcode: 273419

OR

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/85871414020?pwd=YTJ5Z01zVFNaTmNMZ1luTnRQODIldz09>

Passcode: 273419

If you want to comment during the public comment portion of the agenda, Press *9 on your phone or raise your hand in the zoom controls and we will select you from the meeting cue. NOTE: Your phone number will appear on the screen unless you first dial *67 before dialing the numbers as shown above.

The City wants you to know that you can also submit your comments by email to shirley.quinones@cityofmaywood.org. To give adequate time to print out your comments for consideration at the meeting, please submit your written comments prior to 4:30 p.m.; or if you are unable to email, please call the City Clerk's Office at (323) 562-5714 by 4:30 p.m.

If you wish to have your comments read to the Council Members during the appropriate Public Comment period, please indicate in the Subject Line "FOR PUBLIC COMMENT" and list the item number you wish to comment on. Comments that you want read to the Council will be subject to the three minute time limitation (approximately 350 words). Written comments that are only to be provided to Council and not read at the meeting will be distributed to the Council prior to the meeting.

Pursuant to the Executive Order, and in compliance with the Americans with Disabilities Act, if you need special assistance to participate in the Council meeting, please contact the City Clerk's Office, (323) 562-5714 within 48 hours of the meeting.

IV. MAYOR, COUNCILMEMBERS AND STAFF COMMENTS

V. PUBLIC PARTICIPATION (Agenda Items; Time allotted: 3 minutes)

Speakers wishing to address the City Council on an item on the agenda may use the following:

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VI. PRESENTATIONS

RECOGNITION OF STUDENTS RUN LA PARTICIPANTS

1. Angel Orozco
2. Alexa Zamorano
3. Brandon Garcia
4. Cesar Romero
5. Diego Toscano

PROCLAMATION RECOGNIZING NATIONAL DONATE LIFE MONTH

PROCLAMATION RECOGNIZING EARTHQUAKE PREPAREDNESS MONTH

SHERIFF'S REPORT

VII. PUBLIC HEARING

VIII. CONSENT CALENDAR

All matters listed under CONSENT CALENDAR are considered to be routine and can be acted on by one roll call vote. There will be no separate discussion of these items unless members of the City Council request specific items to be removed from the Consent Calendar for separate discussion or action.

1. MINUTES OF THE APRIL 14,2021 CITY COUNCIL MEETING
2. MINUTES OF THE APRIL 14, 2021 SPECIAL CITY COUNCIL BUDGET STUDY SESSION
3. RESOLUTION NO. 6172 OF THE CITY COUNCIL OF THE CITY OF MAYWOOD AND SUCCESSOR AGENCY TO THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY APPROVING THE WARRANTS FOR PAYMENT

4. MONTHLY CASH AND INVESTMENT REPORT TO COUNCIL

IX. DISCUSSION/ACTION ITEMS

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MAYWOOD AUTHORIZING THE ISSUANCE AND DELIVERY OF PENSION OBLIGATION BONDS TO REFUND CERTAIN OUTSTANDING PENSION FUND OBLIGATIONS OF THE CITY TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST AGREEMENT, AUTHORIZING A VALIDATION ACTION, AUTHORIZING CERTAIN PROFESSIONALS, AND OTHER MATTERS RELATING THERETO.
6. CONSIDERATION OF ADOPTION OF RESOLUTION NO. 6174 ADOPTING AN ELECTRIC VEHICLE INFRASTRUCTURE TRAINING PROGRAM (EVITP) POLICY FOR THE INSTALLATION AND MAINTENANCE OF CITY-FUNDED ELECTRIC VEHICLE CHARGING INFRASTRUCTURE UNDER \$60,000
7. DISCUSSION TO ESTABLISH THE CITY OF MAYWOOD YOUTH SCHOLARSHIP PROGRAM FOR THOSE ATTENDING VOCATIONAL OR TECHNICAL SCHOOLS OR ENTERING APPRENTICESHIP PROGRAMS

X. CLOSED SESSION

Public Employee Performance Evaluation, Government Code Section 54957; Title: City Manager

Conference with Labor Negotiator, Government Code Section 54957.6: City Negotiator: Roxanne Diaz, City Attorney; Unrepresented Employee: City Manager

XI. PUBLIC PARTICIPATION (Non-Agenda Items; Time allotted: 3 minutes)

Speakers wishing to address the City Council on non- agenda item you may use the following:

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Join by phone 1-669-900-6833 Enter Meeting ID: 858 7141 4020 Passcode: 273419

OR

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Passcode: 273419

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NOTE: Your phone number will appear on the screen unless you first dial *67 before dialing the numbers as shown above.

- XII. **ADJOURNMENT** - The next Regular Meeting of the Maywood City Council is Wednesday, May 12, 2021 at 7:00 p.m.

PUBLIC ACCESS TO MEETING AGENDA AND AGENDA PACKETS

I, _____, Flor Aguiluz, City Clerk or Shirley Quinones, Deputy City Clerk, hereby certify that this agenda was duly posted by law at 4319 E. Slauson Avenue, Maywood, CA 90270 and the City Website. Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the Maywood City Hall, 4319 E. Slauson Avenue, Maywood CA 90270. If you challenge in court any discussion or action taken concerning an item on this Agenda, you may be limited to rising only those issues you or someone else raised during the meeting or in written correspondence delivered to the City at or prior to the City's consideration of the item at the meeting. In compliance with the ADA, if you need special assistance for the meeting, call (323) 562-5723 within 72 hours prior to the meeting so the City can make reasonable arrangements to ensure accessibility.



STUDENTS RUN LA



City of Maywood would like to congratulate:

Way to go!

Brandon Garcia



Alexa Zamorano



Diego Toscano



Angel Orozco



Cesar Romero



**Students
run
LA®**

SRLA 2020-2021 SERIES



IN IT FOR THE LONG RUN 5K



STRENGTH 10K



RESPONSIBILITY 15K



ENDURANCE HALF MARATHON



LEADERSHIP CHALLENGE 13.1K



ACTION CHALLENGE 13.1K



SRLA CROSS THE FINISH LINE CHALLENGE 30 K





City of Maywood

Proclamation

DMV/Donate Life Month Proclamation

WHEREAS, organ, eye, tissue, marrow and blood donation are life-giving acts recognized worldwide as expressions of compassion to those in need;

WHEREAS, more than 108,000 individuals nationwide and more than 21,000 in California are currently on the national organ transplant waiting list, and on average, 17 people die each day while waiting;

WHEREAS, the need for donated organs is especially urgent in Hispanic, Latino, and African American communities;

WHEREAS, a single individual's donation of the heart, lungs, liver, kidneys, pancreas and small intestine can save up to eight lives;

WHEREAS donation of tissue can save and heal the lives of more than 75 others;

WHEREAS, deceased organ donors saved more than 33,000 lives last year, the most ever;

WHEREAS any person can register to be an organ, eye and tissue donor regardless of age or medical conditions;

WHEREAS, over seventeen million Californians have signed up with the state-authorized Donate Life California Donor Registry to ensure their wishes to be organ, eye and tissue donors are honored;

WHEREAS, California residents can sign up to be an organ, eye and tissue donor when applying for or renewing their driver's licenses or ID cards at the California Department of Motor Vehicles;

WHEREAS, California residents can sign up with the Donate Life California Donor Registry online at any time by visiting www.donateLIFECalifornia.org or, for Spanish-speakers, www.doneVIDACalifornia.org

WHEREAS, California residents interested in saving a life through living kidney donation may visit www.LivingDonationCalifornia.org;

NOW, THEREFORE BE IT RESOLVED, I, Ricardo Lara, Mayor of the City of Maywood and the City Council, do here-by proclaim April 2021 to be recognized as **"DMV/Donate Life Month"**. The City of Maywood encourage all Californians to check "YES!" online, or when applying for or renewing their driver's license or I.D. card at the DMV.

On this 28th day of April 2021

Mayor Ricardo Lara



City of Maywood

Proclamation

EARTHQUAKE PREPAREDNESS MONTH

WHEREAS, Californians have witnessed and experienced earthquakes that have resulted in significant property damage, injuries and loss of life, and indirect costs; and

WHEREAS, as many as 10,000 earthquakes occur each year in California and mitigation measures can save lives, reduce property damage, and alleviate economic dislocation caused by earthquakes; and

WHEREAS, California is the first state in the nation to offer free, cutting-edge technology designed to alert Californians before shaking begins through the Earthquake Warning California system, including the MyShake App, Android Earthquake Alerts, and Wireless Emergency Alerts;

WHEREAS, every community member of the City of Maywood can take proactive steps by learning about the latest technology and innovations available at no-cost to protect their families, employees, and neighbors from earthquakes; and

WHEREAS, incorporating earthquake warning technology into emergency planning efforts can help mitigate risk of injury and death by providing a few moments warning to take protective actions.

NOW, THEREFORE BE IT RESOLVED, I, Ricardo Lara, Mayor of the City of Maywood and the City Council, do here-by proclaim April 2021 to be recognized as Earthquake Preparedness Month. The City of Maywood will join communities across California to encourage its residents to learn more about Earthquake Warning California and sharing earthquake warning resources with friends, family, and colleagues, to help build a resilient community and strengthen the State of California in its earthquake preparedness efforts.

On this 28th day of April 2021

Mayor Ricardo Lara



AGENDA **1**
ITEM NO. _____

MINUTES
REGULAR MEETING OF THE MAYWOOD CITY COUNCIL AND THE
SUCCESSOR AGENCY TO THE MAYWOOD COMMUNITY
REDEVELOPMENT AGENCY

WEDNESDAY, APRIL 14, 2021 AT 7:00 PM

I. CALL TO ORDER/ROLL CALL

Mayor Lara call to order approximately at 7:02 p.m.

II. CITY OFFICIALS

MAYOR

Ricardo Lara (present)

CITY CLERK

Flor Aguiluz (teleconference)

MAYOR PRO TEM

Heber Marquez (teleconference)

CITY TREASURER

Mary Mariscal (teleconference)

COUNCIL MEMBERS

Eduardo De La Riva (present)

Frank Garcia (teleconference)

Jessica Torres (teleconference)

CITY MANAGER

Jennifer E. Vasquez (present)

CITY ATTORNEY

Roxanne Diaz (teleconference)

STAFF PRESENT:

Hrant Manuelian, Finance Director (teleconference)

Steve Fowler, Director of Building and Planning (teleconference)

Shirley Quinones, Deputy City Clerk (present)

III. COVID-19 MEETING PROCEDURES

PUBLIC ADVISORY: THE CITY COUNCIL CHAMBERS WILL NOT BE OPEN TO THE PUBLIC PURSUANT TO GOVERNOR GAVIN NEWESOM'S EXECUTIVE ORDER N-29-20 THIS MEETING WAS HELD AS A TELECONFERENCE MEETING.

OBSERVERS WERE ABLE TO VIEW THE MEETING LIVESTREAMED VIA THE CITY'S FACEBOOK AT:

<https://www.facebook.com/cityofmaywood> OR BY ZOOM AT:

Teleconference 1-669-900-6833 Meeting ID: 842 7407 4311 Passcode: 981718

or

<https://us02web.zoom.us/j/84274074311?pwd=TTJwc2lqeEltMmhtQllyd1RXaVJzO9>

Passcode: 981718

Comments may have been submitted via e-mail to shirley.quinones@cityofmaywood.org by 4:30 p.m. prior to meeting and by teleconference any time prior to closure of the public comment portion of the item(s) under consideration.

IV. MAYOR, COUNCILMEMBERS AND STAFF COMMENTS

Mayor, Council Members and City Manager provided community updates.

V. PUBLIC PARTICIPATION (Agenda Items; Time allotted: 3 minutes)

None

VI. PRESENTATIONS

Proclamation declaring Autism Awareness Month

The month of April 2021 was proclaimed as Autism Awareness Month.

VII. PUBLIC HEARING

None

VIII. CONSENT CALENDAR

1. MINUTES OF MARCH 24, 2021 CITY COUNCIL MEETING

Motion to approve March 24, 2021 City Council Minutes by De La Riva.

Second by Garcia. AYES: De La Riva, Garcia, Torres, Marquez, Lara. PASSES

2. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MAYWOOD AND SUCCESSOR AGENCY TO THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY APPROVING THE WARRANTS FOR PAYMENT

Motion to adopt Resolution No. 6171 Approving the Warrants for Payments by De La Riva. Second by Garcia. AYES: De La Riva, Garcia, Torres, Marquez, Lara. PASSES.

3. REVENUE REPORT FROM July 2020 – MARCH 2021

Motion to receive and file Revenue Report from July 2020-March 2021.

4. CONSIDERATION OF A PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF MAYWOOD AND STANTEC FOR THE UPDATE TO THE CITY'S HOUSING ELEMENT AND GENERAL PLAN AND RELATED CONSULTING SERVICES

Motion to Approve the Professional Services Agreement between the City of Maywood and Stantec for the update to the City's Housing Element and General Plan and related consulting services by De La Riva. Second by Garcia. AYES: De La Riva, Garcia, Torres, Marquez, Lara. PASSES

5. CONSIDERATION OF REVISIONS TO THE ADOPTED CITYWIDE SPEED HUMP POLICY TO PROVIDE FOR ADDITIONAL SPEED HUMP ALTERNATIVES

Motion to accept the Revisions to the Adopted Citywide Speed Hump Policy by De La Riva. Second by Garcia. AYES: De La Riva, Garcia, Torres, Marquez, Lara. PASSES.

IX. DISCUSSION/ACTION ITEMS

6. PRESENTATION OF FINANCIAL OVERVIEW BY KOSMONT TRANSACTION SERVICES, INC.

X. CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATOR - Government Code Section 54957.6

City Negotiator: City Manager

Employee Organization: Maywood Employees Association

Unrepresented Employees: Finance Director

No Reportable Action.

XI. PUBLIC PARTICIPATION (Non-Agenda Items; Time allotted: 3 minutes)

The following spoke on non-agenda items:

- 1) Leslie Hernandez (submitted by E-mail)
- 2) David Perez (Submitted by teleconference)

3) Veronica Guardado (Submitted by teleconference)

XII. ADJOURNMENT

Meeting adjourned at approximately at 9:01 p.m. to the next meeting of the Maywood City Council, April 28, 2021 at 7:00 p.m.

Ricardo Lara, Mayor

ATTEST:

Flor Aguiluz, City Clerk



MINUTES
SPECIAL CITY COUNCIL BUDGET STUDY SESSION #1

WEDNESDAY, APRIL 14, 2021 AT 6:00 PM

I. CALL TO ORDER/ROLL CALL

II. CITY OFFICIALS

MAYOR

Ricardo Lara (present)

CITY CLERK

Flor Aguiluz (teleconference)

MAYOR PRO TEM

Heber Marquez (teleconference)

CITY TREASURER

Mary Mariscal (teleconference)

COUNCIL MEMBERS

Eduardo De La Riva (present)

Frank Garcia (excused)

Jessica Torres (teleconference)

CITY MANAGER

Jennifer E. Vasquez (present)

CITY ATTORNEY

Roxanne Diaz (teleconference)

STAFF PRESENT:

Hrant Manuelian, Finance Director (teleconference)

Steve Fowler, Director of Building and Planning (teleconference)

Shirley Quinones, Deputy City Clerk (present)

III. COVID-19 MEETING PROCEDURES

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Passcode: 981718

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IV. MAYOR, COUNCILMEMBERS AND STAFF COMMENTS

None

V. PUBLIC PARTICIPATION (Agenda Items; Time allotted: 3 minutes)

None

VI. PRESENTATIONS

1. PRESENTATION OF THE FISCAL YEAR 2021-2022 CITY OF MAYWOOD BUDGET – FIRST STUDY SESSION

Hrant Manuelian, Finance Director presented the First Study Session of the Fiscal Year 2021-2022 City of Maywood Budget.

VII. PUBLIC PARTICIPATION (Non-Agenda Items; Time allotted: 3 minutes)

None

VIII. ADJOURNMENT

City Council Budget Study Session adjourned at approximately 6: 45 p.m. to the Meeting of the Maywood City Council, April 14, 2021 at 7:00 p.m.

Ricardo Lara, Mayor

ATTEST:

Flor Aguiluz, City Clerk

RESOLUTION NO. 6172
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
MAYWOOD AND SUCCESSOR AGENCY TO THE MAYWOOD
COMMUNITYREDEVELOPMENT AGENCY APPROVING THE
WARRANTS FOR PAYMENT

WHEREAS, the following listed demands have been reviewed by the Director of Finance, and

WHEREAS, the Director of Finance has certified to the accuracy and availability of funds for payment thereof, and

WHEREAS, the register of audited demands is hereby submitted to the City Council of the City of Maywood and Successor Agency to the Maywood Community Redevelopment Agency for approval.

NOW, THEREFORE, BE IT RESOLVED, that the listed Warrants and Wire Transfers/Automated Clearing House (ACH) Transactions for \$534,271.43 are hereby ratified:

- Exhibit A – Summary of Warrants and Wire Transfers/ACH Transactions
- Exhibit B – Detail of Warrants

PASSED, APPROVED AND ADOPTEDTHIS 28th day of April, 2021.

Ricardo Lara, Mayor

ATTEST:

APPROVED AS TO FORM:

Flor Aguiluz, City Clerk

Roxanne Diaz, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
CITY OF MAYWOOD)

I, Flor Aguiluz, City Clerk of the City Council of the City of Maywood, do hereby certify that foregoing Resolution No. 6172 was duly passed and adopted by the City Council of the City of Maywood, at a regular meeting of the City Council held on the 28th day of April, 2021 by the following roll call vote, to wit:

AYES:

NAYES:

ABSENT:

ABSTAINED:

Flor Aguiluz, City Clerk

City of Maywood
Summary Warrants for Payment and Wire Transfers/ACH Transactions
Council Meeting Date
Wednesday, April 28, 2021

Accounts Payable

Amount

Accounts Payable prepaid warrants for payment: Checks No. 088303, 088311, 088322	\$ 479.62
Accounts Payable regular warrants for payment: Checks No. 088294 - 088302, 088304 - 088310, 088312 - 088321, 088323	<u>\$ 470,024.77</u>
Sub-total	\$ 470,504.39

Wire Transfers/ACH Transactions

04/08/21	Southern California Edison Co - Electricity Service for March 2021	12,539.02
04/14/21	US Bank Analysis Service Charge	683.14
04/14/21	Payroll - Pay Period 3/28/2021 - 4/10/2021	\$ 43,939.17
04/15/21	CalPERS - Replacement Benefit Contribution	\$ 67.32
04/15/21	CalPERS Employer Contribution - Pay Period 3/28/2021 - 4/10/2021	<u>\$ 6,538.39</u>
	Sub-total	\$ 63,767.04

Total Demands	<u>\$ 534,271.43</u>
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City of Maywood
Detail Warrants for Payment
Warrants No. 088294 to 088323

Check No.	Prepays	Date	Vendor Name	Check Amt	Transaction Description
088294		4/21/2021	Alta Environmental	3,155.59	Professional Services March 2021 MS4 nPDES Permit
088295		4/21/2021	Amazon Capital Services	2,372.95	Office Supplies
088296		4/21/2021	Amigos Del Los Rios	6,060.00	Maywood Watering Services (February 2021 - March 2021)
088297		4/21/2021	AT & T Long Distance	52.39	Elevator Emergency Line March 2021
088298		4/21/2021	Brinks, Inc.	162.21	March 2021 Cash Handling Service Transportation
088299		4/21/2021	California Consulting, Inc.	3,000.00	Grant Writing Services: April 2021
088300		4/21/2021	Cat Specialties, Inc.	902.26	City of Maywood Hats/Shirts
088301		4/21/2021	CoreLogic Solutions, LLC.	219.20	Property Finder April 2021
088302		4/21/2021	Crosstown Electrical & Data, Inc.	4,177.05	Preventive Maintenance Street Lights
088303	P	4/21/2021	Dove Communications Inc	75.00	Labor - Voice Remote Programming
088304		4/21/2021	DVBE Supply	499.00	Flagpole Service
088305		4/21/2021	Hinderliter, de Llamas & Associates	10,125.00	Cannabis Management Program March 2021
088306		4/21/2021	Inter-City Energy Systems	*40.08	Refund Building Permit Project Cancelled
088307		4/21/2021	KBJ Auto Detail	335.00	City Vehicle Car Wash
088308		4/21/2021	Office Team	6,400.69	Building and Planning Temp
088309		4/21/2021	OnTrac	25.92	Document Shipping/Delivery Service: Building & Planning
088310		4/21/2021	Orangeline Development Authority	3,111.90	Eco-Rapid Annual Transit Annual Membership FY 2021-2022
088311	P	4/21/2021	QDoxs	68.99	Copier Base Charge April 2021
088312		4/21/2021	Roadline Products, Inc.	492.48	Public Works Supplies
088313		4/21/2021	Sheriff's Department	422,732.37	Public Safety Services February 2021
088314		4/21/2021	VOID	0.00	
088315		4/21/2021	Staples Business Advantage	348.19	Office Supplies
088316		4/21/2021	The Gas Company	171.57	4323 Slauson Ave. 03/10/2021 - 04/08/2021
088317		4/21/2021	The Gas Company	18.43	4317 Slauson Ave. 03/10/2021 - 04/08/2021

City of Maywood
Detail Warrants for Payment
Warrants No. 088294 to 088323

Check No.	Prepays	Date	Vendor Name	Check Amt	Transaction Description
088318		4/21/2021	The Gas Company	14.30	4319 Slauson Ave. 03/10/2021 - 04/08/2021
088319		4/21/2021	Time Warner Cable	614.70	Internet and Phone Services April 2021
088320		4/21/2021	Walters Wholesale Electrics	24.26	Service Charge
088321		4/21/2021	Willdan Financial Services	4,932.00	Prof Svcs User Fee Study for the City of Maywood Mar 2021
088322	P	4/21/2021	Xerox	335.63	March 2021 Base Charge and Printing Fee
088323		4/21/2021	Southern California Edison	77.31	5913 Mayflower PED 03/11/21 - 04/08/21

TOTAL: **\$470,504.39**

***Check 088306 is reissued - already approved
on prior warrants - not included in total***

AGENDA REPORT

CITY OF MAYWOOD



AGENDA ITEM NO. 4.

DATE: April 28, 2021

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: JENNIFER VASQUEZ, CITY MANAGER

BY: HRANT MANUELIAN, FINANCE DIRECTOR

SUBJECT: MONTHLY CASH AND NVESTMENT REPORT TO COUNCIL

RECOMMENDATION:

Staff recommends that the City Council receive and file the cash and investments report for March 2021.

BACKGROUND:

In an effort to maintain transparency and provide information to the City Council, the City's Finance Department prepares a monthly cash and investments report for the City Council's review. The report will show the City's cash position at month end as well as investments.

DISCUSSION:

The City has historically only invested its cash with the Local Agency Investment Fund (LAIF), which is a State fund with low risk and also low investment returns. As of March 31, 2021 the City has approximately \$5.3M invested in the LAIF. The current return as of 3/31/2021 is 0.35%. In the June 24, 2020 City Council meeting the Maywood City Council approved for the City to invest in the PERS section 115 trust accounts for both the PERS pension liability and the Other Post Employment Benefits (OPEB) liability.

On September 22, 2020 the City invested \$250,000 into each of the section 115 trust accounts. The City transferred \$250,000 into each of the accounts for a total of \$500,000. The City has since increased its position in each of these funds by an additional \$500,000 each. To date the City has invested \$750,000 in each fund for a total of \$1,500,000. The expected annual return on these accounts is 3%-5%. The City will continue to add to this investment on a quarterly basis to maximize investment returns. The funds used to invest in the accounts come from unrestricted general funds as the eventual expenditures are also general fund expenditures.

The attached report shows the cash and investments as of March 31, 2021. The cash and investment balances are across all funds of the City and includes restricted, unrestricted, and budgeted amounts. These balances do not represent the available balance for spending as most of these are either restricted for or have already been appropriated for in the City budget. The purpose of this report is to show the cash and investment balances as of the reported on date only and does not represent the City's available fund balance.

LEGAL REVIEW:

The City Attorney has reviewed this report.

FISCAL IMPACT:

There is no fiscal impact involved with this item.

ATTACHMENT(S)

1. Attachment No. 1 Cash and Investments Report

**City of Maywood
Cash and Investments Report
As of March 31, 2021**

Description	Type	Ending Balance
		3/31/2021
US Bank	Cash	5,669,502.00
Local Agency Investment Fund	LAIF	5,367,664.00
CalPers California Employers' Retiree Benefit Trust (CERBT)	Section 115 Trust	776,671.90
CalPers California Employers' Pension Prefunding Trust (CEPPT)	Section 115 Trust	754,596.58
		<u>12,568,434.48</u>

AGENDA REPORT

CITY OF MAYWOOD



AGENDA ITEM NO. 5.

DATE: April 28, 2021

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: JENNIFER VASQUEZ, CITY MANAGER

BY: HRANT MANUELIAN, FINANCE DIRECTOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MAYWOOD AUTHORIZING THE ISSUANCE AND DELIVERY OF PENSION OBLIGATION BONDS TO REFUND CERTAIN OUTSTANDING PENSION FUND OBLIGATIONS OF THE CITY TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST AGREEMENT, AUTHORIZING A VALIDATION ACTION, AUTHORIZING CERTAIN PROFESSIONALS, AND OTHER MATTERS RELATING THERETO.

RECOMMENDATION:

It is recommended that the City adopt the attached Resolution authorizing the issuance and delivery of the Bonds to refund the Pension Obligation, approving the form of and authorizing the execution and delivery of a Trust Agreement, authorizing a Validation Action, authorizing certain professionals, and other matters relating thereto.

BACKGROUND:

The City of Maywood ("City") has approximately \$18.414 million in unfunded obligations to the California Public Employees' Retirement System (the "System") with respect to safety and miscellaneous employees under the program of the System (the "Pension Obligation"). Due to low prevailing interest rates in the capital markets, the City has an opportunity to refinance the Pension Obligation by selling pension obligation bonds (the "Bonds") at a much lower interest rate than it currently pays to the System. Current savings estimates are as much as \$1.7 to \$5.3 million, depending on prevailing interest rates at the time of a Bond sale and the repayment structure ultimately chosen, among other factors. The System amortizes the Pension Obligation over a fixed period of time, charges the City a high rate of interest (currently 7%), and structures amortization payments in a way that is causing the City to face steep increases in pension expenses over the next 10 fiscal years.

The action before the City Council authorizes the City to provide for the refinancing of the Pension Obligation by issuing the Bonds and taking certain other actions in connection therewith, specifically, authorizing staff to undertake a Validation Action to Validate the Pension Obligation as an obligation imposed by law on the City and the Bonds, as further discussed below.

DISCUSSION:

The City Council of the City (the "City Council") adopted a retirement plan pursuant to the Public Employees' Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended (the "Retirement Law"). The Retirement Law obligates the City to (1) make annual contributions to the System, to fund pension benefits for its employees, (2) amortize the unfunded accrued actuarial liability with respect to such pension benefits, and (3) appropriate funds for the purposes described in (1) and (2). The City is obligated to make certain payments to the System in respect of the Pension Obligation under the Retirement Law and the System Contract.

As described previously to the City Council and based on current actuarial assumptions, the issuance of the proposed Bonds to refund the Pension Obligations of the Miscellaneous Plan (ID 4191618335) and the Safety Plan (ID 4191618335), and the other actions contemplated by the Resolution, are anticipated to result in approximately \$1.7 to \$5.3 million savings. Because current interest rates in the taxable municipal bond market are substantially lower than the 7% the City currently pays on the Pension Obligation to the System, the City has an opportunity to refinance the Pension Obligation at a much lower interest rate (4.25% was used to calculate these estimates). Ultimate savings are subject to change and are dependent upon numerous factors, including prevailing interest rates at the time of the sale of the Bonds and the repayment structure chosen.

Authorizing the issuance of the Bonds and the undertaking of the Validation Action (as described below) will create the opportunity for the City to enter the capital markets - after the successful conclusion of the Validation Action - and sell the Bonds if interest rates are within the range the City Council will set at a later date.

The attached Resolution puts the Finance Team in place to assist the City with the process of issuing the Bonds and authorizes the City to bring an action to validate the Pension Obligation and the Bonds, as described below. However, Council will still need to approve a preliminary official statement, a bond purchase agreement, and a continuing disclosure undertaking.

The Resolution also approves the attached form of Trust Agreement, which is the document that sets forth the terms of the proposed Bonds, detailing such things the City's obligation to make payments, how and when those payments are made, early prepayment provisions and various other attributes of the Bonds and their security structure. It is a "form" document because more information will need to be added as the proposed Bonds are structured and ultimately sold. This document is a required component of the proposed Validation Action that is discussed below.

The Resolution also authorizes a validation action to be brought by the City under Section 860 of the California Code of Civil Procedure in connection with the Bonds. A validation action is a typical step with respect to the issuance of pension obligation bonds, whereby the City will be asserting that the obligation under the Retirement Law is one imposed by law. Norton Rose Fulbright US LLP, as the proposed bond counsel has advised that a validation action is recommended in connection with the Bonds, in order to ensure that the Bonds, if and when issued and delivered, will constitute valid and legally binding obligations of the City, pursuant to the Constitution of the State of California and the Retirement Law. The obligation of the City to pay the Bonds will not be limited as to payment from any special source of funds. In addition, since 1974 the City has annually set an ad valorem property tax rate to fund eligible retirement benefits. Once the property tax rate is established for the fiscal year, the City reports the rate to the Los Angeles County Auditor-Controller to place the tax (the "Retirement Tax") on the property tax roll of the County. The Retirement Tax rate is currently set \$0.10 per one hundred dollars of assessed value. The Retirement Tax will be pledged as security for the Bonds issued pursuant to the Trust Agreement.

LEGAL REVIEW:

The City Attorney has reviewed this report.

FISCAL IMPACT:

There is no fiscal impact with this item at this point. Current estimates show that refinancing the City's Pension Obligation by issuing the Bonds could produce savings of approximately \$1.7 to \$5.3 million over the life of the bonds when compared to the current CalPERS amortization requirements.

ATTACHMENT(S)

1. Trust Agreement - City of Maywood - 2021 POB

RESOLUTION NO. 6173

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MAYWOOD
AUTHORIZING THE ISSUANCE AND DELIVERY OF PENSION
OBLIGATION BONDS TO REFUND CERTAIN OUTSTANDING
PENSION FUND OBLIGATIONS OF THE CITY TO THE CALIFORNIA
PUBLIC EMPLOYEES' RETIREMENT SYSTEM, APPROVING THE
FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY
OF A TRUST AGREEMENT, AUTHORIZING A VALIDATION
ACTION, AUTHORIZING CERTAIN PROFESSIONALS, AND OTHER
MATTERS RELATING THERETO**

WHEREAS, the City of Maywood, California (the "City") is a municipal corporation and a general law city duly organized and existing under and pursuant to the Constitution and laws of the State of California.

WHEREAS, on March 5, 1974 the voters of the City approved an initiative to pay for the obligation of the City to participate in the State of California retirement system, now the California Public Employees' Retirement System (the "System"), and the results of such regular general municipal election were confirmed by Resolution No. 2670; and

WHEREAS, the City is obligated by the Public Employees' Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended (the "Retirement Law"), to make payments to the System relating to pension benefits accruing to the System's members.

WHEREAS, the City is obligated specifically to make certain payments to the System in respect of current and retired employees under the pension programs of the System that amortize such obligations over a fixed period of time (the "Pension Obligation").

WHEREAS, the Pension Obligation is evidenced by contracts with the System with respect to employees of the City, as heretofore and hereafter amended from time to time (collectively, the "CalPERS Contract").

WHEREAS, since 1974, the City Council has annually set an *ad valorem* property tax rate for the purpose of providing revenue to pay all or a portion of the Pension Obligation of the City under the CalPERS Contract; and

WHEREAS, once the property tax rate is established for the fiscal year, the City reports the rate to the Los Angeles County Auditor-Controller to place the tax (the "Retirement Tax") on the property tax roll of the County; and

WHEREAS, the Retirement Tax rate is currently set at \$0.10 per one hundred dollars of assessed value; and

WHEREAS, The City is authorized pursuant to Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California to issue bonds for the purpose of refunding any evidence of indebtedness of the City.

WHEREAS, The City desires to approve the issuance of one or more series of bonds (the "Pension Obligation Bonds") for the purpose of refunding all or a portion of the Pension Obligation under the CalPERS Contract, subject to favorable market conditions and subsequent City Council approval of a preliminary official statement, a bond purchase agreement and a continuing disclosure undertaking, should the City determine to deliver Pension Obligation Bonds following the validation process authorized hereby.

WHEREAS, There is on file with the City Council the proposed form of Trust Agreement (the "Trust Agreement") to be entered into between the City and a trustee to be named therein (the "Trustee"), relating to the Pension Obligation Bonds and Additional Bonds, including the form of bonds attached thereto as an exhibit.

NOW, THEREFORE, THE CITY COUNCIL FOR THE CITY OF MAYWOOD DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council hereby finds and declares that the issuance of the Pension Obligation Bonds to

refund Pension Obligations of the Miscellaneous Plan (CalPERS ID 4191618335) and the Safety Plan (CalPERS ID 4191618335), and the other actions contemplated by this Resolution are in the best interests of the City.

SECTION 2. The proposed form of Trust Agreement, between the City and the Trustee, on file with the City Clerk, is approved. The Mayor, (or in his absence, the Mayor Pro Tem) and the City Clerk are each hereby authorized and directed, severally, or any such officer's designee, for and on behalf of the City, to execute and deliver the Trust Agreement, substantially in the form on file with the City Clerk, with such changes therein, deletions therefrom and additions thereto (including, without limitation, changes, deletions and additions as may be required by a municipal bond insurer, if any) as the Mayor, (or in his absence, the Mayor Pro Tem) approves, such approval to be conclusively evidenced by the execution and delivery of the Trust Agreement.

SECTION 3. This City Council hereby authorizes and approves the assignment and pledge of revenues from the Retirement Tax to owners of one or more series of the Pension Obligation Bonds as the City Manager deems necessary or desirable, and the issuance, sale and delivery of such Pension Obligation Bonds. The Pension Obligation Bonds will be in substantially the form attached to the Trust Agreement, with such changes therein, deletions therefrom and additions thereto as the City Manager may approve in a form approved by the City Attorney, such approval to be conclusively evidenced by the execution and delivery of the Pension Obligation Bonds. The Pension Obligation Bonds will be issued as current interest fixed rate bonds and bear such series and subseries designations as necessary or convenient. The aggregate initial principal amount of the Pension Obligation Bonds may not exceed (i) the lesser of \$22,000,000 or (ii) the amount of the Pension Obligation (as confirmed by the System) remaining unpaid on the Safety Plan and Miscellaneous Plan described above on the date of issuance of the Pension Obligation Bonds, plus an additional amount to pay costs of issuance of the Pension Obligation Bonds, original issue discount, if any, and underwriter's discount on the Pension Obligation Bonds. The Underwriter's discount, excluding original issue discount, may not exceed 1.25% of the aggregate principal amount of the initial series of Pension Obligation Bonds. The maximum true interest cost with respect to the Pension Obligation Bonds may not exceed 5.5% per annum. The Pension Obligation Bonds will mature not later than 30 years following their date of issuance.

SECTION 4. The Pension Obligation Bonds shall constitute an obligation imposed by law, pursuant to the Constitution and the laws of the State of California, including the Retirement Law. Payment of the principal of and interest on the Pension Obligation Bonds is not limited to any special source of funds and shall be payable from any legally available moneys or funds of the City, including, as applicable, revenues from the Retirement Tax.

SECTION 5. If the Mayor (or in his absence, the Mayor Pro Tem), the City Manager, or Director of Finance (each an "Authorized Representative") determines that it will be advantageous to the City to purchase municipal bond insurance/surety or secure other credit or liquidity enhancement with respect to some or all of the Pension Obligation Bonds, such Authorized Representative or designee is authorized to do so upon determining that such purchase is in the best interest of the City.

SECTION 6. The Authorized Representatives of the City are, and each of them is, authorized and directed to do any and all things, including bringing a validation action under Section 860 *et seq.* of the California Code of Civil Procedure and to take any and all actions (including any required publications of summons or other notice) and execute and deliver any and all documents which they or any of them deem necessary or advisable to consummate the transactions contemplated by this Resolution and the Trust Agreement and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution and the Trust Agreement.

SECTION 7. Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) ("SB 450") requires that the governing body of a public body obtain from an underwriter, financial advisor or private lender and disclose, before authorizing the issuance of bonds with a term of greater than 13 months, certain good faith cost estimates. Set forth in attached Exhibit A, which is incorporated by reference, are good faith estimates of: (a) the true interest cost of the Pension Obligation Bonds, (b) the sum of all fees and charges paid to third parties with respect to the Pension Obligation Bonds, (c) the amount of proceeds of the Pension Obligation Bonds expected to be received net of the fees and charges paid to third parties, and (d) the sum total of all debt service payments on the Pension Obligation Bonds calculated to the final maturity of the Pension Obligation Bonds, plus the fees and charges paid to third parties not paid with the proceeds of the Pension Obligation Bonds.

SECTION 8. In connection with the Pension Obligation Bonds, the City Council hereby approves the appointment of Norton Rose Fulbright US LLP to perform bond counsel services, including the preparation of validation papers, Nixon Peabody LLP to perform disclosure counsel services, Kosmont Transactions Services, Inc., to perform Municipal Advisor services, and Raymond James & Associates, Inc., as underwriter. The Mayor (or in his absence, the Mayor Pro Tem) is hereby authorized and directed to execute services agreements as applicable with these financing team members.

SECTION 9. Each Authorized Representative and all other officers of the City are authorized and directed, for and in the name and on behalf of the City to do any and all things and take any and all other actions, including to obtain municipal bond insurance and/or a reserve surety and the publication of any notices necessary or desirable in connection with the validation and sale of the Pension Obligation Bonds and execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments and other documents, which they, or any of them, deem necessary or advisable to consummate the issuance and sale of the Pension Obligation Bonds and the consummation of the transactions as described herein.

SECTION 10. All actions heretofore taken by any Authorized Representative or any officer, employee or agent of the City with respect to the issuance, delivery and sale of the Pension Obligation Bonds or in connection with or related to any of the agreements referred to herein, are hereby approved, confirmed and ratified.

SECTION 11. This Resolution may be executed with electronic signatures in accordance with Government Code of the State of California §16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

SECTION 12. The Mayor, or presiding officer, is hereby authorized to affix their signature to this Resolution signifying its adoption by the City Council of the City of Maywood, and the City Clerk, or their duly appointed deputy, is directed to attest thereto

SECTION 13. This Resolution becomes effective immediately upon adoption.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF MAYWOOD THIS 28th DAY OF APRIL 2021.

Ricardo Lara, Mayor

ATTEST:

APPROVED AS TO FORM:

Flor Aguiluz, City Clerk

Roxanne Diaz, City Attorney

I, Flor Aguiluz, City Clerk of the City Council of the City of Maywood, do hereby certify that foregoing Resolution No. 6172 was duly passed and adopted by the City Council of the City of Maywood, at a regular meeting of the City Council held on the 28th day of Aril, 2021 by the following roll call vote, to wit:

ABSTAINED:

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EXHIBIT A

GOOD FAITH ESTIMATES

The following information was obtained from Kosmont Transactions Services, Inc. with respect to the Pension Obligation Bonds approved in the attached Resolution, and is provided in compliance with Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) with respect to the Pension Obligation Bonds:

1. *True Interest Cost of the Pension Obligation Bonds.* Assuming an aggregate principal amount of Pension Obligation Bonds of \$18,530,000 are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the Pension Obligation Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Pension Obligation Bonds, is 4.3726%.

2. *Finance Charge of the Pension Obligation Bonds.* Assuming an aggregate principal amount of Pension Obligation Bonds of \$18,530,000 are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the finance charge of the Pension Obligation Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Pension Obligation Bonds), is \$587,125 as follows:

<u>Cost of Issuance</u>	<u>Estimated Amounts</u>
Bond Counsel	\$78,000
Validation	25,000
Disclosure Counsel	45,000
City Attorney	25,000
Municipal Advisor	65,000
Trustee & Trustee's Counsel	7,500
Printer & Marketing	10,000
Rating Agency	50,000
Miscellaneous	50,000
Underwriter	231,625
Total	\$587,125

3. *Amount of Proceeds to be Received.* Assuming an aggregate principal amount of Pension Obligation Bonds of \$18,530,000 are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the City for sale of the Pension Obligation Bonds less the finance charge of the Pension Obligation Bonds described in 2 above and any reserves or capitalized interest paid or funded with proceeds of the Pension Obligation Bonds, is \$17,942,875.

4. *Total Payment Amount.* Assuming an aggregate principal amount of Pension Obligation Bonds of \$18,530,000 are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the City will make to pay debt service on the Pension Obligation Bonds plus the finance charge of the Pension Obligation Bonds described in paragraph 2 above not paid with the

proceeds of the Pension Obligation Bonds, calculated to the final maturity of the Pension Obligation Bonds, is \$30,223,456.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from the estimates above due to variations from these estimates in the timing of Pension Obligation Bond sales, the amount of Pension Obligation Bonds sold, the amortization of the Pension Obligation Bonds sold, whether or not a municipal bond insurance policy will be available for purchase by the City, and market interest rates at the time of each sale. The date of sale and the amount of Pension Obligation Bonds sold will be determined by the City based on the amount required to pay off the Pension Debt, and other factors. The actual interest rates at which the Pension Obligation Bonds will be sold will depend on the bond market at the time of each sale. The actual amortization of the Pension Obligation Bonds will also depend, in part, on market interest rates at the time of sale. Market interest rates are affected by economic and other factors beyond the City's control. The City has approved the execution and delivery of the Pension Obligation Bonds with a maximum all-in true interest cost not to exceed 5.5% per annum.

TRUST AGREEMENT

between the

CITY OF MAYWOOD

and

[TRUSTEE],
as Trustee

Dated as of [As of Date]

[\$[Par Amount]
City of Maywood
Taxable Pension Obligation Bonds,
Series 2021

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THIS **TRUST AGREEMENT** made and entered into as of [As of Date] (the “Trust Agreement”) by and between [TRUSTEE], a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as Trustee (the “Trustee”) and the CITY OF MAYWOOD (the “City”), a duly organized, validly existing and operating municipal corporation, under the laws of the State of California.

W I T N E S S E T H:

WHEREAS, on March 5, 1974 the voters of the City approved an initiative to pay for the obligation of the City to participate in the State of California retirement system, now the California Public Employees’ Retirement System (the “System”), and the results of such regular general municipal election were confirmed by Resolution No. 2670; and

WHEREAS, the City is obligated by the Public Employees’ Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended (the “Retirement Law”), to make payments to the System relating to pension benefits accruing to the System’s members, including the City; and

WHEREAS, the City is obligated specifically to make certain payments to the System in respect of current and retired public safety employees and miscellaneous employees under the pension programs of the System that amortize such obligations over a fixed period of time, including normal costs (collectively, the “Pension Obligation”); and

WHEREAS, the Pension Obligation is evidenced by a contract or contracts with the System with respect to public safety employees and miscellaneous employees of the City, as heretofore and hereafter amended from time to time (collectively, the “CalPERS Contract”); and

WHEREAS, since 1974, the City Council has annually set an *ad valorem* property tax rate for the purpose of providing revenue to pay all or a portion of the Pension Obligation of the City under the CalPERS Contract; and

WHEREAS, once the property tax rate is established for the fiscal year, the City reports the rate to the Los Angeles County Auditor-Controller to place the tax (the “Retirement Tax”) on the property tax roll of the County; and

WHEREAS, the City is authorized pursuant to Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California (the “Act”) to issue bonds for the purpose of refunding any evidence of indebtedness of the City; and

WHEREAS, for the purpose of refunding the City’s obligations to the System evidenced by the CalPERS Contract and thereby providing funds to the System in payment of the Pension Obligation, the City has determined to issue its City of Maywood Taxable Pension Obligation Bonds, Series 2021 (the “Series 2021 Bonds”), all pursuant to and secured by this Trust Agreement providing for the issuance of the Series 2021 Bonds and, collectively with Additional Bonds, the “Bonds,” all in the manner provided herein; and

WHEREAS, to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and to secure the payment of the principal thereof and interest thereon, the City has authorized the execution and delivery of this Trust Agreement; and

WHEREAS, all acts and proceedings required by law necessary to make the Bonds, when executed by the City, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal obligations of the City payable in accordance with their terms, and to constitute this Trust Agreement a valid and binding agreement of the parties hereto for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Trust Agreement have been in all respects duly authorized;

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

ARTICLE I

DEFINITIONS; EQUAL SECURITY

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this section shall for all purposes hereof and of any Supplemental Trust Agreement and of any certificate, opinion, request or other document herein or therein mentioned have the meanings herein specified:

“Act” means Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California.

“Additional Bonds” means all Bonds of the City authorized by and at any time Outstanding pursuant hereto and executed, issued and delivered in accordance with Article III.

“Aggregate Principal Amount” means, as of any date of calculation, the principal amount of the Bonds referred to.

“Authorized Denominations” means \$5,000 principal amount or any integral multiple thereof.

“Authorized Representative” means the Mayor (or in their absence, the Mayor Pro Tem), the City Manager and the Assistant City Manager of the City of Maywood and their respective designees designated in writing to the Trustee.

“Beneficial Owner” means the beneficial owner of each such Bond, determined under the rules of DTC.

“Bond Fund” means the Bond Fund established in Section 4.01(a) of the Trust Agreement.

“Bonds” means the Series 2021 Bonds and all Additional Bonds.

“Business Day” means any day other than a Saturday or Sunday or day upon which the Trustee is authorized by law to remain closed.

“CalPERS Contract” means the contracts relating to the Safety Plan (ID 4191618335) and the Miscellaneous Plan (ID 4191618335), each between the City and the System, as heretofore and hereafter amended from time to time.

“Certificate of the City” means an instrument in writing signed by any one of the Authorized Representatives of the City or such officer’s designee, or by any other officer of the City duly authorized by the City Council of the City in writing to the Trustee for that purpose. If and to the extent required by the provisions of Section 11.07, each Certificate of the City shall include the statements provided for in Section 11.07.

“City” means the City of Maywood, California.

“Closing Date” means _____, 2021, the date on which the Series 2021 Bonds are delivered to the original purchaser for the Series 2021 Bonds.

“Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate executed by the City dated the date of issuance and delivery of the Series 2021 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Corporate Trust Office” means such corporate trust office of the Trustee as may be designated from time to time by written notice from the Trustee to the City, initially being in Los Angeles, California. The Trustee may designate in writing to the City and the Owner such other office or agency from time to time for purposes of registration, transfer, exchange, payment or redemption of Bonds.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the City and related to the Bonds, including, but not limited to, costs of preparation and reproduction of documents, costs of rating agencies and costs to provide information required by rating agencies, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, fees and expenses of the underwriter or placement agent, fees and charges for preparation, execution and safekeeping of the Bonds, premiums for bond insurance, if any, and any other cost, charge or fee in connection with the original execution and delivery of the Bonds.

“Costs of Issuance Fund” means the Costs of Issuance Fund established in Section 2.12(b) of this Trust Agreement.

“Defeasance Securities” means:

- (1) Cash; and
- (2) Obligations of or obligations guaranteed as to principal and interest by, the United States or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the United States, including:
 - ☐ U.S. Treasury obligations
 - ☐ All direct or fully guaranteed obligations
 - ☐ Farmers Home Administration
 - ☐ General Services Administration
 - ☐ Guaranteed Title XI financing
 - ☐ Government National Mortgage Association (GNMA)
 - ☐ State and Local Government Series

Any security used for defeasance must provide for the timely payment of principal and interest and cannot be callable or prepayable prior to maturity or earlier redemption of the rated debt (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date).

“DTC” means The Depository Trust Company, New York, New York, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for the Bonds including any such successor appointed pursuant to Section 2.07 hereof.

“Fiscal Year” means the twelve-month period terminating on June 30 of each year, or any other annual accounting period hereafter selected and designated by the City as its fiscal year in accordance with applicable law.

“Independent Certified Public Accountant” means any certified public accountant or firm of such accountants duly licensed and entitled to practice and practicing as such under the laws of the State or a comparable successor, appointed and paid by the City, and who, or each of whom --

(1) is in fact independent according to the Statement of Auditing Standards No. 1 and not under the domination of the City;

(2) does not have a substantial financial interest, direct or indirect, in the operations of the City; and

(3) is not connected with the City as a member, officer or employee of the City, but who may be regularly retained to audit the accounting records of and make reports thereon to the City.

“Insurance Policy” means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Series 2021 Bonds when due.

“Insurer” shall mean _____, or any successor thereto or assignee thereof.

“Interest Account” means the account by that name established in Section 4.02 of this Trust Agreement.

“Interest Payment Date” means each [June 1 and December 1, commencing December 1, 2021.]

“MSRB” means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Opinion of Counsel” means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the City.

“Outstanding,” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 7.02) all Bonds except

(1) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;

(2) Bonds paid or deemed to have been paid within the meaning of Section 9.01; and

(3) Bonds in lieu of or in substitution for which other Bonds shall have been executed, issued and delivered by the City pursuant hereto.

“Owner” means any person who shall be the registered owner of any Outstanding Bond.

“Permitted Investments” means any of the following to the extent permitted by the laws of the State:

(1) Defeasance Securities;

(2) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:

☐ Export-Import Bank

☐ Rural Economic Community Development Administration

- ☐ U.S. Maritime Administration
- ☐ Small Business Administration
- ☐ U.S. Department of Housing & Urban Development (PHA's)
- ☐ Federal Housing Administration
- ☐ Federal Financing Bank;

(3) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

- ☐ Senior debt obligations issued by the Federal National Mortgage Association (FNMA) or the Federal Home Loan Mortgage Corporation (FHLMC)
- ☐ Obligations of the Resolution Funding Corporation (REFCORP)
- ☐ Senior debt obligations of the Federal Home Loan Bank System
- ☐ Senior debt obligations of other Government Sponsored Agencies approved by the Insurer;

(4) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks (including the Trustee and its affiliates) which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P Global Ratings and which mature not more than three hundred sixty (360) calendar days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(5) Commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P Global Ratings and which matures not more than two hundred seventy (270) calendar days after the date of purchase;

(6) Investments in a money market fund rated at the time of purchase "AAAm" or "AAAm-G" or better by Standard & Poor's Ratings Services, including funds for which the Trustee or its affiliates receives and retains a fee for services provided to the fund, whether as a custodian, transfer agent, investment advisor or otherwise;

(7) Pre-refunded municipal obligations defined as follows: Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

(A) which are rated at the time of purchase, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P Global Ratings or any successors thereto; or

(B) which are fully secured as to interest and principal and redemption premiums, if any, by an escrow consisting only of cash or obligations described in paragraph (2) of the definition of Defeasance Securities, which escrow may be applied only to the payment of such interest and principal and redemption premiums, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premiums, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

(8) Municipal obligations rated at the time of purchase “Aaa/AAA” or general obligations of States with a rating of “A2/A” or higher by S&P Global Ratings; and

(9) The Local Agency Investment Fund (as that term is defined in Section 16429.1 of the Government Code of the State, as such Section may be amended or recodified from time to time).

The value of the above investments shall be determined as follows:

(a) For the purpose of determining the amount in any fund, all Permitted Investments credited to such fund shall be valued at fair market value. The Trustee shall have no duty in connection with the determination of fair market value other than to follow: (i) its normal practices in the purchase, sale and determining the value of Permitted Investments; and (ii) the investment directions of the City. The Trustee may utilize and rely on computerized securities pricing services that may be available to it, including those available through its regular accounting system;

(b) As to certificates of deposit and bankers’ acceptances, the face amount thereof; and

(c) As to any investment not specified above, the value thereof established by prior agreement among the City, the Trustee and, if applicable, the Insurer.

“Principal Account” means the account by that name established in Section 4.02 of this Trust Agreement.

“Person” means an individual, corporation, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

“Principal Amount” means as to any Bond, the principal amount thereof.

“Principal Payment Date” means each [June 1, commencing June 1, 2022.]

“Rating Agencies” means S&P Global Ratings or, if S&P Global Ratings no longer maintains a rating on the Bonds, any other nationally recognized bond rating agency then

maintaining a rating on the Bonds, but, in each instance, only so long as S&P Global Ratings or other nationally recognized rating agency then maintains a rating on the Bonds.

“Record Date” means the close of business on the 15th day of the month preceding any Interest Payment Date, whether or not such day is a Business Day.

“Refunding Fund” means the fund by that name established in Section 2.12(a) of this Trust Agreement.

“Representation Letter” means the Letter of Representations from the City and the Trustee to DTC, or any successor securities depository for the Bonds.

“Retirement Law” means the Public Employees’ Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended.

“Retirement Tax” has the meaning ascribed to such term in the recitals.

“Retirement Tax Revenues” means all of the revenues received by or payable to the City from the Retirement Tax levied annually to pay for the Pension Obligation.

“Serial Bonds” means Bonds for which no sinking fund payments are provided.

“Series” means all of the Bonds designated as being within a certain series, regardless of variations in maturity date, interest rate, redemption and other provisions, and any Bonds thereafter issued in transfer or exchange for such Bonds pursuant to this Trust Agreement.

“Series 2021 Bonds” means the Bonds of the City of that Series designation authorized by and at any time Outstanding pursuant hereto and executed, issued and delivered in accordance with Section 2.02 hereof.

“State” means the State of California.

“Surplus Account” means the account by that name established in Section 4.02 of this Trust Agreement.

“Supplemental Trust Agreement” means any trust agreement then in full force and effect which has been duly executed and delivered by the City and the Trustee amendatory hereof or supplemental hereto; but only if and to the extent that such Supplemental Trust Agreement is specifically authorized hereunder.

“System” means the California Public Employees’ Retirement System.

“Term Bonds” means Bonds which are payable on or before their specified maturity dates from sinking fund payments established for that purpose and calculated to retire such Bonds on or before their specified maturity dates.

“Trust Agreement” means this Trust Agreement, dated as of [As of Date], between the City and the Trustee, as originally executed and as it may from time to time be amended or supplemented by all Supplemental Trust Agreements executed pursuant to the provisions hereof.

“Trustee” means [TRUSTEE], or any other association or corporation which may at any time be substituted in its place as provided in Section 6.01.

“Underwriter” means Raymond James & Associates, Inc.

“Written Request of the City” means an instrument in writing signed by any one of the Authorized Representatives of the City or such officer’s designee, or by any other officer of the City duly authorized by the City Council of the City in writing to the Trustee for that purpose.

Section 1.02. Trust Agreement Constitutes Contract. In consideration of the acceptance of the Bonds by the Owners thereof, the Trust Agreement shall be deemed to be and shall constitute a contract among the City, the Trustee and the Owners from time to time of all Bonds authorized, executed, issued and delivered hereunder and then Outstanding to provide for the payment of the interest on, principal of, and redemption premium (if any) on, all Bonds which may from time to time be authorized, executed, issued and delivered hereunder, subject to the agreements, conditions, covenants and provisions contained herein; and all agreements and covenants set forth herein to be performed by or on behalf of the City shall be for the equal and proportionate benefit, protection and security of all Owners of the Bonds without distinction, preference or priority as to security or otherwise of any Bonds over any other Bonds by reason of the number or date thereof or the time of authorization, sale, execution, issuance or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein.

ARTICLE II

ISSUANCE OF SERIES 2021 BONDS; GENERAL BOND PROVISIONS

Section 2.01. Authorization and Purpose of Series 2021 Bonds. The City has reviewed all proceedings heretofore taken relative to the authorization of the Series 2021 Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Series 2021 Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that the City is now duly authorized, pursuant to each and every requirement of the Act, to issue the Series 2021 Bonds in the form and manner and for the purpose provided herein and that the Series 2021 Bonds shall be entitled to the benefit, protection and security of the provisions hereof.

The obligations of the City under the Bonds, including the obligation to make all payments of interest and principal when due, are obligations of the City imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. Neither the Bonds nor the obligation of the City to make payments on the Bonds constitute an indebtedness of the City, the State of California, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

Section 2.02. Terms of the Series 2021 Bonds; General Bond Provisions. The Series 2021 Bonds shall be designated “City of Maywood Taxable Pension Obligation Bonds, Series 2021” and shall be in the aggregate principal amount of \$[Par Amount]. The Series 2021 Bonds shall be dated the date of original delivery, shall be issued only in fully registered form in denominations of five thousand dollars (\$5,000) or any integral multiple of five thousand dollars (\$5,000) (not exceeding the principal amount of Series 2021 Bonds maturing at any one time), and shall mature on the dates and in the principal amounts and bear interest at the rates as set forth in the following table:

Payment Date (<u>June 1</u>)	Principal <u>Amount</u>	Rate of <u>Interest</u>
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The Series 2021 Bonds shall bear interest at the rates (based on a 360-day year of twelve 30-day months) set forth above, payable on the Interest Payment Dates for the Series 2021 Bonds. The Series 2021 Bonds shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless such date of authentication is an Interest Payment Date or during the period from the sixteenth day of the month preceding an Interest Payment Date to such Interest Payment Date, in which event they shall bear interest from such Interest Payment Date, or unless such date of authentication is prior to the first Record Date, in which event they shall bear interest from their dated date; provided, however, that if at the time of authentication of any Series 2021 Bond interest is then in default on the Outstanding Series 2021 Bonds, such Series 2021 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Outstanding Series 2021 Bonds. Payment of interest on the Series 2021 Bonds due on or before the maturity or prior redemption thereof shall be made to the person whose name appears in the Series 2021 Bonds registration books kept by the Trustee pursuant to Section 2.08 as the registered owner thereof as of the close of business on the Record Date for an Interest Payment Date, whether or not such day is a Business Day, such interest to be paid by check mailed on the Interest Payment Date by first-class mail to such registered owner at the address as it appears in such books; provided that upon the written request of an Owner of \$1,000,000 or more in aggregate principal amount of Bonds received by the Trustee prior to the applicable Record Date, interest shall be paid by wire

transfer in immediately available funds. Any such written request shall remain in effect until rescinded in writing by the Owner.

The principal of the Series 2021 Bonds shall be payable in lawful money of the United States of America at the Corporate Trust Office of the Trustee. Payment of the principal of the Series 2021 Bonds shall be made upon the surrender thereof at maturity or on redemption prior to maturity at the Corporate Trust Office of the Trustee.

Section 2.03. Redemption of Series 2021 Bonds.

(a) Optional Redemption. The Series 2021 Bonds maturing on or before June 1, 20__ shall not be subject to optional redemption prior to maturity. The Series 2021 Bonds maturing on or after June 1, 20__ shall be subject to redemption prior to their maturity date, at the option of the City, pro rata within a maturity on any date on or after June 1, 20__, at a redemption price equal to the principal amount of the Series 2021 Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium. In the event of a redemption pursuant to this Section 2.03(a) and (c), the City shall provide the Trustee with a revised sinking fund schedule, described below, giving effect to the redemption so completed.

(b) Mandatory Sinking Fund Redemption. The Series 2021 Term Bonds maturing on June 1, 20__, are subject to mandatory sinking fund redemption on June 1 in each year, commencing June 1, 20__, at a redemption price equal to the principal amount thereof to be redeemed, without premium, plus accrued interest to the date of redemption, in the aggregate principal amounts and on June 1 in the years set forth in the following table:

Redemption Date (June 1)	Principal Amount
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* Maturity Date

The Series 2021 Term Bonds maturing on June 1, 20__, are subject to mandatory sinking fund redemption on June 1 in each year, commencing June 1, 20__, at a redemption price equal to the principal amount thereof to be redeemed, without premium, plus accrued interest to the date of redemption, in the aggregate principal amounts and on June 1 in the years set forth in the following table:

Redemption Date (June 1)	Principal Amount
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* Maturity Date

(c) Make-Whole Optional Redemption. [From the date of issuance, the Series 2021 Bonds maturing on June 1, _____ and June 1, _____ (together, the “Make-Whole Bonds”) are subject to redemption prior to their stated maturity, at the option of the City, from lawfully available funds, as a whole or in part (by pro rata pass-through distribution of principal within a maturity as described below), on any date, at a redemption price equal to the greater of:

(1) 100% of the principal amount of such Make-Whole Bonds to be redeemed; or

(2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Make-Whole Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Make-Whole Bonds are to be redeemed, discounted to the date on which such Make-Whole Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus __ basis points, date.

plus, in each case, accrued interest on such Make-Whole Bonds to be redeemed to the redemption date. The Make-Whole Bonds maturing on June 1, 20__ and June 1, 20__ are also subject to the optional redemption set forth in Section 2.03(a) above on or after June 1, 20__.

“Treasury Rate” as such term is used above means, with respect to any redemption date for a particular Series 2021 Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Series 2021 Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

At the request of the City in a Written Request of the City to the Trustee, the redemption price of the Make-Whole Bonds to be redeemed at the option of the City will be determined by an independent accounting firm, investment banking firm or financial advisor retained by the City, at the City’s expense to calculate such redemption price. The City and the Trustee may conclusively rely on the determination of such redemption price by such independent accounting firm, investment banking firm or financial advisor and will not be liable for such reliance.]

(e) Selection of Bonds for Redemption. If less than all of the outstanding Bonds are to be redeemed prior to maturity, redemption payments will be made on a pro rata basis within a maturity to each Owner in whose name such Bonds are registered at the close of business on the 15th day of the calendar month immediately preceding the redemption date.

So long as the Bonds are held in book-entry form, Bonds equal to \$5,000 or any integral multiple thereof will be redeemed within a maturity on a pro rata pass-through distribution of principal basis in accordance with DTC procedures; and, if the DTC operational arrangements do

not allow for redemption on a pro rata pass-through distribution of principal basis, the portions of the Bonds will be selected for redemption, in accordance with DTC procedures, by lot.

It is the City's intent that the redemption allocations described in this Trust Agreement with respect to the Bonds within a maturity be made on a pro rata pass-through distribution of principal basis. However, the City can provide no assurance that DTC, the Participants or any other intermediaries will allocate redemptions among Beneficial Owners on such basis.

"Pro rata" means, in connection with any optional redemption in part, with respect to the allocation of amounts to be redeemed, the application to such amounts of a fraction, the numerator of which is equal to the amount of the specific maturity of the Bonds held by an Owner of such Bonds, and the denominator of which is equal to the total amount of such maturity of Bonds, then Outstanding.

(d) Notice of Redemption. If the City elects to redeem Bonds as provided above, the City shall, at least 45 days (or such lesser number of days acceptable to the Trustee) prior to the redemption date, give written notice to the Trustee of its election to so redeem, the redemption date and the principal amount of the Bonds to be redeemed among maturities. Notice of redemption shall be mailed by first class mail or electronically transmitted by the Trustee, on behalf and at the expense of the City, not less than 20 nor more than 60 days prior to the redemption date to the respective Owners of Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee. The Trustee shall also provide such additional notice of redemption of Bonds at the time and as may be required by the MSRB.

Each notice of redemption shall state the date of such notice, the Bonds to be redeemed, the Series and date of issue of such Bonds, the redemption date, the redemption price, the place or places of redemption (including the name and appropriate address or addresses), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity are to be redeemed, the distinctive certificate numbers of the Bonds of such maturity to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed.

Each notice of optional redemption shall also state that such optional redemption may be rescinded by the City and that, unless such redemption is so rescinded, and provided that on said date funds are available for payment in full of the Bonds then called for redemption, on said date there will become due and payable on each of such Bonds the redemption price thereof or of said specified portion of the principal amount thereof in the case of a Bond to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice.

Failure by the Trustee to give notice pursuant to this Section 2.03 to any one or more of the Information Services or Securities Depositories, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for redemption. The failure of any Owner to receive any redemption notice mailed to such Owner and any defect in the notice so mailed shall not affect the sufficiency of the proceedings for redemption.

The City shall have the right to rescind any optional redemption by providing the Trustee with written notice of such rescission at least two Business Day prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default hereunder. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

Section 2.04. Form of Bonds. The Bonds and the authentication endorsement and assignment to appear thereon shall be substantially in the form set forth in Exhibit A.

Section 2.05. Execution of Bonds. The Mayor (or in his absence, the Mayor Pro Tem) is hereby authorized and directed to execute each of the Bonds on behalf of the City, and the City Clerk of the City is hereby authorized and directed to countersign each of the Bonds on behalf of the City. The signature of the Mayor (or in his absence, the Mayor Pro Tem) and the City Clerk may be by printed or otherwise reproduced by electronic reproduction. In case any officer whose signature appears on the Bonds shall cease to be such officer before the delivery of the Bonds to the purchaser thereof, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery of the Bonds. Only those Bonds bearing thereon a certificate of authentication in the form provided for herein, executed manually or electronically and dated by the Trustee, shall be entitled to any benefit, protection or security hereunder or be valid or obligatory for any purpose, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly authorized, executed, issued and delivered hereunder and are entitled to the benefit, protection and security hereof.

Section 2.06. Transfer and Payment of Bonds. Any Bond may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of Section 2.08 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bonds for cancellation at the Corporate Trustee Office of the Trustee, accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds of the same series and maturity for a like aggregate principal amount. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the City. The Trustee shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege. Prior to any transfer of the Bonds outside the book-entry system, (including, but not limited to, the initial transfer outside the book-entry system) the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

The City and the Trustee may deem and treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of receiving payment thereof and for all other purposes, whether such Bonds shall be overdue or not, and neither the City nor the Trustee shall

be affected by any notice or knowledge to the contrary; and payment of the interest on, principal of, and redemption premium (if any) on, such Bonds shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on such Bonds to the extent of the sum or sums so paid.

The Trustee shall not be required to register the transfer of or exchange any Bond which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bond selected for redemption in whole or in part as provided in Section 2.03.

Section 2.07. Book-Entry Bonds. Notwithstanding any provision of this Trust Agreement to the contrary, the transfer provisions of Section 2.06 hereof do not apply if the ownership of the Bonds is in book-entry form.

(a) Except as provided in subparagraph (d) of this Section 2.07, the registered Owner of all of the Bonds shall be DTC, and the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Notwithstanding anything to the contrary contained in this Trust Agreement, payment of interest with respect to any Bond registered as of each Record Date in the name of Cede & Co. shall be made by wire transfer of same-day funds to the account of Cede & Co. on the Interest Payment Date for the Bonds at the address indicated on the Record Date or special record date for Cede & Co. in the Bond registration books required to be kept by the Trustee pursuant to the provisions of Section 2.09 hereof or as otherwise provided in the Representation Letter.

(b) The Bonds shall be initially executed and delivered in the form of separate single fully registered Bonds in the amount of each separate stated maturity of the Bonds. Upon initial execution and delivery, the ownership of such Bonds shall be registered in the Bond registration books required to be kept by the Trustee pursuant to the provisions of Section 2.09 hereof in the name of Cede & Co., as nominee of DTC. The Trustee and the City shall treat DTC (or its nominee) as the sole and exclusive Owner of the Bonds registered in its name for the purposes of payment of the principal, premium, if any, or interest with respect to the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Owners under this Trust Agreement, registering the transfer of Bonds, obtaining any consent or other action to be taken by Owners and for all other purposes whatsoever, and neither the Trustee nor the City shall be affected by any notice to the contrary. Neither the Trustee nor the City shall have any responsibility or obligation to any person claiming a beneficial ownership interest in the Bonds under or through DTC, or any other person which is not shown on the Bond registration books required to be kept by the Trustee pursuant to the provisions of Section 2.09 hereof as being an Owner, with respect to (i) the accuracy of any records maintained by DTC; (ii) the payment by DTC of any amount of the principal, premium, if any, or interest on the Bonds; (iii) any notice which is permitted or required to be given to Owners under this Trust Agreement or the selection by DTC of any person to receive payment in the event of a partial redemption of the Bonds; or (iv) any consent given or other action taken by DTC as Owner. The Trustee shall pay all principal, premium, if any, and interest on the Bonds only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Except under the conditions of (d) below, no person other than DTC shall

receive an executed Bond representing the right to receive principal, premium, if any and interest pursuant to this Trust Agreement. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the term “Cede & Co.” in this Trust Agreement shall refer to such new nominee of DTC.

(c) To qualify the Bonds for DTC’s book-entry system, the City and the Trustee (if required) will execute, countersign and deliver to DTC the Representation Letter. The execution and delivery of the Representation Letter shall not in any way limit the provisions of this Section 2.07 or in any other way impose upon the Trustee or the City any obligation whatsoever with respect to persons having interests in the Bonds other than the Owners, as shown on the Bond registration books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof.

(d) If (i) DTC, including any successor as securities depository for the Bonds, determines not to continue to act as securities depository for the Bonds, or (ii) the City determines that the incumbent securities depository shall no longer so act and delivers a written certificate to the Trustee to that effect, then the City will discontinue the book-entry system with the incumbent securities depository for the Bonds. If the City determines to replace the incumbent securities depository for the Bonds with another qualified securities depository, the City shall prepare or direct the preparation of a new single, separate fully registered Bond for the aggregate outstanding principal amount of Bonds of each maturity, registered in the name of such successor or substitute qualified securities depository, or its nominee, or make such other arrangement acceptable to the City, the Trustee and the successor securities depository for the Bonds as are not inconsistent with the terms of this Trust Agreement. If the City fails to identify another qualified successor securities depository for the Bonds to replace the incumbent securities depository, then the Bonds shall no longer be restricted to being registered in the Bond registration books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof in the name of the incumbent securities depository or its nominee, but shall be registered in whatever name or names the incumbent securities depository for the Bonds, or its nominee, shall designate. In such event the City shall execute and deliver a sufficient quantity of Bonds as to carry out the transfers and exchanges provided in this Section and Sections 2.06 and 2.10 hereof. All such Bonds shall be in fully registered form in denominations authorized by this Trust Agreement.

(e) Notwithstanding any other provision of this Trust Agreement to the contrary, so long as any Bond is registered in the name of DTC, or its nominee, all payments with respect to the principal, premium, if any, and interest on such Bond and all notices with respect to such Bonds shall be made and given, respectively, as provided in the Representation Letter.

(f) In connection with any notice or other communication to be provided to Owners pursuant to this Trust Agreement by the City or the Trustee with respect to any consent or other action to be taken by Owner, the City or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent possible.

Section 2.08. Exchange of Bonds. Bonds may be exchanged at the Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of the same series and maturity of other Authorized Denominations. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the City. The Trustee shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a condition precedent to the exercise of such privilege. The Trustee shall not be required to exchange any Bond which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bond selected for redemption in whole or in part as provided in Section 2.03.

Section 2.09. Bond Registration Books. The Trustee will keep at its Corporate Trust Office sufficient books for the registration and transfer of the Bonds which shall during normal business hours be open to inspection by the City, and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer the Bonds in such books as hereinabove provided.

Section 2.10. Mutilated, Destroyed, Stolen or Lost Bonds. If any Bond shall become mutilated the Trustee at the expense of the Owner shall thereupon authenticate and deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to the Trustee and indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Owner, shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen. The Trustee may require payment of a reasonable sum for each new Bond issued under this Section and of the expenses which may be incurred by the City and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Trust Agreement with all other Bonds of the same series secured by this Trust Agreement. Neither the City nor the Trustee shall be required to treat both the original Bond and any replacement Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued hereunder or for the purpose of determining any percentage of Bonds Outstanding hereunder, but both the original and replacement Bond shall be treated as one and the same.

Section 2.11. Temporary Bonds. The Bonds issued under this Trust Agreement may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed or typewritten, shall be of such denominations as may be determined by the City, shall be in fully registered form and may contain such reference to any of the provisions of this Trust Agreement as may be appropriate. Every temporary Bond shall be executed and authenticated as authorized by the City, in accordance with the terms of the Act. If the City issues temporary Bonds it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Corporate Trust Office of the Trustee, and the Trustee shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of Authorized

Denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Trust Agreement as definitive Bonds delivered hereunder.

Section 2.12. Procedure for the Issuance of Series 2021 Bonds; Application of Bond Proceeds. At any time after the sale of the Series 2021 Bonds in accordance with the Act, the City shall execute the Series 2021 Bonds for issuance hereunder and shall deliver them to the Trustee, and thereupon the Series 2021 Bonds shall be authenticated and delivered by the Trustee to the Underwriter of the Series 2021 Bonds upon the Certificate of the City. The net proceeds of the Series 2021 Bonds in the amount of \$_____ shall be applied to pay certain obligations of the City to the System pursuant to the Retirement Law and Costs of Issuance as follows:

(a) The Trustee shall deposit \$_____ of proceeds of the Series 2021 Bonds in a Refunding Fund, which the Trustee shall establish for the purpose of receiving such deposit. On the Closing Date for such Series 2021 Bonds, the Trustee shall promptly transfer all amounts in the Refunding Fund to the System pursuant to written instructions from an Authorized Representative.

(b) The Trustee shall deposit \$_____ in the Costs of Issuance Fund, which fund the City hereby agrees to maintain with the Trustee. All money in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay or reimburse the Costs of Issuance of the Series 2021 Bonds upon receipt of a Written Request of the City filed with the Trustee, each of which shall be sequentially numbered and shall state the person to whom payment is to be made, the amount to be paid, instructions for making the payment, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. Each such Written Request of the City shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On the date which is six months following the Closing Date for the Series 2021 Bonds or upon the earlier Written Request of the City, any remaining balance in the Costs of Issuance Fund shall be transferred to the Interest Account.

Upon receipt of the purchase price of Additional Bonds, if any, the Trustee shall set aside and deposit the proceeds received from such sale as set forth in the Supplemental Trust Agreement authorizing such Additional Bonds, which proceeds may be deposited in the following respective accounts or funds:

(i) The Trustee shall deposit the amount, if any, set forth in the Supplemental Trust Agreement authorizing such Additional Bonds in the respective Refunding Fund. On the Closing Date for such Bonds, the Trustee shall promptly transfer all amounts in the respective Refunding Fund to the System or to refund Bonds, as set forth in the Supplemental Trust Agreement authorizing such Additional Bonds.

(ii) The Trustee shall deposit the amount, if any, set forth in the Supplemental Trust Agreement authorizing such Additional Bonds in the respective Costs of Issuance Fund, which fund the City hereby agrees to maintain with the Trustee. All money in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay or reimburse the respective Costs of Issuance of the Additional Bonds upon receipt of a Written Request of the City filed with the Trustee, each of which shall be sequentially

numbered and shall state the person to whom payment is to be made, the amount to be paid, instructions for making the payment, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. Each such Written Request of the City shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On the date which is six months following the Closing Date for the Additional Bonds or upon the earlier Written Request of the City, any remaining balance in the respective Costs of Issuance Fund shall be transferred to the Interest Account.

Section 2.13. Validity of Bonds. The recital contained in the Bonds that the same are issued pursuant to the Act and pursuant hereto shall be conclusive evidence of their validity and of the regularity of their issuance, and all Bonds shall be incontestable from and after their issuance. The Bonds shall be deemed to be issued, within the meaning hereof, whenever the definitive Bonds (or any temporary Bonds exchangeable therefor) shall have been delivered to the purchaser thereof and the proceeds of sale thereof received.

ARTICLE III

ISSUANCE OF ADDITIONAL BONDS

Section 3.01. Conditions for the Issuance of Additional Bonds. The City may at any time issue Additional Bonds on a parity with the Series 2021 Bonds, but only subject to the following specific conditions, which are hereby made conditions precedent to the issuance of any such Additional Bonds:

(a) The City shall be in compliance with all agreements and covenants contained herein.

(b) The issuance of such Additional Bonds shall have been authorized pursuant to the Act and shall have been provided for by a Supplemental Trust Agreement which shall specify the following:

(1) The purpose for which such Additional Bonds are to be issued; provided, that such Additional Bonds shall be applied solely for (i) the purpose of satisfying any obligation to make payments to the System pursuant to the Retirement Law relating to pension benefits accruing to the System's members, and/or for payment of all costs incidental to or connected with the issuance of Additional Bonds for such purpose, and/or (ii) the purpose of refunding any Bonds then Outstanding, including payment of all costs incidental to or connected with such refunding;

(2) The authorized principal amount and designation of such Additional Bonds;

(3) The date and the maturity dates of and the sinking fund payment dates, if any, for such Additional Bonds;

(4) The interest payment dates for such Additional Bonds;

(5) The denomination or denominations of and method of numbering such Additional Bonds;

(6) The redemption premiums, if any, and the redemption terms, if any, for such Additional Bonds;

(7) The amount, if any, to be deposited from the proceeds of sale of such Additional Bonds in the Interest Account hereinafter referred to; and

(8) Such other provisions (including the requirements of a book-entry Bond registration system, if any) as are necessary or appropriate and not inconsistent herewith.

Section 3.02. Procedure for the Issuance of Additional Bonds. At any time after the sale of any Additional Bonds in accordance with the Act, the City shall execute such Additional Bonds for issuance hereunder and shall deliver them to the Trustee, and thereupon such Additional Bonds shall be delivered by the Trustee to the purchaser thereof upon the Written Request of the City, but only upon receipt by the Trustee of the following documents or money or securities, all of such documents dated or certified, as the case may be, as of the date of delivery of such Additional Bonds by the Trustee:

(a) An executed copy of the Supplemental Trust Agreement authorizing the issuance of such Additional Bonds;

(b) A Written Request of the City as to the delivery of such Additional Bonds;

(c) An Opinion of Counsel to the effect that (1) the City has executed and delivered the Supplemental Trust Agreement, and the Supplemental Trust Agreement is valid and binding upon the City and (2) such Additional Bonds are valid and binding obligations of the City;

(d) A Certificate of the City stating that (i) all requirements of Article III have been complied with and containing any other such statements as may be reasonably necessary to show compliance with the conditions for the issuance of such Additional Bonds contained herein; [and (ii) for the Fiscal Year preceding the issuance of such Additional Bonds, Retirement Tax Revenues were at least 1.20 times maximum annual debt service on the Outstanding Bonds and the Additional Bonds proposed to be issued; and]

(e) Such further documents, money or securities as are required by the provisions of the Supplemental Trust Agreement providing for the issuance of such Additional Bonds.

ARTICLE IV

SECURITY FOR THE BONDS; FUNDS AND ACCOUNTS

Section 4.01. Assignment and Pledge for the Bonds; Bond Fund; Deposits to Bond Fund.

(a) There is hereby created a special trust fund designated as the “Bond Fund” that shall be held and administered by the Trustee as provided in this Trust Agreement. The Bonds shall be payable by the City from any source of legally available funds. The City shall take all action to levy, or cause to be levied, the Retirement Tax in accordance with applicable law, including the Constitution of the State, in an amount sufficient to pay debt service on all Outstanding Bonds. The City hereby irrevocably assigns and pledges to the Trustee, in trust for the security of the Owners on the terms hereof the Retirement Tax Revenues and all the City’s rights, title and interest in and to all money and securities for deposit in, or deposited in, the Bond Fund and any investment earnings thereon, and any collateral security for, and all proceeds of, any of the foregoing.

(b) The Trustee shall hold all the rights, title and interest received under this Section 4.01 and all money and securities (exclusive of money to which the Trustee is entitled in its own right as fees, indemnity, reimbursement or otherwise) received from the City or derived from the exercise of the City’s powers hereunder in trust for the security of the Owners in accordance with the provisions hereof. The City shall from time to time execute, deliver, file and record such instruments as the Trustee may reasonably require to confirm, perfect or maintain the security created hereby and the assignment and pledge hereby of the rights, title and interest assigned and pledged by the City to the Trustee hereunder.

(c) The City shall promptly deposit or cause to be deposited with the Trustee on or before each Record Date an amount sufficient to pay the principal of, if any, and interest coming due on the next Interest Payment Date.

Section 4.02. Allocation of Moneys in Bond Fund. On or before each Interest Payment Date or date fixed for redemption of Bonds, the Trustee shall transfer from the Bond Fund, in immediately available funds, for deposit into the following respective accounts (each of which is hereby created and which the Trustee shall maintain in trust separate and distinct from the other funds and accounts established hereunder), the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of funds sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any deposit is made to any account subsequent in priority:

- (a) Interest Account,
- (b) Principal Account, and
- (c) Surplus Account.

All money in each of such accounts shall be held in trust by the Trustee and shall be applied, used and withdrawn only for the purposes hereinafter authorized in this Section 4.02.

(a) Interest Account. On each Interest Payment Date, the Trustee shall set aside from the Bond Fund and deposit in the Interest Account that amount of money which is equal to the amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date. No deposit need be made in the Interest Account if the amount contained therein is at least equal to the aggregate amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date. All money in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

(b) Principal Account. On or before each Principal Payment Date, the Trustee shall set aside from the Bond Fund and deposit in the Principal Account an amount of money equal to the amount of all sinking fund payments required to be made on such Principal Payment Date into the respective sinking fund accounts for all Outstanding Term Bonds and the principal amount of all Outstanding Serial Bonds maturing on such Principal Payment Date.

No deposit need be made in the Principal Account if the amount contained therein is at least equal to the aggregate amount of the principal of all Outstanding Serial Bonds maturing by their terms on such Principal Payment Date plus the aggregate amount of all sinking fund payments required to be made on such Principal Payment Date for all Outstanding Term Bonds.

The Trustee shall establish and maintain within the Principal Account a separate subaccount for the Term Bonds of each series and maturity, designated as the "Sinking Account" (the "Sinking Account"), inserting therein the series and maturity (if more than one such account is established for such series) designation of such Bonds. With respect to each Sinking Account, on each mandatory sinking account payment date established for such Sinking Account, the Trustee shall apply the mandatory sinking account payment required on that date to the redemption (or payment at maturity, as the case may be) of Term Bonds of the series and maturity for which such Sinking Account was established, upon the notice and in the manner provided in Article II; provided that, at any time prior to giving such notice of such redemption, the Trustee may upon the Written Request of the City, apply moneys in such Sinking Account to the purchase for cancellation of Term Bonds of such series and maturity at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account), as may be directed by the City, except that the purchase price (excluding accrued interest) shall not exceed the redemption price that would be payable for such Bonds upon redemption by application of such Mandatory Sinking Account Payment. If, during the twelve-month period immediately preceding said mandatory sinking account payment date, the Trustee has purchased Term Bonds of such series and maturity with moneys in such Sinking Account, such Bonds so purchased shall be applied, to the extent of the full principal amount thereof, as applicable, to reduce such mandatory sinking account payment.

All money in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds, as applicable, as they shall become due and payable, whether at maturity or redemption, except that any money in any sinking fund account

shall be used and withdrawn by the Trustee only to purchase or to redeem or to pay Term Bonds for which such Sinking Account was created.

(c) Surplus Account. On the Business Day following the last Interest Payment Date of each Fiscal Year, or on such other date as provided in a Supplemental Trust Agreement, any moneys remaining in the Bond Fund shall be deposited by the Trustee in the Surplus Account. So long as no event of default has occurred and is continuing, moneys deposited in the Surplus Account shall be transferred by the Trustee to or upon the order of the City, as specified in a Written Request of the City.

Section 4.03. Deposit and Investments of Money in Accounts and Funds. All money held by the Trustee in any of the accounts or funds established pursuant hereto shall be invested in Permitted Investments at the Written Request of the City filed with the Trustee at least two Business Days in advance of the making of such investment. If no Written Request of the City is received, the Trustee shall hold such funds uninvested. Such investments shall, as nearly as practicable, mature on or before the dates on which such money is anticipated to be needed for disbursement hereunder. All interest, profits and other income received from any money so invested shall be deposited in the Bond Fund. The Trustee shall have no liability or responsibility for any loss resulting from any investment made or sold in accordance with the provisions of this Article IV, except for any loss due to the negligence or willful misconduct of the Trustee. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charge therefor. The City acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive brokerage confirmations of security transactions as they occur, the City agrees it will not receive such confirmations from the Trustee to the extent permitted by law. The Trustee will furnish the City periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

ARTICLE V

COVENANTS OF THE CITY

Section 5.01. Punctual Payment and Performance; Budget and Appropriation. The City will punctually pay the interest on and the principal of and redemption premiums, if any, to become due on every Bond issued hereunder in strict conformity with the terms hereof and of the Bonds, and will faithfully observe and perform all the agreements and covenants to be observed or performed by the City contained herein and in the Bonds. In furtherance of this covenant, the City shall in each Fiscal Year include in its budget a provision to provide funds in an amount sufficient to pay the principal, premium, if any, and interest on the Bonds coming due in such Fiscal Year, but only to the extent that such amounts exceed the amount of available funds then on deposit in the Bond Fund, and shall make annual appropriations for all such amounts. If such principal, premium, if any, and interest on the Bonds coming due in any Fiscal Year exceeds the sum of amounts budgeted in respect thereof, together with amounts then on deposit in the Bond Fund, then the City shall amend or supplement the budget to provide for such excess amounts. The covenants contained in this Section shall be deemed to be and shall be duties imposed by law and it shall be the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to

enable the City to carry out and perform the covenants and agreements in this Trust Agreement agreed to be carried out and performed by the City.

Section 5.02. Extension of Payment of Bonds. The City shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Trust Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section 5.02 shall be deemed to limit the right of the City to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

Section 5.03. No Senior Indebtedness Secured by Retirement Tax Revenues. No Additional Bonds or other indebtedness that is payable from or secured by Retirement Tax Revenues in whole or in part will be issued or incurred by the City on a basis senior to the Series 2021 Bonds and any Additional Bonds.

Section 5.04. Additional Debt. The City expressly reserves the right to enter into one or more other agreements or indentures for any of its purposes, and reserves the right to issue other obligations for such purposes, subject to the restrictions on Additional Bonds and additional indebtedness secured by Retirement Tax Revenues provided herein.

Section 5.05. Power to Issue Bonds. The City is duly authorized pursuant to law to issue the Bonds and to enter into this Trust Agreement. The Bonds and the provisions of this Trust Agreement are the legal, valid and binding obligations of the City in accordance with their terms. The Bonds and any Additional Bonds shall constitute obligations imposed by law.

Section 5.06. Accounting Records and Reports. The City will keep or cause to be kept proper books of record and accounts in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocation and application of moneys on deposit in the funds and accounts established hereunder.

Section 5.07. Prosecution and Defense of Suits. The City will defend against every suit, action or proceeding at any time brought against the Trustee upon any claim to the extent involving the failure of the City to fulfill its obligations hereunder; provided that the Trustee or any affected Owner at its election may appear in and defend any such suit, action or proceeding. The City, to the extent permitted by law, will indemnify and hold harmless the Trustee against any and all liability claimed or asserted by any person to the extent arising out of such failure by the City, and will indemnify and hold harmless the Trustee against any attorney's fees or other expenses which it may incur in connection with any litigation to which it may become a party by reason of its actions hereunder, except for any loss, cost, damage or expense resulting from the negligence, willful misconduct or breach of duty by the Trustee. Notwithstanding any contrary provision hereof, this covenant shall remain in full force and effect even though all Bonds secured hereby may have been fully paid and satisfied or the resignation or removal of the Trustee.

Section 5.08. Further Assurances. Whenever and so often as reasonably requested to do so by the Trustee or any Owner, the City will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments, and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Owners all rights, interests, powers, benefits, privileges and advantages conferred or intended to be conferred upon them hereby.

Section 5.09. Waiver of Laws. The City shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Trust Agreement or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the City to the extent permitted by law.

Section 5.10. Compliance with Continuing Disclosure Certificate. The City has undertaken responsibility for compliance with continuing disclosure requirements with respect to S.E.C. Rule 15c2-12. Notwithstanding any other provision of this Trust Agreement, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee may or the Owners of at least 25% aggregate principal amount in Outstanding Bonds, and upon receipt of indemnification satisfactory to it, shall) or any Owner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Section.

ARTICLE VI

THE TRUSTEE

Section 6.01. The Trustee. [TRUSTEE], shall serve as the Trustee for the Bonds for the purpose of receiving all money which the City is required to deposit with the Trustee hereunder and for the purpose of allocating, applying and using such money as provided herein and for the purpose of paying the interest on and principal of and redemption premiums, if any, on the Bonds presented for payment at the Corporate Trust Office of the Trustee with the rights and obligations provided herein. The City agrees that it will at all times maintain a Trustee having a corporate trust office in Los Angeles or San Francisco, California.

The City may at any time, unless there exists any event of default as defined in Section 8.01, with 30 days prior notice remove the Trustee initially appointed and any successor thereto and may appoint a successor or successors thereto by an instrument in writing; provided, that any such successor shall be a bank or trust company doing business or national banking association and having a corporate trust office in Los Angeles or San Francisco, California, having a combined capital (exclusive of borrowed capital) and surplus of at least seventy-five million dollars (\$75,000,000) and subject to supervision or examination by federal or state authority. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this section the combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and

surplus as set forth in its most recent report of condition so published. The Trustee may at any time resign by giving written notice of such resignation to the City and by mailing to the Owners notice of such resignation. Upon receiving such notice of resignation, the City shall promptly appoint a successor Trustee by an instrument in writing. Any removal or resignation of a Trustee and appointment of a successor Trustee shall become effective only upon the acceptance of appointment by the successor Trustee. If, within thirty (30) days after notice of the removal or resignation of the Trustee no successor Trustee shall have been appointed and shall have accepted such appointment, the removed or resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Trustee having the qualifications required hereby.

The Trustee is hereby authorized to pay or redeem the Bonds when duly presented for payment at maturity or on redemption prior to maturity. The Trustee shall cancel all Bonds upon payment thereof or upon the surrender thereof by the City and shall destroy such Bonds and a certificate of destruction shall be delivered to the City. The Trustee shall keep accurate records of all Bonds paid and discharged and cancelled by it.

The Trustee shall, prior to an event of default, and after the curing of all events of default that may have occurred, perform such duties and only such duties as are specifically set forth in this Trust Agreement and no implied duties or obligations shall be read into this Trust Agreement. The Trustee shall, during the existence of any event of default (that has not been cured), exercise such of the rights and powers vested in it by this Trust Agreement, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

Section 6.02. Liability of Trustee. The recitals of facts, agreements and covenants herein and in the Bonds shall be taken as recitals of facts, agreements and covenants of the City, and the Trustee assumes no responsibility for the correctness of the same or makes any representation as to the sufficiency or validity hereof or of the Bonds, or shall incur any responsibility in respect thereof other than in connection with the rights or obligations assigned to or imposed upon it herein, in the Bonds or in law or equity. The Trustee shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and such Owner's title thereto satisfactorily established, if disputed.

The Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct. The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority in Aggregate Principal Amount of the Bonds at the time Outstanding, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Trust Agreement.

The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Trust Agreement at the request, order or direction of any of the Owners pursuant to the provisions of this Trust Agreement unless such Owners shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities that may be incurred therein or thereby. The Trustee has no obligation or liability to the Owners for the payment of interest on, principal of or redemption premium, if any, with respect to the Bonds from its own funds; but rather the Trustee's obligations shall be limited to the performance of its duties hereunder.

The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of a default or event of default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it.

The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through attorneys-in-fact, agents or receivers, shall not be answerable for the negligence or misconduct or any such attorney-in-fact, agent or receiver appointed by it in accordance with the standards specified above. The Trustee shall be entitled to advice of counsel and other professionals concerning all matters of trust and its duty hereunder, but the Trustee shall not be answerable for the professional malpractice of any attorney or certified public accountant in connection with the rendering of his professional advice in accordance with the terms of this Trust Agreement, if such attorney or certified public accountant was selected by the Trustee with due care.

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

The Trustee shall be protected in acting upon any notice, resolution, requisition, request (including any Written Request of the City), consent, order, certificate, report, opinion, bond 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 Trustee may consult with counsel, who may be counsel of or to the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its rights and obligations hereunder the Trustee shall deem it necessary or desirable that a matter be established or proved prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Trustee, be deemed to be conclusively proved and established by a Certificate of the City, which certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions hereof upon the faith thereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

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

The Trustee shall have no responsibility, opinion, or liability with respect to any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

All immunities, indemnifications and releases from liability granted herein to the Trustee shall extend to the directors, employees, officers and agents thereof.

Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided that such company shall meet the requirements set forth in Section 6.01, shall be the successor to the Trustee hereunder and vested with all of the title to the trust estate and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor hereunder, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

The Trustee shall not be deemed to have knowledge of any Event of Default unless and until it shall have actual knowledge thereof by receipt of written notice thereof at its Corporate Trust Office.

The permissive right of the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty and it shall not be answerable for other than its negligence or willful misconduct.

The Trustee shall not be responsible for or accountable to anyone for the subsequent use or application of any moneys which shall be released or withdrawn in accordance with the provisions hereof.

The Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term “force majeure” means an occurrence that is beyond the control of the Indenture Trustee and could not have been avoided by exercising due care. Force majeure shall include but not be limited to acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

Ratings of Permitted Investments referred to herein shall be determined at the time of purchase of such Permitted Investments and without regard to rating subcategories. The Trustee shall have no responsibility to monitor the ratings of Permitted Investments after the initial purchase of such Permitted Investments, or the responsibility to validate Permitted Investments the ratings of Permitted Investments prior to the initial purchase.

The Trustee may conclusively rely upon the Written Request of the City as to both the suitability and legality of the directed investments and such written direction shall be deemed to be a certification that such directed investments constitute Permitted Investments.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Trust 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 Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the City shall provide to the Trustee 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 City whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. The City understands and agrees that Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the City 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 City. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee 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 Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City; (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 Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

Section 6.03. Compensation and Indemnification of Trustee. The City covenants to pay to the Trustee from time to time, and the Trustee shall be entitled to, reasonable compensation for all services rendered by it in the exercise and performance of any of the powers and duties hereunder of the Trustee, and the City will pay or reimburse the Trustee upon its request for all expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions of this Trust Agreement (including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence, default or willful misconduct, including the negligence or willful misconduct of any of its officers, directors, agents or employees. The City, to the extent permitted by law, shall indemnify, defend and hold harmless the Trustee against any loss, damages, liability or expense including legal fees and expenses incurred without negligence, willful misconduct or bad faith on the part of the Trustee, (i) arising out of or in connection with the acceptance or administration of the trusts created hereby or the exercise or performance of any of its powers or duties hereunder, and (ii) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission

to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading in any official statement or other offering circular utilized in connection with the sale of the Bonds, including costs and expenses (including attorneys' fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers hereunder. The rights of the Trustee and the obligations of the City under this Section shall survive the discharge of the Bonds and this Trust Agreement and the resignation or removal of the Trustee.

ARTICLE VII

AMENDMENT OF THE TRUST AGREEMENT; SUPPLEMENTAL TRUST AGREEMENT

Section 7.01. Amendment of the Trust Agreement.

(a) This Trust Agreement and the rights and obligations of the City and of the Owners may be amended at any time by a Supplemental Trust Agreement which shall become binding when the written consents of the Owners of a majority in Aggregate Principal Amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 7.02, are filed with the Trustee. No such amendment shall (1) extend the maturity of or reduce the interest rate on or amount of interest on or principal of or redemption premium, if any, or extend the time of payment on any Bond without the express written consent of the Owner of such Bond, or (2) reduce the percentage of Bonds required for the written consent to any such amendment.

(b) This Trust Agreement and the rights and obligations of the City and of the Owners may also be amended at any time by a Supplemental Trust Agreement which shall become binding upon adoption without the consent of, or notice to, any of the Owners for any one or more of the following purposes:

(i) to add to the agreements and covenants required herein to be performed by the City other agreements and covenants thereafter to be performed by the City, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power reserved herein to or conferred herein on the City;

(ii) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein and in any Supplemental Trust Agreement or in regard to questions arising hereunder which the City may deem desirable or necessary and not inconsistent herewith;

(iii) to provide for the issuance of any Additional Bonds and to provide the terms of such Additional Bonds, subject to the conditions and upon compliance with the procedure set forth in Article III (which shall be deemed not to adversely affect Owners);

(iv) to modify, amend or add to the provisions herein or in any Supplemental Trust Agreement to permit the qualification thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statutes hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by such statute or similar statute; or

(v) to modify, amend or supplement this Trust Agreement and any Supplemental Trust Agreement in any manner that does not materially adversely affect the interest of Owners of Bonds.

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

Section 7.02. Disqualified Bonds. Bonds owned or held by or for the account of the City shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided in this article, and shall not be entitled to consent to or take any other action provided in this article. Upon request of the Trustee, the City shall specify in a certificate to the Trustee those Bonds disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any action taken as hereinabove provided, the City may determine that the Bonds may bear a notation by endorsement in form approved by the City as to such action, and in that case upon demand of the Owner of any Outstanding Bonds and presentation of his Bond for such purpose at the office of the Trustee a suitable notation as to such action shall be made on such Bond. If the City shall so determine, new Bonds so modified as, in the opinion of the City, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the Owner of any Outstanding Bond a new Bond or Bonds shall be exchanged at the office of the Trustee without cost to each Owner for its Bond or Bonds then Outstanding upon surrender of such Outstanding Bonds.

Section 7.04. Amendment by Mutual Consent. The provisions of this article shall not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

Section 7.05. Attorney's Opinion Regarding Supplemental Agreements. The Trustee may obtain an Opinion of Counsel that any amendments or supplements to this Trust Agreement comply with the provisions of this Article VII and the Trustee may conclusively rely upon such opinion.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

Section 8.01. Events of Default. If one or more of the following events (herein called “events of default”) shall happen, that is to say:

(a) if default shall be made by the City in the due and punctual payment of the interest on any Bond when and as the same shall become due and payable;

(b) if default shall be made by the City in the due and punctual payment of the principal of or redemption premium, if any, on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed or by proceedings for redemption;

(c) if default shall be made by the City in the performance of any of the agreements or covenants required herein to be performed by the City, and such default shall have continued for a period of 30 days after the City shall have been given notice in writing of such default by the Trustee or the Owners of not less than 25% in Aggregate Principal Amount of the Bonds at the time Outstanding, specifying such default and requiring the same to be remedied, provided, however, if the default stated in the notice can be corrected, but not within the applicable period, the Trustee and such Owners shall not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the City within the applicable period and diligently pursued until the default is corrected; or

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

Section 8.02. Remedies Upon an Event of Default. Upon the occurrence and continuance of any event of default, the Trustee may, and upon the written request of Owners of not less than 51% of the Aggregate Principal Amount of Bonds then Outstanding, and upon being indemnified to its satisfaction, shall:

(a) by mandamus, suit, action or proceeding, compel the City and its members, officers, agents or employees to perform each and every term, provision and covenant contained in this Trust Agreement and the Bonds, and may require the carrying out of any or all such covenants and agreements of the City and the fulfillment of all duties imposed upon it by this Trust Agreement and by the Retirement Law.

(b) bring suit upon the defaulted Bonds.

(c) by suit, action or proceeding in equity, enjoin any acts or things which are unlawful, or the violation of any of the Owners’ rights.

(d) by suit, action or proceeding in any court of competent jurisdiction, require the City and its members and employees to account as if it and they were the trustees of an express trust.

Section 8.03. Application of Revenues and Other Funds After Default. If an event of default shall occur and be continuing, all amounts then held or thereafter received by the Trustee under any of the provisions of this Trust Agreement shall be applied by the Trustee as follows and in the following order:

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

(b) To the payment of the principal and interest then due with respect to the Bonds (upon presentation of the Bonds to be paid, and stamping thereon of the payment if only partially paid, or surrender thereof if fully paid) subject to the provisions of this Trust Agreement, as follows:

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

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

(c) To the payment of expenses of the Insurer.

Section 8.04. Non-Waiver. Nothing in this Article or in any other provision hereof or in the Bonds shall affect or impair the obligation of the City, which is absolute and unconditional, to pay the interest on and principal of and redemption premiums, if any, on the Bonds to the respective Owners of the Bonds at the respective dates of maturity or upon prior redemption as provided herein, or shall affect or impair the right of such Owners, which is also absolute and unconditional, to institute suit to enforce such payment by virtue of the contract embodied herein and in the Bonds. A waiver of any default or breach of duty or contract by the Trustee or any Owner shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Trustee or any Owner to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of

any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Owners by the Act or by this Article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee or the Owners. If any action, proceeding or suit to enforce any right or exercise any remedy is abandoned, the City, the Trustee and any Owner shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Section 8.05. Actions by Trustee as Attorney-in-Fact. Any action, proceeding or suit which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners, whether or not the Trustee is an Owner, and the Trustee is hereby appointed (and the successive Owners, by taking and holding the Bonds issued hereunder, shall be conclusively deemed to have so appointed it) the true and lawful attorney-in-fact of the Owners for the purpose of bringing any such action, proceeding or suit and for the purpose of doing and performing any and all acts and things for and on behalf of the Owners as a class or classes as may be advisable or necessary in the opinion of the Trustee as such attorney-in-fact.

Section 8.06. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by the Act or any other law.

Section 8.07. Limitation on Owners' Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or equity, for any remedy under or upon this Trust Agreement, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an event of default as defined in Section 8.01 hereunder; (b) the Owners of at least a majority in Aggregate Principal Amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (c) said Owners shall have tendered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such request shall have been received by, and said tender of indemnity shall have been made to, the Trustee. Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any owner of Bonds of any remedy hereunder; it being understood and intended that no one or more owners of Bonds shall have any right in any manner whatever by his or their action to enforce any right under this Trust Agreement, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Trust Agreement shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

Section 8.08. Absolute Obligation of City. Nothing in this Section or in any other provision of this Trust Agreement or in the Bonds contained shall affect or impair the obligation of the City, which is absolute and unconditional, to pay the principal of, premium, if any and interest on the Bonds to the respective Owners of the Bonds at their respective due dates as herein provided.

ARTICLE IX

DEFEASANCE

Section 9.01. Discharge of Bonds.

(a) If the City shall pay or cause to be paid or there shall otherwise be paid to the Owners of all Outstanding Bonds the interest thereon and the principal thereof and the redemption premiums, if any, thereon at the times and in the manner stipulated herein and therein, and shall pay or provide for the payment of all fees and expenses of the Trustee, then all agreements, covenants and other obligations of the City to the Owners of such Bonds hereunder shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the City all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, the Trustee shall pay over or deliver to the City all money or securities held by it pursuant hereto which are not required for the payment of the interest on, principal of, and redemption premium (if any) on, such Bonds.

(b) Any Outstanding Bonds shall prior to the maturity date or redemption date thereof be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this section if (1) in case any of such Bonds are to be redeemed on any date prior to their maturity date, the City shall have given to the Trustee in form satisfactory to it irrevocable instructions to provide notice in accordance with Section 2.03, (2) there shall have been deposited with the Trustee either (A) money in an amount which shall be sufficient or (B) Defeasance Securities which are not subject to redemption prior to maturity (including any such Defeasance Securities issued or held in book-entry form on the books of the City or the Treasury of the United States of America), the interest on and principal of which when paid will provide money which, together with the money, if any, deposited with the Trustee at the same time, shall be sufficient, in the opinion of an Independent Certified Public Accountant, to pay when due the interest to become due on such Bonds on and prior to the maturity date or redemption date thereof, as the case may be, and the principal of and redemption premiums, if any, on such Bonds, and (3) in the event such Bonds are not by their terms subject to redemption within the next succeeding 60 days, the City shall have given the Trustee in form satisfactory to it irrevocable instructions to mail as soon as practicable, a notice to the Owners of such Bonds that the deposit required by clause (2) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this section and stating the maturity date or redemption date upon which money is to be available for the payment of the principal of and redemption premiums, if any, on such Bonds.

Section 9.02. Unclaimed Money. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of any of the Bonds or interest thereon which remains unclaimed for two (2) years after the date when such Bonds or interest thereon have become due and payable, either at their stated maturity dates or by call for redemption prior to maturity, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when such Bonds have become due and payable, shall be repaid by the Trustee to the City as its absolute property free from trust, and the Trustee shall thereupon be released and

discharged with respect thereto and the Owners shall not look to the Trustee for the payment of such Bonds.

ARTICLE X

BOND INSURANCE

Section 10.01. Article X Provisions Controlling. Notwithstanding anything to the contrary herein, the provisions of this Article shall govern the Series 2021 Bonds while they remain Outstanding. [Provisions of Article X to be conformed to insurance commitment.]

Section 10.02. General.

(a) The Insurer shall be deemed to be the sole Owner of the Series 2021 Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners insured by it are entitled to take pursuant to the Trust Agreement pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Trust Agreement and each Series 2021 Bond, each Owner of the Series 2021 Bonds appoints the Insurer as its agent and attorney-in-fact with respect to the Series 2021 Bonds and agrees that the Insurer may at any time during the continuation of any proceeding by or against the City under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”) direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a “Claim”), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner of the Series 2021 Bonds delegates and assigns to the Insurer, to the fullest extent permitted by law, the rights of each Owner of the Series 2021 Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Owner of the Series 2021 Bonds for the Insurer’s benefit, and agrees to cooperate with the Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment.

(b) Upon the occurrence of an extraordinary optional, special or extraordinary mandatory redemption in part, the selection of Series 2021 Bonds to be redeemed shall be subject to the approval of the Insurer. The exercise of any provision of this Trust Agreement which permits the purchase of Series 2021 Bonds in lieu of redemption shall require the prior written approval of the Insurer if any Series 2021 Bond so purchased is not cancelled upon purchase.

(c) Any amendment, supplement, modification to, or waiver of, this Trust Agreement or any other transaction document, including any underlying security agreement (each a “Related Document”), that requires the consent of Owners of the Series 2021 Bonds or adversely affects the rights and interests of the Insurer shall be subject to the prior written consent of the Insurer.

(d) The rights granted to the Insurer under this Trust Agreement or any other Related Document to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Insurance Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the Series 2021 Bonds and such action does not evidence any position of the Insurer, affirmative or negative, as to whether the consent of the Owners of the Series 2021 Bonds or any other person is required in addition to the consent of the Insurer.

(e) Only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (5) subject to the prior written consent of the Insurer, securities eligible for "AAA" defeasance under then existing criteria of S & P or any combination thereof, shall be used to effect defeasance of the Series 2021 Bonds unless the Insurer otherwise approves.

(f) To accomplish defeasance of the Series 2021 Bonds, the City shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the Insurer ("Accountant") verifying the sufficiency of the escrow established to pay the Series 2021 Bonds in full on the maturity or redemption date ("Verification"), (ii) an escrow deposit agreement or other irrevocable written instructions to the Trustee (which shall be acceptable in form and substance to the Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the Series 2021 Bonds are no longer "Outstanding" under this Trust Agreement and (iv) a certificate of discharge of the Trustee with respect to the Series 2021 Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the City, the Trustee and the Insurer. The Insurer shall be provided with final drafts of the above referenced documentation not less than five Business Days prior to the funding of the escrow.

(g) Series 2021 Bonds shall be deemed "Outstanding" under this Trust Agreement unless and until they are in fact paid and retired or the above criteria are met.

(h) Amounts paid by the Insurer under the Insurance Policy shall not be deemed paid for purposes of this Trust Agreement and the Series 2021 Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the City in accordance with this Trust Agreement. This Trust Agreement shall not be discharged unless all amounts due or to become due to the Insurer have been paid in full or duly provided for.

(i) Each of the City and Trustee covenant and agree to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge under this Trust Agreement under applicable law. The Trustee's obligation shall be limited to only filing continuation statements.

(j) The Insurer shall, to the extent it makes any payment of principal of or interest on the Series 2021 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the City to the Insurer under the Related Documents shall survive discharge or termination of such Related Documents.

(k) The City shall pay or reimburse the Insurer any and all charges, fees, costs and expenses that the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Related Document; (ii) the pursuit of any remedies under this Trust Agreement or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Trust Agreement or any other Related Document whether or not executed or completed, or (iv) any litigation or other dispute in connection with this Trust Agreement or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the Insurer to honor its obligations under the Insurance Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Trust Agreement or any other Related Document.

(l) The Insurer shall be entitled to pay principal or interest on the Series 2021 Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the City (as such terms are defined in the Insurance Policy), whether or not the Insurer has received a Notice of Nonpayment (as such terms are defined in the Insurance Policy) or a claim upon the Insurance Policy.

(m) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Trust Agreement would adversely affect the security for the Series 2021 Bonds or the rights of the Owners of the Series 2021 Bonds, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Insurance Policy.

(n) No contract shall be entered into or any action taken by which the rights of the Insurer or security for or sources of payment of the Series 2021 Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer.

Section 10.03. Claims Upon the Insurance Policy and Payments by and to the Insurer. If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Trustee, after making all transfers and deposits required under this Trust Agreement, moneys sufficient to pay the principal of and interest on the Series 2021 Bonds due on such Payment Date, the Trustee shall give notice to the Insurer and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Series 2021 Bonds due on such Payment Date, the Trustee shall make a claim under the Insurance Policy and give notice to the Insurer and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the

amount required to pay interest on the Series 2021 Bonds and the amount required to pay principal of the Series 2021 Bonds, confirmed in writing to the Insurer and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Insurance Policy.

The Trustee shall designate any portion of payment of principal on Series 2021 Bonds paid by the Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Series 2021 Bonds registered to the then current Owner of the Series 2021 Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement Series 2021 Bond to the Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Series 2021 Bond shall have no effect on the amount of principal or interest payable by the City on any Series 2021 Bond or the subrogation rights of the Insurer.

The Trustee shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Series 2021 Bond. The Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the Series 2021 Bonds referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Insurance Policy in trust on behalf of Owners of the Series 2021 Bonds and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the Series 2021 Bonds in the same manner as principal and interest payments are to be made with respect to the Series 2021 Bonds under the sections hereof regarding payment of Series 2021 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the City agrees to pay to the Insurer (i) a sum equal to the total of all amounts paid by the Insurer under the Insurance Policy (the "Insurer Advances"); and (ii) interest on such Insurer Advances from the date paid by the Insurer until payment thereof in full, payable to the Insurer at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Series 2021 Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The City hereby covenants and agrees that the Insurer Reimbursement Amounts shall be secured by a lien on and pledge of any source of legally available funds of the City on a parity with debt service due on the Series 2021 Bonds.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following a Series 2021 Bond payment date shall promptly be remitted to the Insurer.

Section 10.04. Information to be Provided to Insurer. The Insurer shall be provided with the following information by the City or Trustee, as the case may be:

(a) Annual audited financial statements within 210 days after the end of the City's fiscal year (together with a certification of the City that it is not aware of any default or Event of Default under this Trust Agreement), and the City's annual budget within 30 days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;

(b) Notice of any default known to the Trustee or City within five Business Days after knowledge thereof;

(c) Prior notice of the advance refunding or redemption of any of the Series 2021 Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(d) Notice of the resignation or removal of the Trustee and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto;

(e) Notice of the commencement of any proceeding by or against the City commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(f) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Series 2021 Bonds;

(g) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents; and

(h) All reports, notices and correspondence to be delivered to Owners under the terms of the Related Documents.

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

(j) The City will permit the Insurer to discuss the affairs, finances and accounts of the City or any information the Insurer may reasonably request regarding the security for the Series 2021 Bonds with appropriate officers of the City and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the City on any business day upon reasonable prior notice.

(k) The Trustee shall notify the Insurer of any failure of the City to provide notices, certificates and other information under this Trust Agreement and any Related Document.

Section 10.05. Notice to Insurer. [to come]

ARTICLE XI

MISCELLANEOUS

Section 11.01. Benefits of this Trust Agreement Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the City, the Trustee, the Insurer and the Owners any right, remedy or claim under or by reason hereof. Any agreement or covenant required herein to be performed by or on behalf of the City or any member, officer or employee thereof shall be for the sole and exclusive benefit of the Trustee, the Insurer and the Owners.

Section 11.02. Successor Is Deemed Included in All References to Predecessor. Whenever herein either the City or any member, officer or employee thereof or the Trustee is named or referred to, such reference shall be deemed to include the successor or assigns thereof, and all agreements and covenants required hereby to be performed by or on behalf of the City or the Trustee, or any member, officer or employee thereof, shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 11.03. Execution of Documents by Owners. Any declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing. The fact and date of the execution by any Owner or his attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to make acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer. The ownership of any Bonds and the amount, maturity, number and date of holding the same may be proved by the registration books relating to the Bonds at the office of the Trustee.

Any declaration, request, consent or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond with respect to anything done or suffered to be done by the Trustee or the City in good faith and in accordance therewith.

Section 11.04. Waiver of Personal Liability. No member, officer or employee of the City shall be individually or personally liable for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds by reason of their issuance, but nothing herein contained shall relieve any such member, officer or employee from the performance of any official duty provided by the Act or any other applicable provisions of law or hereby.

Section 11.05. Acquisition of Bonds by City. All Bonds acquired by the City, whether by purchase or gift or otherwise, shall be surrendered to the Trustee for cancellation.

Section 11.06. Destruction of Cancelled Bonds. Whenever provision is made for the return to the City of any Bonds which have been cancelled pursuant to the provisions hereof, the Trustee shall destroy such Bonds and furnish to the City a certificate of such destruction.

Section 11.07. Content of Certificates. Every Certificate of the City with respect to compliance with any agreement, condition, covenant or provision provided herein shall include (a) a statement that the person or persons making or giving such certificate have read such agreement, condition, covenant or provision and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such agreement, condition, covenant or provision has been complied with; and (d) a statement as to whether, in the opinion of the signers, such agreement, condition, covenant or provision has been complied with. Any Certificate of the City may be based, insofar as it relates to legal matters, upon an Opinion of Counsel unless the person making or giving such certificate knows that the Opinion of Counsel with respect to the matters upon which his certificate may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous. Any Opinion of Counsel may be based, insofar as it relates to factual matters information with respect to which is in the possession of the City, upon a representation by an officer or officers of the City unless the counsel executing such Opinion of Counsel knows that the representation with respect to the matters upon which his opinion may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

Section 11.08. Accounts and Funds; Business Days. Any account or fund required herein to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such accounts and funds shall at all times be maintained in accordance with sound bond trustee accounting practice and with due regard for the protection of the security of the Bonds and the rights of the Owners. Any action required to occur hereunder on a day which is not a Business Day shall be required to occur on the next succeeding Business Day.

Section 11.09. Notices. All written notices to be given hereunder shall be given by mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

If to the City: City of Maywood
 4319 E. Slauson Ave.
 Maywood, CA. 90270
 Attention: City Manager

If to the Trustee: [TRUSTEE]

 Attention: Corporate Trust

Section 11.10. Article and Section Headings and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof. All references herein to “Articles,” “Sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words “hereby,” “herein,” “hereof,” “hereto,” “herewith,” “hereunder” and other words of similar import refer to this Trust Agreement as a whole and not to any particular article, section, subdivision or clause hereof.

Section 11.11. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the City or the Trustee shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof or of the Bonds, and the Owners shall retain all the benefit, protection and security afforded to them under the Act or any other applicable provisions of law. The City and the Trustee hereby declare that they would have executed and delivered this Trust Agreement and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 11.12. Execution in Several Counterparts. This Trust 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, or as many of them as the City and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 11.13. Governing Law. This Trust Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 11.14. Insurer as Third-Party Beneficiary. The Insurer shall be a third-party beneficiary to this Trust Agreement while any Series 2021 Bond remains Outstanding hereunder.

Section 11.15. CUSIP Numbers. Neither the Trustee nor the City shall be liable for any defect or inaccuracy in the CUSIP number that appears on any Bond or in any redemption notice. The Trustee may, in its discretion, include in any redemption notice a statement to the effect that the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Owners and that neither City nor the Trustee shall be liable for any inaccuracies in such numbers.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the CITY OF MAYWOOD has caused this Trust Agreement to be signed in its name by the undersigned Authorized Representative and [TRUSTEE], in acceptance of the trusts created hereunder, has caused this Trust Agreement to be signed by the officer thereunder duly authorized, all as of the day and year first above written.

CITY OF MAYWOOD

By: _____
Mayor

[TRUSTEE], as Trustee

By: _____
Authorized Officer

EXHIBIT A

FORM OF SERIES 2021 BOND

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE CITY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

CITY OF MAYWOOD TAXABLE PENSION OBLIGATION BONDS SERIES 2021

No. R- _____ \$

Interest Rate	Maturity Date	Original Issue Date	<u>CUSIP</u>
------------------	------------------	------------------------	--------------

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

The CITY OF MAYWOOD, duly organized and validly existing under and pursuant to the Constitution and laws of the State of California (the "City"), for value received hereby, promises to pay to the registered owner identified above or registered assigns, on the maturity date specified above (subject to any right of prior redemption hereinafter provided for) the principal sum specified above, together with interest on such principal sum from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Series 2021 Bond (unless this Series 2021 Bond is authenticated as of an Interest Payment Date or following the close of business on the fifteenth day of the month preceding an Interest Payment Date (the "Record Date") to such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless this Series 2021 Bond is authenticated prior to the Record Date for the first Interest Payment Date, in which event it shall bear interest from the original issue date specified above) until the principal hereof shall have been paid at the interest rate per annum specified above, payable on [December 1, 2021, and semiannually thereafter on each June 1 and December 1] (each an "Interest Payment Date"). Interest due on or before the maturity or prior redemption of this Series 2021 Bond shall be payable only by check mailed on the Interest Payment Date by first-class mail to the registered owner hereof; provided that upon the written request of a registered owner of \$1,000,000 or more in aggregate principal amount of Series 2021 Bonds received by the Trustee (as hereinafter defined) prior to the applicable record date, interest shall be paid by wire transfer in immediately available funds. The principal hereof

is payable in lawful money of the United States of America at the Corporate Trust Office of the Trustee.

This Series 2021 Bond is one of a duly authorized issue of bonds of the City designated as its “Taxable Pension Obligation Bonds, Series 2021” (the “Series 2021 Bonds”) in aggregate principal amount of \$[Par Amount].00, all of like tenor and date (except for variations relating to numbers, maturities and interest rates), and is issued under and pursuant to the provisions of Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California and all laws amendatory thereof or supplemental thereto (the “Act”) and under and pursuant to the provisions of a trust agreement, dated as of [As of Date] (the “Trust Agreement”), between the City and [TRUSTEE], as trustee (the “Trustee”) (copies of which are on file at the Corporate Trust Office of the Trustee).

Under the Trust Agreement, Additional Bonds and other obligations may be issued on a parity with the Series 2021 Bonds, but subject to the conditions and upon compliance with the procedures set forth in the Trust Agreement. The Series 2021 Bonds and any bonds or other obligations issued on a parity with the Series 2021 Bonds are obligations imposed by law payable from funds to be appropriated by the City pursuant to the Public Employees’ Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended (the “Retirement Law”). Reference is hereby made to the Act and to the Trust Agreement and any and all amendments thereof and supplements thereto for a description of the terms on which the Series 2021 Bonds are issued, the rights of the registered owners of the Series 2021 Bonds, security for payment of the Series 2021 Bonds, remedies upon default and limitations thereon, and amendment of the Trust Agreement (with or without consent of the registered owners of the Series 2021 Bonds); and all the terms of the Trust Agreement are hereby incorporated herein and constitute a contract between the City and the registered owner of this Series 2021 Bond, to all the provisions of which the registered owner of this Series 2021 Bond, by acceptance hereof, agrees and consents.

The Series 2021 Bonds are subject to redemption as provided in the Trust Agreement.

THE OBLIGATIONS OF THE CITY OF MAYWOOD HEREUNDER, INCLUDING THE OBLIGATION TO MAKE ALL PAYMENTS OF INTEREST AND PRINCIPAL WHEN DUE, ARE OBLIGATIONS OF THE CITY OF MAYWOOD IMPOSED BY LAW AND ARE ABSOLUTE AND UNCONDITIONAL, WITHOUT ANY RIGHT OF SET-OFF OR COUNTER CLAIM. NEITHER THE SERIES 2021 BONDS NOR THE OBLIGATION OF THE CITY OF MAYWOOD TO MAKE PAYMENTS ON THE SERIES 2021 BONDS CONSTITUTE AN INDEBTEDNESS OF THE CITY OF MAYWOOD, THE STATE OF CALIFORNIA, OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

This Series 2021 Bond is transferable only on a register to be kept for that purpose at the above- mentioned office of the Trustee by the registered owner hereof in person or by his duly authorized attorney upon payment of the charges provided in the Trust Agreement and upon surrender of this Series 2021 Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney, and thereupon a new fully registered Series 2021 Bond or Series 2021 Bonds in the same aggregate principal

amount of authorized denominations will be issued to the transferee in exchange therefor. The City and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest hereon and principal hereof and for all other purposes, whether or not this Series 2021 Bond shall be overdue, and neither the City nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of this Series 2021 Bond shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on this Series 2021 Bond to the extent of the sum or sums so paid.

This Series 2021 Bond shall not be entitled to any benefit, protection or security under the Trust Agreement or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been manually executed and dated by the Trustee.

It is hereby certified that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of this Series 2021 Bond do exist, have happened and have been performed in due time, form and manner as required by law and that the amount of this Series 2021 Bond, together with all other indebtedness of the City, does not exceed any limit prescribed by the Constitution or laws of the State of California and is not in excess of the amount of Series 2021 Bonds permitted to be issued under the Trust Agreement.

IN WITNESS WHEREOF, the City of Maywood has caused this Series 2021 Bond to be executed in its name and on its behalf by the signature of the Mayor and to be countersigned by the signature of the City Clerk of the City of Maywood, and has caused this Series 2021 Bond to be dated as of the original issue date specified above.

CITY OF MAYWOOD

By _____
Mayor

Countersigned

City Clerk

[FORM OF CERTIFICATE OF AUTHENTICATION]

This is one of the Series 2021 Bonds described in the within-mentioned Trust Agreement which has been authenticated on _____, 20__.

[TRUSTEE], as Trustee

By _____
Authorized Officer

[FORM OF ASSIGNMENT]

For value received the undersigned hereby sells, assigns and transfers unto _____ (Taxpayer Identification Number: _____) the within Series 2021 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

Note: The signature to this Assignment must correspond with the name as written on the face of the Series 2021 Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed: _____

Notice: Signature must be guaranteed by an eligible guarantor institution.

CERTIFICATE OF INSURANCE

[to come]

AGENDA REPORT

CITY OF MAYWOOD



AGENDA ITEM NO. 6.

DATE: April 28, 2021

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: JENNIFER VASQUEZ, CITY MANAGER

BY: GISSELLE DELGADO, COMMUNITY SERVICES LIAISON

SUBJECT: CONSIDERATION OF ADOPTION OF RESOLUTION NO. 6174 ADOPTING AN ELECTRIC VEHICLE INFRASTRUCTURE TRAINING PROGRAM (EVITP) POLICY FOR THE INSTALLATION AND MAINTENANCE OF CITY-FUNDED ELECTRIC VEHICLE CHARGING INFRASTRUCTURE UNDER \$60,000

RECOMMENDATION:

Staff recommends that the City Council adopt Resolution No. 6174 adopting an Electrical Vehicle Infrastructure Training Program (EVITP) policy for the installation and maintenance of City-funded electric vehicle charging infrastructure under \$60,000

BACKGROUND:

In an effort to promote clean vehicles with the purpose of bringing environmental benefits to the City of Maywood, including the reduction of air pollution and reduced greenhouse gas emissions, the City encourages the development of electric vehicle infrastructure such as charging stations. In addition, safe installation of these charging stations is equally as important as providing the infrastructure. To promote both these goals, the proposed policy would require contractors be specially certified in order to install and maintain any City-owned electric vehicle charging stations and related infrastructure if the costs of such work is \$60,000 or less.

DISCUSSION:

The safe installation of electric vehicle infrastructure is important. The proposed resolution would adopt a policy requiring that contractors that install and/or maintain City-owned electric vehicle charging stations and related infrastructure hold a valid Electric Vehicle Infrastructure Training Program (EVITP) certification if such work costs \$60,000 or less.

The EVITP is a collaboration of industry stakeholders including automakers, educational institutions, utility companies, electrical industry professionals, and key electric vehicle industry stakeholders. This program has certified over 4,000 electricians in the United States and Canada. This training programs addresses the technical requirements, safety imperatives, and performance integrity of industry partners and stakeholders. Its curriculum consists of a comprehensive residential and commercial charging infrastructure training program available through utility training centers, community colleges and electrical training centers. Upon completion of all modules and mastering a competency examination, participants will receive a professional EVITP certification. Additional information about the program is available on the organization's website (www.evitp.org).

The City recognizes the importance of supporting the innovation of electric vehicles in the industry. As electric vehicle infrastructure continues to evolve, work should be done safely and in-line with the latest regulations and techniques by persons qualified to perform this specialized work.

LEGAL REVIEW:

This report has been reviewed by the City Attorney

FISCAL IMPACT:

There is no fiscal impact involved with the adoption of this resolution.

ATTACHMENT(S)

1. Resolution No 6174 - Electric Vehicle Infrastructure Training Program

RESOLUTION NO. 6174

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MAYWOOD ADOPTING AN ELECTRIC VEHICLE INFRASTRUCTURE TRAINING PROGRAM (EVITP) POLICY FOR THE INSTALLATION AND MAINTENANCE OF CITY-FUNDED ELECTRIC VEHICLE CHARGING INFRASTRUCTURE UNDER \$60,000

WHEREAS, the City of Maywood would like to encourage the development of electric vehicle charging infrastructure and the use of electric vehicles to reduce the emission of greenhouse gases and promote less air pollution; and

WHEREAS, the City seeks to promote a healthier environment, help the City become a cleaner community and advance the City's and California's climate goals; and

WHEREAS, the Electric Vehicle Infrastructure Training Program (EVITP) is a non-profit, industry wide, brand neutral, volunteer staffed collaborative that does not endorse or promote specific manufacturers, contractors, or brands of equipment; and

WHEREAS, EVITP provides skilled training for state-certified electricians to safely install electric vehicle charging infrastructure, including charging technologies and associated electrical infrastructure for zero-emission vehicles; and

WHEREAS, EVITP is featured in U. S. Department of Energy Guides on electric vehicle infrastructure and is based on a curriculum that is taught at community colleges, electrical industry training centers, and utility training facilities.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MAYWOOD
HEREBY FINDS, DETERMINES, RESOLVES AND ORDERS AS FOLLOWS:**

Section 1. The above recitals are true and correct and are incorporated herein as if set forth in full.

Section 2. The City hereby adopts the policy attached as Exhibit A to this Resolution requiring that all contractors performing electrical vehicle infrastructure work on projects that cost less than \$60,000 that are paid for by the City of Maywood have the Electric Vehicle Infrastructure Training Program certification.

Section 3. This Resolution shall become effective immediately upon its adoption.

Section 4. The City Clerk is directed to certify the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 28th day of April, 2021.

Ricardo Lara, Mayor

ATTEST:

Flor Aguiluz, City Clerk

APPROVED AS TO FORM:

Roxanne Diaz, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MAYWOOD)

I, Flor Aguiluz, City Clerk of the City of Maywood, hereby certifies that the foregoing Resolution No. 6174 was adopted by the Maywood City Council at a duly noticed council meeting held on April 28, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Flor Aguiluz, City Clerk

**ELECTRICAL VEHICLE INFRASTRUCTURE
TRAINING PROGRAM (EVITP) POLICY AND CERTIFICATION FORM**

1. Contractors shall plan, implement and comply with this EVITP policy.
2. The contractor shall have an active California C-10 electrical contractor's license, be approved with the EVITP program and electricians on the job shall be EVITP certified in accordance with the requirements set forth herein.
3. The installation and maintenance of Electric Vehicle Supply Equipment ("EVSE" or "Charging Stations") systems, equipment and related infrastructure performed by Contractor (hereinafter referred to as the "EV Work") shall conform to all the following:
 - (a) At a minimum, one job-site supervisor or job-site foreman supervising the EV Work at each job site is required to be an EVITP certified electrician.
 - (b) The EV work shall be performed only by California State certified general electricians. Apprentices may assist.
 - (c) A minimum of fifty percent (50%) of the state certified general electricians performing the EV Work on each job site shall be EVITP certified electricians.
 - (d) The ratio of journeyman to apprentices shall comply with requirements set forth in California law.
 - (e) EVITP certification requirements do not apply to apprentices.
 - (f) All apprentices assisting on the EV work shall be registered in a State of California Approved Apprenticeship Program which has a graduation rate of at least 60%.
4. This policy applies to all City of Maywood funded EV Work that costs \$60,000 or less.
5. Contractor shall maintain a written or electronic record of all EV Work including the names of all EVITP electrician(s) who performed the EV Work. Said record shall be made available to EVITP, and/or City of Maywood upon request. Contractor shall cooperate fully with EVITP and/or the City of Maywood in case of a random quality assurance check.
6. Contractor shall certify its compliance with this EVITP Policy. Contractor shall properly complete and sign the attestation below and shall complete the attached Certification Form. This Policy and the Certification Form shall be submitted with Contractor's proposal.

AS THE CONTRACTOR, I UNDERSTAND AND AGREE TO COMPLY FULLY WITH THE EVITP POLICY STATED HEREIN AND ATTEST UNDER PENALTY OF PERJURY THAT THE CERTIFICATION FORM ATTACHED HEREIN IS TRUE AND CORRECT.

Signature	Date
-----------	------

Name of Contractor (Print)	Title
----------------------------	-------

Company Name	C-10 License Number
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Company Address

Phone Number	Contact Email
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ELECTRIC VEHICLE INFRASTRUCTURE TRAINING PROGRAM CERTIFICATION FORM

DATE:

CITY PROJECT NAME:

CITY PROJECT NO:

Name	State Certification #	/	EVITP Certification #
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Name	State Certification #	/	EVITP Certification #
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Name	State Certification #	/	EVITP Certification #
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Name	State Certification #	/	EVITP Certification #
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Name	State Certification #	/	EVITP Certification #
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Name	State Certification #	/	EVITP Certification #
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Name	State Certification #	/	EVITP Certification #
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Name	State Certification #	/	EVITP Certification #
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Name	State Certification #	/	EVITP Certification #
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AGENDA REPORT

CITY OF MAYWOOD



AGENDA ITEM NO. 7.

DATE: April 28, 2021

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: JENNIFER VASQUEZ, CITY MANAGER

BY: GISELLE DELGADO, COMMUNITY SERVICES LIAISON

SUBJECT: DISCUSSION TO ESTABLISH THE CITY OF MAYWOOD YOUTH SCHOLARSHIP PROGRAM FOR THOSE ATTENDING VOCATIONAL OR TECHNICAL SCHOOLS OR ENTERING APPRENTICESHIP PROGRAMS

RECOMMENDATION:

Staff recommends that the City Council provide direction for the following items related to the Maywood Youth Scholarship Program:

1. Application;
2. Award Criteria;
3. Designate Award Panel;
4. Establish an amount each awarded applicant will receive; and
5. Set number of awards to be given out each year.

BACKGROUND:

Staff was directed at the February 10th Council meeting to develop a scholarship program to assist high school seniors planning to attend "trade schools" (i.e. vocational or technical schools) or apprenticeship programs upon graduation.

Since the Council meeting, staff has consulted with Ma.C.E.S. College Counselor, Ms. Ostos and Chief of Staff for USW Local 675, Xochitl Cobarruvias to discuss ways in which the City can create an inclusive and beneficial scholarship program for young individuals.

DISCUSSION:

It is proposed that the scholarship program award Maywood residents ranging between the ages of 17-24. This age range will allow economically disadvantaged high school students who are preparing to plan for a post-secondary education and will also extend the opportunity to young adults who still seek to better their education and pursue a working career after high school.

Proposed application elements are as follows:

1. Complete a formal application (See Attachment 1) which includes: Name and information of the applicant, name of school the student is or will be enrolled in, and planned major/program. If the student is entering an apprenticeship program, the name of the program and its location.

2. Complete a short response. The proposed question is as follows:
 - a. What is your goal in the industry you have selected, and why have you selected it?

It is recommended that the scholarship panel evaluate applications on a point scale, where each applicant can receive a total of 30 points. This scale will serve to guide the panel on which applicant to select for the scholarship program.

The chosen Maywood Scholarship panel can evaluate the student based off the following criteria (See Attachment 2):

1. Application Completeness and Proof of Enrollment (10 points)
2. Short Response Essay (20 points)

The designated Maywood Scholarship Panel will be responsible for selecting the candidates that will gain to benefit from this scholarship. The panel can include the Mayor, Mayor Pro-Tem and either a staff member and/or a member of the community.

It is suggested that this annual scholarship program be in the amount of seven hundred dollars (\$700); with a maximum of ten (10) awards per year in the month June. These funds will go directly to the student awarded the scholarship; which can assist with registration costs and/or materials that may be required due to course enrollment or for tools or materials required for an apprenticeship program.

LEGAL REVIEW:

The City Attorney has reviewed this report.

FISCAL IMPACT:

The Community Benefit Fund can be utilized for the scholarship program. Specifically, the program will provide educational opportunities for the residents or students of the City.

F.Y. 20-21 Impact: 7,000.00	Current F.Y. Budget: 50,000
Fund Impacted: Community Benefit Fund	Budget adjustment requested: 0.00
Source of funds: General Funds	Updated Account Budget:
Account Number: 01-681-5237	For fiscal year: 20/21

ATTACHMENT(S)

1. City of Maywood Scholarship (Attachment 1)
2. Scholarship Criteria (Attachment 2)
3. Community Benefit Fund Guidelines and Procedures 2020 (Attachment 3)

City of Maywood

Trade School/Union Scholarship Program



The City of Maywood is providing an opportunity to assist individuals between the ages of 17-24 who are interested in pursuing a career via a vocational school or technical school or those participating in a union apprenticeship program.

Eligibility

- Applicant must live in Maywood, CA at the time they submit this application.
- Applicant must show proof that they will or are enrolled in a Technical School, or in an Apprenticeship program with a union to be qualified for the scholarship.

Application Submission Documents

- Completed application form.
- Proof of registration at vocational or technical school or acceptance in an apprenticeship program.
- List of required course materials or for apprenticeship programs, required tools, uniforms, or other materials.

Applicant Name:		Phone Number:	
Date of Birth:			
Home Address:			
Email Address:			
Name of Vocational or Technical schools, or Apprenticeship Program:			
Address of Vocational or Technical school, or Apprenticeship Program:			
Anticipated Completion Date:		Length of the Program:	
Program/Major:			

Course description: Please attach separately the information regarding the course program or major or description of apprenticeship separately.

Essay Questions: Please attach your response separately (no more than one page)

1. What is your goal in the industry you have selected, and why have you selected it?
2. What are the benefits of the career you are choosing?



SCORING SHEET

City of Maywood Youth Scholarship Program for Apprenticeships, Vocational, and Technical Schools

Applicant's Name _____

Elements	Description	Point Scale	Total Points
Application	Applicant must present a completed application to be considered for the scholarship award.	0 pts. Incomplete application 5 pts. Completed Application	
Proof of School attendance	Applicant will provide a current form that shows proof of school/apprenticeship attendance or registration.	0 pts. Not included 5 pts. Presents Proof of School/Apprenticeship attendance	
Essay	Will be judged according to the following: -Substance and originality -Clarity and creativity -Language and grammar	0-5 pts. Substance and originality 0-5 pts. Clarity and creativity 0-10 Language and grammar	
TOTAL		30 PTS	

CITY OF MAYWOOD COMMUNITY BENEFIT FUND GUIDELINES AND PROCEDURES

I. BACKGROUND

The City of Maywood has established a "Community Benefit Fund" to support community-based programs and activities.

II. PURPOSE

The purpose of this policy is to provide guidelines and procedures for the distribution of public funds, which will in turn fund community programs, activities and educational activities conducted by Eligible Organizations that meet the requirements and guidelines set forth by the City Council in this policy.

III. ELIGIBILITY AND POLICY

A. Eligible Organizations. The requesting organization must be: (1) a non-profit agency as defined by the Internal Revenue Service (IRS) with a tax exempt status of 501(c)(3) and is in good standing in the State of California based in the City or provides programs or services to residents of the City; a school or school-based/affiliated organization located in the City; or other City-based organization such as athletic organizations or community groups (collectively called "Eligible Organizations"); (2) must be in existence prior to submittal of an application; and (3) must have a record of successfully providing the type of service, activity or program for which funding is requested.

B. Eligible Services and Activities. To apply for a grant under the City Community Benefit Fund, the Eligible Organization must provide a service, activity or other community benefit to the residents or the specified target group within the City by: (i) enhancing the quality of life or the delivery of services in the City; or (ii) providing educational opportunities for the residents or students of the City. Categories of services and activities eligible for grants include but are not limited to educational programs, cultural activities (i.e. music, art, dance, recreation), youth athletics, civic projects, health and safety programs, services sponsored by Maywood community organizations and public services (i.e. senior services, youth programs, health services). If the request relates to a community event, the event must be advertised and open to the public. Grants will be awarded in maximum amounts of no more than \$ 5,000.00. In the event that the City of Maywood undergoes a declared State of Emergency, City Council may award up to \$10,000.00 for non-profit organizations or schools that service the Maywood community.

C. Restrictions and Ineligible Organizations.

1. Grants shall not be used for religious activities or political campaigning purposes or activities.

2. A non-profit entity, a school or school-based/affiliated organization or other

CITY OF MAYWOOD COMMUNITY BENEFIT FUND GUIDELINES AND PROCEDURES

City-based organizations such as athletic organizations or community groups that have as a member of their board or executive leadership a City employee, a City elected or appointed official or members of their family, are not eligible to apply for a Community

Benefit Fund grant. Family members include spouse or domestic partner, child, parent, grandparent, grandchild, cousin, aunt, uncle, sibling, niece, nephew, parent-in-law, brother-in-law or sister-in-law, as well as all step relationships.

D. City Projects. This policy does not preclude the City from undertaking and funding projects on its own initiative that would be a benefit to the community.

IV. APPLICATION PROCEDURES

A. Submittal of an Application. Applicants must use the Community Benefit Fund application form. Forms are available on the City website at www.cityofmaywood.org and at Maywood City Hall at 4319 E. Slauson Avenue, Maywood, CA 90270. Applications may be requested by email at gisselle.delgado@cityofmaywood.org

B. Application Deadline. The City Council will have application cycles available to consider requests contingent upon monies being available under the program. The application cycles and deadlines are as follows:

<u>Application Cycle</u>	<u>Application Deadline</u>
Semester 1: July 1 - December 31	June 1
Semester 2: January 1 - June 30	December 1

The application must be submitted by 5:00 p.m. on the applicable deadline date addressed to: City of Maywood, Attention: Community Benefit Fund via City Manager's Office, 4319 E. Slauson Avenue, Maywood, CA 90270.

C. General Information.

1. Applicants may apply for funds during any application cycle. Notwithstanding, funds must be requested and spent during the same fiscal year in which the award was approved by the City Council.

2. Organizations may submit only one application per fiscal year.

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COMMUNITY BENEFIT FUND
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3. Funding to an Eligible Organization will not constitute a precedent for contributions in subsequent fiscal years.

V. EVALUATION OF APPLICATION AND SELECTION PROCESS

A. Review of Applications. Following the application deadline, City Staff will review the applications. Applicants may be contacted if further information is requested, to answer questions, clarify their application, etc. All applications will be evaluated to ensure that the applicant is an "Eligible Organization" and that purpose for which the grant is sought is consistent with this policy. Applications and recommendations of Staff, if any, will be presented to the City Council during a regular scheduled City Council meeting for the Council's consideration and approval.

B. City Council Action. The City Council will take final action on award of all grants and maintains the discretion to fund in whole or in part any request or not to fund any or all requests during the Application Cycle. Alternatively, the City Council may hold-over any application into the next Application Cycle. In the case of multiple applications that are competing for limited available funds, consideration may be given to applications based on the following criteria: (i) the number of residents who are expected to benefit, participate in or be positively impacted by the program; (ii) the performance of the applicant in prior years, including demonstrated fiscal responsibility and compliance with applicable requirements; (iv) the amount of funding previously awarded to the applicant or the program or event in prior years; and (v) the total amount of funding requested as a proportion of the total available funds for the applicable fiscal year.

VI. POST AWARD REQUIREMENTS

A. Agreement. All Eligible Organizations elected to receive funds will be required to sign and execute an agreement with the City of Maywood.

B. Reporting. Eligible Organizations must complete a report, within 45 days of fund expenditure, describing the use of the grant and amount expended, the number of participants in the event or program, copies of any publicity of the event or program, and a narrative regarding the benefit to the City of Maywood. The City reserves the right to conduct an audit and/or require additional back-up information to substantiate how funds received from the City were expended. Failure to submit this required report will make the Eligible Organization ineligible for allocation of future funds until the required report is submitted. These reports will be reviewed and taken into account for evaluating subsequent funding proposals from that entity.

C. Request for Funds. The Eligible Organization receiving the funds is responsible for submitting a funds request to the City's Finance Director and shall allow the City up to 30 days to process the request. If a third-party vendor is the recipient of the funds (i.e. bus company used for field trip), then the request shall include the information regarding

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D. that vendor including their Tax Identification Number and the check shall be made payable to that vendor. If the grant is to be used to purchase tangible goods or services, the City has the discretion to purchase the goods or services directly and pass-through the goods or services to the Eligible Organization rather than provide the funding.

E. Return of Funds to the City. Unexpended funds must be returned to the City at the end of the fiscal year. Funds must also be returned to the City if the City determines that the applicant has not performed in accordance with the approved application listing the use of the funds.

F. Failure to Abide by Policy. The failure of an Eligible Organization to abide by this Policy will result in the Eligible Organization being denied for funding in the future.