

CITY OF RANCHO CORDOVA



CITY COUNCIL MEETING Tuesday, September 6, 2022

**5:30 PM – Regular Meeting
David B. Roberts Council Chambers**

**City Hall
2729 Prospect Park Drive, Rancho Cordova**

Pursuant to California Assembly Bill 361 amending the Ralph M. Brown Act (Govt. Code 54950-54963), the City has declared a state of emergency relating to COVID-19 and imposed measures to promote social distancing.

Join the Meeting Via Zoom Link:

<https://cityofranhocordova.zoom.us/j/88319222415?pwd=ZFJqOW92NXI0QUdWTTVuRFVMZi9KQT09>

Join the Meeting via the Zoom Phone Number

Zoom Phone Number: +1 669 900 6833, +1 253 215 8782, 888 475 4499 (Toll Free)

Webinar ID: 883 1922 2415

Password: 578969

Instructions to Make Public Comment

Submitting Public Comment via Email

Members of the public who wish to provide public comment via email will need to submit written comments to CityClerk@cityofranhocordova.org no later than 3:00 p.m. on Tuesday, September 6, 2022. Written comments received no later than 3:00 p.m. will be distributed to the Council, filed in the record, and will not be read aloud. All comments submitted later than 3:00 p.m. will be distributed to the Council.

Listening to a Zoom Meeting by Zoom Video Conference

To make a public comment using the Zoom platform, please use the “raise hand” feature at the bottom center of the screen. Please make sure to enable audio controls once access has been given by the City Clerk’s office to speak. Please wait to be called upon by the City Clerk.

Listening to a Zoom Meeting by Phone Only

You can join a Zoom meeting via teleconferencing/audio conferencing using a cell phone or traditional landline phone. To request to make a public comment by phone press *9 to raise your hand. Please wait to be called upon by the City Clerk.

All public comments will be limited to three-minutes.

If you have questions related to the City Council Meeting or the use of Zoom, please contact the City Clerk's Office at (916) 851-8720 Tuesday, September 6, 2022, before 3:00 p.m.

AGENDA

1. REGULAR MEETING - CALL TO ORDER/ROLL CALL

Council Members Linda Budge, Garrett Gatewood, Siri Pulipati, David Sander, and Mayor Donald Terry

2. METRO CABLE TV TELEVISION ANNOUNCEMENT

The Clerk will announce the meetings video recording and playback schedules.

3. PLEDGE OF ALLEGIANCE

The Mayor will call on someone in attendance to lead the Pledge.

4. INVOCATION

Elizabeth Brick of the United Methodist Church will give the invocation.

5. PRESENTATIONS

5.1. Recognition by Assemblyman Ken Cooley to Honor and Recognize Diann Rogers, President and CEO of the Rancho Cordova Area Chamber of Commerce, as Woman of the Year for Assembly District 8.

5.2. Recognition of the Sacramento Hispanic Chamber of Commerce's 50th Anniversary.

5.3. Presentation of Proclamation Designating September 2022 as Prostate Cancer Awareness Month.

6. PUBLIC COMMENT

Citizens wishing to address the Council for any matter not on the agenda may do so at this time via teleconference or by completing and submitting a Speaker Card to the City Clerk.

If you want to make a public comment via teleconference, please use the "raise hand" feature at the bottom center of the screen. If you are participating by telephone and you want to make a public comment, please press *9 to raise your hand. For those participating by Zoom or telephone, please wait to be called upon by the City Clerk.

For items on the agenda, speakers will be called by the Mayor at the point on the agenda when the item will be heard. Speakers are encouraged to keep comments to three minutes or

less and to state name and community of residence.

Under the provisions of the California Government Code, the City Council is prohibited from discussing or taking immediate action on any item not on the agenda unless it can be demonstrated to be of an emergency nature or the need to take immediate action arose after the posting of the agenda.

7. COUNCIL REPORTS

8. CITY MANAGER'S REPORT

9. CONSENT CALENDAR ITEMS - ROLL CALL VOTE

- 9.1. **Subject:** Meeting Minutes from the Regular City Council Meeting of August 15, 2022 and the Special Meeting of August 23, 2022.

Recommendation: Adopt the Minutes.

- 9.2. **Subject:** Second Reading of an Ordinance Amending Title 9, Public Peace Morals and Safety, Adding Chapter 9.85 Protection of Critical Infrastructure and Wildfire Risk Areas of the City of Rancho Cordova Municipal Code.

Recommendation: Waive the second reading and adopt the Ordinance.

- 9.3. **Subject:** A Resolution of the City Council of the City of Rancho Cordova and on Behalf of Commissions and Committees Created by the City Council Pursuant to Government Code Section 54952(b) Confirming the State of Emergency Under Government Code Section 8625, Recognizing Continued Measures to Promote Social Distancing, and Re-authorizing Remote Teleconference Meetings of the City for the Period from September 6, 2022 to October 5, 2022.

Recommendation: Adopt the Resolution.

- 9.4. **Subject:** A Resolution Authorizing the City Manager to Execute Contract No. 2022-182 with B&M Builders Inc. in an Amount not to Exceed \$268,685 for the Kilgore Road and International Drive Storm Drain Repair Project.

Recommendation: Adopt the Resolution.

- 9.5. **Subject:** A Resolution Authorizing the City Manager to Execute Contract No. 2022-165 with Dewberry Engineers, Inc. in an Amount not to Exceed \$199,933.65 to Prepare the Citywide Gateway Enhancement Plan.

Recommendation: Adopt the Resolution.

- 9.6. **Subject:** A Resolution of the City Council of the City of Rancho Cordova, Approving the Final Map of Sunridge Village 3 Subdivision No. RC-03-027.03, and Authorizing the City Manager to Execute Subdivision Improvement Agreement Contract No. 2022-79 with Cresleigh Homes Corporation.

Recommendation: Adopt the Resolution.

- 9.7. **Subject:** A Resolution Approving the Annexation of a Portion of The Ranch Project to the City of Rancho Cordova Community Facilities District No. 2018-2 (Community Places and Neighborhood Greens).

Recommendation: Adopt the Resolution.

- 9.8. **Subject:** A Resolution Approving the Annexation of a Portion of The Ranch Project to the City of Rancho Cordova Community Facilities District No. 2014-2 (Street, Lighting, and Landscape Maintenance).
Recommendation: Adopt the Resolution.
- 9.9. **Subject:** A Resolution Re-Approving the Annexation of The Ranch Subdivision (Market Rate Portion) into the City of Rancho Cordova Community Facilities District No. 2013-2 (Police Services).
Recommendation: Adopt the Resolution.
- 9.10. **Subject:** A Resolution Declaring the Results of a Mail Ballot Election Relating to the Imposition of the Annual Stormwater Utility Fee for the Sundance Project in the City of Rancho Cordova.
Recommendation: Adopt the Resolution declaring the results of the mail ballot election relating to the imposition of the Annual Stormwater Utility Fee for the Sundance project.
- 9.11. **Subject:** Treasurer's Report - June 30, 2022.
Recommendation: This report is informational only. It is recommended that the City Council receive and file the June 30, 2022 Treasurer's Report.
- 10. CONSENT PUBLIC HEARING ITEMS - ROLL CALL VOTE**
- 10.1. **Subject:** A Resolution Vacating a Portion of Right-of-Way at 11295 Folsom Boulevard and Reserving a Public Utility Easement Pursuant to the Provisions of Chapter 3, Part 3 of Public Streets, Highways, and Service Easements Vacation Law Commencing at Section 8320 of the California Streets and Highways Code.
Recommendation: Adopt the Resolution.
- 10.2. **Subject:** A Resolution Vacating a No Ingress or Egress Rights Line Pursuant to the Provisions of Chapter 3, Part 3 of the Public Streets, Highways, and Service Easements Vacation Law Commencing at Section 8320 of the California Streets and Highways Code (3479 Sunrise Blvd).
Recommendation: Adopt the Resolution.
- 10.3. **Subject:** A Resolution Approving Sunridge Lot J Village 4 Tentative Subdivision Map, Special Development Permit, and Major Design Review- Project No. DD10028.
Recommendation: Adopt the Resolution approving Sunridge Lot J Village 4 Tentative Subdivision Map, Special Development Permit, and Major Design Review.
- 10.4. **Subject:** A Resolution Declaring a Protest Hearing and Authorizing the Mailing of Property Owner Ballot Relating to the Imposition of an Annual Stormwater Utility Fee for a Portion of The Ranch Project.
Recommendation: Adopt the Resolution.
- 10.5. **Subject:** A Resolution Creating Special Tax Area Zone 31 and an Ordinance Establishing a Special Tax for Transit-Related Services a portion of The Ranch Project.
Recommendation: Adopt the Resolution creating Special Tax Area Zone 31; waive first reading and introduce the Ordinance establishing a special tax for transit-related services for a portion of The Ranch project.

11. PUBLIC HEARING ITEMS

None.

12. REGULAR CALENDAR ITEMS

- 12.1. **Subject:** A Resolution Authorizing the Issuance of Special Tax Bonds for and on Behalf of the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1, Approving and Directing the Execution of a Fiscal Agent Agreement, Approving the Form of Preliminary Official Statement, Approving Sale of Such Bonds, and Approving Other Related Documents and Actions.

Recommendation: Adopt the Resolution.

- 12.2. **Subject:** A Resolution Authorizing the City Manager to Execute Contract No. 2022-180 with Mark Thomas & Company, Inc. in an Amount not to Exceed \$9,672,794 for Final Civil Engineering/Structural Design, Environmental and Right of Way Support for the US50/Rancho Cordova Parkway Interchange Project that will Provide a Critical Transportation Link for the City and Region.

Recommendation: Adopt the Resolution.

- 12.3. **Subject:** A Resolution Authorizing the City Manager to Approve Cost Allocation Agreement Contract No. 2022-89 with Sacramento County in an Amount not to Exceed \$2,400,000 for the Design Phase of the Sunrise Improvement Project from Kiefer Boulevard to Jackson Road to Widen the Road and Intersection.

Recommendation: Adopt the Resolution.

- 12.4. **Subject:** Appointment of Real Property Negotiators Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U. Lindgren, City Attorney for the Following Property: 4381 Anatolia Drive, 067-043-0037-0000.

Recommendation: Approve appointment of Real Property Negotiators.

13. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

14. ADJOURN TO CLOSED SESSION

Mayor Terry will adjourn the meeting to closed session.

15. CLOSED SESSION - CALL TO ORDER/ROLL CALL

Council Members Linda Budge, Garrett Gatewood, Siri Pulipati, David Sander, and Mayor Donald Terry

16. CLOSED SESSION

Council will meet in closed session to discuss the following items:

CONFERENCE WITH REAL PROPERTY NEGOTIATORS: Pursuant to Government Code Section 54956.8: Property: Mather Field Rd, Assessor's Parcel Number (APN): 077-0050-058-0000, City Negotiators: Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U. Lindgren, City Attorney, Negotiating Parties: County of Sacramento.

Property: 10503 Armstrong Ave, Assessor's Parcel Number (APN): 067-0990-005-0000, City Negotiators: Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U.

Lindgren, City Attorney, Negotiating Parties: County of Sacramento.

Property: Mather Blvd Assessor's Parcel Number: 067-0010-039-0000, City Negotiators: Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U. Lindgren, City Attorney, Negotiating Parties: County of Sacramento.

Property: 10566 Peter A Mccuen, Assessor's Parcel Number (APN): 067-1040-006-0000, City Negotiators: Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U. Lindgren, City Attorney, Negotiating Parties: County of Sacramento.

Property: 3615 Bleckely St, Assessor's Parcel Number (APN): 067-1040-001-0000, City Negotiators: Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U. Lindgren, City Attorney, Negotiating Parties: County of Sacramento.

Property: 3607 Bleckely St, Assessor's Parcel Number (APN): 067-1040-002-0000, City Negotiators: Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U. Lindgren, City Attorney, Negotiating Parties: County of Sacramento.

Property: 3611 Bleckely St, Assessor's Parcel Number (APN): 067-1040-007-0000, City Negotiators: Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U. Lindgren, City Attorney, Negotiating Parties: County of Sacramento.

Property: 10621 Schirra Ave, Assessor's Parcel Number (APN): 067-1040-008-0000, City Negotiators: Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U. Lindgren, City Attorney, Negotiating Parties: County of Sacramento.

Property: Bleckely St, Assessor's Parcel Number (APN): 067-0010-093-0000, City Negotiators: Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U. Lindgren, City Attorney, Negotiating Parties: County of Sacramento.

Property: Femoyer Ave, Assessor's Parcel Number (APN): 067-1040-005-0000, City Negotiators: Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U. Lindgren, City Attorney, Negotiating Parties: County of Sacramento.

Property: Bleckely St, Assessor's Parcel Number: 067-0010-113-0000, City Negotiators: Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U. Lindgren, City Attorney, Negotiating Parties: County of Sacramento.

Property: Bleckely St, Assessor's Parcel Number (APN): 067-0010-094-0000, City Negotiators: Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U. Lindgren, City Attorney, Negotiating Parties: County of Sacramento.

Property: 4381 Anatolia Drive, Assessor's Parcel Number (APN): 067-043-0037-0000 City Negotiators: Cyrus Abhar, City Manager, Micah Runner, Deputy City Manager, and Adam U. Lindgren, City Attorney, Negotiating Parties: D&S Development.

Under Negotiation: Price and Terms of Payment.

17. OPEN SESSION - REPORT FROM CLOSED SESSION

The City Attorney will report on action taken in closed session.

18. ADJOURNMENT

ADDITIONAL INFORMATION

Special meetings listed below are subject to change/cancellation without further notice.

Unless the Council adopts a motion to extend the meeting, any item that is not initiated before 11:00 p.m. will be continued to the next day at 5:30 p.m. or scheduled on the next regular meeting of the Council.

Public documents related to items on the open session portion of this agenda, which are distributed to the City Council less than 72 hours prior to the meeting, shall be available for public inspection at the time the documents are distributed to the Council. Documents are available for inspection at the City Clerk's office located in Rancho Cordova City Hall.

The agenda items are accessible on the City's website at www.cityofranhocordova.org on Thursdays or Fridays prior to the Regular City Council Meeting.

UPCOMING MEETINGS

September 19, 2022	5:30 PM Regular Meeting
September 27, 2022	5:30 PM Special Meeting/Work Session
October 3, 2022	4:00 PM Special Meeting/Regular Meeting
October 17, 2022	5:30 PM Regular Meeting
October 25, 2022	5:30 PM Special Meeting/Work Session
November 7, 2022	4:00 PM Special Meeting/Regular Meeting
November 21, 2022	5:30 PM Regular Meeting
November 29, 2022	5:30 PM Special Meeting/Work Session

If you have any technical questions related to the agenda items, please contact City Hall at (916) 851-8700.

The Rancho Cordova City Council meeting will be videotaped in its entirety and will be cablecast without interruption on Metro Cable 14, the Government Affairs Channel on the Comcast, Consolidated Communications and AT&T U-Verse Systems. Closed Captioning will be available on the playback cablecast. A DVD copy is available from the City Clerk's Department and a webcast of this meeting will be available for viewing via video streaming from the City's website within 48 hours of adjournment of this meeting.

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's Office at (916) 851-8720 at least 48 hours prior to the meeting.

CERTIFICATION OF POSTING OF AGENDA

I, Stacy Leitner, City Clerk for the City of Rancho Cordova, declare that the foregoing agenda for the September 6, 2022 Regular Meeting of the Rancho Cordova City Council was posted and available for review on September 1, 2022 at City Hall of the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, California, 95670. The agenda is also available on the city website at www.cityofranhocordova.org.

Signed September 1, 2022 at Rancho Cordova, California.



Stacy Leitner, CMC
City Clerk

CITY OF RANCHO CORDOVA



CITY COUNCIL MEETING

Monday, August 15, 2022

5:30 PM – Regular Meeting

David B. Roberts Council Chambers

City Hall

2729 Prospect Park Drive, Rancho Cordova

DRAFT MINUTES

1. REGULAR MEETING - CALL TO ORDER/ROLL CALL

Mayor Terry called the Regular meeting to order in the David B. Roberts Council Chambers at 5:33 p.m.

Council Members Present: Linda Budge, Siri Pulipati, David Sander, and Mayor Donald Terry

Council Members Absent: Garrett Gatewood

Staff Members Present: Cyrus Abhar, Adam Lindgren, Stacy Leitner and Persephonie Riley

2. METRO CABLE TV TELEVISION ANNOUNCEMENT

The City Clerk read the meetings recordings and playback schedule.

3. PLEDGE OF ALLEGIANCE

City Manager Cyrus Abhar led the pledge.

4. INVOCATION

Elizabeth Brick with the United Methodist Church of Rancho Cordova gave the invocation.

5. PRESENTATIONS

- 5.1. Introduction of New Employees: Matt Spieth, Code Enforcement Officer I and Ryan Brown, Code Enforcement Officer I by Brittany Mariscal, Senior Code Enforcement Officer.

5.2. Employee Milestone Anniversary Presentations.

6. PUBLIC COMMENT

Mayor Terry opened the public comment period. The following individuals addressed the Council or submitted public comment via email:

1. James Garcia
2. Tera Kolvenbach
3. Brenda Gustin
4. Helen Whelan-Bashaw
5. Bill Collins
6. Fayzah Mughal

Mayor Terry closed the public comment period.

7. COUNCIL REPORTS

Council reported on events since the last meeting.

8. CITY MANAGER'S REPORT

City Manager Cyrus Abhar gave his report.

9. CONSENT CALENDAR ITEMS - ROLL CALL VOTE

Mayor Terry stated that item 9.3 would be pulled for separate discussion.

ACTION: Motion to approve item 9.1 and 9.2 by Budge second by Pulipati;
Motion passed with a 4:0 vote

AYES: Budge, Pulipati, Sander, and Terry

NOES: None

ABSENT: Gatewood

ABSTAIN: None

9.1. **Subject:** Meeting Minutes from the Regular City Council Meeting of August 1, 2022.

Recommendation: Adopt the Minutes.

9.2. **Subject:** A Resolution of the City Council of the City of Rancho Cordova and on Behalf of Commissions and Committees Created by the City Council Pursuant to Government Code Section 54952(b) Confirming the State of Emergency Under Government Code Section 8625, Recognizing Continued Measures to Promote Social Distancing, and Re-authorizing Remote Teleconference Meetings of the City for the Period from August 15, 2022 to September 14, 2022.

Recommendation: Adopt the Resolution.

9.3. **Subject:** A Resolution Authorizing the City Manager to Execute Contract Amendment No. 133-2019-2 with West Yost & Associates to Extend the Contract Term from June 30, 2023, to June 30, 2024, which Results in an Increase to the Contract Amount from \$850,000 to an Amount not to Exceed \$1,850,000 for Stormwater Engineering Services.

Recommendation: Adopt the Resolution.

Mayor Terry opened the public comment period. The following individuals addressed the Council or submitted public comment via email:

1. Brend Gustin
2. David Militzer
3. Helen Whelan-Bashaw
4. Brenda Gustin

Mayor Terry closed the public comment period.

ACTION: Motion to approve item 9.3. by Budge second by Sander;
Motion passed with a 4:0 vote.

AYES: Budge, Pulipati, Sander, and Terry

NOES: None

ABSENT: Gatewood

ABSTAIN: None

10. CONSENT PUBLIC HEARING ITEMS - ROLL CALL VOTE

Mayor Terry stated that item 10.1 and 10.2 would be pulled for separate discussion.

- 10.1. **Subject:** An Ordinance Amending Title 9, Public Peace Morals and Safety, Adding Chapter 9.85 Protection of Critical Infrastructure and Wildfire Risk Areas of the City of Rancho Cordova Municipal Code and a Resolution Designating Specified Locations as Critical Infrastructure.

Recommendation: Waive the first reading and introduce the Ordinance.

Mayor Terry opened the public comment period. The following individuals addressed the Council or submitted public comment via email:

1. James Garcia
2. Helen Whelan-Bashaw
3. Fayzah Mughal

Mayor Terry closed the public comment period.

ACTION: Motion to approve item 10.1. by Budge second by Pulipati;
Motion passed with a 4:0 vote.

AYES: Budge, Pulipati, Sander, and Terry

NOES: None

ABSENT: Gatewood

ABSTAIN: None

- 10.2. **Subject:** Sunridge Villas (Sundance) - Major Design Review and Special Development Permit - Project No. PLND-0322-0029.

Recommendation: Find the project to be in compliance with the California Environmental Quality Act (CEQA) consistent with the approved Mitigated Negative Declaration prepared for the Sundance project (RC04-122); and adopt the Resolution for the Sunridge Villas Major Design Review and Special Development Permit.

Mayor Terry recused himself from item 10.2 due to a conflict of interest related to the proximity of his residence to the location of the project.

Vice Mayor Budge opened the public comment period. The following individuals addressed the Council or submitted public comment via email:

1. Helen Whelan-Bashaw
2. James Garcia

Vice Mayor Budge closed the public comment period.

ACTION: Motion to approve item 10.2. by Pulipati second by Sander;
Motion passed with a 3:0 vote.

AYES: Pulipati, Sander, and Budge

NOES: None

ABSENT: Gatewood

RECUSED: Terry

11. PUBLIC HEARING ITEMS

None.

12. REGULAR CALENDAR ITEMS

- 12.1. **Subject:** City of Rancho Cordova Technology Update.

Recommendation: Receive information regarding Technology Updates for the City of Rancho Cordova.

Mayor Terry opened the public comment period. Seeing no speakers. Mayor Terry closed the public comment period.

ACTION: Input was received regarding the City of Rancho Cordova Technology Update.

13. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

None.

14. ADJOURNMENT

Mayor Terry adjourned the meeting in memory of Jedd McClatchy and Jack Carlson at 7:57 p.m.

Stacy Leitner, CMC
City Clerk

ITEM 9.1.

CITY OF RANCHO CORDOVA



CITY COUNCIL MEETING

Tuesday, August 23, 2022

5:30 PM –Special Meeting/Work Session

David B. Roberts Council Chambers

City Hall

2729 Prospect Park Drive, Rancho Cordova

Pursuant to California Assembly Bill 361 amending the Ralph M. Brown Act (Govt. Code 54950-54963), the City has declared a state of emergency relating to COVID-19 and imposed measures to promote social distancing.

DRAFT MINUTES

1. SPECIAL MEETING - CALL TO ORDER/ROLL CALL

Mayor Terry called the Regular meeting to order in the David B. Roberts Council Chambers at 5:36 p.m.

Council Members Present: Linda Budge, Garrett Gatewood (arrived at 5:49 p.m.), Siri Pulipati, David Sander, and Mayor Donald Terry

Council Members Absent: None

Staff Members Present: Cyrus Abhar, Adam Lindgren, Stacy Leitner and Persephonie Riley

2. PUBLIC COMMENT

Mayor Terry stated that public comment would be taken at the time the item on the agenda was heard.

3. SPECIAL MEETING ITEMS

3.1. **Subject:** Fiscal Year 2023-25 Budget Priorities and Legacy Project Discussion.

Recommendation: Receive presentation and provide direction.

Mayor Terry opened the public comment period. The following individuals addressed the Council or submitted public comment via email:

ITEM 9.1.

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Tuesday, August 23, 2022

1. Helen Whelan Bashaw
2. Michelle Elkins-Buettner
3. Tera Kolvenbach
4. Brenda Gustin

Mayor Terry closed the public comment period.

ACTION: Input was received regarding Fiscal Year 2023-25 Budget Priorities and Legacy Project Discussion.

4. ADJOURNMENT

Mayor Terry adjourned the meeting at 8:08 p.m.

Stacy Leitner, CMC
City Clerk

MEMORANDUM



ITEM 9.2.

DATE: September 6, 2022
TO: Honorable Mayor and Council Members
FROM: Russell Ducharme, Neighborhood Services Manager
SUBJECT: **SECOND READING OF AN ORDINANCE AMENDING TITLE 9, PUBLIC PEACE MORALS AND SAFETY, ADDING CHAPTER 9.85 PROTECTION OF CRITICAL INFRASTRUCTURE AND WILDFIRE RISK AREAS OF THE CITY OF RANCHO CORDOVA MUNICIPAL CODE**

RECOMMENDATION

Waive the second reading and adopt the Ordinance.

RESULT OF RECOMMENDED ACTION

Adoption of the Ordinance would amend Title 9 Public Peace Morals and Safety by adding Chapter 9.85 Protection of Critical Infrastructure and Wildfire Risk Areas.

BACKGROUND

On August 15, 2022 the City Council waived the first reading and passed to a second reading an Ordinance amending Title 9, Public Peace Morals and Safety, Adding Chapter 9.85 Protection of Critical Infrastructure and Wildfire Risk Areas of the City of Rancho Cordova Municipal Code.

FISCAL IMPACT AND FUNDING SOURCE

There is no Fiscal Impact.

ATTACHMENT(S)

1. Ordinance
2. Exhibit A to the Ordinance - Critical Infrastructure and Wildfire

CITY OF RANCHO CORDOVA

ORDINANCE NO. XX-2022

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA,
STATE OF CALIFORNIA, AMENDING TITLE 9 OF THE RANCHO CORDOVA MUNICIPAL
CODE TO ADD CHAPTER 9.85 PROTECTION OF CRITICAL INFRASTRUCTURE AND
WILDFIRE RISK AREAS**

THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:**Section 1. Recitals.**

WHEREAS, a principal threat to the public health, safety and welfare is the potential destruction of, damage to, or interference with, infrastructure that is critical to the delivery of public services such as law enforcement, fire prevention, public works, parks and recreation, and utilities including communication, water, and waste disposal; and

WHEREAS, destruction of, damage to, or interference with, critical infrastructure is caused by fire, contamination, restricting access, or other causes; and

WHEREAS, destruction of, damage to, or interference with, critical infrastructure is frequently caused by persons whose activities are not permitted or authorized in, on or near critical infrastructure; and

WHEREAS, Title 9 is being amended to add Chapter 9.85 to provide for the protection of critical infrastructure and wildfire risk areas; and

WHEREAS, the purpose of this chapter is to mitigate the threat of fire or other potential causes of destruction and damage to and interference with, critical infrastructure, in order to protect the health, safety and welfare of the public, by authorizing the removal of persons and their personal property in, on or near critical infrastructure.

Section 2: Findings. The City Council hereby finds: (1) a principal threat to the public health, safety, and welfare is the potential destruction of, damage to, or interference with, infrastructure that is critical to the provision of public services such as law enforcement, fire prevention, transportation, and utilities including communication, water, and waste disposal; (2) a further principal threat to the public health, safety, and welfare is the potential destruction of, damage to, or interference with the natural habitat, as well as interference with public services such as law enforcement, fire prevention, transportation, and utilities including communication, water, and waste disposal, within the high fire zones of the City; (3) the destruction of, damage to, or interference with, critical infrastructure and high fire areas, caused by fire, contamination, restricting access, or other causes; and (3) the disruption to or interference with the use of property designated by resolution to be a sensitive use property.

Section 3: Declaration. The City Council declares the purpose of this ordinance is to mitigate the threat of fire and other potential causes of destruction and damage to, and interference with, critical infrastructure or in City high fire areas, in order to protect the health, safety, and welfare of the public, by authorizing the removal of persons and their personal property in, upon, under, or adjacent to certain critical infrastructure or within those areas of the

City determined to constitute high fire danger, and to prohibit sitting, lying, sleeping, the placement of bulky items or personal property within a distance of fifty (50) feet of a property designated by resolution to be a sensitive use property.

Section 3. Amendments to Title 9 Public Peace, Morals and Safety.

The City Council hereby adopts the amendments to Title 9 (Public Peace, Morals and Safety) to add Chapter 9.85 Protection of Critical Infrastructure and Wildfire Risk Areas, as shown and incorporated in Exhibit A to this ordinance.

Section 3: CEQA Compliance.

Adoption of this ordinance is exempt from the California Environmental Quality Act ("CEQA") under Section 15061(b)(3) of the CEQA Guidelines, which provides that CEQA only applies to projects that have the potential for causing a significant effect on the environment. It can be seen with certainty that there is no possibility that adoption of this ordinance, amending existing sections to the City's municipal Code to clarify the intent, will have a significant effect on the environment. Therefore, adoption of this ordinance is not subject to CEQA.

Section 4. Severability

If any provision of this Ordinance or the application thereof to any person or circumstance, is held invalid, the remainder of the Ordinance, including the application of such part or provision to other persons or circumstances shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this Ordinance are severable. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid or unenforceable.

Section 5. Effective Date

Within fifteen (15) days after adoption, a Summary of this Ordinance shall be published once in the Grapevine Independent, or the Sacramento Bee, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in accordance with Government Code Section 36933. This Ordinance shall take effect and be enforced thirty (30) days after its adoption.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ITEM 9.2.

ATTACHMENT 1

Donald Terry, Mayor

ATTEST:

Stacy Leitner, CMC
City Clerk

ITEM 9.2.

ATTACHMENT 2 Exhibit A to the Ordinance

Chapter 9.85 is hereby added to the Ranch Cordova Municipal Code to read as follows:

Chapter 9.85 PROTECTION OF CRITICAL INFRASTRUCTURE AND WILDFIRE RISK AREAS

9.85.010 Findings and purpose.

The City Council finds as follows:

- (1) a principal threat to the public health, safety, and welfare is the potential destruction of, damage to, or interference with, infrastructure that is critical to the delivery of public services such as law enforcement, fire prevention, public works, parks and recreation, and utilities including communication, water, stormwater, and waste disposal; and
- (2) destruction of, damage to, or interference with, critical infrastructure is caused by fire, contamination, restricting access, or other causes; and
- (3) destruction of, damage to, or interference with, critical infrastructure is frequently caused by persons whose activities are not permitted or authorized in, on, or near critical infrastructure.

The purpose of this chapter is to mitigate the threat of fire and other potential causes of destruction and damage to and interference with, critical infrastructure, in order to protect the health, safety, and welfare of the public, by authorizing the removal of persons and their personal property in, on, or near critical infrastructure.

9.85.020 Definitions.

When used in this chapter, the following words and phrases have the following meanings:

“Camp” means to place, pitch or occupy camp facilities; to live temporarily in a camp facility or outdoors; to use camp paraphernalia.

“Camp facilities” include, but are not limited to, tents, huts, vehicles, vehicle camping outfits or temporary shelter.

“Camp paraphernalia” includes, but is not limited to, bedrolls, tarpaulins, cots, beds, sleeping bags, hammocks or cooking facilities and similar equipment.

“Critical infrastructure” means each of the following:

Real property or a facility, whether privately or publicly owned, as approved by resolution of the city council, that the city manager designates as being so vital and integral to the operation or functioning of the city that its damage, incapacity, disruption, or destruction would have a debilitating impact on the public health, safety, or welfare.

ITEM 9.2.

ATTACHMENT 2 Exhibit A to the Ordinance

Critical infrastructure may include, but is not limited to, government buildings, such as fire stations, police stations, jails, or courthouses; hospitals; structures, such as antennas, bridges, roads, train tracks, drainage systems, or levees; or systems, such as computer networks, public utilities, electrical wires, natural gas pipes, telecommunication centers, or water sources.

“Debris” means building and construction materials, garbage, refuse, wreckage, spoiled or ruined household goods, and similar material.

“Facility” means a building, structure, equipment, system, or asset.

“Fire prevention official” means the fire chief, a deputy fire chief, the fire marshal, or a fire prevention officer.

“Garbage” means household and kitchen waste; animal, vegetable, and putrescible waste associated with the preparation, consumption, handling, or storage of edible materials; and any nonputrescible material mixed in the same container with or contaminated by putrescible waste. Garbage does not include source-separated recyclables or yard waste.

“Hazardous waste” has the same meaning as in California Public Resources Code section 40141.

“Infectious waste” has the same meaning as in California Code of Regulations, title 14, section 17225.36.

“Solid waste” means all putrescible and non-putrescible solid, semisolid, and liquid wastes, including garbage; ashes; industrial waste; demolition and construction waste; discarded home and industrial appliances; abandoned vehicles and vehicle parts; dewatered, treated, or chemically fixed sewage sludge that is not hazardous waste; manure; dirt; soil, rock, gravel, sand, or other aggregate material; and other discarded solid and semisolid waste; but not including recyclables or yard waste.

“Wildfire risk area” has the same meaning as in California Code of Regulations, title 24, part 9, section 202.

9.85.030 Prohibited activities.

A. It is unlawful and a public nuisance for any person to camp, occupy camp facilities, or use camp paraphernalia at the following locations:

1. Critical infrastructure;
2. Within 50 feet of critical infrastructure;
3. Within 50 feet of a vehicular or pedestrian entrance or exit of critical infrastructure;

ITEM 9.2.

ATTACHMENT 2 Exhibit A to the Ordinance

4. On those portions of a right-of-way that are required by local, state, or federal law to be free of obstruction to first responders, including but not limited to members of law-enforcement, fire-prevention, or emergency-medical-services agencies;

5. Wildfire risk area.

B. It is unlawful and a public nuisance for any person to store personal property, including camp facilities and camp paraphernalia, in the following locations without the written consent of the owner, except as otherwise provided by resolution of the City Council:

1. Critical infrastructure;

2. Within 50 feet of critical infrastructure;

3. Within 50 feet of a vehicular or pedestrian entrance or exit of critical infrastructure;

4. On those portions of a right-of-way that are required by local, state, or federal law to be free of obstruction to first responders, including but not limited to members of law-enforcement, fire-prevention, or emergency-medical-services agencies;

5. Wildfire risk area.

C. It is not intended by this section to prohibit overnight camping on private residential property by friends or family of the property owner and with consent of the property owner.

D. Nothing in this chapter is intended to prohibit or make unlawful the activities of an owner of private property or other lawful user of private property that are normally associated with and incidental to the lawful and authorized use of private property for residential or other purposes; and nothing is intended to prohibit or make unlawful the activities of a property owner or other lawful user if such activities are expressly authorized by the Planning and Development Code or other laws, ordinances, and regulations.

9.85.040 Summary abatement.

A. Any violation of section 9.85.030 may be abated by the City upon 24 hours of prior notice; but a violation of section 9.85.030 may be abated immediately by the City without prior notice, if the violation poses an imminent threat to public health or safety.

B. Abatement pursuant to subsection A may include, but is not limited to, removal of camp facilities, camp paraphernalia, personal property, garbage, hazardous waste, infectious waste, junk, or debris; and securing the perimeter of the property with fencing, gates, or barricades to prevent further occurrences of the nuisance activity.

C. Regardless of the city's authority to conduct abatement pursuant to this section, every owner, occupant, or lessee of real property, and every holder of any interest in real property, is required

ITEM 9.2.

ATTACHMENT 2 Exhibit A to the Ordinance

to maintain the property in compliance with local, state, and federal law; and is liable for violations thereof.

D. The cost of abatement, including all administrative costs of any action taken hereunder, may be assessed against the subject premises as a lien, made a personal obligation of the owner, or both, in accordance with procedures in Chapter 1.01 of the Rancho Cordova Municipal Code.

9.85.050 Interference with summary abatement.

No person shall willfully prevent, delay, resist, obstruct, or otherwise interfere with a city official, employee, contractor, or volunteer in their execution of an abatement pursuant to this chapter.

9.85.060 Violation—Penalty.

A. Violations of this chapter shall be punishable as a misdemeanor and are hereby declared to be a public nuisance.

B. In addition to any other remedy allowed by law, any person who violates a provision of this chapter is subject to criminal sanctions, civil actions, and administrative penalties pursuant to Rancho Cordova Municipal Code section 1.01.190.

D. All remedies prescribed under this chapter are cumulative and the election of one or more remedies does not bar the city from the pursuit of any other remedy to enforce this chapter.

5178555.1

MEMORANDUM



ITEM 9.3.

DATE: September 6, 2022

TO: Honorable Mayor and Council Members

FROM: Adam Lindgren, City Attorney

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AND ON BEHALF OF COMMISSIONS AND COMMITTEES CREATED BY THE CITY COUNCIL PURSUANT TO GOVERNMENT CODE SECTION 54952(B) CONFIRMING THE STATE OF EMERGENCY UNDER GOVERNMENT CODE SECTION 8625, RECOGNIZING CONTINUED MEASURES TO PROMOTE SOCIAL DISTANCING, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE CITY FOR THE PERIOD FROM SEPTEMBER 6, 2022 TO OCTOBER 5, 2022**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the attached Resolution would allow the City Council and the City's other legislative bodies to continue to meet via teleconference ("virtually") in a manner substantially similar to the manner in which they have met during the COVID-19 pandemic, if a proclaimed State of Emergency remains in effect and other requirements are satisfied.

BACKGROUND

All meetings of the City Council and the City's other legislative bodies are open and public, as required by the Ralph M. Brown Act, Government Code section 54950 et seq., so that any member of the public may attend, participate, and watch the City's legislative bodies conduct their business. On March 17, 2020, in response to the COVID-19 pandemic, Governor Newsom issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act in order to allow local legislative bodies to conduct virtual meetings to slow the spread of COVID-19. As a result of Executive Order N-29-20, City Staff set up virtual meetings for the City Council and other City legislative bodies. On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which, effective September 30, 2021, ended the provisions of Executive Order N-29-20 that allowed local legislative bodies to conduct meetings telephonically or by other means.

On September 16, 2021, Governor Newsom signed Assembly Bill 361 ("AB 361"), which allows local legislative bodies to continue to conduct meetings via teleconferencing under specified

conditions. AB 361 took effect upon the expiration of Executive Order N-29-20 on October 1, 2021. On September 20, 2021, the City Council held a meeting in compliance with AB 361's requirements for remote meetings.

In order for AB 361 to remain effective for meetings of the City's legislative bodies, the City Council is required to make specified findings every 30 days. AB 361 allows a legislative body to continue holding meetings utilizing teleconferencing without complying with the standard teleconferencing requirements if a State of Emergency is proclaimed under Government Code section 8625, the City has reconsidered the emergency conditions, and if the local Public Health Officer continues to recommend social distancing measures to protect the public's health and safety during local government meetings. These conditions are present.

Governor Newsom's March 4, 2020 Proclamation of Emergency related to the COVID-19 pandemic is still in effect. The potential spread of COVID-19 continues to threaten public health and safety during indoor public gatherings, including indoor gatherings of the Rancho Cordova City Council and other Rancho Cordova legislative bodies. In addition, the Sacramento County Public Health Officer continues to recommend teleconferencing or social distancing to protect the public's health and safety during local government meetings.

SUMMARY

The attached Resolution makes the required findings that the current conditions exist to allow teleconference meetings pursuant to AB 361 for the City Council and on behalf of all of the legislative bodies commissions and committees created by the City Council pursuant to Government Code section 54952(b). This will allow members of the public to safely observe and participate in local government meetings during the pandemic.

If a meeting is held via teleconference under AB 361, the following requirements apply:

1. Notices and agenda requirements remain the same under the Brown Act;
2. No physical location is required for public attendance or public comment. However, the public must be able to access and participate in the meeting through a call-in or an internet-based service, and instructions for how to participate must appear in the posted notices or agenda;
3. Teleconference meetings must protect the statutory and constitutional rights of the parties and the public;
4. If there is any disruption of the call-in or internet-based service, the agency must suspend the meeting until the problem is fixed;
5. Legislative bodies may allow public comments to be submitted prior to a meeting but must also allow the public to participate in real time through call-in or internet-based service;
6. If an internet-based service requires registration through a third-party, individuals can be required to register with the third-party to participate in the meeting; and
7. When providing a public comment period, whether after each item or during a general comment period, a legislative body must allow reasonable time for members of the public to comment and must also include reasonable time for members to register with a third-party host if applicable.

FISCAL IMPACT AND FUNDING SOURCE

The cost of continued remote access to Council meetings and the meetings of other City committees.

ATTACHMENT(S)

1. Resolution

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AND ON BEHALF OF COMMISSIONS AND COMMITTEES CREATED BY THE CITY COUNCIL PURSUANT TO GOVERNMENT CODE SECTION 54952(b) CONFIRMING THE STATE OF EMERGENCY UNDER GOVERNMENT CODE SECTION 8625, RECOGNIZING CONTINUED MEASURES TO PROMOTE SOCIAL DISTANCING, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE CITY FOR THE PERIOD FROM SEPTEMBER 6, 2022 TO OCTOBER 5, 2022

WHEREAS, the City is committed to preserving and promoting public access and participation in meetings of the legislative bodies; and

WHEREAS, all meetings of the City are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the City conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, on September 20, 2021 the City held a meeting during a state of emergency under Government Code section 8625 and during a period of recommended social distancing by state and local officials while complying with Government Code section 54953(e)(2); and

WHEREAS, the City is required to make certain findings every thirty (30) days to continue teleconferencing under Government Code section 54953(e)(3), including reconsideration of the state of emergency declared by the Governor pursuant to Government Code section 8625, and State or local officials continue to impose or recommend measures to promote social distancing; and

WHEREAS, the City continues to experience emergency conditions due to COVID-19, specifically, the highly transmissible SARS-CoV-2 B.1.617.2 ("Delta") continues to threaten public health and safety during indoor public gatherings; and

WHEREAS, the City Council has considered the circumstances of the Governor's state of emergency proclamation pursuant to Government Code section 8625, which remains active; and

WHEREAS, on July 30, 2021, the Sacramento County Health Officer issued an order requiring all individuals, regardless of vaccination status, to wear a mask while indoors in public spaces; and

WHEREAS, the Centers for Disease Control and Prevention ("CDC") continues to recommend physical distancing of at least six feet (6') from others outside of the household; and

WHEREAS, the Sacramento County Health Officer's order incorporates the CDC's guidance for vaccinated and unvaccinated people; and

WHEREAS, the City Council, acting as a legislative body pursuant to Government Code section 54952(a) and for the benefit of the commissions, committees, and other bodies that were created by the City Council pursuant to Government Code section 54952(b) (collectively referred to as the "Legislative Bodies"), does hereby find that the Legislative Bodies shall continue to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that the Legislative Bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953 as a consequence of the ongoing state of emergency and the continued social distancing measures required by local officials.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Affirmation that Local Emergency Persists. The City Council hereby considers the conditions of the state of emergency pursuant to Government Code section 8625 and proclaims that a local emergency persists throughout the City, affirms the Sacramento Health Order's required and recommended measures to promote social distancing, and finds that the conditions continue to exist pursuant to Government Code section 54953(e)(3) to allow the Legislative Bodies to use teleconferencing to hold public meetings in accordance with Government Code section 54953(e)(2) to ensure members of the public have continued access to safely observe and participate in local government meetings.

Section 3. Remote Teleconference Meetings. City Staff are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 4. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) October 5, 2022 or such time the City Council adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of City may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova, this 6th day of September 2022, by the following vote:

ITEM 9.3.

ATTACHMENT 1

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

ATTEST:

Stacy Leitner, CMC
City Clerk

MEMORANDUM



ITEM 9.4.

DATE: September 6, 2022

TO: Honorable Mayor and Council Members

FROM: Albert Stricker, Public Works Director
Kristine Courdy, Senior Civil Engineer
Jesse Yabes, Assistant Civil Engineer

SUBJECT: **A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT NO. 2022-182 WITH B&M BUILDERS INC. IN AN AMOUNT NOT TO EXCEED \$268,685 FOR THE KILGORE ROAD AND INTERNATIONAL DRIVE STORM DRAIN REPAIR PROJECT**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would authorize the City Manager to execute Construction Contract No. 2022-182 in an amount not to exceed \$268,685 with B&M Builders, Inc. for the Kilgore Road and International Drive Storm Drain Repair Project.

BACKGROUND

The Public Works department regularly evaluates the condition of the City's infrastructure. As part of that evaluation, it was determined that a 300-foot segment of 27-inch corrugated metal pipe storm drain line on Kilgore Road near International Drive needs to be replaced due to holes in the pipe and resulting road settlement. The Project includes trenching, removing the damaged pipe, replacing with new pipe, backfilling and repairing the road.

On July 22, 2022, bids for this work were solicited on the City's Website, CIPList.com, and on the Sacramento, Placer and El Dorado County Builders Exchange.

Bids were publicly opened on Thursday August 11, 2022. Five bids were received and the lowest responsible and responsive bid was \$268,685 from B&M Builders, Inc. The contract award is based on the lowest bid, and there are no Project bid alternatives.

The project is expected to start and complete construction in Fall 2022.

FISCAL IMPACT AND FUNDING SOURCE

The storm drain repair on Kilgore Road and International Drive is funded from the Stormwater Enterprise Fund. There is no impact to the City's General Fund.

The project is included in the City's current approved FY2022-23 Capital Improvement Plan.

ATTACHMENT(S)

1. Resolution
2. B&M Bid Packet
3. Bid Summary
4. Contract No. 2022-182

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT NO. 2022-182 WITH B&M BUILDERS, INC. IN AN AMOUNT NOT TO EXCEED \$268,685 FOR THE KILGORE ROAD AND INTERNATIONAL DRIVE STORM DRAIN REPAIR PROJECT

WHEREAS, the City solicited bids for the Kilgore Road and International Drive Storm Drain Repair Project under the requirements of the state and local laws and publicly opened the bids on August 11, 2022; and

WHEREAS, the lowest responsible bidder was B&M Builders, Inc.; and

WHEREAS, adoption of this resolution will award construction Contract No. 2022-182 to B&M Builders, Inc. in an amount not to exceed \$268,685 for the Kilgore Road and International Drive Storm Drain Repair Project; and

WHEREAS, funding for this Project will consist of the Stormwater Enterprise Fund; and

WHEREAS, this project was reviewed under the requirements of the California Environmental Quality Act (CEQA), and it has been determined to be exempt from further review pursuant to CEQA Regulation 15301 regarding repairs, maintenance, or minor alterations to "existing facilities" so long as the project only involves negligible or no expansion of use beyond current facilities.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager to execute Construction Contract No. 2022-182 in an amount not to exceed \$268,685 with B&M Builders, Inc. and in a form approved by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Donald Terry, Mayor

Stacy Leitner, CMC
City Clerk

BID FORM CHECKLIST

BID FORM	☐
CONTRACTORS LICENSE FORM.....	☐
CONTRACTORS REGISTRATION FORM	☐
BID SCHEDULE	☐
EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION.....	☐
PUBLIC CONTRACT CODE	☐
<i>PUBLIC CONTRACT CODE SECTION 10285.1 STATEMENT</i>	☐
<i>PUBLIC CONTRACT CODE SECTION 10162 QUESTIONNAIRE</i>	☐
<i>PUBLIC CONTRACT CODE 10232 STATEMENT</i>	☐
DESIGNATION OF SUBCONTRACTORS	☐
EXPERIENCE/QUALIFICATIONS STATEMENT.....	☐
SAMPLE BIDDER'S BOND	☐
SAMPLE PAYMENT BOND	☐
SAMPLE PERFORMANCE BOND.....	☐
NON-COLLUSION AFFIDAVIT	☐
DEBARTMENT AND SUSPENSION CERTIFICATION	☐
 ADDENDUM (S)	 ☐

* All Addendums must be returned and either signed or initialed for proof of acknowledgment.

**CITY OF RANCHO CORDOVA
DEPARTMENT OF PUBLIC WORKS**

BID FORM

Project No. CP22-2236

Project: Kilgore & International SW Repair Project

SUBMIT BID TO:

City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

BID OPENING:

City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

NO LATER THAN: 2:00 P.M.
DAY OF BID: AUGUST 11, 2022

TO: City Clerk
City of Rancho Cordova

Name of Bidder: B & M Builders, Inc
Business Address: 11330 Sunrise Park Dr Suite
City, State, Zip Code: Rancho Cordova CA 95742
Telephone Number: 916-638-8626
Contact Person: Patrick Mullen

The Contractor is encouraged to submit these Bid Forms typed or neatly printed.

CITY OF RANCHO CORDOVA FORMS

CONTRACTOR'S LICENSE FORM

Project No. CP22-2236

Project: Kilgore & International Drainage Repair Project

Any person or entity submitting a bid on this project to engage in the business or act in the capacity of a contractor shall be licensed as a contractor in accordance with the provisions of Division 3, Chapter 9 of the California Business and Professions Code. A bid submitted to the City by a contractor who is not licensed as set forth above shall be considered non-responsive and shall be rejected by the City.

Before awarding the contract for this project, the City must verify that the contractor was properly licensed when the contractor submitted his/her bid on this project. In order for the City to verify the license status of a contractor, the contractor, at the time he/she submits his/her bid for the project, shall provide in writing to the City his/her contractor's license number, name on the license, classification, and expiration date of the license.

No bid submitted to the City shall be invalidated by the failure of the bidder to be licensed in accordance with the laws of this state. However, at the time the contract is awarded, the contractor shall be properly licensed in accordance with the laws of this state. The first payment for work or material under any contract shall not be made unless and until the Registrar of Contractors verifies to the City that the records of the Contractors' State License Board indicate that the contractor was properly licensed at the time the contract was awarded. Any bidder or contractor not so licensed shall be subject to all legal penalties imposed by law, including, but not limited to, any appropriate disciplinary action by the Contractors' State License Board. Failure of the bidder to obtain proper and adequate licensing for an award of a contract shall constitute a failure to execute the contract and shall result in the forfeiture of the security of the bidder.

CERTIFICATION

In accordance with the Business and Professions Code, we do hereby, under Penalty of Perjury, certify that the following contractor's license information is true and correct.

Contractor's License No. 861848

Expiration Date: 7/31/2023

Contractor's Classification: A, B, C8, C10, C12, C20, C27, C31, C54

B & M Builders, Inc
Contractor's Name (Printed)



Bidder's Signature
(Same signature as on Bid Proposal)

8/11/2022
Date

Patrick Mullen
Bidder's Name (Printed)

President
Bidder's Title

**CITY OF RANCHO CORDOVA FORMS
DEPARTMENT OF INDUSTRIAL RELATIONS
CONTRACTOR'S REGISTRATION FORM**

Project No. CP22-2236

Project: Kilgore & International Drainage Repair Project

Any person or entity submitting a bid on this project to engage in the business or act in the capacity of a contractor shall register as a contractor in accordance with the provisions of the Department of Industrial Relations (DIR). A bid submitted to the City by a contractor who is not registered as set forth above shall be considered non-responsive and shall be rejected by the City.

Before awarding the contract for this project, the City must verify that the contractor was properly registered when the contractor submitted his/her bid on this project. In order for the City to verify the registration status of a contractor, the contractor, at the time he/she submits his/her bid for the project, shall provide in writing to the City his/her contractor's registration number, name on the registration, and expiration date of the registration.

No bid submitted to the City shall be invalidated by the failure of the bidder to be registered in accordance with the laws of this state. However, at the time the contract is awarded, the contractor shall be properly licensed in accordance with the laws of this state. Any bidder or contractor not so registered shall be subject to all legal penalties imposed by law, including, but not limited to, any appropriate disciplinary action by the DIR. Failure of the bidder to obtain proper and adequate registration for an award of a contract shall constitute a failure to execute the contract and shall result in the forfeiture of the security of the bidder.

CERTIFICATION

In accordance with the DIR, we do hereby, under Penalty of Perjury, certify that the following contractor's registration information is true and correct.

Contractor's Registration No. 1000003277

Expiration Date: 6/30/2023

Subcontractor's Registration No. 1000000306

Expiration Date: 6/30/2025

Subcontractor's Registration No. 1000000188

Expiration Date: 6/30/2025

Subcontractor's Registration No. _____

Expiration Date: _____

Subcontractor's Registration No. _____

Expiration Date: _____

B & M Builders, Inc
Contractor's Name (Printed)


Bidder's Signature
(Same signature as on Bid Proposal)

8/11/2022
Date

Patrick Mullen
Bidder's Name (Printed)

President
Bidder's Title

BID SCHEDULE

The following quantities are approximate only and are given for the purpose of comparing proposals. The City does not expressly or by implication agree that the actual amount of work will correspond with quantities given herein, but reserves the right to increase or decrease the amount of any class or portion of the work as may be deemed necessary or advisable by the Director of Public Works. Payment will be based upon the actual quantities installed or constructed, unless otherwise specified. In the event that the product of a unit price and an estimated quantity does not equal the extended amount stated, the unit price will govern and the correct product of the unit price and the estimated quantity shall be deemed to be the amount bid.

KILGORE & INTERNATIONAL DRAINAGE REPAIR PROJECT					
CITY OF RANCHO CORDOVA					
BID SCHEDULE					
Item No.	Item Description	Quantity	Unit	Unit Price	Amount
1	Mobilization	1	LS	11,000	11,000
2	Traffic Control System	1	LS	19,000	19,000
3	Water Pollution Control	1	LS	3,000	3,000
4	Remove and Replace With 27" SD Pipe	300	LF	375	112,500
5	Connect to Existing Storm Drain Manhole	2	EA	3,000	6,000
6	Additional Excavation & Backfill (Contingency)	70	CY	275	19,250
7	Geogrid (Contingency)	800	SF	4	3,200
8	4" Hot Mix Asphalt	60	TON	240	14,400
9	2" Grind and Overlay	700	SY	42	29,400
10	Replace Traffic Detector Loop	1	EA	29,985	29,985
11	Traffic Striping and Pavement Markings	1	LS	20,950	20,950
	TOTAL OF BID PRICE \$ 264,685.00				
	TOTAL BID PRICE IN WORDS Two Hundred Sixty Eight Thousand Six				
	HUNDRED EIGHTY FIVE DOLLARS				

EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

The bidder B & M Builders, Inc., proposed subcontractor ALL, hereby certifies that he has ☒ has not _____, participated in a previous contract or subcontract subject to the equal opportunity clauses, as required by Executive Orders 10925, 11114, or 11246, and that, where required, he has filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance, a Federal Government contracting or administering agency, or the former President's Committee on Equal Employment Opportunity, all reports due under the applicable filing requirements.

Note: The above certification is required by the Equal Employment Opportunity Regulations of the Secretary of Labor (41 CFR 60-1.7(b) (1)), and must be submitted by bidders and proposed subcontractors only in connection with contracts and subcontracts which are subject to the equal opportunity clause. Contracts and subcontracts which are exempt from the equal opportunity clause are set forth in 41 CFR 60-1.5. (Generally only contracts or subcontracts of \$10,000 or under are exempt.)

Currently, Standard Form 100 (EEO-1) is the only report required by the Executive Orders or their implementing regulations.

Proposed prime contractors and subcontractors who have participated in a previous contract or subcontract subject to the Executive Orders and have not filed the required reports should note that 41 CFR 60-1.7(b) (1) prevents the award of contracts and subcontracts unless such contractor submits a report covering the delinquent period or such other period specified by the Federal Highway Administration or by the Director, Office of Federal Contract Compliance, U.S. Department of Labor.

PUBLIC CONTRACT CODE**PUBLIC CONTRACT CODE SECTION 10285.1 STATEMENT**

In conformance with Public Contract Code Section 10285.1 (Chapter 376, Stats. 1985), the bidder hereby declares under penalty of perjury under the laws of the State of California that the bidder has _____, has not X been convicted within the preceding three years of any offenses referred to in that section, including any charge of fraud, bribery, collusion, conspiracy, or any other act in violation of any state or Federal antitrust law in connection with the bidding upon, award of, or performance of, any public works contract, as defined in Public Contract Code Section 1101, with any public entity, as defined in Public Contract Code Section 1100, including the Regents of the University of California or the Trustees of the California State University. The term "bidder" is understood to include any partner, member, officer, director, responsible managing officer, or responsible managing employee thereof, as referred to in Section 10285.1.

Note: The bidder must place a check mark after "has" or "has not" in one of the blank spaces provided. The above Statement is part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Statement. Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

PUBLIC CONTRACT CODE SECTION 10162 QUESTIONNAIRE

In conformance with Public Contract Code Section 10162, the Bidder shall complete, under penalty of perjury, the following questionnaire:

Has the bidder, any officer of the bidder, or any employee of the bidder who has a proprietary interest in the bidder, ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or a safety regulation?

Yes _____ No X

If the answer is yes, explain the circumstances in the following space.

PUBLIC CONTRACT CODE 10232 STATEMENT

In conformance with Public Contract Code Section 10232, the Contractor, hereby states under penalty of perjury, that no more than one final unappealable finding of contempt of court by a federal court has been issued against the Contractor within the immediately preceding two year period because of the Contractor's failure to comply with an order of a federal court which orders the Contractor to comply with an order of the National Labor Relations Board.

Note: The above Statement and Questionnaire are part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Statement and Questionnaire.

Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

Initial 

DESIGNATION OF SUBCONTRACTORS

In compliance with the provisions of Section 4100-4114 of the Public Contracts Code of the State of California, and any amendments thereof, each Bidder shall set forth below the name and location of the place of business of each Subcontractor who will perform work or labor or render service to the Contractor in or about the construction of the work or improvement to be performed under these specifications in excess of one-half of one percent (0.5%) of the prime Contractor's total bid or ten thousand dollars (\$10,000.00) whichever is greater. The prime Contractor shall list the portion of the work which will be done by such Subcontractor.

If the Contractor fails to specify a Subcontractor for any portion of the work to be performed under the Contract, the Contractor shall be deemed to have agreed to perform such portion itself, and the Contractor shall not be permitted to subcontract that portion of the work except under the conditions allowed by applicable law.

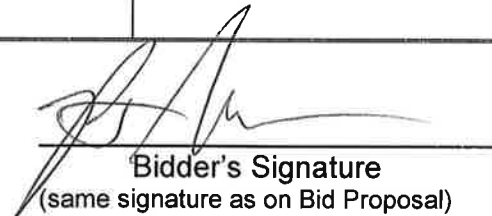
SUBCONTRACTOR (Name & Location)	PORTION OF WORK	ESTIMATED DOLLAR AMOUNT
Chrisp Company 1805 East Beamer Rd Woodland, CA 95776	Striping	\$16,750.00
Pacific Excavation 9796 Kent Street Elk Grove, CA 95624	Electrical	\$24,170.00

B & M Builders, Inc

Contractor's Name (Printed)

8/11/2022

Date



Bidder's Signature
(same signature as on Bid Proposal)

Patrick Mullen

Bidder's Name (Printed)

President

Bidder's Title

EXPERIENCE/QUALIFICATIONS STATEMENT

The Bidder has been engaged in the contracting business, under the present business name for 17 years. Experience in work of a nature similar to that covered in the proposal extends over a period of 17 years.

The Bidder, as a Contractor, has never failed to satisfactorily complete a Contract awarded to it, except as follows:

The following contracts have been satisfactorily completed in the last three (3) years for the persons, firm or authority indicated, and to whom reference is made:

Year	Type of Work	Contract Amount	Owner/Agency for Whom Work was Performed
	Please See Attached		

The following is a list of plant and equipment owned by the Bidder, which is definitely available for use on the proposed work as required.

Quantity	Name, Type and Capacity	Condition	Location
	Please See Attached		

COPY AND ATTACH ADDITIONAL SHEETS AS NECESSARY

B & M Builders, Inc
Contractor's Name (Printed)

8/11/2022
Date


Bidder's Signature
(same signature as on Bid Proposal)

Patrick Mullen
Bidder's Name (Printed)

President
Bidder's Title

Experience/ Qualifications Statement

The following contracts have been satisfactorily completed in the last three years for the persons, firm or authority indicated, and to whom reference is made:

Year	Type of Work	Contract Amount	Owner
2019	Demolition, excavation, grading, underground utilities, electrical, landscaping, concrete, asphalt paving, striping	\$3,150,000.00	City of Lincoln
2020	Excavation, Grading, Underground Utilities, AB Rock Placement/ Grading, Hot Mix Asphalt Paving, Concrete Placement, Electrical, Striping, Signage	\$6,229,000.00	State of California, Department of Water Resources
2019	Site Demolition , Aggregate Base Rock Placement/Grading/Compaction, Concrete placement, Hot Mix Asphalt Paving, Striping.	\$2,000,000.00	SMUD (Sacramento Municipal Utilities District)

The following is a list of plant and equipment owned by the bidder, which is definitely available for use on the proposed work as required.

Quantity	Name, Type and Capacity	Condition	Location
1	John Deere 210 LE Skip Loader	Good	Rancho Cordova, CA
1	CAT 216 Skid Steer	Good	Rancho Cordova, CA
1	CAT 246C Skid Steer	Good	Rancho Cordova, CA
1	CAT 246D Skid Steer	New	Rancho Cordova, CA
1	CAT 279 Tracked Skid Steer	New	Rancho Cordova, CA
1	CAT CB224D Roller	Good	Rancho Cordova, CA
1	CAT CB24B Roller	New	Rancho Cordova, CA
1	Dynapac CC142 Vibratory Roller	Good	Rancho Cordova, CA
1	CAT 304 Excavator	New	Rancho Cordova, CA
1	CAT 308E2 Excavator	New	Rancho Cordova, CA
1	Arrowhead S40 Hydraulic Breaker	Good	Rancho Cordova, CA
1	Skid Steer Hammer	New	Rancho Cordova, CA
2	Wanco Arrowboard	New	Rancho Cordova, CA
2	Wanco Message Board Signs (PCMS)	New	Rancho Cordova, CA
1	Lee-Boy 8510B Asphalt Paver	Good	Rancho Cordova, CA
1	Lee-Boy 8520 Asphalt Paver	New	Rancho Cordova, CA
1	2017 Ford F450 Work Truck	New	Rancho Cordova, CA
4	2018 Ford F450 Work Truck	New	Rancho Cordova, CA
1	2018 Ford F550 Work Truck	New	Rancho Cordova, CA
2	2018 Peterbilt Mini Dump Truck	New	Rancho Cordova, CA
1	2018 Peterbilt 348 Dump Truck	New	Rancho Cordova, CA

Accompanying this proposal is Bidder's Bond

(NOTICE: INSERT THE WORDS "CASH(\$ _____)," "CASHIER'S CHECK,"
"CERTIFIED CHECK," OR "BIDDER'S BOND," AS THE CASE MAY BE.)

in amount equal to at least ten percent (10%) of the total of the bid.

The names of all persons interested in the foregoing proposal as principals are as follows:

IMPORTANT NOTICE: If bidder or other interested person is a corporation, state legal name of corporation, also names of the president, secretary, treasurer, and manager thereof; if a co-partnership, state true name of firm, also names of all individual co-partners composing the firm; if bidder or other interested person is an individual, state first and last names in full.

Patrick Mullen- President (secretary, treasurer, manager)

Jonathan Brown - CEO

Austin O'Connell - Vice President

Licensed in conformance with an act providing for the registration of Contractors

License No. 861848 Classification(s) A, B, C8, C10, C12, C20, C27, C31, C54

ADDENDA

This Proposal is submitted with respect to the changes to the contract included in addenda number/s

N/A

(Fill in addenda numbers if addenda have been received and insert, in this Proposal, any Engineer's Estimate sheets that were received as part of the addenda.)

By my signature on this proposal I certify, under penalty of perjury under the laws of the State of California, that the foregoing questionnaire and statements of Public Contract Code Sections 10162, 10232 and 10285.1 are true and correct and that the bidder has complied with the requirements of Section 8103 of the Fair Employment and Housing Commission Regulations (Chapter 5, Title 2 of the California Administrative Code). By my signature on this proposal I further certify, under penalty of perjury under the laws of the State of California and the United States of America, that the Noncollusion Affidavit required by Title 23 United States Code, Section 112 and Public Contract Code Section 7106; and the Title 49 Code of Federal Regulations, Part 29 Debarment and Suspension Certification are true and correct.

Date: 8/11/2022



Patrick Mullen

President

Signature and Title of Bidder

Business Address 11330 Sunrise Park Dr Suite

Place of Business Rancho Cordova CA 95742

Place of Residence Folsom, CA 95630

**CITY RANCHO CORDOVA - DEPARTMENT OF PUBLIC WORKS
BIDDER'S BOND**

We, B & M Builders, Inc.

_____ as Principal, and

Travelers Casualty and Surety Company of America

as Surety are bound unto the City of Rancho Cordova, State of California, hereafter referred to as "Obligee", in the penal sum of ten percent (10%) of the total amount of the bid of the Principal submitted to the Obligee for the work described below, for the payment of which sum we bind ourselves, jointly and severally,

THE CONDITION OF THIS OBLIGATION IS SUCH, THAT:

WHEREAS, the Principal is submitted to the Obligee, for _____

KILGORE & INTERNATIONAL DRAINAGE REPAIR PROJECT

(Copy here the exact description of work, including location as it appears on the proposal)

for which bids are to be opened at 2729 PROSPECT PARK DRIVE on August 11th, 2022
(Insert place where bids will be opened) (Insert date of bid opening)
RANCHO CORDOVA, CA 95760

NOW, THEREFORE, if the Principal is awarded the contract and, within the time and manner required under the specifications, after the prescribed forms are presented to him for signature, enters into a written contract, in the prescribed form, in conformance with the bid, and files two bonds with the Obligee, one to guarantee faithful performance of the contract and the other to guarantee payment for labor and materials as provided by law, then this obligation shall be null and void; otherwise, it shall remain in full force.

In the event suit is brought upon this bond by the Obligee and judgment is recovered, the Surety shall pay all costs incurred by the Obligee in such suit, including a reasonable attorney's fee to be fixed by the court.

Dated: August 9th, 20 22.

B & M Builders, Inc.

Patrick Mullen, President
Principal

Travelers Casualty and Surety Company of America

By *Ryan Tash* *J*
Attorney-in-fact *Surety*

CERTIFICATE OF ACKNOWLEDGEMENT

State of California, City Rancho Cordova

On this day of _____ in the year 20__ before me _____, personally appeared _____, personally known to me (or to me on

Attorney-in-fact

the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument as the attorney-in-fact of _____, and acknowledged to me that he (she) subscribed the name of the said company thereto as surety, and his (her) own name as attorney-in-fact.

(SEAL)

Notary Public

See attached acknowledgment & POA

**City of Rancho Cordova
Kilgore & International Drainage Repair Project**

**Bid Form
Page 64**

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Sacramento

On 8/9/22 before me, Katherine DuPont, Notary Public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature



(Seal)





Travelers Casualty and Surety Company of America
Travelers Casualty and Surety Company
St. Paul Fire and Marine Insurance Company

POWER OF ATTORNEY

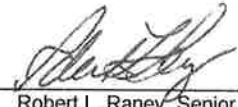
KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint **Ryan Tash** of **RANCHO CORDOVA, California**, their true and lawful Attorney(s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this **21st** day of **April, 2021**.



State of Connecticut

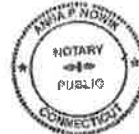
City of Hartford ss.

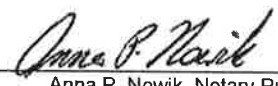
By: 
 Robert L. Raney, Senior Vice President

On this the **21st** day of **April, 2021**, before me personally appeared **Robert L. Raney**, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the **30th** day of **June, 2026**




 Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, **Kevin E. Hughes**, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this **9th** day of **August**, **2022**




 Kevin E. Hughes, Assistant Secretary

To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.
Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Sacramento)

On 8-11-2022 before me, Traci E. Nakagaki, Notary Public
(insert name and title of the officer)

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

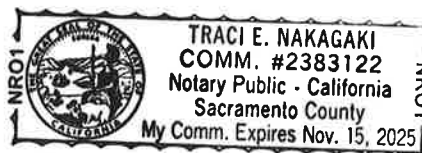
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Traci E. Nakagaki

(Seal)



CITY RANCHO CORDOVA - DEPARTMENT OF PUBLIC WORKS**NONCOLLUSION AFFIDAVIT**

(Title 23 United States Code Section 112 and
Public Contract Code Section 7106)

To the CITY of RANCHO CORDOVA
DEPARTMENT OF PUBLIC WORKS.

In conformance with Title 23 United States Code Section 112 and Public Contract Code 7106 the bidder declares that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

Note: The above Noncollusion Affidavit is part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Noncollusion Affidavit.

Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

Initial 

DEBARMENT AND SUSPENSION CERTIFICATION

TITLE 49, CODE OF FEDERAL REGULATIONS, PART 29

The bidder, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, manager:

- is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal agency;
- has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal agency within the past 3 years;
- does not have a proposed debarment pending; and
- has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

Exceptions will not necessarily result in denial of award, but will be considered in determining bidder responsibility. For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

Notes: Providing false information may result in criminal prosecution or administrative sanctions. The above certification is part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Certification.

Initial 



Contractors Lic# 861848
11330 Sunrise Park Dr, Ste C • Rancho Cordova, CA 95742
916.638.8626 O • 916.352.6944 F
Estimating@b-m-builders.com

City of Rancho Cordova
City Hall
2729 Prospect Park Dr
Rancho Cordova, CA 95770
(922)-2236

1:43 pm -
RECEIVED
AUG 11 2022
BY: 49

ENCLOSURE:

KUCSONG & INTERNATIONAL, INC.



Kilgore & International Drainage Repair Project

Bid Summary - CP22-2236

Rancho Cordova City Hall

2729 Prospect Park Drive, Rancho Cordova, CA 95670

August 11, 2022, 2:00 pm, Council Chambers

	Construction Contractor	Total Base Bid Amount	Bid Form (Proposal Signed)	Contractors License	DIR Registration	Bid Schedule	Equal Employment	Public Contract Code	Designation of Subcontractors	Experience / Qualifications Statement	Bidder's Bond	Non-Collusion Affidavit	Debarment & Suspension
A	B & M Builders, Inc.	\$268,685.00	x	x	x	x	x	x	x	x	x	x	x
B	Central Valley Engineering & Asphalt, Inc.	\$319,469.00	x	x	x	x	x	x	x	x	x	x	x
C	Soracco, Inc.	\$320,870.00	x	x	x	x	x	x	x	x	x	x	x
D	Western Engineering Contractors, Inc.	\$355,500.00	x	x	x	x	x	x	x	x	x	x	x
E	Lafleur Excavating, Inc.	\$403,290.00	x	x	x	x	x	x	x	x	x	x	x
F													
G													
H													
I													
J													

Attendees: Stacy Leitner, City Clerk
 Jesse Yabes, Assistant Civil Engineer
 Kristine Courdy, Senior Civil Engineer

Stacy Leitner
 Stacy Leitner, City Clerk

8/14/22
 Date

**CONSTRUCTION SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND B&M BUILDERS INC.
FOR THE KILGORE ROAD AND INTERNATIONAL DRIVE STORM DRAIN REPAIR**

THIS AGREEMENT made and entered into between the City of Rancho Cordova ("City") and B&M Builders, Inc. ("Contractor") as of September 6, 2022.

W I T N E S S E T H:

WHEREAS, the City Council for the City heretofore caused plans and specifications for the Kilgore Road and International Drive Storm Drain ("Project") to be prepared, and therefore did approve and adopt said plans and specifications; and

WHEREAS, the City Council for the City did cause to be published for the time and in the manner required by law, a notice inviting sealed bids for the performance of said work; and

WHEREAS, the notice was published on July 22, 2022, on the City's website, CIPList.com, and on the Sacramento, Placer and El Dorado County Builder's Exchange ("Notice"); and

WHEREAS, the Contractor, in response to such Notice, submitted to the City Council for the City within the time specified in said Notice, and in the manner provided for therein, a sealed bid for the performance of the Project specified in said plans and specifications, which said bid and proposal, and other bids and proposals submitted in response to said Notice, the City Council opened and canvassed in the manner provided by law; and

WHEREAS, the Contractor was the lowest responsible bidder for the performance of said Project, and said City Council for the City as a result of the canvass of said bids, did determine and declare Contractor to be the lowest responsible bidder for said Project and award to a contract therefore.

NOW THEREFORE, in consideration of the promises herein, it is mutually agreed between the parties hereto as follows:

Section 1. CONTRACT DOCUMENTS. The following documents are by this reference incorporated in and made a part of this Agreement: The County of Sacramento, Standard Construction Specifications dated January 2016; the Special Provisions; the contract drawings, all addenda; the Notice to Contractors; the Proposal; all required bonds; and all supplemental Agreements covering alterations, amendments, or extensions to the contract. The documents which describe the work to be performed are sometimes collectively referred to herein as the Plans and Specifications.

Section 2. TERM. The term of this Agreement shall begin on the date first noted above and shall end on December 31, 2023.

Section 3. SCOPE OF WORK. The Contractor will furnish all labor, materials, services, transportation, appliances, and mechanical workmanship required for Contract No. 2022-182 as provided for and set forth in said Plans and Specifications, or in either of them, which said Plans

5039694.3

Construction Services Agreement between
City of Rancho Cordova and B&M Builders, Inc.

September 6, 2022
Page 1 of 6

and Specifications are hereby referred and by such reference incorporated herein and made a part of this Agreement. All of the said work done under this Agreement shall be under the supervision of and performed to the satisfaction of the Public Works Director of the City of Rancho Cordova who shall have the right to reject any and all materials and supplies furnished by the Contractor which do not comply with the Plans and Specifications, together with the right to require the Contractor to replace any and all work furnished by the Contractor which shall not either in workmanship or material be in strict accordance with the Plans and Specifications.

Section 4. COMPLETION. Said work shall be completed and ready for acceptance.

Section 5. PAYMENT. Attached hereto as Exhibit "A" and by reference made a part hereof, is the bid and proposal of Contractor. Said bid and proposal will contain, as required by the terms of said specifications, the full and complete schedule of the different items with the lump sums or unit prices as so specified. The City agrees in consideration of the work to be performed for the Project herein and subject to the terms and conditions thereof, to pay Contractor all sums of money which may become due to Contractor in accordance with the terms of the aforesaid bid and proposal, and this Agreement, to wit: two hundred sixty-eight thousand six hundred eighty-five dollars (\$268,685.00). Said sum shall be paid in accordance with Section 8 of the Standard Specifications. With respect to that portion of the above sum as is based upon the estimated quantities specified for the general scope of the work to be performed herein, actual payment will be based upon the quantities as measured upon completion. No payment made under this Agreement shall be construed to be an acceptance of defective work or improper materials.

Section 6. PREVAILING WAGES. To the extent required by law, Contractor and all of the Contractor's subcontractors shall comply with California Health and Safety Code Section 33422.1 and shall comply with California Labor Code Section 1770 et seq. and all regulations adopted pursuant thereto (referred to herein as, "**Prevailing Wage Laws**"), and be responsible for carrying out the requirements of such provisions. Pursuant to the provisions of Articles 1 and 2 of Chapter 1, Part 7, Division II, of the Labor Code of the State of California, not less than the general prevailing rate of per diem wages, and not less than the general prevailing rate of per diem wages for holidays and overtime work, for each craft, classification or type of worker needed to execute the Project contemplated under this Agreement shall be paid to all workers, laborers and mechanics employed in the execution of said Project by Contractor, or by any subcontractor doing or contracting to do any part of said Project. The appropriate determination of the Director of the California Department of Industrial Relations is filed with, and available for inspection at 2729 Prospect Park Drive, Rancho Cordova, CA 95670, the office of the Clerk of the City. Contractor shall post, at each job site, a copy of such prevailing rate of per diem wages as determined by the Director for the California Department of Industrial Relations. The Contractor shall, and hereby agrees to, unconditionally indemnify, reimburse, defend, protect and hold harmless the City and its elective and appointive boards, commissions, officers, agents, attorneys, consultants and employees, and all of their respective successors and assigns, from and against any and all claims, demands, suits and actions at law or in equity, and losses, liabilities, expenses, penalties, fines, orders, judgments, injunctive or other relief, and costs and damages of every kind, nature and description (including but not limited to attorneys' fees and court costs; with counsel reasonably acceptable to the City), and administrative, enforcement or judicial proceedings, whether known or unknown, and which directly or indirectly, in whole or in part, are caused by, arise from, or relate to, or are alleged to be caused by, arise from, or relate to, the payment or requirement of payment of prevailing wages or the requirement of competitive bidding in the construction of the Project, the failure to comply with any state or federal labor laws, regulations or standards in connection with this

Agreement, including but not limited to California Labor Code Section 1770 et seq. and the Prevailing Wage Laws, or any act or omission of the City or the Contractor related to this Agreement with respect to the payment or requirement of payment of prevailing wages or the requirement of competitive bidding, whether or not any insurance policies shall have been determined to be applicable to any such claims, demands, suits, actions, losses, liabilities, expenses, penalties, fines, orders, judgments, injunctive or other relief, costs, damages, or administrative, enforcement or judicial proceedings. It is further agreed that the City does not, and shall not, waive any rights against the Contractor which they may have by reason of this indemnity and hold harmless agreement because of the acceptance by the City, or the deposit with the City by the Contractor, of any of the insurance policies described in this Agreement.

Section 7. INSURANCE. The Contractor shall carry and maintain for the duration of the term of this Agreement, such public liability, property damage and contractual liability, auto, worker's compensation and builders' risk insurance as required by the specifications.

Section 8. WORKERS' COMPENSATION CERTIFICATION. By execution of this Agreement, the Contractor certifies as follows:

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

Section 9. PERFORMANCE AND PAYMENT BONDS. The Contractor shall, before beginning said work for the Project, file two (2) bonds with the City, each made payable to the City. These bonds shall be issued by a surety company authorized to do business in the State of California and shall be maintained during the entire life of the Agreement at the expense of the Contractor. One bond shall be in the amount of one hundred percent (100%) of the Agreement and shall guarantee the faithful performance of the Agreement. The second bond shall be the payment bond required by California Civil Code Section 3247 et seq. and shall be in the amount of one hundred percent (100%) of the Agreement. Any alterations made in the specifications which are a part of this Agreement or in any provision of this Agreement shall not operate to release any surety from liability on any bond required hereunder and the consent to make such alterations is hereby given, and any surety on said bonds hereby waives the provisions of California Civil Code Sections 2819 and 2845.

Section 10. INDEMNIFICATION.

- 10.1 Contractor's Performance.** Contractor shall indemnify, defend with counsel selected by the City, and hold harmless City, its officers, agents, employees and representatives from and against any and all claims, losses, liabilities or damages, demands and actions, including payment of reasonable attorney's fees, arising out of or resulting from Services performed pursuant to this Agreement caused in whole or in part by any negligent or willful act or omission of Contractor, its officers, agents, employees, or anyone directly or indirectly acting on behalf of Contractor. The foregoing obligation of Contractor shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Contractor or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty

of Contractor to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

10.2 PERS Indemnification. In the event that Contractor or any employee, agent, or subcontractor of Contractor providing Services under this Agreement is determined by a court of competent jurisdiction of the California Public Employees Retirement System ("PERS") to be eligible for enrollment in PERS as an employee of City, Contractor shall indemnify, defend, and hold harmless City for the payment of any and all employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City, and any attorneys' fees and costs incurred by the City to enforce this Section.

10.3 No Limitation of Liability for Indemnification. The indemnities set forth in this Section shall not be limited by the insurance requirements set forth in the Contract.

Section 11. Nondiscrimination and Equal Opportunity. Contractor shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Contractor under this Agreement. Contractor shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Contractor thereby. Contractor shall include the provisions of this section in any subcontract approved by the City.

Section 12. AMENDMENTS. No modification or amendment of this Agreement is effective unless made in writing and signed by both the City and Contractor.

Section 13. ASSIGNMENT AND SUBCONTRACTING. Contractor shall not assign or transfer any interest in this Agreement without the prior written consent of the City.

Section 14. MISCELLANEOUS PROVISIONS.

14.1 Successors. This Agreement shall bind and inure to the heirs, devisees, assignees, and successors in interest of Contractor and to the successors in interest of Contractor in the same manner as if such parties had been expressly named herein. All times stated herein or in the contract documents are of the essence hereof. As used in this instrument the singular includes the plural, and the masculine includes the feminine and the neuter. This Agreement may create a possessory interest subject to property taxation, and Contractor may be subject to the payment of property taxes levied on such interest.

14.2 Contract Administration. This Agreement shall be administered by Kristine Courdy ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.

14.3 Notices. Any written notice to Consultant shall be sent to:

Patrick Mullen
B&M Builders, Inc.
11330 Sunrise Park Drive, Suite C
Rancho Cordova, CA 95742
Email Address: estimating@bm-builders.com

Any written notice to City shall be sent to:

Kristine Courdy
City of Rancho Cordova
Department of Public Works
2729 Prospect Park Drive
Rancho Cordova, CA 95670

14.4 IRS Form W-9. Contractor shall complete and submit Internal Revenue Service Form W-9 to the City before execution of this Agreement. The City's Finance Director shall have authority to waive this requirement.

14.5 Governing Law and Venue. The laws of the State of California shall govern this Agreement. Venue for any action regarding this Agreement shall be in the Superior Court of the County of Sacramento or in the United States District Court for the Eastern District of California.

14.6 Attorneys' Fees. If a Party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provisions of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that Party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

14.7 Severability. If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

14.8 No Implied Waiver of Breach. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

14.9 Survival. The obligations of this Agreement, which by their nature would continue beyond the term or expiration of this Agreement, including without limitation obligations regarding indemnification shall survive the term or expiration of this Agreement.

14.10 Entire Agreement. This Agreement, including the terms of payment attached hereto and incorporated herein as Exhibit A, and the Contract Documents as

referenced above in Section 1, of this Agreement, represents the entire and integrated Agreement between City and Contractor and supersedes all prior negotiations, representations, and Agreements regarding the subject matter of this Agreement, either written or oral.

IN WITNESS WHEREOF, the City Council and Contractor have caused this Agreement to be executed as of the day and year first above written.

CITY OF RANCHO CORDOVA:

CONTRACTOR:

Cyrus Abhar, City Manager

Patrick Mullen, President

Date

Date

Attest:

Stacy Leitner, CMC, City Clerk

Date

Approved as to Form:

Adam U. Lindgren, City Attorney

Date*Last revised June 23, 2022*

EXHIBIT A

CONTRACTOR BID

Refer to Attached Contractor Bid

BID SCHEDULE

The following quantities are approximate only and are given for the purpose of comparing proposals. The City does not expressly or by implication agree that the actual amount of work will correspond with quantities given herein, but reserves the right to increase or decrease the amount of any class or portion of the work as may be deemed necessary or advisable by the Director of Public Works. Payment will be based upon the actual quantities installed or constructed, unless otherwise specified. In the event that the product of a unit price and an estimated quantity does not equal the extended amount stated, the unit price will govern and the correct product of the unit price and the estimated quantity shall be deemed to be the amount bid.

KILGORE & INTERNATIONAL DRAINAGE REPAIR PROJECT					
CITY OF RANCHO CORDOVA					
BID SCHEDULE					
Item No.	Item Description	Quantity	Unit	Unit Price	Amount
1	Mobilization	1	LS	11,000	11,000
2	Traffic Control System	1	LS	19,000	19,000
3	Water Pollution Control	1	LS	3,000	3,000
4	Remove and Replace With 27" SD Pipe	300	LF	375	112,500
5	Connect to Existing Storm Drain Manhole	2	EA	3,000	6,000
6	Additional Excavation & Backfill (Contingency)	70	CY	275	19,250
7	Geogrid (Contingency)	800	SF	4	3,200
8	4" Hot Mix Asphalt	60	TON	240	14,400
9	2" Grind and Overlay	700	SY	42	29,400
10	Replace Traffic Detector Loop	1	EA	29,985	29,985
11	Traffic Striping and Pavement Markings	1	LS	20,950	20,950
	TOTAL OF BID PRICE \$	262,185. ⁰⁰			
	TOTAL BID PRICE IN WORDS	Two Hundred Sixty Eight Thousand Six			
	Hundred Eighty Five Dollars				

MEMORANDUM



ITEM 9.5.

DATE: September 6, 2022

TO: Honorable Mayor and Council Members

FROM: Micah Runner, Deputy City Manager
Albert Stricker, Public Works Director
Kristine Courdy, Senior Civil Engineer

SUBJECT: **A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT NO. 2022-165 WITH DEWBERRY ENGINEERS, INC. IN AN AMOUNT NOT TO EXCEED \$199,933.65 TO PREPARE THE CITYWIDE GATEWAY ENHANCEMENT PLAN**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would authorize the City Manager to execute Contract No. 2022-165 with Dewberry Engineers, Inc. in an amount not to exceed \$199,933.65 to prepare the Citywide Gateway Enhancement Plan.

BACKGROUND

The City of Rancho Cordova desires to have cohesive gateway entryways and corridors in the City that portray a sense of storytelling and placemaking. Rancho Cordova General Plan Action ID.2.3.2 recommends establishing a gateway program to create a sense of entry at key locations throughout the City and promote wayfinding throughout the community. Therefore, it is proposed to develop the Gateway Enhancement Plan to establish a guide and concept plan for enhancing the City's main entry points. The Gateway Enhancement Plan will focus on aesthetic improvements including signage, streetscapes and complete street elements. The scope of work includes community outreach to solicit feedback on the opportunities for enhancement, design concepts and the overall plan.

The City established an on-call short list of consultants for various engineering and environmental services in 2019 based on a competitive process. Six firms were short-listed based on their qualifications. Dewberry Engineer's Inc. has been selected as the most qualified firm to prepare the Gateway Enhancement Plan based on their project understanding, project approach, proposed project team, and experience delivering similar gateway enhancements in the City.

The proposed schedule is to initiate the plan in Fall 2022 with completion expected in Winter 2023.

FISCAL IMPACT AND FUNDING SOURCE

Funding to prepare the Citywide Gateway Enhancement Plan is approved from the FY 2022-23 Community Enhancement and Infrastructure Fund (CEIF).

ATTACHMENT(S)

1. Resolution
2. Contract No. 2022-165

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT NO. 2022-165 IN AN AMOUNT NOT TO EXCEED \$199,933.65 WITH DEWBERRY ENGINEERS, INC. TO PREPARE THE CITYWIDE GATEWAY ENHANCEMENT PLAN

WHEREAS, the City of Rancho Cordova desires to enter into Contract No. 2022-165 with Dewberry Engineers, Inc. in an amount not to exceed \$199,633.65 to prepare the Citywide Gateway Enhancement Plan that promotes a positive image and livability in the City; and

WHEREAS, the plan will be a guide for the enhancement of the City's main entry points, or gateways that focuses on aesthetic improvements including signage, streetscapes and complete street elements; and

WHEREAS, funding for this Project will consist of the FY2022-23 Community Enhancement and Infrastructure Fund; and

WHEREAS, the services will exceed the maximum amount the City Manager has the authorization to approve.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager to execute Contract No. 2022-165 with Dewberry Engineers, Inc. in the amount of \$199,633.65 in a form approved by the City Attorney to prepare the Citywide Gateway Enhancement Plan.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Donald Terry, Mayor

Stacy Leitner, CMC
City Clerk

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND
DEWBERRY ENGINEERS INC. DBA DEWBERRY | DRAKE HAGLAN FOR THE
GATEWAY ENHANCEMENT PLAN PROJECT**

THIS AGREEMENT for professional services is made by and between the City of Rancho Cordova, a California municipal corporation ("City"), and Dewberry Engineers Inc. dba Dewberry | Drake Haglan ("Professional") as of September 6, 2022.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Professional shall provide to City the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 Term of Services.** The term of this Agreement shall begin on the date first noted above and shall end on June 30, 2024, the date of completion specified in Exhibit A. Professional shall complete the work described in Exhibit A prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Professional to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.
- 1.2 Standard of Performance.** Professional shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Professional is engaged in the geographical area in which Professional practices its profession. Professional shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Professional's profession.
- 1.3 Assignment of Personnel.** Professional shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Professional shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 Time.** Professional shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.2 above and to satisfy Professional's obligations hereunder.

Section 2. COMPENSATION. City hereby agrees to pay Professional a sum not to exceed one hundred ninety-nine thousand nine hundred thirty-three dollars and sixty-five cents (\$199,933.65), notwithstanding any contrary indications that may be contained in Professional's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Professional's proposal, attached as Exhibit B, regarding the amount of compensation, the Agreement shall prevail. City shall pay Professional for services rendered pursuant to this Agreement

Last Revised January 2022

at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Professional for services rendered pursuant to this Agreement. Professional shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Professional shall not bill City for duplicate services performed by more than one person.

Professional and City acknowledge and agree that compensation paid by City to Professional under this Agreement is based upon Professional's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Professional. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Professional and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Professional shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Professional and each employee, agent, and subcontractor of Professional performing services hereunder, as well as a separate notice when the total number of hours of work by Professional and any individual employee, agent, or subcontractor of Professional reaches or exceeds 800 hours, which shall include an estimate of the time necessary to complete the work described in Exhibit A;
- The Professional's signature.

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Professional.

2.3 Final Payment. City shall make the final payment within sixty (60) days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.

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- 2.4 Total Payment.** City shall pay for the services to be rendered by Professional pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Professional in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Professional submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.

- 2.5 Hourly Fees.** Fees for work performed by Professional on an hourly basis shall not exceed the amounts shown on the fee schedule set forth in Exhibit B.

- 2.6 Reimbursable Expenses.** Reimbursable expenses, if any, are set forth in Exhibit B, and shall not exceed specified amount. Expenses not listed in Exhibit B are not chargeable to City. Reimbursable expenses are included in the total amount of compensation provided under this Agreement that shall not be exceeded.

- 2.7 Payment of Taxes.** Professional is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.

- 2.8 Payment upon Termination.** In the event that the City or Professional terminates this Agreement pursuant to Section 8, the City shall compensate the Professional for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Professional shall maintain adequate logs and timesheets in order to verify costs incurred to that date.

- 2.9 Authorization to Perform Services.** The Professional is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Professional shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Professional only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Professional's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

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Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Professional, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Professional and its agents, representatives, employees, and subcontractors. Professional shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the City. Professional shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Professional's bid. Professional shall not allow any subcontractor to commence work on any subcontract until Professional has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Professional shall maintain all required insurance listed herein for the duration of this Agreement.

- 4.1 Workers' Compensation.** Professional shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Professional. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative, Professional may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or the Professional, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

The requirement to maintain Statutory Worker's Compensation and Employer's Liability Insurance may be waived by the City upon written verification that Professional does not have any employees.

4.2 Commercial General and Automobile Liability Insurance.

- 4.2.1 General requirements.** Professional, at its own cost and expense, shall maintain commercial general liability insurance for the term of this Agreement in an amount not less than TWO MILLION DOLLARS (\$2,000,000.00) and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00). The commercial general liability and automobile

liability insurance shall be per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a commercial general liability insurance or an automobile liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 Minimum scope of coverage. Commercial general liability coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an “occurrence” basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition), Code 1 (any auto). No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. City and its officers, employees, agents, and volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of activities performed by or on behalf of Professional, including the insured’s general supervision of Professional; products and completed operations of Professional; premises owned, occupied, or used by Professional; and automobiles owned, leased, or used by the Professional. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the City and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.
- d. Any failure of Professional to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.

- e. An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

4.3 Professional Liability Insurance. Professional, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than TWO MILLION DOLLARS (\$2,000,000) covering the licensed professionals' errors and omissions.

4.3.1 Any deductible or self-insured retention shall not exceed \$150,000 per claim.

4.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

4.3.3 The following provisions shall apply if the professional liability coverages are written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Professional must provide extended reporting coverage for a minimum of five (5) years after completion of the Agreement or the work. The City shall have the right to exercise, at the Professional's sole cost and expense, any extended reporting provisions of the policy, if the Professional cancels or does not renew the coverage.
- d. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

4.4 All Policies Requirements.

4.4.1 Acceptability of insurers. All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.2 Verification of coverage. Prior to beginning any work under this Agreement, Professional shall furnish City with certificates of insurance and with original endorsements effecting coverage required herein. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

4.4.3 Subcontractors. Professional shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

4.4.4 Deductibles and Self-Insured Retentions. Professional shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.

During the period covered by this Agreement, only upon the prior express written authorization of Contract Administrator, Professional may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Professional procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

4.4.5 Waiver of Subrogation. Professional hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the entity for all work performed by the Professional, its employees, agents, and subcontractors.

4.4.6 Notice of Reduction in Coverage. In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Professional shall provide written notice to City at Professional's earliest possible opportunity and in no case later than five (5) days after Professional is notified of the change in coverage.

4.5 Remedies. In addition to any other remedies City may have if Professional fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Professional's breach:

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- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Professional to stop work under this Agreement or withhold any payment that becomes due to Professional hereunder, or both stop work and withhold any payment, until Professional demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 5. INDEMNIFICATION AND PROFESSIONAL'S RESPONSIBILITIES.

5.1 General Requirement. Professional shall indemnify, defend with counsel selected by the City, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Professional or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Professional shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Professional or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Professional to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Professional from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Professional acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

5.2 PERS Indemnification. In the event that Professional or any employee, agent, or subcontractor of Professional providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System ("PERS") to be eligible for enrollment in PERS as an employee of City, Professional shall indemnify, defend, and hold harmless City for the payment of any and all employee and/or employer contributions for PERS benefits on behalf of Professional or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City, and any attorneys' fees and costs incurred by the City to enforce this Section.

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- 5.3 **Design Professionals.** To the extent that the services under this Agreement include design professional services subject to California Civil Code Section 2782.8, as may be amended from time to time, Professional's duty to indemnify under Sections 5.1 and 5.2 shall only be to the maximum extent permitted by California Civil Code Section 2782.8.

Section 6. STATUS OF PROFESSIONAL.

- 6.1 **Independent Contractor.** At all times during the term of this Agreement, Professional shall be an independent contractor as defined in Labor Code Section 3353, and shall not be an employee of City. Nothing contained in this Agreement shall be construed to be inconsistent with the foregoing relationship or status. City shall have the right to control Professional only insofar as the results of Professional's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means and methods by which Professional accomplishes services rendered pursuant to this Agreement. Professional shall have no power or authority by this Agreement to bind the City in any respect. All employees and agents hired or retained by Professional are employees and agents of Professional and not of the City. The City shall not be obligated in any way to pay any wage claims or other claims made against Professional by any such employees or agents, or any other person resulting from performance of this Agreement.

Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Professional and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Professional shall not allow any employee, agent or subcontractor to become eligible for a claim for PERS benefits.

- 6.2 **Professional Not an Agent.** Except as City may specify in writing, Professional shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Professional shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Professional and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to, the California Building Code, the Americans with Disabilities Act, and any copyright, patent or trademark law. Professional's

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failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.

- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Professional and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** Professional represents and warrants to City that Professional and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Professional represents and warrants to City that Professional and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Professional and any subcontractors shall obtain and maintain valid Business Licenses from City during the term of this Agreement.
- 7.5 Nondiscrimination and Equal Opportunity.** Professional shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Professional under this Agreement. Professional shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Professional thereby.

Professional shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** City may cancel this Agreement at any time and without cause upon written notification to Professional.

Professional may cancel this Agreement upon thirty (30) days' written notice to City and shall include in such notice the reasons for cancellation.

In the event of termination, Professional shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Professional delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to

Professional or prepared by or for Professional or the City in connection with this Agreement.

- 8.2 Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Professional understands and agrees that, if City grants such an extension, City shall have no obligation to provide Professional with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Professional for any otherwise reimbursable expenses incurred during the extension period.
- 8.3 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.4 Assignment and Subcontracting.** City and Professional recognize and agree that this Agreement contemplates personal performance by Professional and is based upon a determination of Professional's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Professional. Professional may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Professional shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.
- 8.5 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Professional shall survive the termination of this Agreement.
- 8.6 Options upon Breach by Professional.** If Professional materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:
- 8.6.1** Immediately terminate the Agreement;
 - 8.6.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Professional pursuant to this Agreement;
 - 8.6.3** Retain a different Professional to complete the work described in Exhibit A not finished by Professional; or
 - 8.6.4** Charge Professional the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Professional pursuant to Section 2 if Professional had completed the work.

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Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Professional's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Professional prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Professional hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Professional agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties.
- 9.2 Professional's Books and Records.** Professional shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Professional pursuant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Professional to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a Party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that Party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either Party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Sacramento or in the United States District Court for the Eastern District of California.

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- 10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 **Use of Recycled Products.** Professional shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 **Conflict of Interest.** Professional may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Professional in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Professional shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Professional hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Professional was an employee, agent, appointee, or official of the City in the previous twelve months, Professional warrants that it did not participate in any manner in the forming of this Agreement. Professional understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and Professional will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Professional will be required to reimburse the City for any sums paid to the Professional. Professional understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

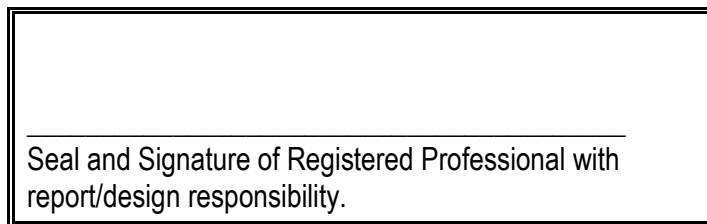
- 10.8 **Solicitation.** Professional agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

10.9 Contract Administration. This Agreement shall be administered by Kristine Courdy ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.

10.10 Notices. Any written notice to Professional shall be sent to:
Matt Satow, P.E., Vice President
Dewberry Engineers Inc. dba Dewberry | Drake Haglan
11060 White Rock Road, Suite 200
Rancho Cordova, CA 95670
(916) 231-0971
msatow@dewberry.com

Any written notice to City shall be sent to:
Kristine Courdy
Public Works Department
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
(916) 851-8842
kcourdy@cityofranchocordova.org

10.11 Professional Seal. Where applicable in the determination of the Contract Administrator or when required by law, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility," as in the following example.



10.12 Integration. This Agreement, including the scope of work attached hereto and incorporated herein as Exhibit A, and the compensation schedule attached hereto and incorporated herein as Exhibit B, represents the entire and integrated agreement between City and Professional and supersedes all prior negotiations, representations, or agreements, either written or oral.

10.13 IRS Form W-9. Professional shall complete and submit Internal Revenue Service Form W-9 to the City before execution of this Agreement. The City's Finance Director shall have authority to waive this requirement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above, which date shall be considered by the Parties to be the effective date of this Agreement.

CITY OF RANCHO CORDOVA

PROFESSIONAL

Cyrus Abhar, City Manager

Matt Satow, Vice President

Date: _____

Date: _____

Attest:

Stacy Leitner, CMC, City Clerk

Date: _____

Approved as to Form:

Adam U. Lindgren, City Attorney

EXHIBIT A

SCOPE OF SERVICES

Refer to Attached Proposal

RANCHO CORDOVA GATEWAY ENHANCEMENT PLAN PROPOSAL

PROJECT OVERVIEW AND PURPOSE

Develop a concept plan and guide for the enhancement of the City's main entry points, or gateways. Focus on aesthetic improvements including streetscape design and beautification. The project will implement the following elements of the General Plan.

Excerpt from Rancho Cordova General Plan, Urban Design Element

Gateways can be both the entrances into the City and into the individual districts and design techniques for public spaces that help a user identify where they are in the community and how to get around. They include a change in development character and style, as well as help promote a sense of place and community identity. Gateways should be developed at key entrances into the City and into districts as a way of establishing City and district identity. In any case, City identity takes precedence over district identity, such that entrances into the City are more pronounced than district entrances. Gateways should reinforce the unique character of the City and greet visitors to the City and welcome residents home. Wayfinding techniques such as landscaping, street design, and special signage also help users establish where they are and where they are going

Excerpt from Rancho Cordova General Plan, Action UD.2.3.2

Establish a gateway program to create a sense of entry at key locations throughout the City and promote wayfinding throughout the community. Use creative designs that respond to the character and history of the City to establish a sense of place, including gateway signage, streetscape design, site landscaping, and other features. Users should feel a sense of arrival and be welcomed to the City.

KEY GOALS IDENTIFIED

- Distinguish the city and its unique characteristics for visitors and residents
- Promote a sense of place and community identity
- Identify opportunities for the City to enhance aesthetics
- Define entry points and develop a vision, or theme, for each gateway
- Establish process and decision matrix to prioritize corridors
- Tie key elements of plan to future funding opportunities with a schedule of when the City would need to have those segments/elements ready to compete for the funding

POTENTIAL GATEWAY AND FOCUS CORRIDORS

- Bradshaw Road – Old Placerville Road to Folsom Boulevard, US 50
- Routier Road – Old Placerville Road to Folsom Boulevard
- Mather Field Road – International Drive to Folsom Boulevard, US 50 (Note: Coordinate w/ Mather Field Road Enhancements Project)
- Zinfandel Road – Douglas Boulevard to Folsom Boulevard, US 50 (Note: Coordinate w/ Zinfandel Pedestrian Overcrossing Project)
- Sunrise Boulevard – Folsom Boulevard to Coloma Road, US 50
- Sunrise Boulevard at Jackson Highway (Note: Coordinate w/ Sunrise Widening – Kiefer Boulevard to Jackson Highway Project)
- Folsom Boulevard – At Bradshaw Road and Hazel Avenue
- Rancho Parkway Interchange – US 50 (Note: Coordinate with Rancho Cordova Parkway Project)
- Old Placerville Road – Bradshaw Road to Routier Road
- Coloma Road (Note: Coordinate with Road Project).

SCOPE OF WORK

The following scope of work outlines tasks to be performed by the consultant team in support of the City.

Task 1: Project Management

Task 1.1 Project Kick-off Meeting

Dewberry will facilitate a project kick-off meeting with assistance by the City in setting up the appropriate team. The kick-off meeting will review major project objectives, milestones, and task delivery schedule as well as collect relevant background information from the City and determine need for revisions to scope and project survey. During the kick-off meeting we will also discuss and vet the public outreach plan and key stakeholders to be involved.

Task 1.2 Management Team Meetings and Coordination

Dewberry will communicate with the City project manager using telephone, email, and written correspondence throughout the term of the project, as needed. Monthly team meetings are essential to keeping a project on track, and scheduling a standing meeting is a key component of the Kick-Off. For each project team meeting, Dewberry will prepare the agenda, chair the meeting, develop an action item list, update the Schedule, and provide any project materials that need to be discussed during the meeting. Meeting minutes will be provided after each meeting. More frequent or focus meetings with Dewberry Project Manager and City staff may be necessary at different milestones of the project to resolve issues.

Task 1 Deliverables: Meeting Agendas, Meeting Minutes and Action Item List, Correspondence

Task 2 – Existing Conditions

The purpose of this task is to gather and document pertinent background information to inform the local context, history, and planning framework. The team will consult with City staff to identify and review critical guiding documents and applicable standards including but not limited to the General Plan, Zoning Code, Specific Plans, Special Planning Area plans, and Design Guidelines. These plans will help to communicate the character, identity, and vision of Rancho Cordova and its districts. This step is also important to ensure consistency and coordination with existing and past plans, and associated community input.

As part of this task, the consultant team will:

- Review and summarize City policies related to the city design guidelines, transportation, and parking.
- Conduct a site visit to review existing site conditions and photograph relevant areas of feasibility, opportunity, and constraint.
- Develop a set of existing conditions diagrams for the Gateway opportunity area including:
 - existing site conditions and connections,
 - visual corridors,
 - existing vegetation, and site elements,
 - existing vehicular access and pedestrian/bike access, and
 - seasonal activities.
- Develop precedent from similar projects in the region including successful similar spaces elsewhere.
- Develop historic research on the region and specific gateway corridors including historic photographs and areas of significance.
- Develop programmatic analysis diagrams that include the functional relationships of the gateway corridors.
- Develop base maps that incorporate technical features with other contextual information.

A summary of existing conditions will be provided which will include the local planning context and baseline gateway corridor characteristics. This information will be used to identify key issues and opportunities in Task 3.

Task 2 Deliverables: Summary of Existing Conditions, Digital Base Map of Existing Conditions

Task 3 - Community Outreach

Community outreach will consist of a combination of online and in-person engagement. The approach will include communitywide efforts as well as targeted stakeholder outreach. It is envisioned three rounds of outreach will be conducted at key milestones of the process.

Activities will include:

- Community workshop
- Pop-ups
- Online communitywide surveys and mapping tool
- Website
- City staff design charrette

For all outreach events and activities, we will prepare flyers, presentation materials and display graphics, sign-in sheets, comment cards, and handouts. In addition, we will prepare a summary of input after each event.

Task 3.1 Project Website

At the beginning of the project, Dewberry will develop a project website, or content to be housed on a webpage on the City's website. The website will provide an overview of the project and process, draft documents and graphics, links to surveys and other opportunities for input. We will update the project website as our work progresses. Dewberry will work with the City to establish a social media platform. If a separate website is desired, Dewberry proposes to use the ArcGIS Story Map platform. This GIS product allows us to embed our GIS layers into a project website allowing visitors to dive deeper into project mapping. All information to be posted on the website will be reviewed and approved by City staff.

Task 3.2 Round 1 Engagement – Initial Input on Gateway Issues, Opportunities, and Themes

This round of outreach will be conducted after Task 2. The purpose of the first round of outreach is to present initial findings, confirm project goals, opportunities and constraints, and precedent/historic imagery.

Three activities are proposed for this first round of community and stakeholder engagement.

1. Public Workshop (1) – One in-person workshop will be held at a central location, advertised and promoted communitywide. This workshop will include one or more interactive activities designed to capture a variety of ideas and goals that can be shared and evaluated as a group. Material and activities to present and gain feedback on include:
 - a. Summary of project goals and objectives
 - b. Historic research and narratives
 - c. Precedent image board and case studies
 - d. Opportunities / Constraints diagrams
 - e. Print-out of project precedent image boards
2. Online Survey with Mapping Tool – To supplement the in-person workshop, an online survey using the MetroQuest tool will be developed and deployed. The survey will include an interactive mapping tool. This survey will solicit the same feedback as the in-person public workshop.

Task 3.3 Round 2 Engagement – Feedback on Design Concept Alternatives and Improvement Locations

This round of outreach will be conducted after Task 4. The purpose of the second round of outreach is to facilitate feedback and preferences on alternative design concepts and improvement locations. To reach as broad an audience as possible Dewberry proposes the following approach.

- City Staff Workshop/Design Charrette – A focused workshop, or design charrette, will be held with City staff from different departments. This workshop will provide an opportunity to work collaboratively with different City staff on generating ideas, visioning, and developing concepts. Interested agency staff could be from departments such as Public Works, Community Development, Economic Development, City Manager's Office, and Housing. The consultant team will work with the City project manager to identify and invite the appropriate representatives.
- Pop-Ups at Community Events (3) – Consultant staff will attend up to three community events and host a booth with project information, displays, and interactive community feedback.
- Online Survey – Concurrent with the pop-up events, an online survey will be deployed and promoted using MetroQuest platform. The survey will offer the community another opportunity to provide input on various design concepts and improvement locations.

Task 3.4 Round 3 Engagement – Review Recommended Gateway Enhancement Plans and Recommendations

This round of outreach will be conducted after Task 6. The public will be presented with the draft enhancement plans for each gateway and ability to rank, or prioritize, the improvements.

- Post Online for Review and Feedback – The draft enhancement plans will be posted online for public review and feedback. An online survey will be provided using a simple online survey tool (Survey Monkey or ArcGIS Survey 123) for the public to comment on and rank, or prioritize, the improvements.
- Display at City Hall or Office Hours – Dewberry proposes to provide an option to display the draft enhancement plans at a central location with paper comment cards/simple survey to leave behind in a comment box. The display can be staffed by consultant or City staff during select hours and days over a week for public drop-ins and questions.
- City Council Presentation – The draft Enhancement Plans, along with a prioritization exercise, will be presented to the City Council for review and feedback.

Task 3 Deliverables: Website, Online Surveys, Survey Results, Flyers, Displays, Meeting and Presentation Materials, Sign-In Sheets, Outreach Summaries

Task 4 - Develop Design Concepts

Based on the feedback from Round 1 community outreach, data collection and analysis assumptions, the team will develop gateway enhancement concepts to be considered. The Concept Design task will illustrate the principal components for each gateway concept or gateway corridor concept. Up to eight concept designs will be developed that articulate different principal directions each gateway concept might take. The detail tasks for each concept design include:

- Develop illustrative concept design in plan view.
- Develop conceptual section or diagrams sufficient to communicate the design intent of each concept design.
- Develop one eye-level view of each concept design featuring key open spaces amenities and conditions for priority locations.
- Develop site program for landscape and functional components of each alternative.
- Develop materials, planting, road/curb and grading strategies.

Task 4 Deliverables: Gateway Improvement Concept Designs and Visuals

Task 5 - Develop Corridor Recommendations and Enhancement Plans

Based on City staff, community and stakeholder feedback received from the project's engagement activities in Round 2 Engagement, the consultant team will refine improvement concepts for each gateway. This will include development of the following:

- Conceptual level plans and layouts for each gateway
- 3D visuals and renderings for up to five locations
- Scoping document for each corridor with preliminary cost estimates
- Prioritization matrix for ranking and prioritizing improvements

The consultant team will provide the draft documents to City staff for review and feedback prior to Round 3 Engagement.

Task 5 Deliverables: Plans and Layouts, 3D Visuals, Scoping Documents, Prioritization Matrix

Task 6 - Prepare Draft and Final Plans

6.1 Draft Plan

Comments from the public, City Council, and City staff will be incorporated and final draft enhancement plans will be developed. The draft report will compile deliverables from Tasks 2-6 and will include the following elements:

- Introduction
- Existing Conditions
- Community and Stakeholder Engagement
- Recommendations and Gateway Enhancement Concept Plans
- Implementation

The Draft Plan will be provided to City staff for review and comments.

6.2 Final Plan

Edits to the draft plan will be made based on City staff input and a Public Draft will be developed for public and City Council review and input. The Public Draft will be released on the website and will be presented to the City Council at a regular meeting.

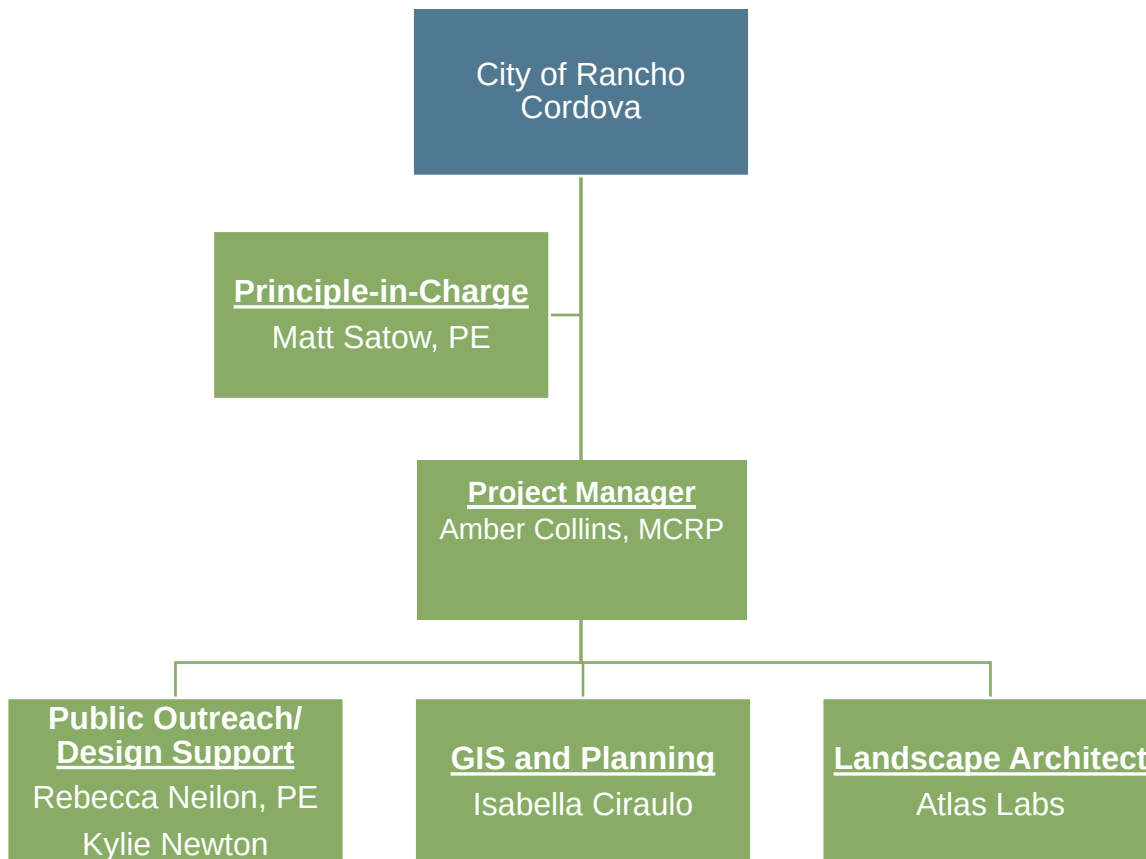
Public and City Council input will be incorporated into a Final Draft for City staff final review and approval. Any final comments from City staff will be addressed and a Final Plan will be completed.

Task 6 Deliverables: Draft Plan, Public Draft, Final Plan, City Council Presentation Materials

PROPOSED TEAM

At Dewberry, we recognize that our staff makes a project successful. We are committed to bringing you our most experienced, “hands-on” managers and technical staff for this contract. This team includes key personnel that are proficient in their area of specialization, with vast experience at coordinating effectively with regulatory agencies.

Organization Chart



PROJECT SCHEDULE

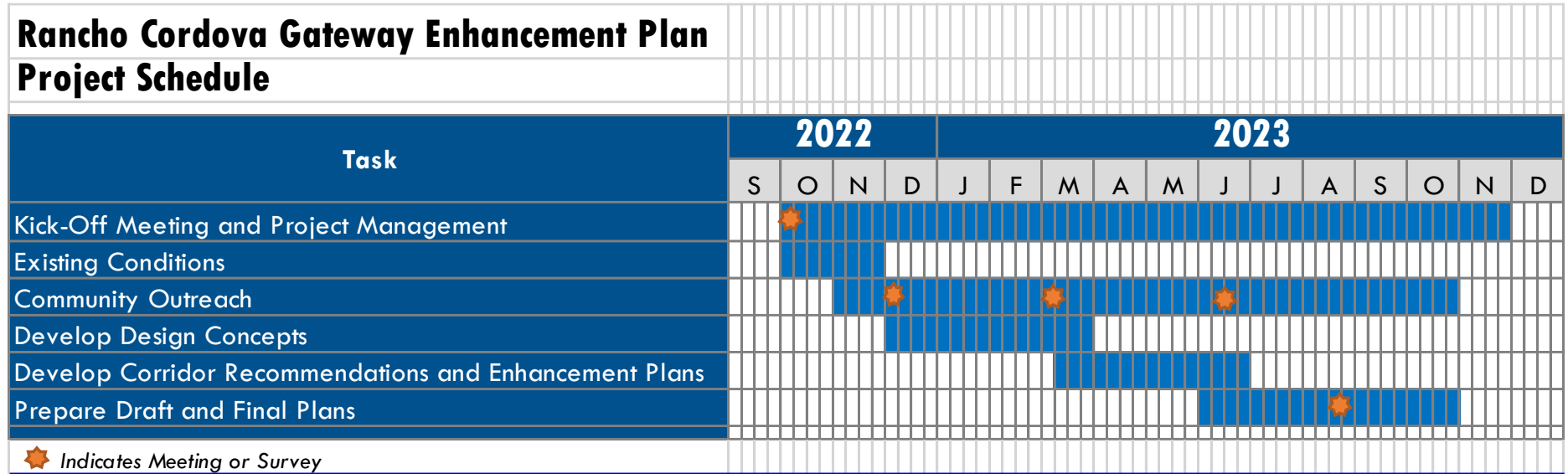


EXHIBIT B
COMPENSATION SCHEDULE

Refer to Attached Compensation Schedule

Rancho Cordova Gateway Enhancement Plan
City of Rancho Cordova



8/8/2022

		Dewberry		Atlas Labs		TOTAL	
		HOURS	COST	HOURS	COST	HOURS	COST
1.0	Project Management						
	Kick-off meeting	7	\$1,435.32	8	\$1,380.00	15	\$2,815
	Management Team Meetings and Coordination	64	\$11,148.40			64	\$11,148
	Total Task 1	71	\$12,583.72	8	\$1,380.00	79	\$13,964
2.0	Existing Conditions						
	Background Research and Data Collection	38	\$5,560.76	18	\$3,030.00	56	\$8,591
	Mapping of Corridor Characteristics	46	\$5,658.42	24	\$3,990.00	70	\$9,648
	Analysis and Summary of Existing Conditions	40	\$7,294.52	30	\$5,100.00	70	\$12,395
	Total Task 2	124	\$18,513.70	72	\$12,120.00	196	\$30,634
3.0	Community Outreach						
	Project Website	28	\$4,680.75			28	\$4,681
	Round 1 Engagement	107	\$16,377.03	8	\$1,380.00	115	\$17,757
	Round 2 Engagement	117	\$17,314.00	8	\$1,380.00	125	\$18,694
	Round 3 Engagement	50	\$7,362.19	8	\$1,380.00	58	\$8,742
	Total Task 3	302	\$45,733.96	24	\$4,140.00	326	\$49,874
4.0	Develop Design Concepts						
	Illustrative Concept Designs	28	\$5,728.31	90	\$13,500.00	118	\$19,228
	Conceptual Section or Diagrams	4	\$855.15	76	\$11,360.00	80	\$12,215
	3D Renderings	2	\$463.62	80	\$10,100.00	82	\$10,564
	Site Program and Strategies	1	\$231.81	72	\$12,720.00	73	\$12,952
	Total Task 4	35	\$7,278.88	318	\$47,680.00	353	\$54,959
5.0	Develop Corridor Recommendations and Enhancement Plans						
	Refine Concept Designs	13	\$2,813.35	72	\$10,170.00	85	\$12,983
	Scoping Documents	26	\$5,161.95	8	\$1,480.00	34	\$6,642
	Prioritization Matrix	20	\$4,142.91	24	\$4,140.00	44	\$8,283
	Total Task 5	59	\$12,118.21	104	\$15,790.00	163	\$27,908
6.0	Prepare Draft and Final Plans						
	Draft Plan	68	\$11,247.84	16	\$2,960.00	84	\$14,208
	Final Plan	29	\$4,907.35	8	\$1,480.00	37	\$6,387
	Total Task 6	97	\$16,155.18	24	\$4,440.00	121	\$20,595
TOTAL DIRECT LABOR HOURS		688	\$112,383.65	550	\$85,550.00	1,238	\$197,933.65
TOTAL OTHER DIRECT COST		\$2,000.00				\$2,000.00	
TOTAL PROJECT COST		\$114,383.65		\$85,550.00		\$199,933.65	

MEMORANDUM



ITEM 9.6.

DATE: September 6, 2022

TO: Honorable Mayor and Council Members

FROM: Quoc Nham, Senior Civil Engineer
Albert Stricker, Public Works Director

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, APPROVING THE FINAL MAP OF SUNRIDGE VILLAGE 3 SUBDIVISION NO. RC-03-027.03, AND AUTHORIZING THE CITY MANAGER TO EXECUTE SUBDIVISION IMPROVEMENT AGREEMENT CONTRACT NO. 2022-79 WITH CRESLEIGH HOMES CORPORATION**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would approve the Final Map of Sunridge Village 3 Subdivision No. RC-03-027.03, and Authorize the City Manager to Execute Subdivision Improvement Agreement Contract No. 2022-79 with Cresleigh Homes Corporation.

BACKGROUND

The map has been examined and checked for compliance with Title 22 of the City of Rancho Cordova Municipal Code and the California Subdivision Map Act. The City Council approved the Tentative Subdivision Map on April 17, 2006. A copy of the final map, Attachment 3, and copy of the vicinity map, Attachment 4, are included with this letter.

Roads are offered for dedication with this subdivision. Cresleigh Homes Corporation has provided a performance and labor and material bond guaranteeing the construction of the public improvements. MSA Engineering has waived the requirement for a bond to guarantee payment for setting the survey monuments with the subdivision. The soil report requirement has been satisfied by Youngdahl Consulting Group dated July 2015.

There are no delinquent taxes against the property and the Tax Collector has so certified. The 2021/2022 estimated taxes have been secured by the Sacramento County Tax Collector.

FISCAL IMPACT AND FUNDING SOURCE

There is no fiscal impact to the City.

ATTACHMENT(S)

1. Resolution
2. Subdivision Improvement Agreement Sunridge Village 3
3. Final Map Sunridge Village 3
4. Vicinity Map Sunridge Village 3

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, APPROVING THE FINAL MAP OF SUNRIDGE VILLAGE 3 SUBDIVISION NO. RC-03-027.03, AND AUTHORIZING THE CITY MANAGER TO EXECUTE SUBDIVISION IMPROVEMENT AGREEMENT CONTRACT NO. 2022-79 WITH CRESLEIGH HOMES CORPORATION

WHEREAS, the City Council approved the Tentative Subdivision Map on April 17, 2006, per Resolution No. 55-2006; and

WHEREAS, the map is in substantial compliance with the approved tentative map; and

WHEREAS, the conditions of approval have been complied with; and

WHEREAS, the map complies with Title 22 of the City of Rancho Cordova municipal code and the California Subdivision Map Act; and

WHEREAS, the approval of final maps is exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Regulation Section 15268(b)(3) as a ministerial approval; and

WHEREAS, the City desires to enter into a subdivision improvement agreement with the developer to ensure necessary public improvements are completed and secured with a bond.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does approve the Final Map of Sunridge Village 3 Subdivision No. RC-03-027.03 and does authorize the City Manager to execute Subdivision Improvement Agreement Contract No. 2022-79 with Cresleigh Homes Corporation, in a form approved by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Stacy Leitner, CMC
City Clerk

Donald Terry, Mayor

SUBDIVISION IMPROVEMENT AGREEMENT**SUNRIDGE VILLAGE 3
SUBDIVISION NO. RC-03-027.03**

THIS SUBDIVISION IMPROVEMENT AGREEMENT (hereinafter, "Agreement") entered into this _____ day of _____, 20__, by and between the City of Rancho Cordova, (hereinafter "City"), a California municipal corporation, and **Cresleigh Homes Corporation**, a California corporation (hereinafter "Principal").

RECITALS

WHEREAS, Section 66462 of the Government Code provides that if the work of improvement required therein is not completed prior to the acceptance of a final subdivision map, the owner of the subdivision may enter into an agreement with the City to perform the work of improvement as required by said sections in consideration of the acceptance of said final subdivision map by the City; and

WHEREAS, Section 66499 of the Government Code requires that said agreement be secured by a surety bond or by an instrument of credit issued by a financial institution subject to regulation by the State or federal governments or by a cash deposit; and

WHEREAS, Section 66499.3 establishes the types and amount of security to guarantee the performance of any such improvement agreement; and

WHEREAS, City and Principal desire to enter into an improvement agreement as authorized by the Subdivision Map Act under the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual promises, conditions and covenants hereinafter set forth, City and Principal agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are hereby incorporated by reference.
2. **Findings and Conditions of Subdivision Map.** Principal recognizes that approval of its subdivision was subject to the findings and conditions attached to such approval and hereby acknowledges and agrees to be bound by such findings and conditions.
3. **City Approval of Subdivision Map.** City agrees to approve the final map of the subdivision presented to it by Principal and designated **Sunridge Village 3 Subdivision No. RC-03-027.03** and to accept on behalf of the public all lands, rights of way and easements therein offered in dedication, in accordance with the conditions hereinafter set forth.

4. **Completion of Improvements.** In consideration of such approval, Principal agrees to complete the work of improvement required for said subdivision in accordance with the requirements of the Rancho Cordova Municipal Code and such standard specifications created by applicable City ordinances or resolutions which are in effect at the time of the installation of said improvements. The work required may lie within or outside the subdivision and must be completed within **24** months of the date of this Agreement.

5. **Payment For Services.** Principal further agrees to promptly pay, when due, all costs for plan checking, inspection services and material testing performed by City pursuant to the requirements of Sections 12.03.210 et. seq. of the Rancho Cordova Municipal Code.

6. **Acceptance of Improvements.** Upon satisfactory completion of all public improvements in accordance with standard specifications created by City ordinances or resolutions which are in effect at the time of the installation of said improvements, City agrees to accept for maintenance the work of improvement within the dedicated parcels shown on said final subdivision map, and any off site easements granted, subject to the provisions of paragraph 8 hereof. Acceptance will be postponed until such time the City determines a public purpose exists. Public Purpose is defined as existence of habitable structures within the subdivision.

7. **Notice of Commencement of Work.** Principal shall notify the City Engineer in writing (email is sufficient) of the commencement of the work of improvements.

8. **Correction of Defects.** Principal agrees to remedy any defects in the improvement arising from faulty or defective construction of said improvements occurring within twelve months after acceptance thereof by City.

9. **Indemnity.** Principal shall indemnify and hold harmless with counsel selected by the City, the City of Rancho Cordova, its agents, officers, consultants, and employees ("City") from any and all loss, damage or liability arising out of or resulting from Principal's performance or non-performance of his duties and obligations under this Agreement, or from the negligent act or omission of himself, his agents, servants and employees. Principal shall, at his own cost and expense, defend any and all actions, suits, or legal proceedings arising out of or resulting from the performance or nonperformance of this Agreement, that may be brought or instituted against the City, its officers and employees, on any such claim or demand, and pay or satisfy any judgment that may be rendered against the City in any such action, suit or legal proceedings, or result thereof, regardless whether caused in part by a party indemnified hereunder.

10. Extension of Completion Date. If the construction of the work or improvement should be delayed without fault of Principal, the time for completion thereof may be extended by City for such period of time as City may deem reasonable.

11. Improvement Security. (a) Principal shall obtain and furnish to City an improvement security consisting of a surety bond in favor of City, issued by a corporate surety authorized to do business in the State of California, and in form approved by City, securing the faithful performance by Principal of the work of improvement required, and also securing the payment of the costs and interest, if any, due under Sections 12.030.210 et seq. of the Rancho Cordova Municipal Code, as provided in Paragraph 5 herein and an additional bond issued by a corporate surety authorized to do business in the State of California, in the amount of not less than 50 percent of the total estimated cost of the improvement, securing payment to contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement.

(b) In lieu of said corporate surety bonds, Principal may furnish an improvement security consisting of a letter of credit, certificate of deposit, or similar instrument of credit, in form satisfactory to City, issued by a financial institution subject to regulation by the State or Federal government, pledging that the funds necessary to meet the performance required herein are on deposit, and guaranteed for payment on demand. Said letter of credit, certificate of deposit, or similar instrument of credit shall provide that the funds designated therein shall become trust funds for the purposes set forth in said instrument.

(c) The failure of Principal to commence the required work of improvements, or to complete the same within the time required after commencement thereof, shall entitle City to the full payment of the security, or so much thereof as may be necessary to complete the required work of improvement. The amount of the surety bond for faithful performance shall be in the sum of **\$240,531.50 (Two Hundred Forty Thousand Five Hundred Thirty-One Dollars and Fifty Cents)**. The amount of the surety bond for the payment of the claims of the contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement shall be at least 50 percent of the above amount. The letter of credit, certificate of deposit or similar instrument of credit, or cash deposit for faithful performance, shall be in the above amount plus an additional 50 percent for the purposes set forth herein.

12. Improvement Security As Condition Precedent. The furnishing of the improvement security by Principal as required by paragraph 11 hereof shall be a condition precedent to acceptance by City of the above described real property and the performance by

the City of the covenants herein on its part to be performed.

13. Inspection of Work In Progress. (a) Principal may request The City Engineer to inspect the work as it progresses. If the work performed is found to be in accordance with the requirements of City, it may be accepted as it progresses and a partial refund of the cash deposit, or a release pro tanto of the faithful performance bond, letter of credit, certificate of deposit or similar instrument of credit shall be made in a sum in the same ratio to the total deposit as the work accepted bears to the total work to be done. No refund in excess of 85 percent of the total amount of the improvement security for faithful performance shall be made until all the work has been completed and accepted.

(b) The determination of the Administrator of Public Works of City as to the amount of work done, and the amount of refund or partial release pro tanto, shall be final and conclusive. When the work of improvement is accepted, 10 percent of the improvement security shall be retained to guarantee faithful performance of the provisions of paragraph 8 of this Agreement.

(c) Improvement security given to secure payment to contractor, his subcontractors and to persons renting equipment or furnishing labor or materials for the work of improvement may, six months after completion and acceptance of the work, be reduced to an amount not less than the total of all claims on which an action has been filed, and notice thereof given in writing to City, and if there are no actions filed, such improvement security may be released in full.

14. Execution By Real Party In Interest. Where title to the subdivision property is held by the record owner thereof under a holding Agreement, this Agreement and the bond given pursuant thereto must be executed by the real party or parties in interest.

15. Waiver of Civil Code Section 2819. Any extension of time hereunder shall not operate to release the surety on the bond filed pursuant to this Agreement. In this connection the surety waives the provisions of Section 2819 of the Civil Code of the State of California.

16. City Construction of Improvements. In the event that all or any portion of the works of improvement contemplated herein are proposed to be constructed by street improvement proceedings under the control of City, the undertaking of such proceedings shall in no way relieve Principal of any duties under this Agreement, except where all of the works of improvement that are required under this Agreement have in fact been constructed and accepted by City.

17. Interest. Interest shall accrue at the highest rate permitted by law on all sums from the date payment is due under the terms of this Agreement and the sum due is certain or

reasonably capable of being made certain.

18. Attorneys' Fees. In the event that it is necessary for the City to enforce the obligations secured by the improvement security furnished pursuant to Paragraph 11 hereof, the City shall be entitled to recover its costs and reasonable expenses and fees, including reasonable attorneys' fees, as provided for in Government Code Section 66499.4.

19. Amendments. This Agreement may be modified or amended, or any of its provisions waived, only by a subsequent written agreement executed by the parties hereto.

20. Entire Agreement. This Agreement and any attachments hereto constitute the sole, final, complete, exclusive and integrated expression and statement of the terms and conditions of this Agreement among the parties hereto concerning the subject matter addressed herein, and supercedes all prior negotiations, representations or agreements, oral or written, that may be related to the subject matter of this Agreement.

21. Construction and Interpretation. It is agreed and acknowledged by the Principal that the provisions of this Agreement have been arrived at through negotiation, and that the Principal has had a full and fair opportunity to revise the provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

22. Successors and Assigns. This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

23. Time. Time is of the essence in the performance of each and every term of this Agreement.

SIGNATURE PAGE FOLLOWING

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth above, which date shall be considered by the Parties to be the effective date of this Agreement.

CITY OF RANCHO CORDOVA,
California Municipal Corporation

Cresleigh Homes Corporation
California Corporation

Cyrus Abhar, City Manager

Deana Ellis, Vice President Land Resources

Date: _____

Date: _____

ATTEST:

Stacy Leitner, CMC, City Clerk

FINAL MAP OF SUBDIVISION NO. RC-03-027.03
SUNRIDGE VILLAGE 3

BEING ALL OF PARCEL 3 OF BOOK 230 OF PARCEL MAPS, PAGE 3 AND
ALSO BEING PORTIONS OF FRACTIONAL SECTIONS 9 AND 16, TOWNSHIP 8
NORTH, RANGE 7 EAST, M.D.M
CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, CALIFORNIA



SEPTEMBER 2022
SHEET 1 OF 6

OWNER'S STATEMENT

THE UNDERSIGNED HEREBY CONSENTS TO THE PREPARATION AND RECORDATION OF THIS MAP OF SUNRIDGE VILLAGE 3. THE REAL PROPERTY DESCRIBED BELOW IS DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES. THE UNDERSIGNED OFFERS FOR DEDICATION AND DOES HEREBY DEDICATE TO ANY AND ALL PUBLIC USES TO THE PUBLIC RANCHO CORDOVA PARKWAY, AURA WAY, SOLIS WAY, MIRTH WAY, BRILLIANT WAY, TANE WAY, ARJUNA WAY AND PEAK COURT SHOWN HEREON AND ALSO OFFERS FOR DEDICATION AND DOES HEREBY DEDICATE TO SPECIFIC PURPOSES THE FOLLOWING:

- (A) EASEMENTS FOR PLANTING AND MAINTAINING TREES, INSTALLATION AND MAINTENANCE OF ELECTROLIERS, TRAFFIC CONTROL DEVICES, WATER AND GAS PIPES, AND FOR UNDERGROUND ELECTRIC, TELEPHONE, AND CABLE TELEVISION SERVICES, TOGETHER WITH ANY AND ALL APPURTENANCES PERTAINING THERETO ON, OVER, UNDER AND ACROSS ALL OF LOT 'G', LOT 'H', LOT 'J' AND THOSE STRIPS OF LAND 12.5 FEET AND 23.5 FEET IN WIDTH LYING CONTIGUOUS TO BORDERLANDS DRIVE, AURA WAY, SOLIS WAY, MIRTH WAY, BRILLIANT WAY, TANE WAY, ARJUNA WAY AND PEAK COURT SHOWN HEREON, AND DESIGNATED AS PUBLIC UTILITY EASEMENT (P.U.E.).
- (B) AN EASEMENT FOR CONSTRUCTING AND MAINTAINING CENTRALIZED MAIL DELIVERY BOXES, PEDESTALS, SLABS, TOGETHER WITH ANY AND ALL APPURTENANCES PERTAINING THERETO INCLUDING PEDESTRIAN ACCESS FOR DELIVERY AND RECEIPT OF MAIL ON, OVER, UNDER AND ACROSS STRIPS OF LAND FIVE FEET IN WIDTH, LYING CONTIGUOUS TO THE BORDERLANDS DRIVE, AURA WAY, SOLIS WAY, MIRTH WAY, BRILLIANT WAY, TANE WAY, ARJUNA WAY AND PEAK COURT SHOWN HEREON.
- (C) RIGHTS-OF-WAY AND EASEMENTS FOR THE INSTALLATION AND MAINTENANCE OF A PEDESTRIAN WALKWAY, TOGETHER WITH ANY AND ALL APPURTENANCES PERTAINING THERETO ON, OVER, UNDER AND ACROSS LOT 'G', LOT 'J', LOT 'H', THAT 10 FOOT STRIP OF LAND OVER LOTS 75 AND 76, AND THAT STRIP OF LAND 13.5 FEET IN WIDTH LYING CONTIGUOUS TO BORDERLANDS DRIVE SHOWN HEREON AND DESIGNATED "PEDESTRIAN EASEMENT" (P.E.). THE MAINTENANCE AND REPAIR OF THE WALKWAY SHALL BE THE RESPONSIBILITY OF THE PROPERTY OWNER.
- (D) AN EASEMENT FOR LANDSCAPING AND ALL APPURTENANCES PERTAINING THERETO LYING ON, OVER AND ACROSS LOT 'G', LOT 'J', LOT 'H' AND THAT STRIP OF LAND 13.5 FEET IN WIDTH LYING CONTIGUOUS TO BORDERLANDS DRIVE SHOWN HEREON AND DESIGNATED "LANDSCAPING EASEMENT" (L.E.), SAID STRIPS TO BE KEPT OPEN AND FREE FROM BUILDINGS. THE MAINTENANCE AND REPLANTING OF THE LANDSCAPE STRIP SHALL BE THE RESPONSIBILITY OF THE PROPERTY OWNER.

CRESLEIGH HOMES CORPORATION, A CALIFORNIA CORPORATION

BY: Robert Walter
PRINT NAME: Robert Walter
TITLE: Sr. Vice President

NOTARY'S ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CA)
COUNTY OF Placer) SS
ON August 10, 2022 BEFORE ME,
Danielle Wingfield A NOTARY PUBLIC, PERSONALLY
APPEARED Robert Walter WHO PROVED TO ME ON

THE BASIS OF

SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL:

SIGNATURE: Danielle Wingfield
NOTARY PRINTED NAME: Danielle Wingfield
MY PRINCIPAL PLACE OF BUSINESS IS Placer COUNTY.
MY NOTARY COMMISSION NO. 2335368
MY COMMISSION EXPIRES ON: October 13, 2024

SURVEYOR'S STATEMENT

THIS MAP OF SUNRIDGE VILLAGE 3 WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF CRESLEIGH HOMES CORPORATION, A CALIFORNIA CORPORATION IN JULY, 2006. I HEREBY STATE THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP. I HEREBY STATE THAT ALL THE MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED. THE MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.

DATE August 4, 2022
MICHAEL S. COSTA LS 6600
EXPIRATION DATE: DECEMBER 31, 2022



CITY ENGINEER'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS PLAT OF SUNRDIGE VILLAGE 3 AND FIND IT TO BE SUBSTANTIALLY THE SAME AS THE TENTATIVE MAP APPROVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, AND ANY APPROVED ALTERATIONS THEREOF; THAT ALL PROVISIONS OF THE SUBDIVISION MAP ACT AND ALL APPLICABLE CITY ORDINANCES HAVE BEEN COMPLIED WITH.

CITY ENGINEER, ALBERT STRICKER
R.C.E. 64057
EXPIRATION DATE: 09/30/2022

DATE

CITY SURVEYOR'S STATEMENT

I HEREBY STATE THAT I AM SATISFIED THAT THIS FINAL MAP IS TECHNICALLY CORRECT.

LAND SURVEYOR, CYRUS E. ABHAR
P.L.S. 7723
EXPIRATION DATE: 12/31/2022

DATE

CITY CLERK'S STATEMENT

I HEREBY STATE THAT THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA HAS APPROVED THIS MAP OF SUNRIDGE VILLAGE 3 AND HAS ACCEPTED ON BEHALF OF THE PUBLIC ALL RIGHTS-OF-WAYS AND EASEMENTS, AND ALL RIGHTS-OF-WAYS SHOWN HEREON AS THE PUBLIC ROAD, WAYS, AND COURTS TOGETHER WITH ANY AND ALL APPURTENANCES PERTAINING THERETO, SUBJECT TO THE IMPROVEMENT THEREOF.

DATE
CLERK OF THE CITY COUNCIL
CITY OF RANCHO CORDOVA, CALIFORNIA

RECORDER'S STATEMENT

FILED THIS ____DAY OF ____, 20__, AT ____ M. IN BOOK ____OF MAPS AT PAGE ____AT THE REQUEST OF MSA A CBG COMPANY, TITLE TO THE LAND INCLUDED IN THIS FINAL MAP BEING VESTED AS PER CERTIFICATE No. ____ ON FILE IN THIS OFFICE.

FILE No. _____

DONNA ALLRED, COUNTY RECORDER

BY: _____
COUNTY RECORDER DEPUTY

NOTES

- ALL CURVES DIMENSIONED WITH RADIUS, LENGTH, DELTA, CHORD BEARING AND DISTANCE.
- ALL DISTANCES SHOWN HEREON ARE EXPRESSED IN FEET AND DECIMALS THERE OF.
- DUE TO ROUNDING THE SUM OF THE INDIVIDUAL DIMENSIONS MAY NOT EQUAL THE OVERALL DIMENSION.
- TOTAL AREA OF THIS "SUNRIDGE VILLAGE 3" SUBDIVISION CONTAINS 20.050 ACRES GROSS MORE OR LESS, CONSISTING OF 81 RESIDENTIAL LOTS.
- ALL REAR LOT CORNERS AND ANGLE POINTS WILL BE SET WITH A 5/8" REBAR WITH A PLASTIC CAP STAMPED "LS 6600". WHERE MONUMENTS FALL ADJACENT TO A RETAINING WALL, SOUNDWALL OR CONCRETE FOOTING A 5/8" REBAR WITH A PLASTIC CAP STAMPED "LS 6600" WILL BE SET ON THE SIDE LOT LINE 2.00' FROM THE REAR LOT CORNER OR A BRASS TAG STAMPED "LS 6600" WILL BE SET WITH EPOXY TO THE FACE OF THE WALL TWO (2) FEET ABOVE THE GROUND WHERE AN OFFSET MONUMENT CANNOT BE SET.
- A 1-5/32" BRASS DISK STAMPED "LS 6600" WILL BE SET IN THE SIDEWALK ON THE PRODUCTION OF THE SIDE LOT LINES 1.00' FOOT FROM THE PROPERTY CORNER OR 1.00 OR 10.00' OFFSET FROM THE THE FRONT CORNER ON THE SIDE LOT LINE.
- A SOUNDWALL IS ADJACENT TO LOTS 1 THROUGH 9 AND LOT 'G'.
- LOTS 'G', 'H' AND 'J' WILL BE GRANTED TO THE CITY OF RANCHO CORDOVA BY SEPARATE INSTRUMENT.

FINAL MAP OF SUBDIVISION NO. RC-03-027.03
SUNRIDGE VILLAGE 3

BEING ALL OF PARCEL 3 OF BOOK 230 OF PARCEL MAPS, PAGE 3 AND
ALSO BEING PORTIONS OF FRACTIONAL SECTIONS 9 AND 16, TOWNSHIP 8
NORTH, RANGE 7 EAST, M.D.M.
CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, CALIFORNIA



a **cbg** company

ROSEVILLE (916) 788-4456

WWW.MSA-CBG.COM

CIVIL ENGINEERS SURVEYORS PLANNERS

SCALE: 1" = 80' SEPTEMBER 2022

SHEET 2 OF 6

LINE TABLE		
LINE #	BEARING	DISTANCE
L201	N89°35'04"E(1)(2)	40.95'(1)(2)
L202	N3°39'02"W(1)(2)	4.00'(1)(2)
L203	N0°44'24"W(1)(2)	3.80'(1)(2)
L204	N89°15'36"E(1)(2)	40.00'(1)(2)
L205	N0°44'24"W(1)(2)	11.46'(1)(2)
L206	N8°03'17"W(1)(2)	4.00'(1)(2)
L207	N6°18'03"E(1)(2)	4.00'(1)(2)
L208	N84°50'46"W(1)(2)	40.00'(1)(2)
L209	N1°55'31"E(1)(2)	4.00'(1)(2)

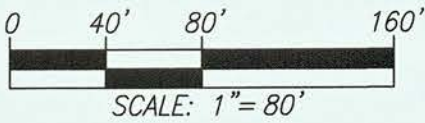
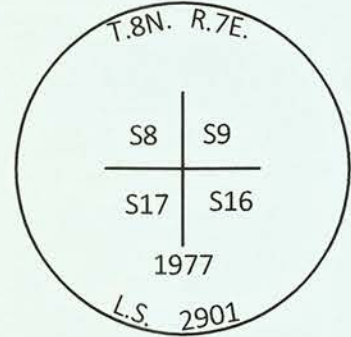
CURVE TABLE					
CURVE #	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C201	2.06'(1)(2)	31.00'(1)(2)	3°48'37"(1)(2)	N87°40'46"E	2.06'
C202	57.71'(1)(2)	1022.00'(1)(2)	3°14'07"(1)(2)	N87°58'01"E	57.70'
C203	32.43'(1)(2)	20.00'(1)(2)	92°54'38"(1)(2)	N47°11'43"W	28.99'
C204	28.86'(1)(2)	20.00'(1)(2)	82°41'07"(1)(2)	N40°36'09"E	26.42'
C205	30.90'(1)(2)	20.00'(1)(2)	88°31'39"(1)(2)	N39°26'07"W	27.92'
C206	2.16'(1)(2)	380.00'(1)(2)	0°19'32"(1)(2)	N4°59'28"E	2.16'
C207	30.29'(1)(2)	20.00'(1)(2)	86°46'18"(1)(2)	N48°32'22"E	27.48'
C302	46.81'	31.00'	86°30'32"	N42°31'12"E	42.48'

BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS MAP IS THE WEST LINE OF FRACTIONAL SECTION 9, TOWNSHIP 8 NORTH, RANGE 7 EAST, M.D.M., AS SHOWN ON BOOK 326 OF MAPS, AT PAGE 5, OFFICIAL RECORDS OF SACRAMENTO COUNTY AND ESTABLISHED BY FOUND MONUMENTS SHOWN HEREON. THE BEARING IS N0°44'24"W.

BASIS OF BEARINGS

FOUND 2-1/2" SAC. CO. DEPT. OF PUBLIC WORKS BRASS DISK IN CONCRETE MARKED AS SHOWN



SEE SHEET 1 FOR NOTES

SUNRIDGE VILLAGE 2
409 B.M. 8

RANCHO CORDOVA PARKWAY

N0°44'04"W 932.30'(1)

N0°44'04"W 583.47'

LOT G

AURA WAY

MIRTH WAY

BRILLIANT WAY

SHEET 4

SHEET 5

PEAK COURT

TANE WAY

ARJUNA WAY

SUNRIDGE PARK VILLAGE NO. 8A

350 B.M. 3

LEGEND

- ...FOUND MONUMENT AS NOTED
- ...FOUND SECTION CORNER AS NOTED
- ...SET 5/8" REBAR WITH A PLASTIC CAP STAMPED "LS 6600"
- ...SET 3/4" IRON PIPE WITH PLASTIC PLUG STAMPED "LS 6600"
- ...DIMENSION POINT NOTHING FOUND NOTHING SET
- [] ...RECORD BEARING AND DISTANCE
- B.M. ...BOOK OF MAPS
- P.M. ...PARCEL MAP
- P.U.E. ...PUBLIC UTILITY EASEMENT
- P.E. ...PEDESTRIAN EASEMENT
- L.E. ...LANDSCAPE EASEMENT
- OA ...OVERALL
- S.F. ...SQUARE FEET
- O.R. ...OFFICIAL RECORDS OF SACRAMENTO COUNTY
- R.S. ...RECORD OF SURVEY

REFERENCE

- (1) ...230 P.M. 3
- (2) ...409 B.M. 8
- (3) ...350 B.M. 3

FOUND T-BAR WITH TAG STAMPED "RCE 7543" AT NORTHWEST CORNER OF 12 R.S. 39 DESTROYED DURING CONSTRUCTION

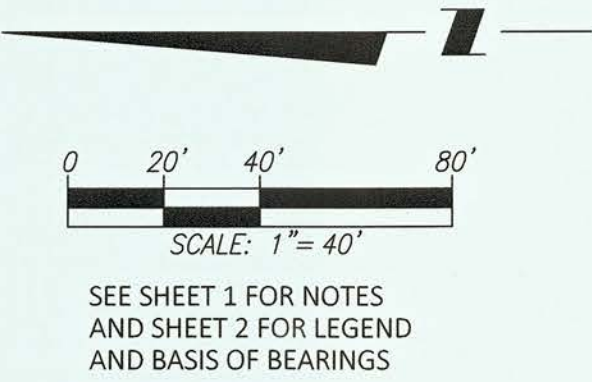
FOUND 1-1/4" IRON PIPE WITH PLUG STAMPED "LS 7944"

FINAL MAP OF SUBDIVISION NO. RC-03-027.03
SUNRIDGE VILLAGE 3
BEING ALL OF PARCEL 3 OF BOOK 230 OF PARCEL MAPS, PAGE 3 AND
ALSO BEING PORTIONS OF FRACTIONAL SECTIONS 9 AND 16, TOWNSHIP 8
NORTH, RANGE 7 EAST, M.D.M
CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, CALIFORNIA

msa
CIVIL ENGINEERS

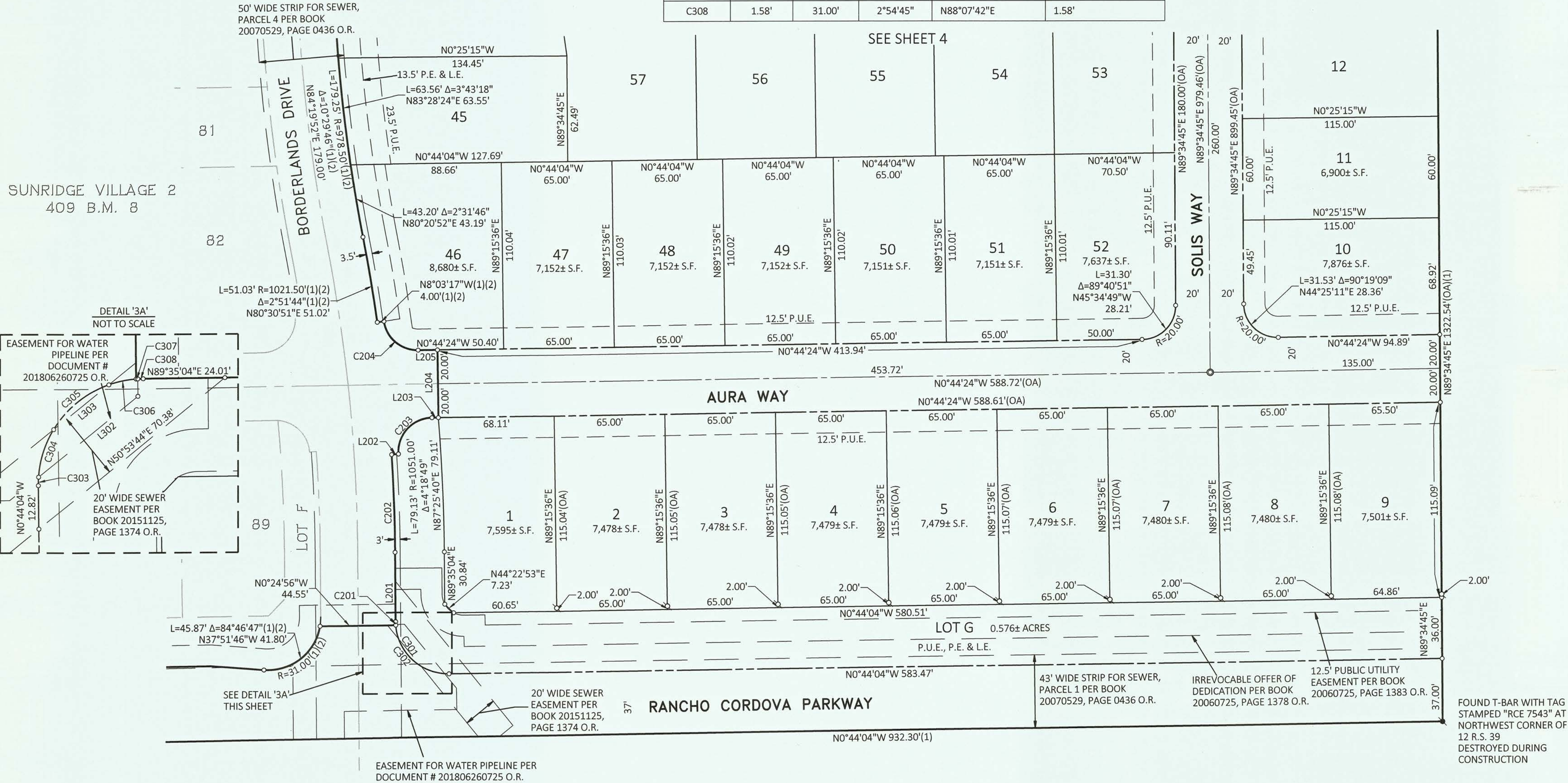
a cbg company
ROSEVILLE (916) 788-4456
WWW.MSA-CBG.COM
SURVEYORS
PLANNERS

SCALE: 1" = 40' SEPTEMBER 2022
SHEET 3 OF 6



CURVE TABLE					
CURVE #	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C201	2.06'(1)(2)	31.00'(1)(2)	3°48'37"(1)(2)	N87°40'46"E	2.06'
C202	57.71'(1)(2)	1022.00'(1)(2)	3°14'07"(1)(2)	N87°58'01"E	57.70'
C203	32.43'(1)(2)	20.00'(1)(2)	92°54'38"(1)(2)	N47°11'43"W	28.99'
C204	28.86'(1)(2)	20.00'(1)(2)	82°41'07"(1)(2)	N40°36'09"E	26.42'
C301	48.87'	31.00'	90°19'08"	N44°25'30"E	43.96'
C302	46.81'	31.00'	86°30'32"	N42°31'12"E	42.48'
C303	2.51'	31.00'	4°37'50"	N1°34'51"E	2.50'
C304	14.79'	31.00'	27°19'49"	N17°33'41"E	14.65'
C305	21.28'	31.00'	39°20'17"	N50°53'44"E	20.87'
C306	8.23'	31.00'	15°12'35"	N78°10'10"E	8.21'
C307	0.49'	31.00'	0°53'52"	N86°13'23"E	0.49'
C308	1.58'	31.00'	2°54'45"	N88°07'42"E	1.58'

LINE TABLE		
LINE #	BEARING	DISTANCE
L201	N89°35'04"E(1)(2)	40.95'(1)(2)
L202	N3°39'02"W(1)(2)	4.00'(1)(2)
L203	N0°44'24"W(1)(2)	3.80'(1)(2)
L204	N89°15'36"E(1)(2)	40.00'(OA)(1)(2)
L205	N0°44'24"W(1)(2)	11.46'(1)(2)
L301	N0°24'56"W	5.12'
L302	N50°53'44"E	37.59'
L303	N50°53'44"E	20.87'



FINAL MAP OF SUBDIVISION NO. RC-03-027.03
SUNRIDGE VILLAGE 3

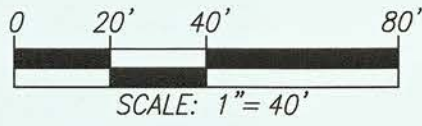
BEING ALL OF PARCEL 3 OF BOOK 230 OF PARCEL MAPS, PAGE 3 AND
ALSO BEING PORTIONS OF FRACTIONAL SECTIONS 9 AND 16, TOWNSHIP 8
NORTH, RANGE 7 EAST, M.D.M
CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, CALIFORNIA



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CIVIL ENGINEERS SURVEYORS PLANNERS

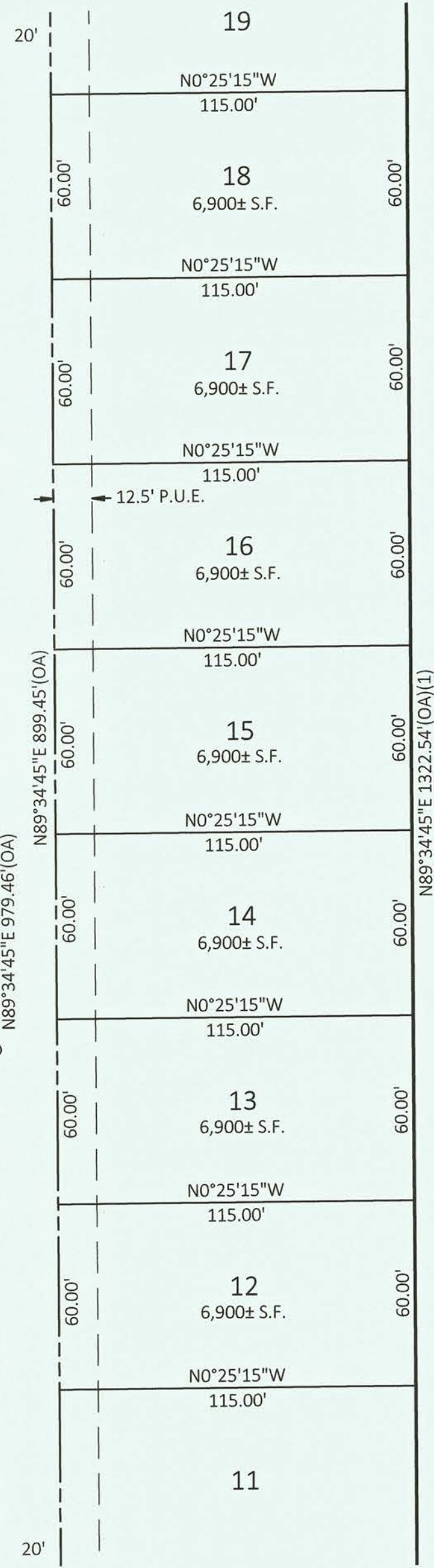
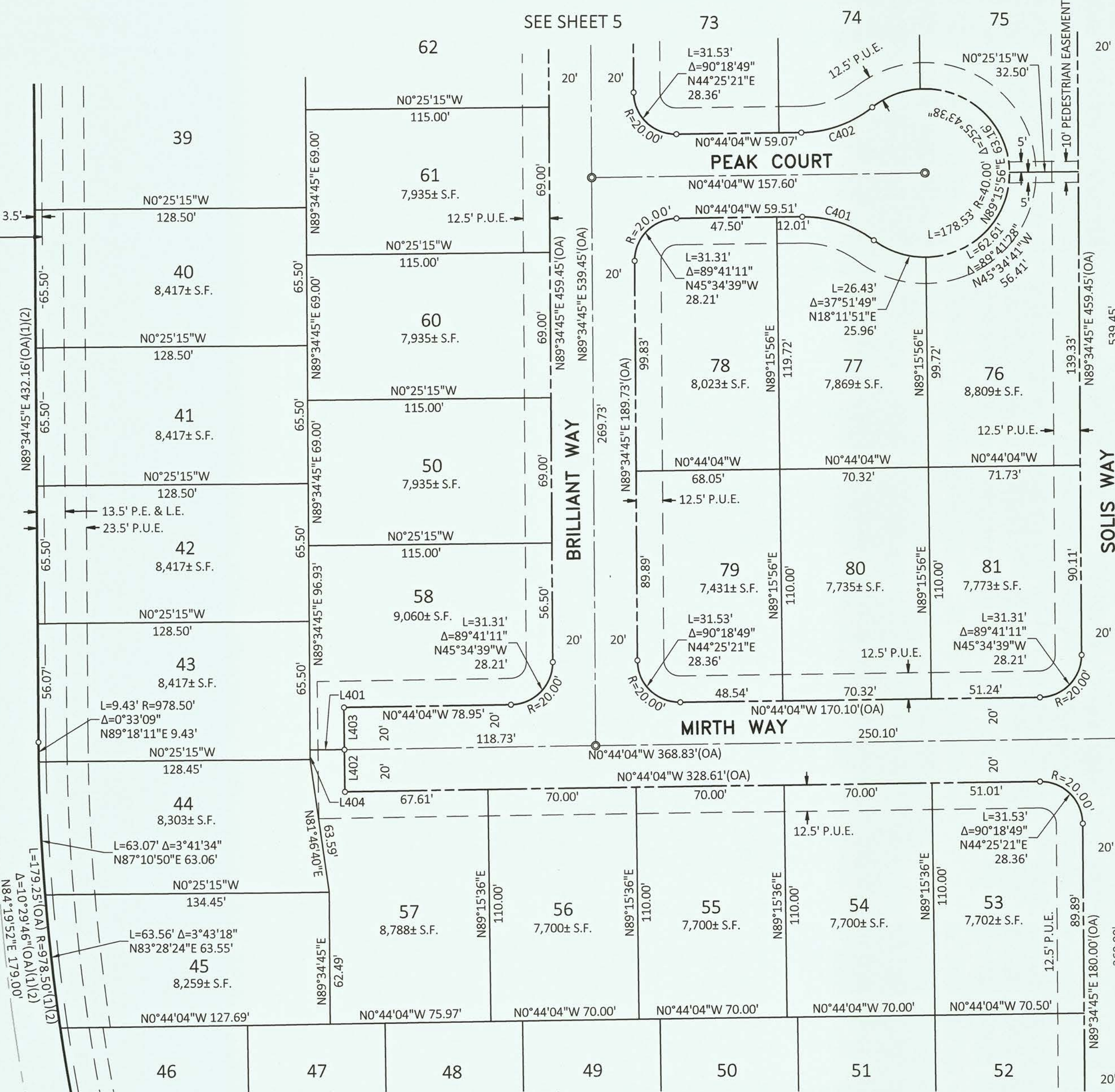
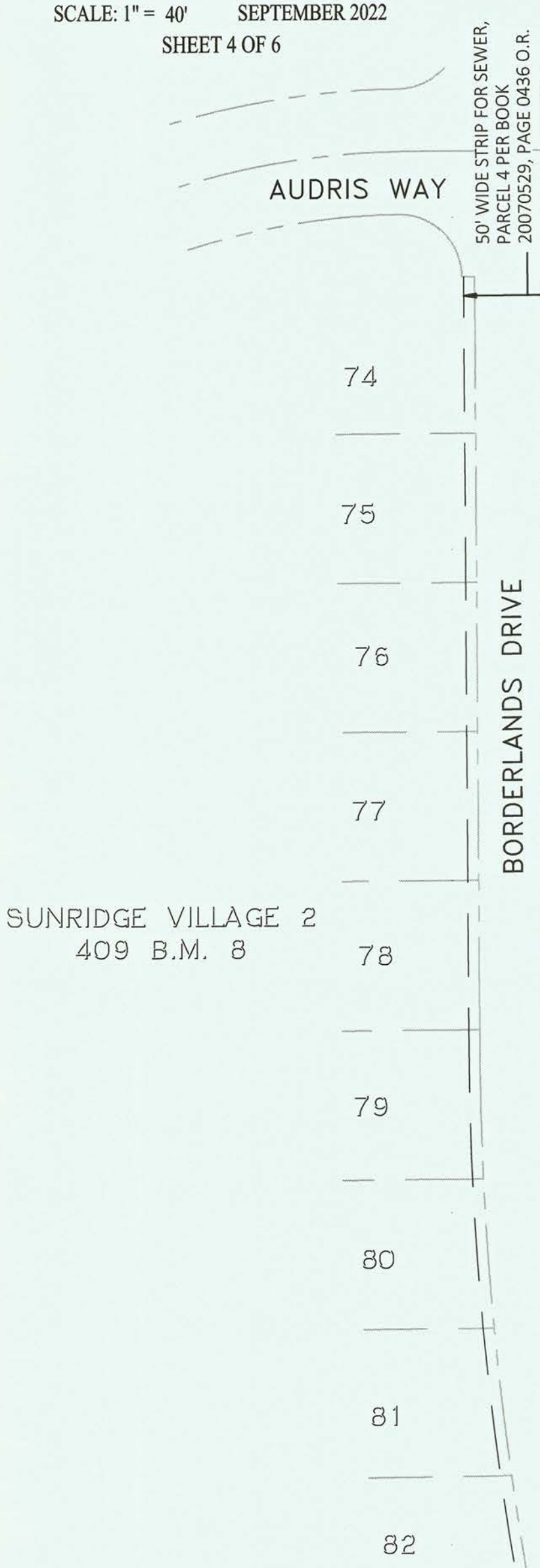
SCALE: 1" = 40' SEPTEMBER 2022
SHEET 4 OF 6



SEE SHEET 1 FOR NOTES
AND SHEET 2 FOR LEGEND
AND BASIS OF BEARINGS

CURVE TABLE					
CURVE #	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C401	36.35'	55.00'	37°51'49"	N18°11'51"E	35.69'
C402	36.35'	55.00'	37°51'49"	N19°39'59"W	35.69'

LINE TABLE		
LINE #	BEARING	DISTANCE
L401	N0°25'15"W	16.27'
L402	N89°15'56"E	20.00'
L403	N89°15'56"E	20.00'
L404	N89°34'45"E	4.56'



FINAL MAP OF SUBDIVISION NO. RC-03-027.03
SUNRIDGE VILLAGE 3

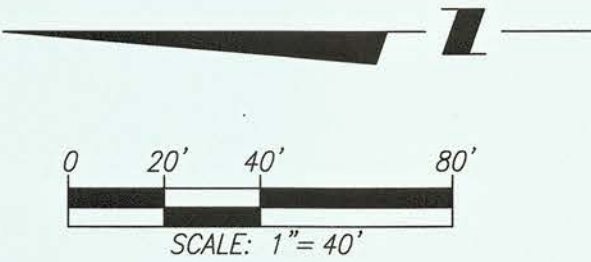
BEING ALL OF PARCEL 3 OF BOOK 230 OF PARCEL MAPS, PAGE 3 AND
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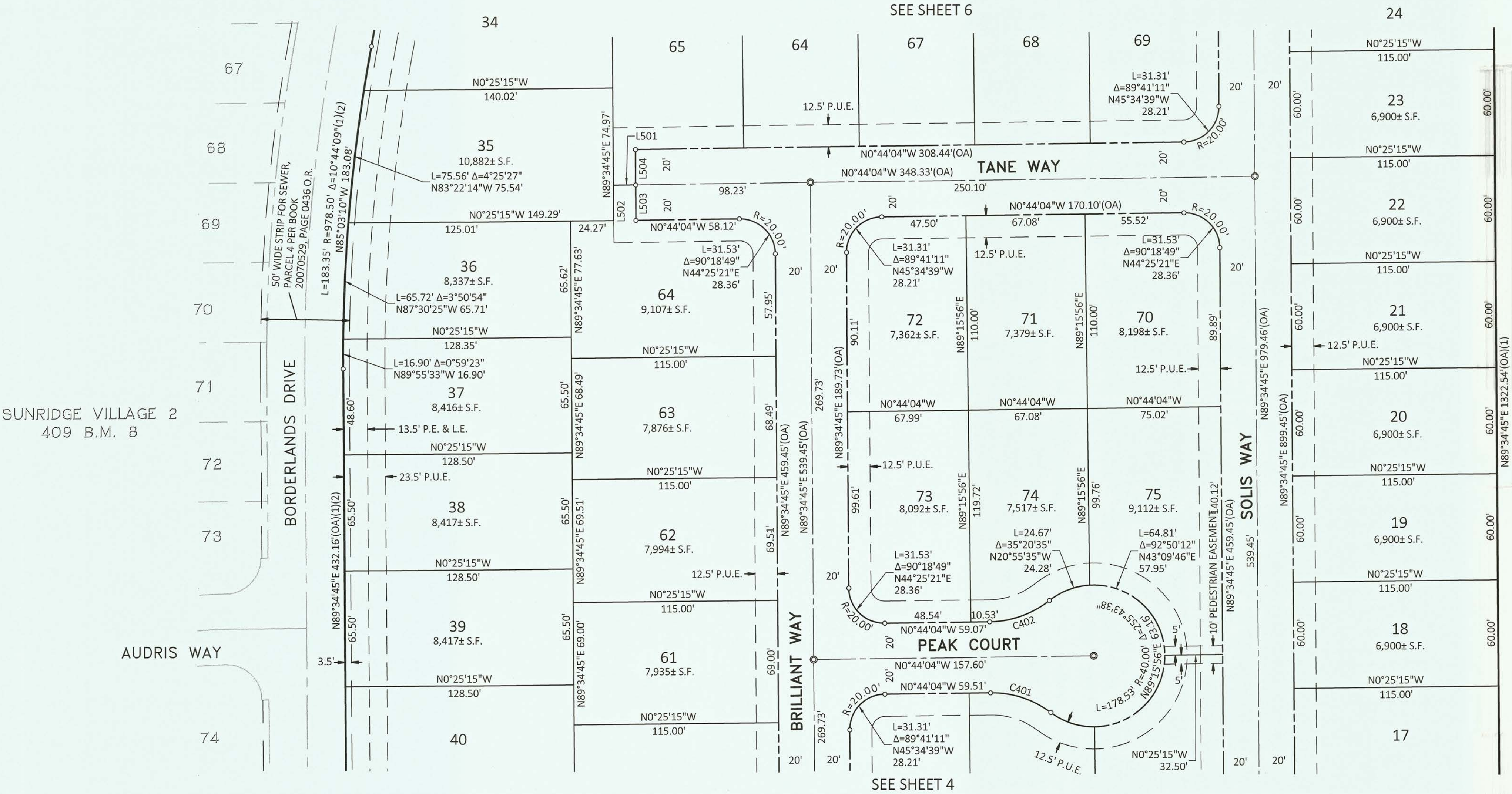
SCALE: 1" = 40' SEPTEMBER 2022
SHEET 5 OF 6



SEE SHEET 1 FOR NOTES
AND SHEET 2 FOR LEGEND
AND BASIS OF BEARINGS

CURVE TABLE					
CURVE #	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C401	36.35'	55.00'	37°51'49"	N18°11'51"E	35.69'
C402	36.35'	55.00'	37°51'49"	N19°39'59"W	35.69'

LINE TABLE		
LINE #	BEARING	DISTANCE
L501	N0°25'15"W	12.50'
L502	N89°34'45"E	20.00'
L503	N89°34'45"E	20.00'
L504	N89°34'45"E	20.00'



SEE SHEET 4

FINAL MAP OF SUBDIVISION NO. RC-03-027.03
SUNRIDGE VILLAGE 3

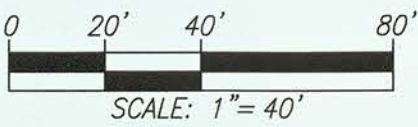
BEING ALL OF PARCEL 3 OF BOOK 230 OF PARCEL MAPS, PAGE 3 AND
ALSO BEING PORTIONS OF FRACTIONAL SECTIONS 9 AND 16, TOWNSHIP 8
NORTH, RANGE 7 EAST, M.D.M
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CIVIL ENGINEERS SURVEYORS PLANNERS

SCALE: 1" = 40' SEPTEMBER 2022
SHEET 6 OF 6

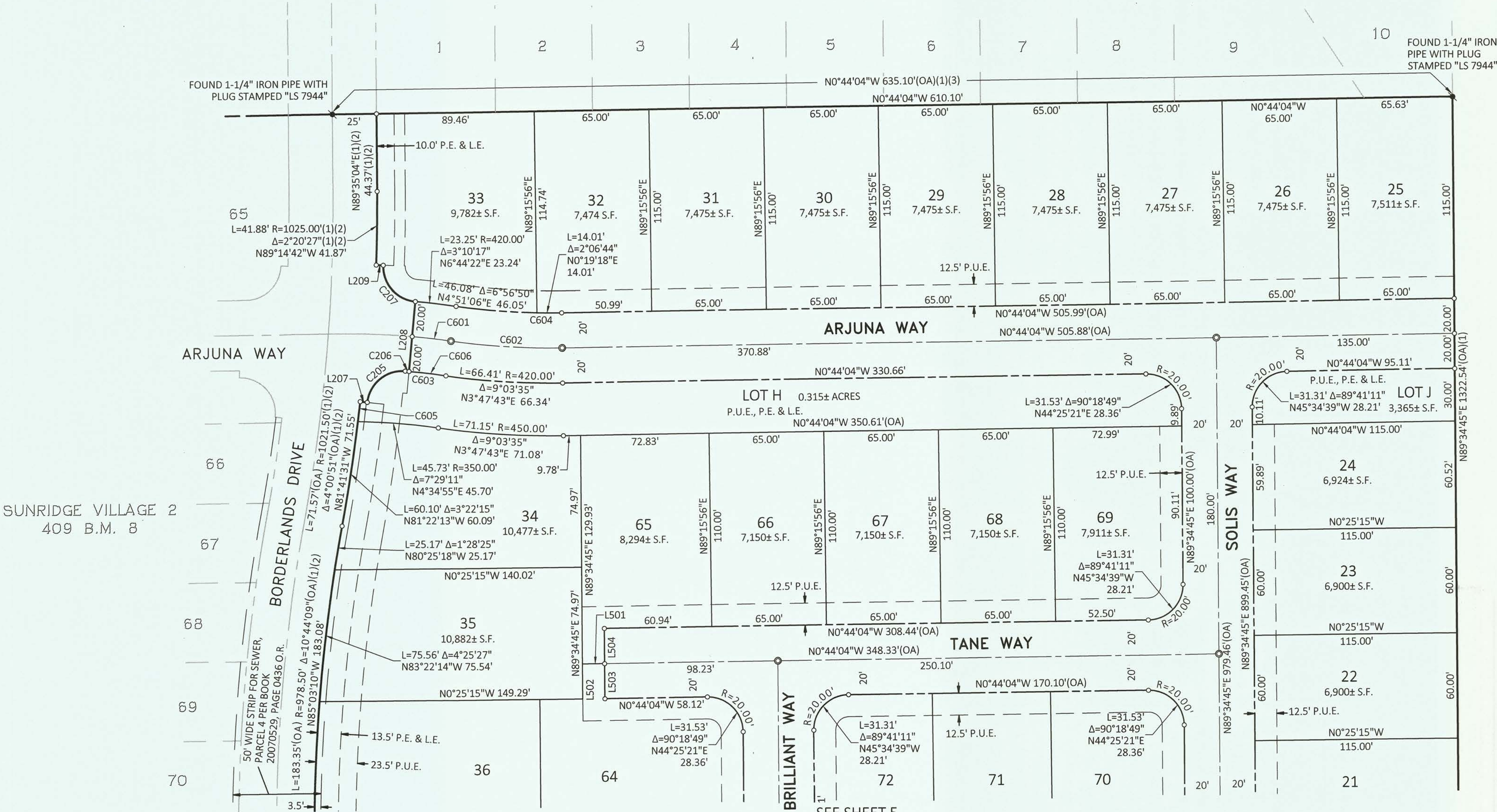


SEE SHEET 1 FOR NOTES
AND SHEET 2 FOR LEGEND
AND BASIS OF BEARINGS

CURVE TABLE					
CURVE #	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C205	30.90'(1)(2)	20.00'(1)(2)	88°31'39"(1)(2)	N39°26'07"W	27.92'
C206	2.16'(1)(2)	380.00'(1)(2)	0°19'32"(1)(2)	N4°59'28"E	2.16'
C207	30.29'(1)(2)	20.00'(1)(2)	86°46'18"(1)(2)	N48°32'22"E	27.48'
C601	22.14'	400.00'	3°10'17"	N6°44'22"E	22.14'
C602	63.25'	400.00'	9°03'35"	N3°47'43"E	63.18'
C603	23.19'(OA)	380.00'	3°29'49"(OA)	N6°34'36"E	23.19'
C604	60.09'(OA)	380.00'	9°03'35"(OA)	N3°47'43"E	60.02'
C605	11.47'	1021.50'	0°38'36"	N83°22'39"W	11.47'
C606	21.03'	380.00'	3°10'17"	N6°44'22"E	21.03'

LINE TABLE		
LINE #	BEARING	DISTANCE
L207	N6°18'03"E(1)(2)	4.00'(1)(2)
L208	N84°50'46"W(1)(2)	40.00'(1)(2)
L209	N1°55'31"E(1)(2)	4.00'(1)(2)
L501	N0°25'15"W	12.50'
L502	N89°34'45"E	20.00'
L503	N89°34'45"E	20.00'
L504	N89°34'45"E	20.00'

SUNRIDGE PARK
VILLAGE NO. 8A
350 B.M. 3



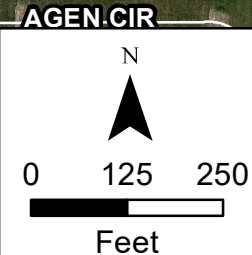
SEE SHEET 5

ITEM 9.6.



FINAL MAP OF SUNRIDGE VILLAGE 3 SUBDIVISION NO. RC-03-027.03

ATTACHMENT 4



Aerial Photo Date: March 2018

MEMORANDUM



ITEM 9.7.

DATE: September 6, 2022

TO: Honorable Mayor and Council Members

FROM: Elizabeth Sparkman, Community Development Director
Dalia Fadl, Principal Engineer

SUBJECT: **A RESOLUTION APPROVING THE ANNEXATION OF A PORTION OF THE RANCH PROJECT TO THE CITY OF RANCHO CORDOVA COMMUNITY FACILITIES DISTRICT NO. 2018-2 (COMMUNITY PLACES AND NEIGHBORHOOD GREENS)**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would approve the revised Annexation Map No. 3 for a portion of The Ranch project to Community Facilities District No. 2018-2 (Community Places and Neighborhood Greens) (hereinafter "CFD No. 2018-2") and approves the re-recording of the Annexation Boundary Map and the Notice of Special Tax Lien.

BACKGROUND

On August 6, 2018, the City adopted a Resolution of Intention to establish a Community Facilities District (CFD) and Future Annexation Area for citywide maintenance of community places and neighborhood greens. The special tax contributes to the cost of the operation and maintenance of public improvements including community plazas, neighborhood greens, and regional trails. On September 17, 2018, the City adopted the resolution forming CFD No. 2018-2 pursuant to the Mello-Roos Community Facilities Act of 1982 (State of California Government Code Section 5311 et seq.) (the "Act"). The action defining the Future Annexation Area for the District provided for a more efficient process for the annexation of property when the property owners have provided unanimous consent. Defining the future annexation area provided the resolution of intention, noticing, and public hearing for the entire future annexation area so these steps do not need to be repeated for each annexation.

The annexation process for projects within the future annexation area is streamlined to receiving a petition and waiver from the property owner(s), the City Council approving the Annexation Boundary Map by resolution, followed by the recording of the Annexation Boundary Map and Notice of Special Tax Lien by the City Clerk.

DISCUSSION

The project included in this action was conditioned to annex to CFD No. 2018-2 to provide funding for maintenance of community places and neighborhood greens, including community plazas and bicycle trails, and to pay for the capital replacement of said facilities. The property owners signed a unanimous approval of the annexation to CFD No. 2018-2. On November 15, 2021, the City Council adopted a Resolution approving Annexation Boundary Map No. 3 for the project and directing the City Clerk to execute and record the Annexation Boundary Map and Notice of Special Tax Lien for the project.

Subsequently, errors with the parcel numbers on the previously recorded documents triggered the need to revise the Annexation Boundary Map and associated Notice of Special Tax Lien (NSTL). The attached Resolution, once approved, will replace the previously adopted Resolution such that the corrected Annexation Boundary Map and NSTL will be re-recorded. The property owners also resigned the corrected unanimous approval documents.

FISCAL IMPACT AND FUNDING SOURCE

There is no impact to the General Fund.

ATTACHMENT(S)

1. Resolution
2. Exhibit A to the Resolution - Annexation Boundary Map
3. Exhibit B to the Resolution - Notice of Special Tax

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, APPROVING THE BOUNDARY MAP FOR A PORTION OF THE RANCH PROJECT ANNEXATION TO THE CITY OF RANCHO CORDOVA COMMUNITY FACILITIES DISTRICT NO. 2018-2 (COMMUNITY PLACES AND NEIGHBORHOOD GREENS)

WHEREAS, the Conditions of Approval for The Ranch project requires the property owner/applicant to participate in the provision of funding to provide fair share maintenance of Community Places and Neighborhood Greens associated with the project; and

WHEREAS, on August 6, 2018, the City adopted a Resolution of Intention to establish Community Facilities District No. 2018-2 (Community Places and Neighborhood Greens) (the "District") and Future Annexation Area for maintenance of community places and neighborhood greens. On September 17, 2018, the City adopted a Resolution forming CFD No. 2018-2 pursuant to the Mello-Roos Community Facilities Act of 1982 (State of California Government Code Section 5311 et seq.) (the "Act"); and

WHEREAS, the action defining the Future Annexation Area for the District provided for a more efficient process for the annexation of property when the property owners have provided for their unanimous consent such that the annexation process for projects within the Future Annexation Area has been reduced to receiving a petition, consent and waiver from the property owner(s); and

WHEREAS, the property owner(s) executed a unanimous approval form which irrevocably consents to and votes in favor of the annexation of the property to the District and the levy of the special tax on the property to finance the services of the CFD in accordance with the Rate and Method of the District; and

WHEREAS, in the case of annexation proceedings, pursuant to Streets and Highways Code Section 3110.5 a separate map of the area proposed to be annexed is required to be prepared and adopted; and

WHEREAS, City staff has caused to be prepared Annexation Boundary Map No. 3 for a portion of the property known as The Ranch project, Exhibit A attached hereto, for the annexation of the property to CFD No. 2018-2 (Community Places and Neighborhood Greens).

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, as follows:

1. The Council so finds and determines the above recitals are true and correct.
2. Council approves the amended Annexation Boundary Map No. 3 and finds and determines that the territory shown in the amended Annexation Boundary Map is hereby added to and made a part of the District with full legal effect.
3. The City Clerk is directed to execute and record the amended Annexation Boundary Map No. 3 in the office of the County Recorder of Sacramento County no later than 15 days after the adoption of this resolution.
4. The City Council finds and determines that a special tax shall be levied within the

ITEM 9.7.

ATTACHMENT 1

Territory to be annexed and which special tax shall be the same as the tax to be levied within the District. Collection of said tax shall commence in Fiscal Year 2022-2023, and the rate and method of apportionment of said tax shall be as set forth in the Resolution of Formation of the District.

5. The City Clerk is directed to execute and re-record an amended Notice of Special Tax Lien in substantially the same form as shown in Exhibit B attached hereto, in the office of the County Recorder of Sacramento County no later than 15 days after recordation of the amended Annexation Boundary Map No. 3.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by the following vote:

AYES:

NOES:

ABSENT:

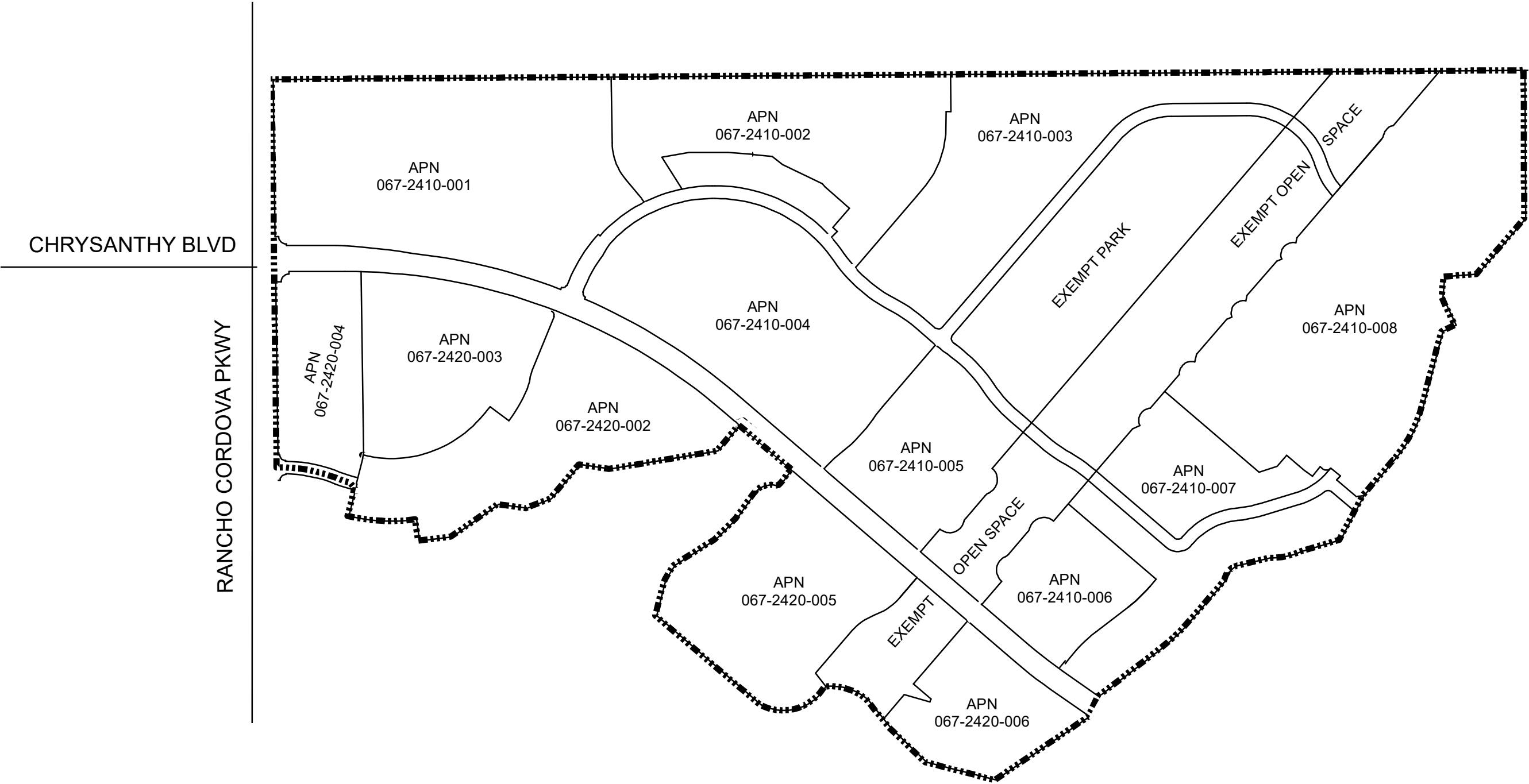
ABSTAIN:

ATTEST:

Donald Terry, Mayor

Stacy Leitner, CMC
City Clerk

AMENDED PROPOSED BOUNDARY OF
ANNEXATION 3
(THE RANCH) TO
CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(COMMUNITY PLACES AND NEIGHBORHOOD GREENS)
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA



THIS MAP AMENDS AND CORRECTS THE APNS AS STATED IN THE MAP PREVIOUSLY RECORDED ON NOVEMBER 17, 2021 IN BOOK 135 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NO. 37 AND INSTRUMENT/FILE NO. 202111171296 IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE

CLERK'S MAP STATEMENT

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF RANCHO CORDOVA THIS ____ DAY OF _____ 2022.

CITY CLERK OF THE CITY OF RANCHO CORDOVA

CLERK'S MAP STATEMENT

I HEREBY CERTIFY THAT THE AREA SHOWN ON THIS MAP OF THE PROPOSED ANNEXATION 3 TO COMMUNITY FACILITIES DISTRICT NO. 2018-2, (COMMUNITY PLACES AND NEIGHBORHOOD GREENS), CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AT A REGULARLY SCHEDULED MEETING THEREOF, HELD ON THE ____ DAY OF _____ 2022. BY ITS RESOLUTION NO. _____.

CITY CLERK OF THE CITY OF RANCHO CORDOVA

COUNTY RECORDER'S FILING STATEMENT

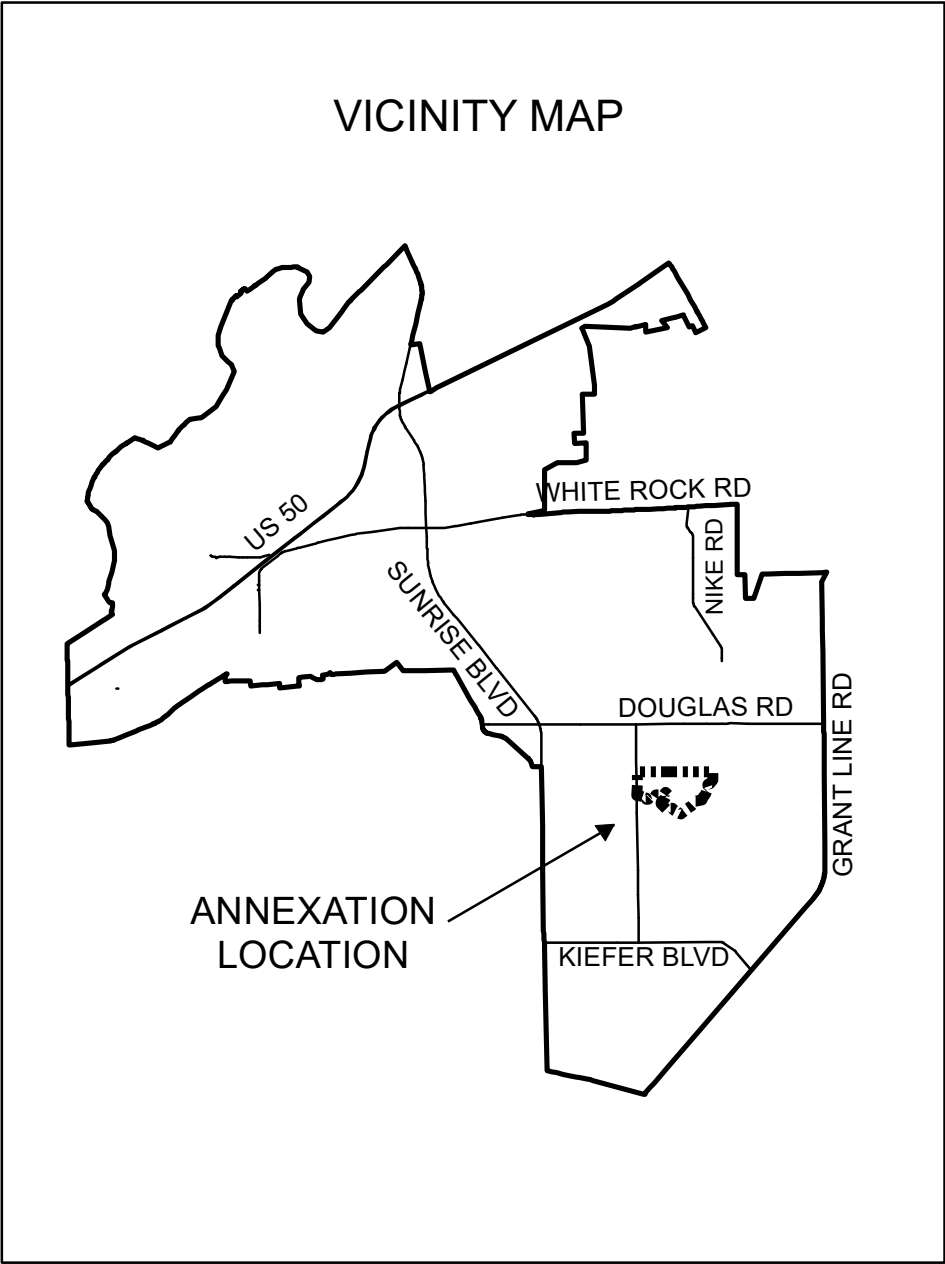
FILED THIS ____ DAY OF _____ 2022. AT THE HOUR OF ____ O'CLOCK ____ M. IN BOOK ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NO. ____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

DONNA ALLRED
COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, CALIFORNIA

BY: _____
DEPUTY

FILE: _____

REFERENCE THE SACRAMENTO COUNTY ASSESSOR'S MAPS FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS



HARRIS & ASSOCIATES
22 EXECUTIVE PARK, SUITE 200
IRVINE, CALIFORNIA 92614
800-827-4901

AMENDED PROPOSED BOUNDARY MAP

City of Rancho Cordova
Annexation 3 (The Ranch)
Community Facilities District No. 2018-2
County of Sacramento, California

Sheet 1 of 1

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, California 95670
Attention: City Clerk

AMENDED NOTICE OF SPECIAL TAX LIEN

**COMMUNITY FACILITIES DISTRICT NO. 2018-2
(COMMUNITY PLACES AND NEIGHBORHOOD GREENS)
OF THE CITY OF RANCHO CORDOVA**

Pursuant to the requirements of Section 3114.5 of the Streets and Highways Code and Section 53328.3 of the Government Code, the undersigned clerk of the legislative body of the City of Rancho Cordova (the "City"), State of California, hereby gives notice that a lien to secure payment of special taxes is hereby imposed by the City Council of the City. The special taxes secured by this lien are authorized to be levied for the purpose of providing services as described in Exhibit A attached hereto and hereby made a part hereof.

The special taxes are authorized to be levied within Annexation Boundary Map No. 3 (the "Annexed Area") of the City of Rancho Cordova Community Facilities District No. 2018-2 (Community Places and Neighborhood Greens) (the "District"), which has now been officially annexed to the District, and the lien of the special taxes are a continuing lien which shall secure each annual levy of the special taxes and which shall continue in force and effect until the special taxes cease to be levied and a notice of cessation of special taxes is recorded in accordance with Section 53330.5 of the Government Code.

The rate, method of apportionment, and manner of collection of authorized special tax is as set forth in Exhibit B attached hereto and hereby made a part hereof. The obligation to pay the special tax may not be permanently satisfied by way of prepayment of the special tax and the lien of the special tax cannot be canceled in this manner.

Notice is further given that upon the recording of this notice in the office of the county recorder, the obligation to pay the special tax levies shall become a lien upon all nonexempt real property within the District in accordance with Section 3115.5 of the Streets and Highways Code.

The name of the owner and the assessor's parcel number(s) of the real property included within the District and not exempt from the special tax are as set forth in Exhibit C attached hereto.

Reference is hereby made to the Notice of Special Tax Lien with respect to the District recorded on October 4, 2018, as Document No. 201810040991 page 15, in the office of the County Clerk & Recorder of the County of Sacramento, California, which contains a list of the then existing owners and assessor tax parcel numbers of the original boundaries of the District.

Reference is made to the boundary map of the District recorded on August 21, 2018, as Document No. 201808210674, at Book 126 of Maps of Assessment and Community Facilities Districts at Page No.19, in the office of the County Clerk & Recorder of the County of Sacramento, California, (the “ Original Boundary Map”), and the map of the Annexed Territory recorded at Book 133, Page 4, Document No. 202103290292 in the Office of the County Recorder for the County of Sacramento, State of California, which map together with the Original Boundary Map and the boundary maps of record for all prior annexations, are now the final boundary maps of the Community Facilities District including the Annexed Territory.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact the Department of Public Works of the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, California 95670, (916) 851-8710.

Dated: _____

CITY CLERK OF THE CITY OF
RANCHO CORDOVA

EXHIBIT A

CITY OF RANCHO CORDOVA

COMMUNITY FACILITIES DISTRICT NO. 2018-2

(COMMUNITY PLACES AND NEIGHBORHOOD GREENS)

LIST OF FACILITIES AND SERVICES

The City of Rancho Cordova (the "City") is establishing Community Facilities District No. 2018-2 (Community Places and Neighborhood Greens) (the "CFD") to fund, in whole or in part, the following facilities and services (the terms "facilities" and "services" shall have the meaning as given in the Mello-Roos Community Facilities Act of 1982.

AUTHORIZED FACILITIES

The CFD is being established to fund the maintenance, operations, servicing, rehabilitation and replacement of CFD Facilities. The costs associated with the initial capital improvements required for the construction or installation of the Facilities are not included in the costs to be funded by the CFD. A general list of the Facilities to be maintained by the CFD include:

1. **Community Plazas.** Community Plazas are a component of the Community Places category of City Open Space, as defined in the City's Open Space Guidelines. Community Plazas are typically located in Village and Town Centers to provide areas for congregation, socializing and community events/activities. Two Community Plazas are planned for the CFD.

Specific amenities will be determined on a site by site basis. Typical amenities may include, but are not limited to, expanded public gathering space; outdoor seating and shade structures; signage and lighting; trash and recycling receptacles; bicycle parking; features of interest such as fountains, art work, engaging landscapes and other unique structures/treatments; hardscape areas; and formal landscaping in planter boxes.

2. **Bicycle Trails.** Bicycle Trails are a component of the Green Infrastructure category of City Open Space as defined in the City's Open Space Guidelines. A system of Bicycle Trails, defined as the *Class I Bicycle Trails East of Sunrise Boulevard* in the City's Bicycle Trails Master Plan, is planned for the CFD. This system of trails will have an estimated 250,530 linear feet of bicycle trails (over 47 miles) that will be a part of the City's overall Bicycle Trail network.

Primary trails are 16' in overall width (12' of asphalt pavement with a 2' shoulder on each side). Primary trails are typically located within a corridor of at least 50 feet in width, with larger widths up to 100 feet encouraged. Corridors of less than 50 feet in width may be accepted based on the unique opportunities

and constraints within a given development project. Secondary trails feed into primary trails and provide connections to significant corridors and local trails. Secondary trails are 14' in overall width (10' of asphalt pavement with a 2' shoulder on each side) and are typically located within a corridor of at least 35 feet in width, with larger widths encouraged.

Typical amenities for Bicycle Trails may include, but are not limited to, native and/or draught tolerant plants; railings and edge protections; grade separated crossings; signage and lighting; shade trees; and trailheads where trails begin or connect to other trails. Trailheads are small open space areas that may include benches; signage and lighting; trash and recycling receptacles; maps; and other elements to assist trail users.

3. **Neighborhood Greens.** Neighborhood Greens are the most commonly occurring component of the Community Places category of City Open Space, as defined in the City's Open Space Guidelines. Neighborhood Greens are small-scale urban and suburban open spaces serving as places to meet, gather, socialize, commune with nature or otherwise participate in passive recreation activities. Neighborhood Greens are typically located in small developed and landscaped areas generally within residential neighborhoods in new development areas.

Specific amenities will be determined on a site by site basis. Typical amenities may include, but are not limited to, public gathering space; multi-purpose tables and shade structures; signage and lighting; trash and recycling receptacles; water fountains, barbeque areas and bicycle parking; walking paths, including those with special paving materials; landscape areas and hardscape areas; and distinguished areas with a special design feature such as tree variety or amenity.

4. **Other Facilities.** In addition to the facilities described above, the following features as described in the City's Open Space Guidelines may be maintained by the CFD:

Community Places	Green Infrastructure
Neighborhood Greens	Pedestrian Trails
Town Greens	Pedestrian Paseos
Community Gardens / Rose Gardens / Display Gardens	Utility Easements
Water Resources / Streams / Ponds / Lakes	Green Streets
Community Wide Open Space Facilities	Local Residential Street Landscape Enhancement
Outdoor Amphitheaters	Enhanced Detention Basins / Drainage Ways

ITEM 9.7.

Exhibit B to the Resolution

Additionally, Facilities may include any other facilities permitted under the Mello-Roos Community Facilities Act of 1982, including the facilities described in Section 53313.5 of the California Government Code, as amended from time to time, provided that such facilities satisfy at least one of the following criteria: 1) augment, improve or expand existing CFD Facilities that are primarily for the benefit of the CFD; or 2) repair or rehabilitate existing CFD Facilities.

AUTHORIZED SERVICES

The CFD is being established to fund the cost of all authorized CFD Services which are to include, but are not limited to:

1. **Capital Replacement.** Capital Replacement includes any and all costs associated with repairing and replacing any of the Facilities described above.
2. **Maintenance.** Maintenance includes any and all costs associated with maintaining, operating and servicing all of the Facilities described above. This includes, but is not limited to the cost of labor, mechanical and automotive expenses, maintenance services, materials and supplies, water, electricity and other utilities, refuse collection, sewage disposal, security services or other costs incurred for the Facilities.
3. **General CFD Costs.** General Costs include any and all administrative costs associated with the CFD including, but not limited to, the costs of setting the annual levy and the collection of Special Taxes, such as county tax collection fees, consultant fees, legal fees and city staff costs.

Additionally, Services may include any other facilities permitted under the Mello-Roos Community Facilities Act of 1982, including the facilities described in Section 53313.5 of the California Government Code, as amended from time to time, provided that such services are related to at least one of the following criteria: 1) the augmentation, improvement or expansion of existing Facilities that are primarily for the benefit of the CFD; or 2) the reparation or rehabilitation of existing Facilities.

EXHIBIT B**City of Rancho Cordova****Community Facilities District No. 2018-2
(Community Places and Neighborhood Greens)*****RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX***

A Special Tax as described herein and authorized under the Mello-Roos Community Facilities Act of 1982 (the “Act”) shall be applicable to parcels of land within the Community Facilities District No. 2018-2 (Community Places and Neighborhood Greens) (the “CFD”) of the City of Rancho Cordova (the “City”), including any parcels of land subsequently annexed into the CFD unless a separate Rate and Method of Apportionment of Special Tax is adopted at the time of annexation. The Special Tax shall be levied and collected as determined by the City through the application of the Rate and Method of Apportionment as described below.

A. Definitions

“Act” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

“Age-Qualified Residential Parcel” means a Residential Parcel within an age-qualified community as defined in the Fair Housing Act of 1968 or the 1995 Housing for Older Persons Act including amendments to those Acts.

“Age-Qualified Multi-Family Residential Parcel” means a Multi-Family Residential Parcel that meets the criteria for an Age-Qualified Residential Parcel.

“Age-Qualified Single Family Residential Parcel” means a Single Family Residential Parcel that meets the criteria for an Age-Qualified Residential Parcel.

“Administrative Expenses” means the actual or reasonably estimated costs incurred by the City acting for and on behalf of the CFD as administrator thereof, to determine, levy and collect the Special Taxes, in responding to public inquiries regarding the Special Taxes, including salaries of City employees and a proportionate amount of the City’s general administrative overhead related thereto; the fees of consultants and legal counsel providing services related to the administration of the CFD; any amounts estimated or advanced by the City or CFD for any other administrative purposes; and any other costs required to administer the CFD as determined by the City.

“Annual Special Tax” means the total Special Tax levied against a Residential Parcel in the CFD in a Fiscal Year.

“Assessor’s Parcel” or “Parcel” means a lot or parcel shown in an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number.

“Assessor’s Parcel Map” means an official map of the County Assessor of the County designating lots or parcels by an Assessor’s Parcel Number.

“Assessor’s Parcel Number” means the Assessor’s Parcel Number for any Parcel based on the County Assessor’s secured property tax roll as of July 1 of each Fiscal Year.

“Authorized Facilities and Services” or “Facilities and Services” means the authorized facilities, maintenance activities and/or services, and expenses that may be funded by the CFD pursuant to the Act as amended, including, without limitation, the facilities and services authorized to be funded by the CFD as set forth in the documents adopted by the City Council at the time the CFD was formed.

“Base Year” means the Fiscal Year beginning July 1, 2018 and ending June 30, 2019.

“Building Permit” means a building permit issued by the City prior to the June 30 preceding the Fiscal Year in which the Special Tax is being levied.

“Capital Replacement Reserve Fund(s)” means a fund or funds that may be maintained for the CFD to provide for the accumulation and holding of funds for long-term capital projects, asset replacement, or other large anticipated expenditures.

“CFD” or “CFD No. 2018-2” means Community Facilities District No. 2018-2 (Community Places and Neighborhood Greens) of the City of Rancho Cordova.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“City” means the City of Rancho Cordova.

“City Council” means the City Council of the City of Rancho Cordova, acting as legislative body of the CFD.

“County” means the County of Sacramento.

“Developed Residential Parcel” means any residential parcel for which a building permit has been issued by the City prior to the start of the current Fiscal Year.

“Dwelling Unit” means each separate residential dwelling unit that comprises an independent facility capable of conveyance or rental separate from adjacent residential dwelling units.

“Final Subdivision Map” means a subdivision of property creating residential buildable lots by recordation of a Final Subdivision Map or parcel map pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.), or recordation of a condominium plan pursuant to the California Civil Code 1352, that creates individual lots for which building permits may be issued without further subdivision and is recorded prior to June 30 preceding the Fiscal Year in which the Special Tax is being levied.

“Fiscal Year” means the period starting July 1 and ending the following June 30.

“Maximum Annual Special Tax” means the Maximum Special Tax that may be levied against a Taxable Parcel in a Fiscal Year determined in accordance with Section C and Section D.

“Maximum Special Tax Rate” means the amount shown in Section C that is used in calculating the Maximum Annual Special Tax that may be levied on a Residential Parcel based on its residential land use and the number of residential Dwelling Units on the Parcel for a Fiscal Year.

“Multi-Family Residential Parcel” means a Residential Parcel with authorized residential use to consist of two or more for-rent Dwelling Units that share common walls, including, but not limited to, apartments and Residential Property that are not for sale to an end user and are under common management.

“Operating Reserve Fund” means a fund that may be maintained for the CFD each Fiscal Year to provide necessary cash flow to pay for the operation, maintenance and servicing of the CFD Facilities, Administrative Expenses and any other allowable CFD costs through the first six months of each Fiscal Year, which is at or around the time in which the City will receive the first allocation from the County of the annual Special Tax levy.

“Other Land Use Parcel” means a Taxable Parcel that does not have authorized residential use that is verified by issuance of a Building Permit for residential use, secured assessment roll classification for residential land use and assessed valuation that includes the improved value of residential Dwelling Unit(s) by the County Assessor, Final Subdivision Map or other authorization of the City or County allowing the Parcel to be used for residential purposes.

“Proportionately” means that the ratio of the Annual Special Tax to the Maximum Annual Special Tax is equal for all Taxable Parcels levied within the CFD.

“Public Parcel” means any Parcel, in its entirety, that is or is intended to be publicly owned and is normally exempt from the levy of general ad valorem property taxes under California law, including, but not limited to, public streets, schools, parks, fire stations, police stations, and public drainage ways; public landscaping, wetlands, greenbelts, and public open space. These parcels are exempt from the levy of Special Taxes and classified as Tax-Exempt Parcels.

“Residential Parcel” means a Taxable Parcel that does have authorized residential use. A Residential Parcel is further classified as either a Single-Family Residential or a Multi-Family Residential Parcel depending on the type of residential use authorized for the Parcel. Once classified as a Residential Parcel, no Parcel shall be removed from the Residential Parcel classification unless the Building Permit or other authorization expires, is revoked, or is otherwise terminated.

“Resolution of Formation” means the City Council resolution establishing the CFD and authorizing the levy the Special Tax.

“Single-Family Residential Parcel” means a Residential Parcel with authorized residential use to consist of one Dwelling Unit that may or may not share common walls with one or more other Dwelling Unit(s), including, but not limited to, detached homes, duplexes, triplexes, townhomes, condominiums, and other Residential Parcels that are for sale to an end user and are not under common management.

“Special Tax” means any Special Tax authorized to be levied in the CFD under the Act and the Resolution of Formation.

“Special Tax Requirement” means the amount, as determined by the CFD Administrator, for any Fiscal Year to: (i) pay the costs for the operation, maintenance and services of the Authorized Facilities and Services during such Fiscal Year based upon the service levels established at the time of formation or as may be amended by the City in the future, (ii) pay Administrative Expenses associated with the Special Tax, (iii) establish or replenish the Operating Reserve Fund, (iv) establish or replenish the Capital Replacement Reserve Fund(s), (v) pay incidental expenses related to the Authorized Facilities and Services as authorized pursuant to the Act, and less (vi) any excess

funds available in the Operating Reserve Fund, the Capital Replacement Reserve Fund(s), or other funds associated with the CFD as determined by the CFD Administrator.

“Tax Escalation Factor” means an annual percentage increase equal to the greater of (i) the annual average Consumer Price Index (CPI), for San Francisco-Oakland-San Jose, All Urban Consumers (CPI-U) for the prior calendar year, or (ii) three percent (3%). If the CPI listed above is no longer published, the Administrator shall select a new tax escalation factor that is reasonably comparable to the CPI that is no longer published.

“Taxable Parcel” means any Parcel that is not a Tax-Exempt Parcel.

“Tax-Exempt Parcel” means a Parcel not subject to the Special Tax. Tax-Exempt Parcels are Public Parcels (subject to the limitations set forth in Section B), or privately owned Parcels that are non-developable, such as common areas, wetlands, and open space, all of which are exempt from the levy of Special Taxes as determined by the City.

“Tax Zone” means one of two (2) mutually exclusive tax zones identified in Exhibit 1 of this Rate and Method of Apportionment, which may be updated to include new assessor’s parcels or new Tax Zones added to the CFD as a result of future annexations.

“Tax Zone A” means the Tax Zone that includes parcels located in a development that has local neighborhood greens within such development that will be maintained by the City.

“Tax Zone B” means the Tax Zone that includes parcels located in a development that does not have local neighborhood greens within such development or has local neighborhood greens that will be maintained by an entity or agency other than the City.

“Total Annual Special Tax” means the total of the Annual Special Taxes levied against all Residential Parcels in the CFD in a Fiscal Year.

“Total Maximum Annual Special Tax” means the total of the Maximum Special Taxes that could be levied against all Residential Parcels in the CFD in a Fiscal Year.

“Undeveloped Residential Parcel” means any residential parcel for which a building permit has not been issued by the City prior to the start of the current Fiscal Year.

B. Data Collection for the Annual Special Tax Levy

On July 1 of each Fiscal Year, commencing with the Base Year, the Administrator shall classify the Parcels in the CFD using the Definitions in Section A, the Parcel records of the Assessor’s secured property tax roll as of July 1 and other City or County development approval records as follows:

- i. Each Parcel shall be assigned to either Tax Zone A or Tax Zone B;*
- ii. Each Parcel shall be classified as a Taxable Parcel or a Tax-Exempt Parcel;*
- iii. Each Taxable Parcel shall be further classified as a Residential Parcel or an Other Land Use Parcel;*

- iv. *Each Residential Parcel for shall be classified as a Single-Family Residential Parcel or a Multi-Family Residential Parcel;*
- v. *Each Residential Parcel that meets the criteria for an Age-Qualified Residential Parcel shall be further designated as either an Age-Qualified Single Family Residential Parcel or an Age-Qualified Multi-Family Residential Parcel*

If a Tax-Exempt Parcel is converted to a Taxable Parcel as a result of the sale of a Tax-Exempt Parcel to a private owner for residential development, it shall become subject to the Special Tax.

Conversely, if a Taxable Parcel is converted to a Tax-Exempt Parcel as a result of either (i) the sale of the Taxable Parcel to a public entity, and such entity is normally exempt from the levy of general ad valorem property taxes under California law or (ii) the inability of the private owner to develop the parcel as described in the definition of "Tax-Exempt Parcel," it shall become a Tax-Exempt Parcel.

C. **Maximum Special Tax Rates**

The annual Maximum Special Tax Rates for Residential Parcels for Base Year 2018/19 are as follows:

Residential Land Use	Maximum Special Tax per Dwelling Unit	
	Tax Zone A	Tax Zone B
Single-Family Residential Parcel		
Age-Qualified Single Family Residential Parcel	\$115.84	\$28.49
Multi-Family Residential Parcel	\$78.54	\$19.32
Age-Qualified Multi-Family Residential Parcel	\$60.48	\$14.88
	\$41.01	\$10.09

For each Fiscal Year following the Base Year, each of the Maximum Annual Special Tax Rates shall be increased from the prior Fiscal Year's respective Maximum Annual Special Tax Rates by multiplying such prior Fiscal Year Maximum Special Tax Rates by the Tax Escalation Factor.

D. Determination of Multi-Family Residential Parcel's Maximum Annual Special Tax *When a building permit is issued for a Multi-Family Residential Parcel, the Maximum Annual Special Tax for the Parcel for which such building permit has been issued for each Fiscal Year shall be determined by multiplying the number of Dwelling Units assigned to the Parcel times the Maximum Special Tax Rate for the Parcel as determined in Section C.*

ITEM 9.7.

Exhibit B to the Resolution

E. Levy of the Annual Special Tax

Each year, the CFD Administrator shall levy the Annual Special Tax commencing with Fiscal Year 2018-2019, and for each Fiscal Year thereafter as follows:

- i. Each Year on July 1, the CFD Administrator shall determine the Special Tax Requirement for the current Fiscal Year.
- ii. The Annual Special Tax shall be levied proportionately on each Developed Residential Parcel within each Tax Zone up to 100% of the applicable Maximum Annual Special Tax, not to exceed the Special Tax Requirement for the current Fiscal Year.
- iii. If additional revenue is required to equal the Special Tax Requirement for the current Fiscal Year, the Annual Special Tax shall be levied proportionately on Undeveloped Residential Parcels up to 100% of the Maximum Annual Special Tax, not to exceed the remainder of the Annual Special Tax Requirement for which a Final Subdivision Map has been approved and Authorized Facilities have been accepted for maintenance by the City.

Under no circumstances will the Annual Special Tax levied in any Fiscal Year against any Residential Parcel be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the CFD by more than 10 percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

F. Manner of Collection

The Annual Special Tax will be collected in the same manner and at the same time as ad valorem property taxes, provided, however, that the Administrator or its designee may directly bill the Annual Special Tax and may collect the Annual Special Tax at a different time, such as on a monthly or other periodic basis, or in a different manner, if necessary, to meet the City's financial obligations.

The Administrator shall prepare a listing of the amount of the of the Annual Special Tax levy for each Taxable Parcel and send it to the County Auditor-Controller requesting that it be placed on the County's secured property tax roll for that Fiscal Year.

G. Limitations

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on any Other Land Use Parcel, Public Parcel or Tax-Exempt Parcel.

H. Duration of the Special Tax

Parcels in the CFD will remain subject to the Special Tax in perpetuity, unless and until such time the City determines the revenues are no longer needed, in which case the Special Tax shall cease to be levied and City shall direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased and that the lien imposed by the Notice of Special Tax Lien is extinguished. The Notice of Cessation of Special Tax

shall additionally identify the book and page of the Book of Maps of Assessment and Community Facilities Districts where the map of the boundaries of the CFD is recorded.

I. Appeals

Any taxpayer who believes that the amount of the Special Tax assigned to a Parcel is in error may file a notice with the City appealing the levy of the Special Tax. The City will then promptly review the appeal, and if necessary, meet with the applicant. If the City verifies that the Special Tax should be modified or changed, the Special Tax levy shall be corrected and, if applicable, a refund or revised tax bill shall be granted for the current Fiscal Year.

Interpretations may be made by Resolution of the City Council for purposes of clarifying any vagueness or ambiguity as it relates to the Maximum Annual Special Tax Rate, the method of apportionment, the classification of properties or any definition applicable to the CFD.

J. Prepayment of the Special Tax Obligation

The Special Tax for a Taxable Parcel may not be prepaid. The Special Tax is collected to fund Authorized Facilities and Services in perpetuity, or until the City Council determines that the Special Tax should no longer be collected.

Rate and Method of Apportionment

EXHIBIT 1

TAX ZONE DESIGNATIONS

**PROPOSED BOUNDARY OF
CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(COMMUNITY PLACES AND NEIGHBORHOOD GREENS)
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA**

**Sunridge Lot J
TAX ZONE A**

**Grant Line 208
TAX ZONE A**

CLERK'S MAP STATEMENT
FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF RANCHO CORDOVA THIS ____ DAY OF ____ 2018.

CITY CLERK OF THE CITY OF RANCHO CORDOVA

CLERK'S MAP STATEMENT
I HEREBY CERTIFY THAT THE AREA SHOWN ON THIS MAP OF THE PROPOSED BOUNDARY OF COMMUNITY FACILITIES DISTRICT NO. 2018-2, (COMMUNITY PLACES AND NEIGHBORHOOD GREENS), CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AT A REGULARLY SCHEDULED MEETING THEREOF, HELD ON THE ____ DAY OF ____ 2018. BY ITS RESOLUTION NO. _____.

CITY CLERK OF THE CITY OF RANCHO CORDOVA

COUNTY RECORDER'S FILING STATEMENT
FILED THIS ____ DAY OF ____ 2018. AT THE HOUR OF ____ O'CLOCK ____ M. IN BOOK ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NO. ____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

DONNA ALLRED
COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, CALIFORNIA

BY: _____
DEPUTY

FILE: _____

VICINITY MAP

1" = 625'

Legend

CFD Boundary

Development Boundary Line

HARRIS & ASSOCIATES
22 EXECUTIVE PARK SUITE 200
IRVINE, CALIFORNIA 92614
800-827-4901

PROPOSED BOUNDARY MAP

City of Rancho Cordova
Community Facilities District No. 2018-2
County of Sacramento, California

Sheet 1 of 2

EXHIBIT C

COMMUNITY FACILITIES DISTRICT NO. 2018-2
(COMMUNITY PLACES AND NEIGHBORHOOD GREENS)
OF THE CITY OF RANCHO CORDOVA

NAMES OF OWNER(S) AND THE ASSESSOR'S PARCEL NUMBER(S)

ASSESSOR PARCEL NUMBER	NAME OF PROPERTY OWNERS
067-2420-002	AG EHC II (HOV) CA 1 LP
067-2410-004	AG EHC II (HOV) CA 1 LP
067-2410-005	AG EHC II (HOV) CA 1 LP
067-2410-001	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2410-002	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2410-003	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2410-006	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2410-007	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2410-008	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2420-003	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2420-004	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2420-005	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2420-006	K. HOVNANIAN AT JAEGER RANCH, LLC

MEMORANDUM



ITEM 9.8.

DATE: September 6, 2022
TO: Honorable Mayor and Council Members
FROM: Elizabeth Sparkman, Community Development Director
Dalia Fadl, Principal Engineer
SUBJECT: **A RESOLUTION APPROVING THE ANNEXATION OF A PORTION OF THE RANCH PROJECT TO THE CITY OF RANCHO CORDOVA COMMUNITY FACILITIES DISTRICT NO. 2014-2 (STREET, LIGHTING, AND LANDSCAPE MAINTENANCE)**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would approve the revised Annexation Map No. 11 for a portion of The Ranch project to Community Facilities District No. 2014-2 (Street, Lighting, and Landscaping Maintenance) (hereinafter "CFD No. 2014-2") and approves the re-recording of the Annexation Boundary Map and the Notice of Special Tax Lien.

BACKGROUND

On April 21, 2014, the City adopted a resolution of intention to establish a Community Facilities District (CFD) and Future Annexation Area for Citywide street, lighting, and landscape maintenance services. On June 2, 2014, the City adopted the resolution forming CFD No. 2014-2 pursuant to the Mello-Roos Community Facilities Act of 1982 (State of California Government Code Section 5311 et seq.) (the "Act"). The action defining the Future Annexation Area for the District provided for a more efficient process for the annexation of property when the property owners have provided unanimous consent. Defining the future annexation area provided the resolution of intention, noticing, and public hearing for the entire future annexation area, so these steps do not need to be repeated for each annexation.

The annexation process for projects within the future annexation area is streamlined to receiving a petition and waiver from the property owner(s), the City Council approving the Annexation Boundary Map by resolution, followed by the recording of the Annexation Boundary Map and Notice of Special Tax Lien by the City Clerk.

DISCUSSION

The project included in this action was conditioned to annex to CFD No. 2014-2 to provide

funding for maintenance services including the maintenance, repair, replacement and lighting of public streets, roads, landscape, and appurtenant facilities in the public right of way. The property owners signed a unanimous approval of the annexation to CFD No. 2014-2. On November 15, 2021, the City Council adopted a Resolution approving Annexation Boundary Map No. 11 for the project and directing the City Clerk to execute and record the Map and Notice of Special Tax Lien for the project.

Subsequently, errors with the parcel numbers on the previously recorded documents triggered the need to revise the Annexation Boundary Map and the associated Notice of Special Tax Lien (NSTL). The attached Resolution, once approved, will replace the previously adopted Resolution such that the corrected Annexation Boundary Map and NSTL will be re-recorded. The property owners also re-signed the corrected unanimous approval documents.

FISCAL IMPACT AND FUNDING SOURCE

There is no impact to the City's General Fund.

ATTACHMENT(S)

1. Resolution
2. Exhibit A to the Resolution-Annexation Boundary Map
3. Exhibit B to the Resolution-Notice of Special Tax Lien-CFD 2014-2

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, APPROVING THE BOUNDARY MAP FOR A PORTION OF THE RANCH PROJECT ANNEXATION TO THE CITY OF RANCHO CORDOVA COMMUNITY FACILITIES DISTRICT NO. 2014-2 (STREET, LIGHTING, AND LANDSCAPE MAINTENANCE)

WHEREAS, the Conditions of Approval for The Ranch project requires the property owner/applicant to participate in the provision of funding to provide fair share maintenance of any existing and all new public improvements associated with the project; and

WHEREAS, on April 21, 2014, the City adopted Resolution No. 20-2014 declaring its intention to establish Community Facilities District No. 2014-2 (Street, Lighting, and Landscape Maintenance) (the "District") and Future Annexation Area for maintenance of street, lighting, and landscape maintenance services. On June 2, 2014, the City adopted Resolution No. 34-2014 forming CFD No. 2014-2 pursuant to the Mello-Roos Community Facilities Act of 1982 (State of California Government Code Section 5311 et seq.) (the "Act"); and

WHEREAS, the action defining the Future Annexation Area for the District provided for a more efficient process for the annexation of property when the property owners have provided for their unanimous consent such that the annexation process for projects within the Future Annexation Area has been reduced to receiving a petition, consent and waiver from the property owner(s); and

WHEREAS, the property owner executed a unanimous approval form which irrevocably consents to and votes in favor of the annexation of a portion of the property to the District and the levy of the special tax on the property to finance the services of the CFD in accordance with the Rate and Method of the District; and

WHEREAS, in the case of annexation proceedings, pursuant to Streets and Highways Code Section 3110.5 a separate map of the area proposed to be annexed is required to be prepared and adopted; and

WHEREAS, City staff has caused to be prepared Annexation Boundary Map No. 11 for a portion of the property known as The Ranch project, Exhibit A attached hereto, for the annexation of a portion of the property to CFD No. 2014-2 (Street, Lighting, and Landscape Maintenance).

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, as follows:

1. The Council so finds and determines the above recitals are true and correct.
2. Council approves the amended Annexation Boundary Map No. 11 and finds and determines that the territory shown in the amended Annexation Boundary Map is hereby added to and made a part of the District with full legal effect.
3. The City Clerk is directed to execute and record the amended Annexation Boundary Map No. 11 in the office of the County Recorder of Sacramento County no later than 15 days after the adoption of this resolution.

ITEM 9.8.

ATTACHMENT 1

4. The City Council finds and determines that a special tax shall be levied within the Territory to be annexed and which special tax shall be the same as the tax to be levied within the District. Collection of said tax shall commence in Fiscal Year 2022-2023, and the rate and method of apportionment of said tax shall be as set forth in the Resolution of Formation of the District.
5. The City Clerk is directed to execute and re-record an amended Notice of Special Tax Lien in substantially the same form as shown in Exhibit B attached hereto, in the office of the County Recorder of Sacramento County no later than 15 days after recordation of the amended Annexation Boundary Map No. 11.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by the following vote:

AYES:

NOES:

ABSENT:

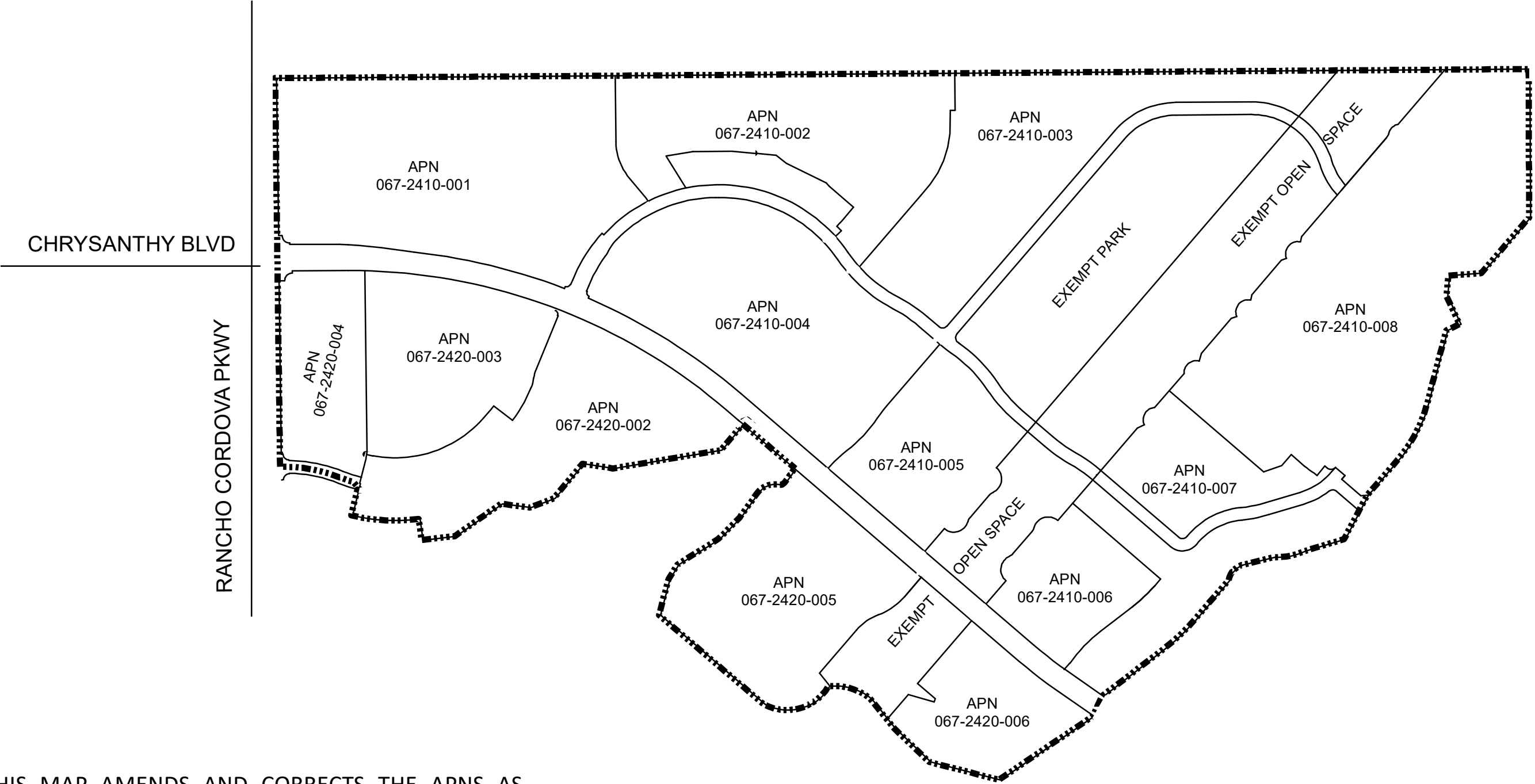
ABSTAIN:

ATTEST:

Donald Terry, Mayor

Stacy Leitner, CMC
City Clerk

AMENDED PROPOSED BOUNDARY OF
ANNEXATION 11
(THE RANCH) TO
CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT NO. 2014-2
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA



THIS MAP AMENDS AND CORRECTS THE APNS AS STATED IN THE MAP PREVIOUSLY RECORDED ON NOVEMBER 17, 2021 IN BOOK 135 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NO. 38 AND INSTRUMENT/FILE NO. 202111171302 IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE

CLERK'S MAP STATEMENT

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF RANCHO CORDOVA THIS ____ DAY OF _____ 2022.

CITY CLERK OF THE CITY OF RANCHO CORDOVA

CLERK'S MAP STATEMENT

I HEREBY CERTIFY THAT THE AREA SHOWN ON THIS MAP OF THE PROPOSED ANNEXATION 11 TO COMMUNITY FACILITIES DISTRICT NO. 2014-2, (STREET MAINTENANCE, LIGHTING AND LANDSCAPING), CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AT A REGULARLY SCHEDULED MEETING THEREOF, HELD ON THE ____ DAY OF _____ 2022. BY ITS RESOLUTION NO. _____.

CITY CLERK OF THE CITY OF RANCHO CORDOVA

COUNTY RECORDER'S FILING STATEMENT

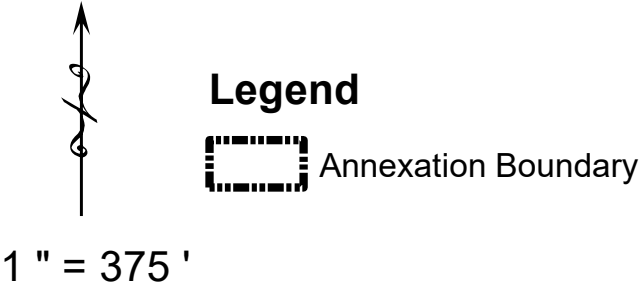
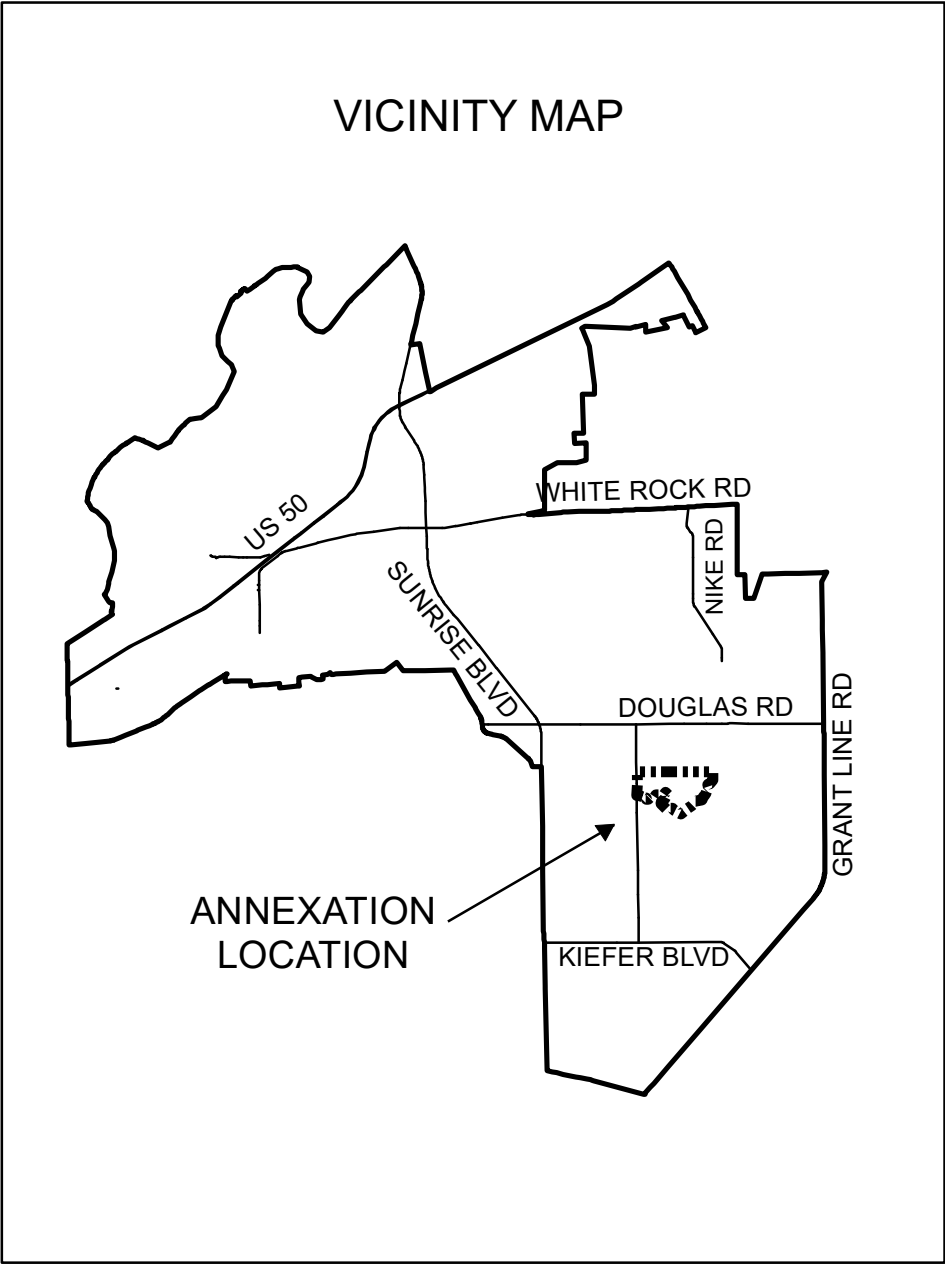
FILED THIS ____ DAY OF _____ 2022. AT THE HOUR OF _____ O'CLOCK ____M. IN BOOK ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NO. ____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

DONNA ALLRED
COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, CALIFORNIA

BY: _____
DEPUTY

FILE: _____

REFERENCE THE SACRAMENTO COUNTY ASSESSOR'S MAPS FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS



HARRIS & ASSOCIATES
22 EXECUTIVE PARK, SUITE 200
IRVINE, CALIFORNIA 92614
800-827-4901

AMENDED PROPOSED BOUNDARY MAP

City of Rancho Cordova
Community Facilities District No. 2014-2
ANNEXATION 11 (The Ranch)
County of Sacramento, California

Sheet 1 of 1

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, California 95670
Attention: City Clerk

AMENDED NOTICE OF SPECIAL TAX LIEN

Pursuant to the requirements of Section 3114.5 of the Streets and Highways Code and Section 53328.3 of the Government Code, the undersigned clerk of the legislative body of the City of Rancho Cordova (the "City"), State of California, hereby gives notice that a lien to secure payment of special taxes is hereby imposed by the City Council of the City. The special taxes secured by this lien are authorized to be levied for the purpose of providing services as described in Exhibit A attached hereto and hereby made a part hereof.

The special taxes are authorized to be levied within Annexation Boundary Map No. 11 (the "Annexed Area") of the City of Rancho Cordova Community Facilities District No. 2014-2 (Street, Lighting, and Landscape Maintenance) (the "District"), which has now been officially annexed to the District, and the lien of the special taxes are a continuing lien which shall secure each annual levy of the special taxes and which shall continue in force and effect until the special taxes cease to be levied and a notice of cessation of special taxes is recorded in accordance with Section 53330.5 of the Government Code.

The rate, method of apportionment, and manner of collection of authorized special tax is as set forth in Exhibit B attached hereto and hereby made a part hereof. The obligation to pay the special tax may not be prepaid and permanently satisfied and the lien of the special taxes canceled.

Notice is further given that upon the recording of this notice in the office of the county recorder, the obligation to pay the special tax levies shall become a lien upon all nonexempt real property within the District in accordance with Section 3115.5 of the Streets and Highways Code.

The name of the owner and the assessor's tax parcel number(s) of the real property included within the District and not exempt from the special tax are as set forth in Exhibit C attached hereto.

Reference is hereby made to the Notice of Special Tax Lien with respect to the District recorded on June 17, 2014, as Document No. 20140617 page 353, in the office of the County Clerk & Recorder of the County of Sacramento, California, which contains

a list of the then existing owners and assessor tax parcel numbers of the original boundaries of the District.

Reference is made to the boundary map of the District recorded at Book 116, Pages 0023-0024, Document No. 20140430 Pg0873 of Maps and Assessment and Community Facilities Districts in the Office of the County Recorder for the County of Sacramento, State of California (the " Original Boundary Map"), and the map of the Annexed Territory recorded at Book 133, Page 5, Document No. 202103290293 in the Office of the County Recorder for the County of Sacramento, State of California, which map together with the Original Boundary Map and the boundary maps of record for all prior annexations, are now the final boundary maps of the Community Facilities District including the Annexed Territory.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact the Department of Public Works of the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, California 95670, (916) 851-8710.

Dated: _____

CITY CLERK OF THE CITY OF
RANCHO CORDOVA

EXHIBIT A

**CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT NO. 2014-2
(Streets, Lighting, and Landscape Maintenance)**

DESCRIPTION OF DISTRICT MAINTENANCE SERVICES

Description of services:

Maintenance of public street, lighting, and landscape improvements

- Maintenance means the furnishing of services and materials for the replacement of public street, lighting and landscaping improvements, and appurtenant facilities, including the administration and overhead related to the maintenance activities.

Reserve Fund

- The CFD special taxes may be collected and set-aside in designated funds, collected over several years, that may be used by the CFD to fund future replacement of public streets, lighting and landscaping improvements and other services as determined by the CFD.

EXHIBIT B**CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT NO. 2014-2
(STREET, LIGHTING, AND LANDSCAPE MAINTENANCE)****RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2014-2 (Street, Lighting, and Landscape Maintenance) shall be levied and collected according to the tax liability determined by the City Council, acting in its capacity as the legislative body of CFD No. 2014-2, through the application of the appropriate Special Tax rate, as described below. All of the property in CFD No. 2014-2, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to CFD No. 2014-2 unless a separate Rate and Method of Apportionment of Special Tax is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“Acre or Acreage” means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map, a final parcel map, a final approved condominium plan, or functionally equivalent final map or instrument recorded in the Office of the County Recorder. If the area shown on said map is in square footage, Acreage shall be calculated by dividing the square footage by 43,560.

“Additional Load and Decorative Lighting Parcel” means any Parcel that is determined by the City to be both an Additional Load Parcel and a Decorative Lighting Parcel.

“Additional Load Parcel” means any Parcel of Commercial Property or Industrial Property that is determined by the City to create excessive wear and tear on the roadways and/or a high volume of vehicular traffic.

“Administrative Expenses” means the costs incurred by the City to determine, levy and collect the Special Tax, including salaries of City employees and fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls, preparation of required reports, and any other costs required to administer the CFD.

“Administrator” means the person or firm designated by the City to administer the Special Taxes according to this Rate and Method of Apportionment of Special Tax.

“Annual Escalation Factor” means the annual percentage increase in the McGraw-Hill Engineering News Record Construction Cost Index (ENR CCI) for the San Francisco area from January of the previous year to January of the year that the Special Tax is levied. In the event that the

ENR CCI defined above is no longer reported, the City Council shall select a similar index to replace it.

“Assessor’s Parcel” or **“Parcel”** means a lot or parcel shown in an Assessor’s Parcel Map with an assigned Assessor’s Parcel number.

“Assessor’s Parcel Map” means an official map of the County Assessor designating parcels by Assessor’s Parcel number.

“Authorized Services” means the public services authorized to be funded by CFD No. 2014-2 as set forth in the documents adopted by the City Council when the CFD was formed.

“CFD” or **“CFD No. 2014-2”** means the City of Rancho Cordova Community Facilities District No. 2014-2 (Street, Lighting, and Landscaping Maintenance).

“City” means the City of Rancho Cordova.

“City Council” means the City Council of the City of Rancho Cordova, acting as the legislative body of CFD No. 2014-2.

“Commercial Property” means, in any Fiscal Year, all Developed Property for which a building permit or use permit has been issued for a commercial establishment which includes, but is not limited to, retail stores, clothing stores, bookstores, convenience stores, drug stores, professional services (i.e., barber shops, dry cleaners), restaurants, supermarkets, hospitals, movie theaters, appliance and electronics stores, home supply stores, auto parts stores, and other retail uses. The City shall make the determination if a Parcel is Commercial Property.

“County” means the County of Sacramento.

“Decorative Lighting Parcel” means any Parcel of Developed Property that is determined by the City to have or benefit from decorative lighting features.

“Developed Property” means, in any Fiscal Year, all Parcels of Taxable Property for which a use permit or building permit for new construction of a residential or non-residential structure (which shall not include a permit issued solely for construction of the foundation if another permit remains to be issued for vertical construction of the building) was issued prior to June 30 of the preceding Fiscal Year.

“Fiscal Year” means the period starting on July 1 and ending on the following June 30.

“Hotel Property” means, in any Fiscal Year, all Developed Property for which a building permit or use permit has been issued for a structure that constitutes a place of lodging providing sleeping accommodations and related facilities for travelers.

“Industrial Property” means, in any Fiscal Year, all Developed Property for which a building permit or use permit has been issued for construction of an industrial, manufacturing, or warehousing structure. The City shall make the determination if a Parcel is Industrial Property.

“Maximum Special Tax” means the greatest amount of Special Tax that can be levied on an Assessor’s Parcel in any Fiscal Year determined in accordance with Section C below.

“Multi-Family Property” means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit has been issued for construction of a residential structure with five (5) or more Units that share a single Assessor’s Parcel number, all of which are offered for rent to the general public and cannot be purchased by individual homebuyers.

“Non-Residential Property” means, collectively, Commercial Property, Hotel Property, Industrial Property, and Office Property.

“Office Property” means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit has been issued for a building in which professional, banking, insurance, real estate, administrative or in-office medical or dental activities are conducted. The City shall make the determination if a Parcel is Office Property.

“Ordinary Use Parcel” means any Parcel of Taxable Property that is not an Additional Load Parcel, Decorative Lighting Parcel, Residential Alley Parcel, Additional Load and Decorative Lighting Parcel, or Residential Alley and Decorative Lighting Parcel.

“Proportionately” means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Parcels of Developed Property.

“Public Property” means any property within the boundaries of CFD No. 2014-2 that is owned by the federal government, State of California, County, City, or other public agency.

“Residential Alley and Decorative Lighting Parcel” means any Parcel that is determined by the City to be both a Residential Alley Parcel and a Decorative Lighting Parcel.

“Residential Alley Parcel” means any Parcel of Residential Property that is determined by the City to have residential alleys that are part of the public roadways.

“Residential Property” means, collectively, Single Family Attached Property, Single Family Detached Property, and Multi-Family Property.

“Single Family Attached Property” means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a residential structure consisting of two (2) to four (4) Units that share common walls, have separate Assessor’s Parcel numbers assigned to them (except for a duplex unit, which may share an Assessor’s Parcel with another duplex unit), and are offered as for-sale Units (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit(s)), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351.

“Single Family Detached Property” means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a Unit that does not share a common wall with another Unit.

“Soundwall Parcel” means any Parcel of Developed Property whose tract boundary is encompassed by soundwalls maintained within the CFD.

“Special Tax Requirement” means the amount of revenue needed in any Fiscal Year to pay for the following: (i) Authorized Services, (ii) Administrative Expenses, and (iii) amounts needed to cure any delinquencies in the payment of Special Taxes which have occurred or (based on delinquency rates in prior years) may be expected to occur in the Fiscal Year in which the tax will be collected.

“Special Tax” means a special tax levied in any Fiscal Year on property within CFD No. 2014-2 to pay the Special Tax Requirement.

“Square Foot,” “Square Footage,” or “Square Feet” means the building square footage reflected on the original building permit issued for construction of a building.

“Taxable Property” means all Assessor’s Parcels within the boundaries of CFD No. 2014-2 which are not exempt from the Special Tax pursuant to law or Section E below.

“Taxable Public Property” means, in any Fiscal Year, all Assessor’s Parcels in CFD No. 2014-2 that had, in prior Fiscal Years, been taxed as Developed Property and subsequently came under the ownership of a public agency.

“Tax Zone” means a mutually exclusive tax zone identified in Attachment 1 of this Rate and Method of Apportionment of Special Tax, as may be updated to include new Parcels or new tax zones added to the CFD as a result of future annexations.

“Unit” means an individual single-family detached unit or an individual residential unit within a duplex, triplex, fourplex, townhome, condominium, or apartment structure. Unit shall also mean a rentable single hotel room or rentable unit on a Parcel of Hotel Property.

B. DATA COLLECTION FOR ANNUAL TAX LEVY

Each Fiscal Year, the Administrator shall identify the current Assessor’s Parcel number for all Parcels of Taxable Property within CFD No. 2014-2 and shall determine within which Tax Zone each Assessor’s Parcel is located. Upon each annexation of property into CFD No. 2014-2, the Administrator shall update Attachment 1 to include the new Assessor’s Parcel number(s). In addition, for all Parcels of Developed Property, if applicable to the Tax Zone in which the Parcels are located, the Administrator shall determine if each Parcel is an Ordinary Use Parcel, an Additional Load Parcel, a Residential Alley Parcel, a Decorative Lighting Parcel, an Additional Load and Decorative Lighting Parcel, or a Residential Alley and Decorative Lighting Parcel.

Based on review of building permit records for property within the CFD, the Administrator shall determine which Parcels in the CFD are Developed Property for purposes of levying the Special Tax pursuant to Section D below. For Single Family Attached Property, Multi-Family Property, and Hotel Property, the number of Units shall be determined by referencing the condominium plan, apartment plan, site plan or other development plan for the property. For Residential Property, the Administrator shall determine the Square Footage of each Unit. For Non-

Residential Property, the Administrator shall determine the Acreage of, and Square Footage on, each Parcel.

If a Parcel in the CFD is rezoned prior to such Parcel becoming Developed Property, the City may in its sole discretion, move the Parcel to a different Tax Zone based on the rezone. If a Parcel rezones after the Parcel has been taxed as Developed Property in prior Fiscal Years, the City can either continue to apply the Maximum Special Tax to the Parcel that had applied prior to the rezone or, in the City's sole discretion, allow for the Parcel to be moved to a different Tax Zone based on the rezone.

In any Fiscal Year, if it is determined that (i) a parcel map for a portion of property in CFD No. 2014-2 was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel map, and (iii) one or more of the newly-created Parcels meets the definition of Developed Property, the Administrator shall calculate the Special Tax for the property affected by recordation of the parcel map by determining the Special Tax that applies separately to each newly-created Parcel, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map.

C. MAXIMUM SPECIAL TAX

1. All Tax Zones

The following Maximum Special Taxes apply to all Parcels of Developed Property within each Tax Zone of CFD No. 2014-2, unless otherwise specified in Attachment 1.

a. Ordinary Use Parcels

MAXIMUM SPECIAL TAXES ORDINARY USE PARCELS (FISCAL YEAR 2014-15)

Land Use Class	Maximum Special Tax
Single Family Detached Property	\$374.78 per Unit
Single Family Attached Property	\$296.07 per Unit
Multi-Family Property	\$213.62 per Unit
Commercial Property	\$559.17 per 1,000 Square Feet
Hotel Property	\$221.12 per Unit
Industrial Property	\$168.65 per 1,000 Square Feet
Office Property	\$558.42 per 1,000 Square Feet

On each July 1, commencing July 1, 2015, the Maximum Special Taxes shown above shall be increased by the Annual Escalation Factor.

b. Residential Alley Parcels**MAXIMUM SPECIAL TAXES
RESIDENTIAL ALLEY PARCELS
(FISCAL YEAR 2014-15)**

Land Use Class	Maximum Special Tax
Single Family Detached Property	\$406.87 per Unit
Single Family Attached Property	\$321.43 per Unit
Multi-Family Property	\$231.92 per Unit
Commercial Property	N/A
Hotel Property	N/A
Industrial Property	N/A
Office Property	N/A

On each July 1, commencing July 1, 2015, the Maximum Special Taxes shown above shall be increased by the Annual Escalation Factor.

c. Decorative Lighting Parcels**MAXIMUM SPECIAL TAXES
DECORATIVE LIGHTING PARCELS
(FISCAL YEAR 2014-15)**

Land Use Class	Maximum Special Tax
Single Family Detached Property	\$380.51 per Unit
Single Family Attached Property	\$300.60 per Unit
Multi-Family Property	\$216.89 per Unit
Commercial Property	\$567.72 per 1,000 Square Feet
Hotel Property	\$224.50 per Unit
Industrial Property	\$171.23 per 1,000 Square Feet
Office Property	\$566.96 per 1,000 Square Feet

On each July 1, commencing July 1, 2015, the Maximum Special Taxes shown above shall be increased by the Annual Escalation Factor.

d. Additional Load Parcels**MAXIMUM SPECIAL TAXES
ADDITIONAL LOAD PARCELS
(FISCAL YEAR 2014-15)**

Land Use Class	Maximum Special Tax
Single Family Detached Property	N/A
Single Family Attached Property	N/A
Multi-Family Property	N/A
Commercial Property	\$580.39 per 1,000 Square Feet
Hotel Property	N/A
Industrial Property	\$175.05 per 1,000 Square Feet
Office Property	N/A

On each July 1, commencing July 1, 2015, the Maximum Special Taxes shown above shall be increased by the Annual Escalation Factor.

e. Soundwall Parcels**MAXIMUM SPECIAL TAXES
SOUNDWALL PARCELS
(FISCAL YEAR 2014-15)**

Land Use Class	Maximum Special Tax
Single Family Detached Property	\$390.71 per Unit
Single Family Attached Property	\$308.66 per Unit
Multi-Family Property	\$222.70 per Unit
Commercial Property	\$582.94 per 1,000 Square Feet
Hotel Property	\$230.52 per Unit
Industrial Property	\$175.82 per 1,000 Square Feet
Office Property	\$582.16 per 1,000 Square Feet

On each July 1, commencing July 1, 2015, the Maximum Special Taxes shown above shall be increased by the Annual Escalation Factor.

f. Additional Load and Decorative Lighting Parcels

**MAXIMUM SPECIAL TAXES
ADDITIONAL LOAD AND DECORATIVE LIGHTING PARCELS
(FISCAL YEAR 2014-15)**

Land Use Class	Maximum Special Tax
Single Family Detached Property	N/A
Single Family Attached Property	N/A
Multi-Family Property	N/A
Commercial Property	\$588.94 per 1,000 Square Feet
Hotel Property	N/A
Industrial Property	\$177.63 per 1,000 Square Feet
Office Property	N/A

On each July 1, commencing July 1, 2015, the Maximum Special Taxes shown above shall be increased by the Annual Escalation Factor.

g. Residential Alley and Decorative Lighting Parcels

**MAXIMUM SPECIAL TAXES
RESIDENTIAL ALLEY AND DECORATIVE LIGHTING PARCELS
(FISCAL YEAR 2014-15)**

Land Use Class	Maximum Special Tax
Single Family Detached Property	\$412.60 per Unit
Single Family Attached Property	\$325.96 per Unit
Multi-Family Property	\$235.18 per Unit
Commercial Property	N/A
Hotel Property	N/A
Industrial Property	N/A
Office Property	N/A

On each July 1, commencing July 1, 2015, the Maximum Special Taxes shown above shall be increased by the Annual Escalation Factor.

h. Residential Alley and Soundwall Parcels

**MAXIMUM SPECIAL TAXES
RESIDENTIAL ALLEY AND SOUNDWALL PARCELS
(FISCAL YEAR 2014-15)**

Land Use Class	Maximum Special Tax
Single Family Detached Property	\$425.31 per Unit
Single Family Attached Property	\$336.00 per Unit
Multi-Family Property	\$242.43 per Unit
Commercial Property	N/A
Hotel Property	N/A
Industrial Property	N/A
Office Property	N/A

On each July 1, commencing July 1, 2015, the Maximum Special Taxes shown above shall be increased by the Annual Escalation Factor.

i. Decorative Lighting and Soundwall Parcels

**MAXIMUM SPECIAL TAXES
DECORATIVE LIGHTING AND SOUNDWALL PARCELS
(FISCAL YEAR 2014-15)**

Land Use Class	Maximum Special Tax
Single Family Detached Property	\$396.30 per Unit
Single Family Attached Property	\$313.07 per Unit
Multi-Family Property	\$225.89 per Unit
Commercial Property	\$591.27 per 1,000 Square Feet
Hotel Property	\$233.81 per Unit
Industrial Property	\$178.33 per 1,000 Square Feet
Office Property	\$590.48 per 1,000 Square Feet

On each July 1, commencing July 1, 2015, the Maximum Special Taxes shown above shall be increased by the Annual Escalation Factor.

j. Residential Alley, Decorative Lighting, and Soundwall Parcels

**MAXIMUM SPECIAL TAXES
RESIDENTIAL ALLEY, DECORATIVE LIGHTING AND SOUNDWALL PARCELS
(FISCAL YEAR 2014-15)**

Land Use Class	Maximum Special Tax
Single Family Detached Property	\$428.15 per Unit
Single Family Attached Property	\$338.23 per Unit
Multi-Family Property	\$244.04 per Unit
Commercial Property	N/A
Hotel Property	N/A
Industrial Property	N/A
Office Property	N/A

On each July 1, commencing July 1, 2015, the Maximum Special Taxes shown above shall be increased by the Annual Escalation Factor.

D. METHOD OF LEVY AND COLLECTION OF SPECIAL TAX

Each Fiscal Year, the Special Tax shall be levied as follows until the amount of the levy equals the Special Tax Requirement for that Fiscal Year:

First: The Special Tax shall be levied proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax determined for each category of Developed Property within the CFD and each Tax Zone until the amount levied is equal to the Special Tax Requirement for the Fiscal Year.

Second: If additional revenue is needed after the first step has been completed, the Special Tax shall be levied proportionately on each Parcel of Taxable Public Property up to 100% of the Maximum Special Tax that would have applied to the Parcel had the Parcel not become Public Property until the amount levied is equal to the Special Tax Requirement for the Fiscal Year.

The Special Tax for CFD No. 2014-2 shall be collected at the same time and in the same manner as ordinary ad valorem property taxes provided, however, that the City may (under the authority of Government Code Section 53340) collect Special Taxes at a different time or in a different manner if necessary to meet CFD No. 2014-2 financial obligations and the Special Tax shall be equally subject to foreclosure if delinquent.

E. LIMITATIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on (i) any Parcel of Public Property that is not Taxable Public Property, and (ii) any Parcel in CFD No. 2014-2 that is not Developed Property.

F. DURATION OF SPECIAL TAX

The Special Tax shall be levied in perpetuity to fund the Special Tax Requirement, unless no longer required as determined at the sole discretion of the City Council.

G. INTERPRETATION OF SPECIAL TAX FORMULA

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Taxes. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. The City may make interpretations by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Taxes.

ATTACHMENT 1

CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT NO. 2014-2
(STREET, LIGHTING, AND LANDSCAPING MAINTENANCE)

IDENTIFICATION OF TAX ZONES

TAX ZONE 1

Assessor's Parcels Included in Tax Zone 1 *	Fiscal Year In Which Property Was Added to CFD No. 2014-2
067-0030-066 067-0030-067 067-0030-069 067-0030-070 067-1020-001 067-1020-002	2013-14

* The property identified by the Assessor's Parcel Numbers listed above shall remain part of the identified Tax Zone regardless of changes in the configuration of the Assessor's Parcels or changes to APNs in future Fiscal Years. As APNs change, the City may update Attachment 1 to reflect the most current APNs and Tax Zones consistent with the categories of Developed Property set forth in the Rate and Method of Apportionment of Special Tax for CFD No. 2014-2.

Tax Zone 1 – Maximum Special Taxes

The following Maximum Special Taxes apply to all Parcels of Developed Property within Tax Zone 1 of CFD No. 2014-2. These Maximum Special Taxes do not incorporate the long-term maintenance activities which are included as a part of CFD No. 2014-1 (Montelena).

**MAXIMUM SPECIAL TAXES
ORDINARY USE PARCELS
(FISCAL YEAR 2014-15)**

Land Use Class	Ordinary Use Parcels Maximum Special Tax Zone 1	Soundwall and Decorative Lighting Parcels Maximum Special Tax Zone 1
Single Family Detached Property	\$275.49 per Unit	\$279.85 per Unit
Single Family Attached Property	\$217.64 per Unit	\$221.08 per Unit
Multi-Family Property	\$157.03 per Unit	\$159.52 per Unit
Commercial Property	\$210.00 per 1,000 Square Feet	\$210.00 per 1,000 Square Feet
Hotel Property	\$162.54 per Unit	\$165.11 per Unit
Industrial Property	\$123.97 per 1,000 Square Feet	\$125.93 per 1,000 Square Feet
Office Property	\$210.00 per 1,000 Square Feet	\$210.00 per 1,000 Square Feet

On each July 1, commencing July 1, 2015, the Maximum Special Taxes shown above shall be increased by the Annual Escalation Factor.

TAX ZONE 2

Assessor's Parcels Included In Tax Zone 2*				Fiscal Year in Which Property Was Added to CFD No. 2014-2
072-2870-001		through	072-2870-072	2014-15
072-2880-001		through	072-2880-082	
072-2890-001		through	072-2890-088	
072-2900-001		through	072-2900-080	
072-2910-001		through	072-2910-083	
072-2920-001		through	072-2920-069	
072-2940-001		through	072-2940-066	
072-2950-001		through	072-2950-063	
072-2960-001		through	072-2960-065	

*** The property identified by the Assessor's Parcel Numbers listed above shall remain part of the identified Tax Zone regardless of changes in the configuration of the Assessor's**

Parcels or changes to APNs in future Fiscal Years. As APNs change, the City may update Attachment 1 to reflect the most current APNs and Tax Zones consistent with the categories of Developed Property set forth in the Rate and Method of Apportionment of Special Tax for CFD No. 2014-2.

Tax Zone 2 – Maximum Special Taxes

The following Maximum Special Taxes apply to all Parcels of Developed Property within Tax Zone 2 of CFD No. 2014-2. These Maximum Special Taxes include the maintenance of street lighting only.

MAXIMUM SPECIAL TAXES ORDINARY USE PARCELS (FISCAL YEAR 2014-15)

Land Use Class	Street Lighting Only Maximum Special Tax Zone 2
Single Family Detached Property	\$38.00 per Unit
Single Family Attached Property	\$38.00 per Unit
Multi-Family Property	\$157.03 per Unit
Commercial Property	\$210.00 per 1,000 Square Feet
Hotel Property	\$162.54 per Unit
Industrial Property	\$123.97 per 1,000 Square Feet
Office Property	\$210.00 per 1,000 Square Feet

On each July 1, commencing July 1, 2015, the Maximum Special Taxes shown above shall be increased by the Annual Escalation Factor.

EXHIBIT C

OWNER AND THE ASSESSOR'S TAX PARCEL NUMBER(S)

<u>Parcel No.</u>	<u>Property Owner</u>
067-2420-002	AG EHC II (HOV) CA 1 LP
067-2410-004	AG EHC II (HOV) CA 1 LP
067-2410-005	AG EHC II (HOV) CA 1 LP
067-2410-001	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2410-002	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2410-003	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2410-006	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2410-007	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2410-008	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2420-003	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2420-004	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2420-005	K. HOVNANIAN AT JAEGER RANCH, LLC
067-2420-006	K. HOVNANIAN AT JAEGER RANCH, LLC

MEMORANDUM



ITEM 9.9.

DATE: September 6, 2022
TO: Honorable Mayor and Council Members
FROM: Michelle Mingay, Senior Finance Analyst
SUBJECT: **A RESOLUTION RE-APPROVING THE ANNEXATION OF THE RANCH SUBDIVISION (MARKET RATE PORTION) INTO THE CITY OF RANCHO CORDOVA COMMUNITY FACILITIES DISTRICT NO. 2013-2 (POLICE SERVICES)**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would re-approve Annexation Map No. 8 for the Ranch Subdivision (Market Rate Portion) to Community Facilities District No. 2013-2 (Police Services) (hereinafter "CFD No. 2013-2"), and directs the Clerk to execute and record the revised Boundary Map and Notice of Special Tax Lien for the project.

BACKGROUND

On December 17, 2012, the City adopted a resolution of intention to establish a Community Facilities District (CFD) and Future Annexation Area for Citywide police services. On January 22, 2013, the City adopted the resolution forming CFD No. 2013-2 pursuant to the Mello-Roos Community Facilities Act of 1982 (State of California Government Code Section 5311 et seq.) (the "Act"). The action defining the Future Annexation Area for the District provided for a more efficient process for the annexation of property when the property owners have provided for their unanimous consent. Defining the Future Annexation Area provided the resolution of intention, noticing, and public hearing for the entire Future Annexation Area so these steps do not need to be repeated for each annexation.

The annexation process for projects within the Future Annexation Area has been simplified to receiving a petition and waiver from the property owner(s), the City Council approving the Annexation Boundary Map by resolution, followed by the recording of the Annexation Map and Notice of Special Tax Lien by the City Clerk.

In October 2021, the property owners of the Ranch project signed a unanimous approval of the annexation of the project into CFD No. 2013-2. On December 6, 2021, the City Council adopted Resolution 190-2021 approving the annexation and recordation of annexation documents. During the process of preparing the annual tax levy, it was determined the

Assessor Parcel Number ("APN") numbers included on both the boundary map and the notice of special tax lien adopted at the December 6th meeting included a transposition error and were therefore incorrect. Since all of the approval documents included incorrect APN numbers, this item is being brought back for Council approval of the revised boundary map and notice of special tax lien.

FISCAL IMPACT AND FUNDING SOURCE

The project included in this action was conditioned to annex to provide funding for police services. This condition will be met with the annexation of the project into CFD No. 2013-2.

ATTACHMENT(S)

1. Resolution
2. Exhibit A to the Resolution - Revised RC 2013-2 Annex 8 The Ranch Boundary Map
3. Exhibit B to the Resolution - Revised Amendment to Notice Spec Tax

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, REPEALING RESOLUTION NO. 190-2021 AND APPROVING A REVISED BOUNDARY MAP FOR THE RANCH SUBDIVISION (MARKET RATE PORTION) ANNEXATION INTO THE CITY OF RANCHO CORDOVA COMMUNITY FACILITIES DISTRICT NO. 2013-2 (POLICE SERVICES)

WHEREAS, the Conditions of Approval for the Ranch Subdivision requires the property owner/applicant to provide funding for police services; and

WHEREAS, on December 17, 2012, the City adopted Resolution No. 122-2012 declaring its intention to establish Community Facilities District No. 2013-2 (Police Services) (the "District") and Future Annexation Area. On January 22, 2013, the City adopted Resolution No. 10-2013 forming CFD No. 2013-2 pursuant to the Mello-Roos Community Facilities Act of 1982 (State of California Government Code Section 5311 et seq.) (the "Act"); and

WHEREAS, the action defining the Future Annexation Area for the District provided for a more efficient process for the annexation of property when the property owners have provided for their unanimous consent such that the annexation process for projects within the Future Annexation Area has been reduced to receiving a petition, consent and waiver from the property owner(s); and

WHEREAS, in October 2021, the property owner executed a unanimous approval form which irrevocably consents to and votes in favor of the annexation of the property to the District and the levy of the special tax on the property to finance the services of the CFD in accordance with the Rate and Method of the District; and

WHEREAS, On December 6, 2021, the City Council adopted Resolution 190-2021 approving the annexation and recordation of annexation documents; and

WHEREAS, it was later determined the Assessor Parcel Numbers included in the annexation documents included a transposition error resulting in the need for Council to preapprove the projects annexation; and

WHEREAS, City staff has caused to be prepared a Revised Annexation Map No. 8 for the property known as the Ranch Subdivision (Market Rate Portion), Exhibit A attached hereto, for the annexation of the property to CFD No. 2013-2 (Police Services).

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, as follows:

1. The Council finds and determines the above recitals are true and correct.
2. Council approves the Revised Annexation Map No. 8 and finds and determines that the territory shown in the Annexation Map is hereby added to and made a part of the District with full legal effect.

ITEM 9.9.

ATTACHMENT 1

3. The City Clerk is directed to execute and record the Revised Annexation Map No. 8 in the office of the County Recorder of Sacramento County not later than 15 days after the adoption of this resolution.
4. The City Council finds and determines that a special tax shall be levied within the Territory to be annexed and which special tax shall be the same as the tax to be levied within the District. Collection of said tax shall commence as outlined in the rate and method of apportionment of said tax and shall be as set forth in the Resolution of Formation of the District.
5. The City Clerk is directed to execute and record a Revised Notice of Special Tax Lien in substantially the same form as shown in Exhibit B attached hereto, in the office of the County Recorder of Sacramento County not later than 15 days after recordation of the Revised Annexation Map No. 8.
6. The City Council finds and determines that adoption of this Resolution is not a “project” under the California Environmental Quality Act, because the Resolution does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(4).

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by the following vote:

AYES:

NOES:

ABSENT:

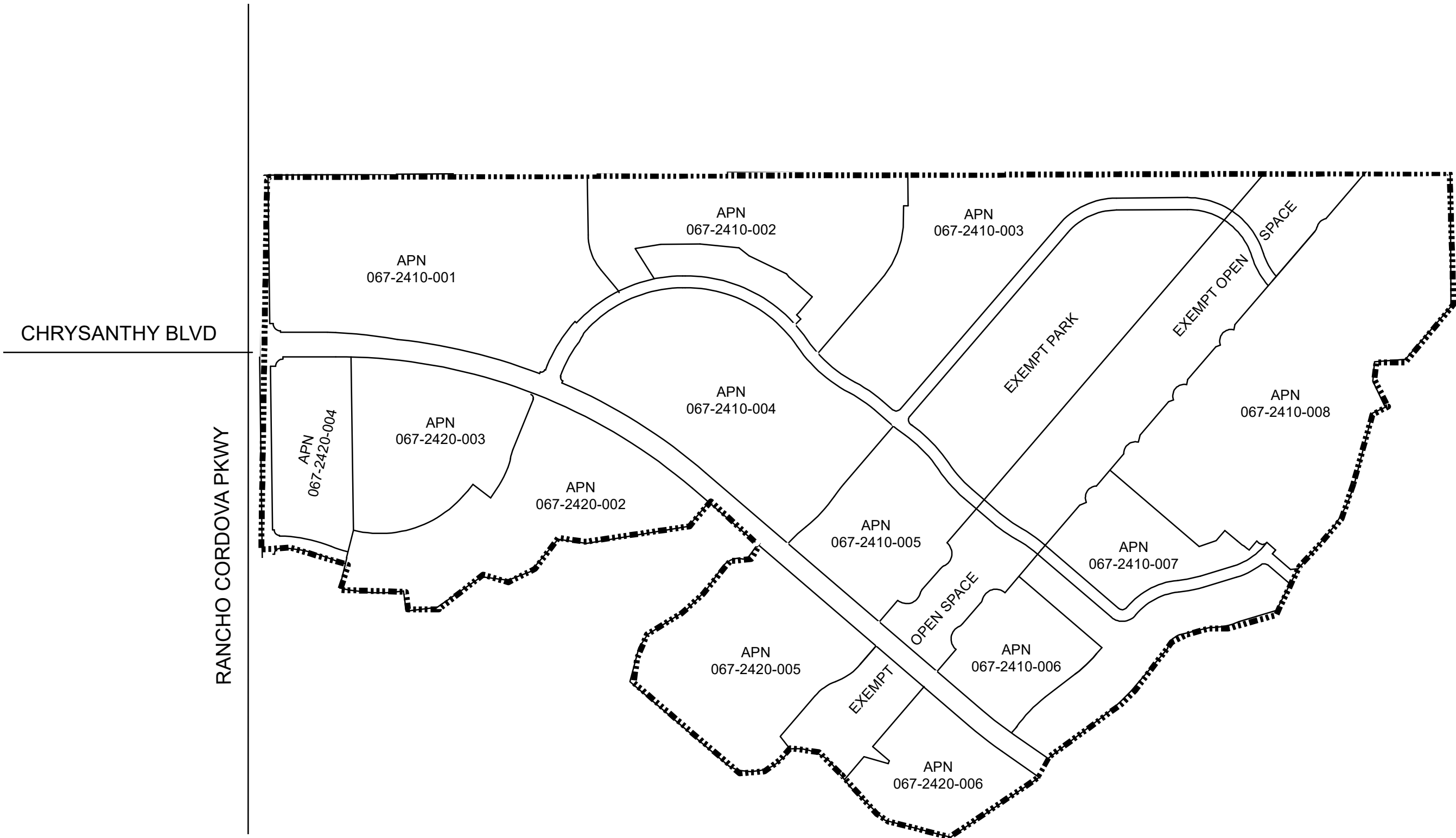
ABSTAIN:

ATTEST:

Donald Terry, Mayor

Stacy Leitner, CMC
City Clerk

AMENDED PROPOSED BOUNDARY OF
ANNEXATION 8
(THE RANCH) TO
CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT NO. 2013-2
(POLICE SERVICES)
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA



THIS MAP AMENDS AND CORRECTS THE APNS AS STATED IN THE MAP PREVIOUSLY RECORDED ON DECEMBER 16, 2021 IN BOOK 136 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NO. 5 AND INSTRUMENT/FILE NO. 202112160146 IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE

CLERK'S MAP STATEMENT

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF RANCHO CORDOVA THIS _____ DAY OF _____ 2022.

CITY CLERK OF THE CITY OF RANCHO CORDOVA

CLERK'S MAP STATEMENT

I HEREBY CERTIFY THAT THE AREA SHOWN ON THIS MAP OF THE PROPOSED ANNEXATION 8 TO COMMUNITY FACILITIES DISTRICT NO. 2013-2, (POLICE SERVICES), CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AT A REGULARLY SCHEDULED MEETING THEREOF, HELD ON THE ____ DAY OF _____ 2022. BY ITS RESOLUTION NO. _____.

CITY CLERK OF THE CITY OF RANCHO CORDOVA

COUNTY RECORDER'S FILING STATEMENT

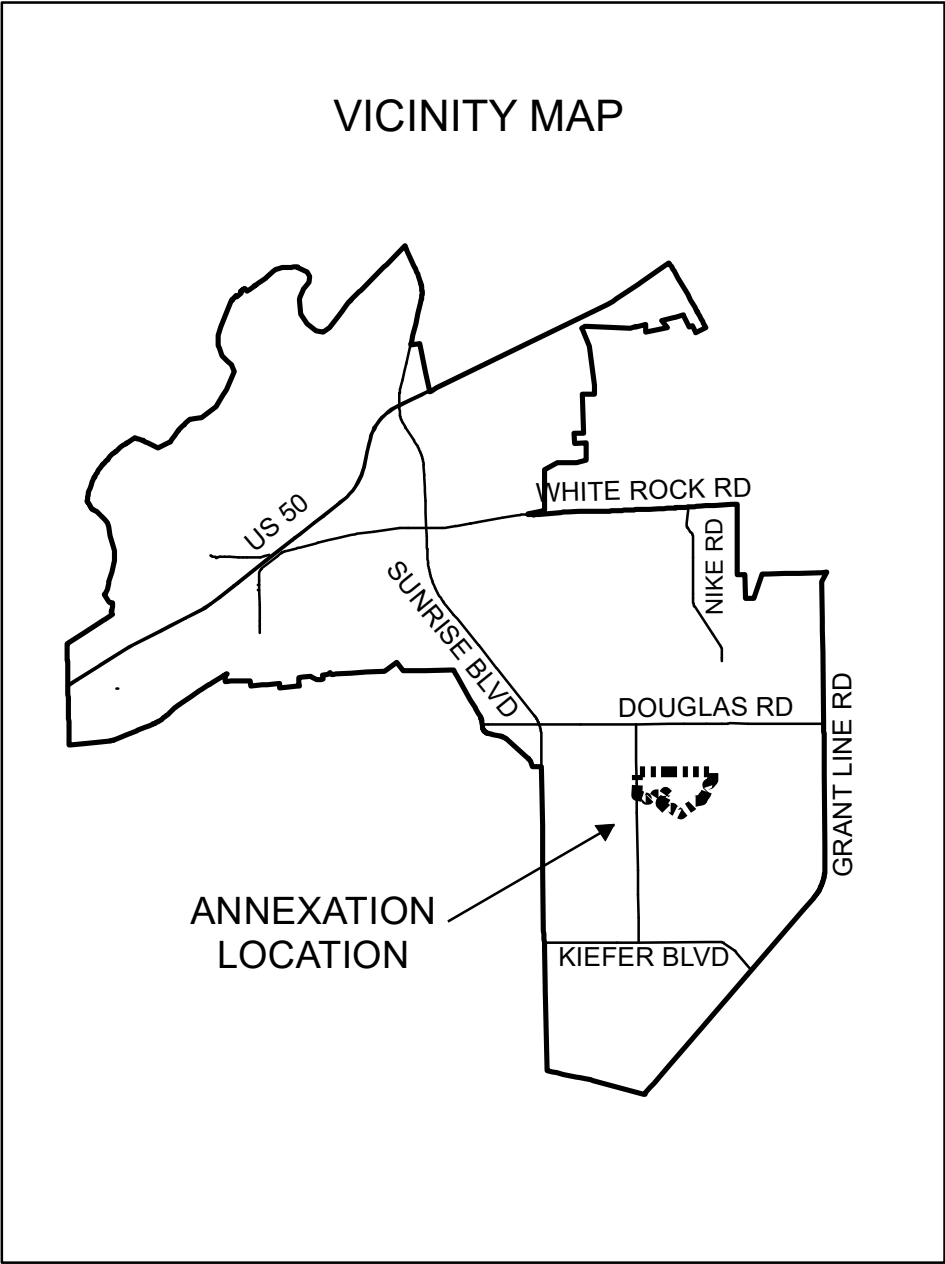
FILED THIS _____ DAY OF _____ 2022. AT THE HOUR OF _____ O'CLOCK ____M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NO. ____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

DONNA ALLRED
COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, CALIFORNIA

BY: _____
DEPUTY

FILE: _____

REFERENCE THE SACRAMENTO COUNTY ASSESSOR'S MAPS FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS



Legend
Annexation Boundary

1 " = 375 '

HARRIS & ASSOCIATES
22 EXECUTIVE PARK, SUITE 200
IRVINE, CALIFORNIA 92614
800-827-4901

PROPOSED BOUNDARY MAP

City of Rancho Cordova
Community Facilities District No. 2013-2
Annexation 8 (Police Services)
County of Sacramento, California

Sheet 1 of 1

ITEM 9.9.

**ATTACHMENT 3
Exhibit B to the Resolution**

**RECORDING REQUESTED BY AND
AFTER RECORDATION RETURN TO:**

City Clerk
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95363

(SPACE ABOVE THIS LINE RESERVED FOR
RECORDER'S USE)

**REVISED AMENDMENT NO. 8 TO
NOTICE OF SPECIAL TAX LIEN
RELATIVE TO THE
CITY OF RANCHO CORDOVA
Community Facilities District No. 2013-2
(Police Services)**

Reason for re-recording:

This document is being re-recorded to replace previously recorded Document #202201130444 as the original recording included a transposition error in the list of Assessor Parcel Numbers (APN's).

CITY OF RANCHO CORDOVA
Community Facilities District No. 2013-2
(Police Services)Annexation No. 8

Pursuant to the requirements of Section 3117.5 of the Streets and Highways Code of California and the Mello-Roos Community Facilities Act of 1982, as amended, section 53311, *et. seq.*, of the California Government Code (the "Act"), the undersigned City Clerk of the City of Rancho Cordova (the "City"), County of Sacramento, State of California, hereby gives notice that a lien to secure payment of a special tax, which the City is authorized to levy, is hereby imposed on the property described herein. The special tax secured by this lien is authorized to be levied for the purpose of paying for certain municipal services set forth in that certain Notice of Special Tax Lien heretofore recorded in the Office of the County Recorder of the County of Sacramento, State of California on March 12, 2013 as Document No. 20130312 page 0318 to which recorded Notice of Special Tax Lien reference is hereby made and the provisions of which are hereby incorporated by this reference.

This Amendment No. 8 to Notice of Special Tax Lien amends the Notice of Special Tax Lien to add to the territory of the CFD. The territory and future annexation area included in the original CFD is set forth in the map of the CFD heretofore recorded in the Sacramento County Recorder's Office at Book 114 of Maps of Assessment and Community Facilities Districts at Page 18 as Document No. 20130102PG1208, (the "Original Boundary Map") to which map reference is hereby made. The territory to be added from the future annexation area is that certain real property identified in the map of the Annexed Territory recorded in the Sacramento County Recorder's Office at Book 136, at Page 5 as Document No. 202112160146, which map together with the Original Boundary Map are now the final boundary maps of the CFD including the Annexed Territory.

This annexed property is placed in Tax Zone 1 for purposes of computation of the Special Tax.

The assessor's tax parcel(s) numbers of all parcels or any portion thereof which are included in this Amendment No. 8 to Notice of Special Tax Lien, together with the name(s) of the owner(s) thereof, as they appear on the latest secured assessment roll as of the date of recording hereof or as are otherwise known to the Authority are as set forth in Exhibit A hereto, and by such reference hereby made a part hereof. The levy is hereby imposed on the property described herein.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact the Finance Officer of the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, CA 95670 (telephone number: 916-851-8738).

Dated: As of _____, 2022

By: _____
Stacy Leitner, City Clerk
City of Rancho Cordova

EXHIBIT A

CITY OF RANCHO CORDOVA
Community Facilities District No. 2013-2
(Police Services)Annexation No. 8

ASSESSOR'S PARCEL NUMBERS AND OWNERS OF LAND

Assessor's
Parcel No(s).Name(s) of Property Owners

067-2420-002	AG EHC II (HOV) CA 1 LP
067-2420-004	AG EHC II (HOV) CA 1 LP
067-2420-005	AG EHC II (HOV) CA 1 LP
067-2410-001	K. HOVNANIAN AT JAEGER RANCH LLC
067-2410-002	K. HOVNANIAN AT JAEGER RANCH LLC
067-2410-003	K. HOVNANIAN AT JAEGER RANCH LLC
067-2410-006	K. HOVNANIAN AT JAEGER RANCH LLC
067-2410-007	K. HOVNANIAN AT JAEGER RANCH LLC
067-2410-008	K. HOVNANIAN AT JAEGER RANCH LLC
067-2420-003	K. HOVNANIAN AT JAEGER RANCH LLC
067-2420-004	K. HOVNANIAN AT JAEGER RANCH LLC
067-2420-005	K. HOVNANIAN AT JAEGER RANCH LLC
067-2420-006	K. HOVNANIAN AT JAEGER RANCH LLC

MEMORANDUM



ITEM 9.10.

DATE: September 6, 2022
TO: Honorable Mayor and Council Members
FROM: Elizabeth Sparkman, Community Development Director
Dalia Fadl, Principal Engineer
SUBJECT: **A RESOLUTION DECLARING THE RESULTS OF A MAIL BALLOT ELECTION RELATING TO THE IMPOSITION OF THE ANNUAL STORMWATER UTILITY FEE FOR THE SUNDANCE PROJECT IN THE CITY OF RANCHO CORDOVA**

RECOMMENDATION

Adopt the Resolution declaring the results of the mail ballot election relating to the imposition of the Annual Stormwater Utility Fee for the Sundance project.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would declare the results of the ballot tabulation in connection with the imposition of the annual Stormwater Utility Fee on the Sundance project. Since majority approval exists, the City Council may impose the annual Stormwater Utility Fee on the Sundance project pursuant to the Fee Ordinance.

BACKGROUND

The City Council previously adopted a Resolution on June 20, 2022 declaring its intention to impose the annual Stormwater Utility Fee ("Fee") pursuant to Ordinance No. 7-2014 on the Sundance project. A protest hearing was conducted on July 18, 2022, at which time no written protest was received from the property owners representing a majority of the parcels subject to the Fee. Council then adopted a Resolution authorizing the mailing of property owner ballots for the purpose of submitting the Fee to a vote of the owners, subject to the Fee.

The Clerk has tabulated the ballots returned by the property owners for the Sundance project. The majority vote of the owners of the parcels approved imposing the annual Fee on the Sundance project pursuant to the Ordinance. The Council action tonight is to adopt the Resolution declaring the results of the mail ballot election.

FISCAL IMPACT AND FUNDING SOURCE

There is no impact to the City's General Fund.

ATTACHMENT(S)

1. Resolution

2. Exhibit A to the Resolution - Property Owner Ballot
3. Exhibit B to the Resolution - Certificate

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA,
STATE OF CALIFORNIA, DECLARING THE RESULTS OF A MAIL BALLOT ELECTION
RELATING TO THE IMPOSITION OF THE ANNUAL STORMWATER UTILITY FEE FOR THE
SUNDANCE PROJECT IN THE CITY OF RANCHO CORDOVA**

WHEREAS, on June 20, 2022, the City Council adopted a Resolution declaring its intention to impose the Annual Stormwater Utility Fee ("Fee") for the Sundance project; and

WHEREAS, Article XIII D of the California Constitution (Proposition 218) requires the City to follow certain procedural and substantive requirements relating to the imposition of property-related fees and charges (as defined in Proposition 218); and

WHEREAS, the City has determined that the Fee is a property related fee, subject to the provisions of Proposition 218; and

WHEREAS, before imposing the Fee, the City Council is required to hold a noticed public hearing on a written report (the "Written Report") containing a description of each parcel of real property within the City to which the Fee is applicable and the amount of the Fee for each such parcel for Fiscal Year 2022-2023 and to consider protests to the Fee and, if a majority protest is not received at the public hearing, the Council must submit the question of the imposition of the Fee to a vote of the owners of the property subject to the proposed Fee for approval before the proposed Fee may be levied; and

WHEREAS, in accordance with Proposition 218 the City Council held a duly noticed public hearing on the matter of the Written Report and the proposed Fee on July 18, 2022 and took testimony, both written and oral; and

WHEREAS, having determined a written protest was not received from property owners representing a majority of the parcels subject to the Fee, the City Council adopted a Resolution authorizing the mailing of the property owner ballots (the "Ballot Measure") for the purpose of submitting the Fee to a vote of the owners of parcels subject to the Fee, and subject to approval by a majority vote of the owners of parcel subject to the Fee; and

WHEREAS, pursuant to the terms of Ordinance No. 7-2014 and the unanimous consent of the property owner, the Property Owner Balloting was conducted and completed, and the City Clerk has on file a Certificate of the City Clerk as to the Results of the Canvass of the Ballot Return in Connection with the Proposed Stormwater Utility Fee (the "Certificate"), a copy of which is attached hereto as Exhibit B and by this reference incorporated herein.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY
OF RANCHO CORDOVA:**

1. The above recitals are true and correct.
2. The Certificate is hereby accepted into the records of the City.
3. The Ballot Measure is authorized as set forth in Exhibit A attached hereto and by this reference incorporated herein.

ITEM 9.10.

ATTACHMENT 1

4. The results of the Ballot Measure are as set forth in the Certificate on file with the City Clerk and attached to this Resolution as Exhibit B ("Certificate").
5. The City Clerk is authorized to declare the results of the mail ballot election relating to the imposition of the Stormwater Utility fee on the Sundance project.
6. Pursuant to said Certificate, the Ballot Measure submitted was approved by a majority vote of the owner of parcels subject to the Fee, the Fee is hereby imposed pursuant to Ordinance No. 7-2014 on the Sundance project.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by the following vote:

ATTEST:

Donald Terry, Mayor

Stacy Leitner, CMC
City Clerk

Rancho Cordova Stormwater Utility Fee – Official Property Owner Ballot

The person completing and submitting this Property Owner Ballot must be the owner of the property identified above or the representative of the owner of such property who is legally authorized to complete and submit this ballot for and on behalf of the owner. The enclosed "Summary of Property Owner Ballot Procedures" has been provided to assist you in filling out the ballot. If there are two or more property owners, only one needs to sign and return the ballot. One ballot will be counted per property.

Assessor's Parcel Numbers: **067-0030-040-0000**

Property Address: Sunrise Blvd.

Designation: Vacant Land

Total Parcel(s) Area (acres): 11.82

Assessor's Parcel Numbers: **067-0030-040-0000**Owner Name: **SUNRIDGE VILLAS PROPERTY LLC**

Proposed Maximum FY 2022-2023 Annual Fee Amount: \$143.40 per DMU

In order to provide the City of Rancho Cordova with a dedicated funding source to repair, reconstruct and maintain the storm drain system and to protect water quality, shall the City impose an annual Stormwater Utility Fee as shown in the Rate Analysis Report, dated 8/7/2014?

**YES** I support the proposed annual Stormwater Utility Fee**NO** I oppose the proposed annual Stormwater Utility Fee

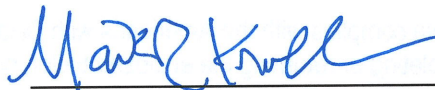
I hereby declare, under penalty of perjury under the laws of the State of California, that I am the owner, or the authorized representative of the owner, of the parcel identified above. Your ballot will not be counted if you do not sign below.

8/1/2022

Date

MARK R KROLL

Printed Name



Signature

If approved by a majority of the returned ballots, the proposed maximum annual Storm Drain User Fee rate for FY 2022-2023 will be \$143.40 per Drainage Measurement Unit (DMU). The maximum rate per DMU will increase annually by the amount of the increase of the CPI. However, each year the City Council will hold a public hearing and determine the actual rate per DMU that will be charged. At the annual public hearing, the City Council will set the actual rate for the next year, which would be equal to or less than the annual maximum rate. The Council may decide to reduce the rate or set the rate to \$0 per DMU in any fiscal year.

Please mark your ballot in ink and return the entire page.

Upon completion, fold the ballot, place it in the addressed, return envelope and seal the envelope. Pursuant to the enclosed instructions, mail the ballot to the address shown on the return envelope, or deliver to the City Clerk at City Hall located at 1:30 Tuesday August 16, 2022.

Return to:

**City of Rancho Cordova
Attn: City Clerk
2729 Prospect Park Drive
Rancho Cordova, CA 95670**

Vote Here

EXHIBIT B

CERTIFICATE OF THE CITY CLERK AS TO
THE RESULTS OF THE CANVASS OF THE ELECTION RETURNS
IN CONNECTION WITH THE PROPOSED STORMWATER UTILITY FEE
IN THE CITY OF RANCHO CORDOVA

I, Stacy Leitner, City Clerk of the City of Rancho Cordova, hereby certify that I canvassed the returns of the election in connection with the imposition of an annual stormwater utility fee that the day for the return of mailed ballot, August 16, 2022. The election was concluded on that date and that the total number of ballots cast in said election and the total number of votes cast for and against the ballot measure, as specified below, are full, true and correct.

Total of Ballots Received: /

Total "Yes" Ballots: /

Total "No" Ballots: 0


Stacy Leitner, CMC
City Clerk

MEMORANDUM

ITEM 9.11.



DATE: September 06, 2022

TO: Honorable Mayor and Council Members

FROM: Kim Juran-Karageorgiou,
Administrative Services Director

SUBJECT: TREASURER'S REPORT – JUNE 30, 2022

RECOMMENDATION

This report is informational only. It is recommended that the City Council receive and file the June 30, 2022 Treasurer's Report.

RESULT OF RECOMMENDED ACTION

The Treasurer's Report is required to be submitted to the City Council at least quarterly in accordance with California Government Code Section 53600 et. seq. The purpose of the Treasurer's Report is to update the City Council and the public on the status of the City's cash balances and investments and highlight material changes from one period to another. The scope of this report covers the second quarter of the 2022 calendar year ending June 30, 2022 and is in compliance with the State's reporting requirements.

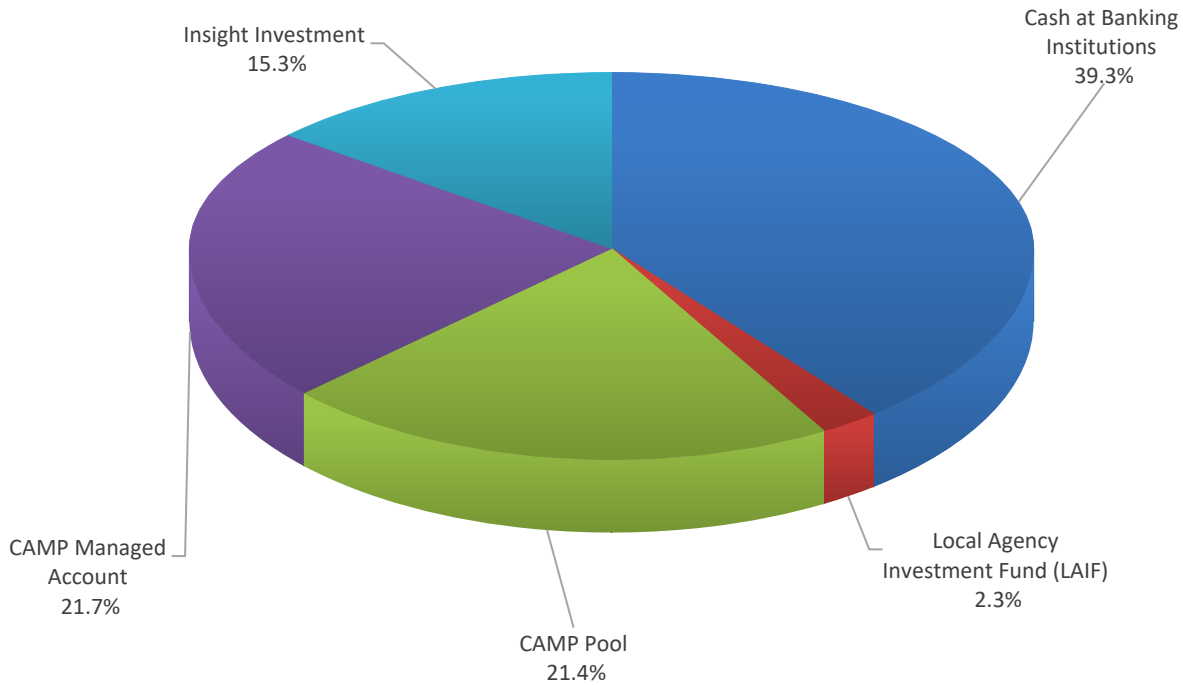
BACKGROUND

Attached is the quarterly Treasurer's Report for the period ending June 30, 2022. Treasurer's Reports are provided to the City Council on a quarterly basis.

At March 31, 2022, the value of the City's total portfolio was \$256.0 million. Since that time, the balances increased by \$17.0 million with an ending balance of \$273.0 million as of June 30, 2022. The funds are held as follows:

Investment Distribution	Book Value	Market Value
Cash at Banking Institutions	107,386,825	107,386,825
Local Agency Investment Fund (LAIF)	6,204,509	6,204,509
CAMP Pool	58,422,984	58,422,984
CAMP Managed Account	62,105,818	59,344,591
Insight Investment	42,679,082	41,669,233
Total	276,799,217	273,028,142

Investment Portfolio



Economic conditions in the second quarter of 2022 were impacted by persistently high inflation and rising interest rates, with the Federal Reserve (Fed) raising the overnight federal reserve target rate three times in the first half of the year. With the anticipated continuation of rate hikes by the Fed throughout 2022 and beyond, the investment strategy continues to focus on short term investment options. When interest rates rise, it is a given that the market value of the City's portfolio will decline as some longer term investments decline in market value until they mature and are reinvested at current interest rates. It is important to understand that these market value declines are experienced on paper only as the City holds all of its investments to maturity.

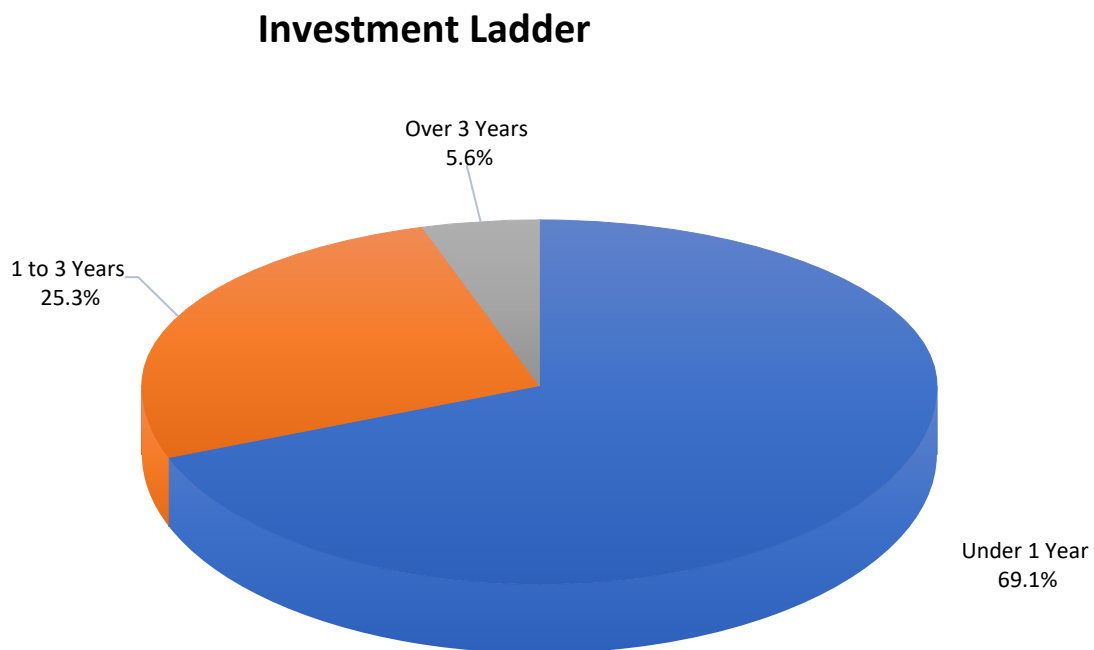
At June 30, 2022, the City's cash balance was allocated by fund type/purpose as follows:

- General Fund: \$50.7 million
- Community Enhancement Fund: \$14.3 million
- Measure R Fund: \$4.9 million
- Sunrise Development Impact Fees (restricted for specific improvements needed as a result of development in the area): \$53.6 million
- Transportation Funds: \$75.5 million
- Storm Drain Fund: \$19.9 million
- Capital Projects/Grant/Special Revenue Funds: \$48.4 million
- Agency Funds: \$9.4 million

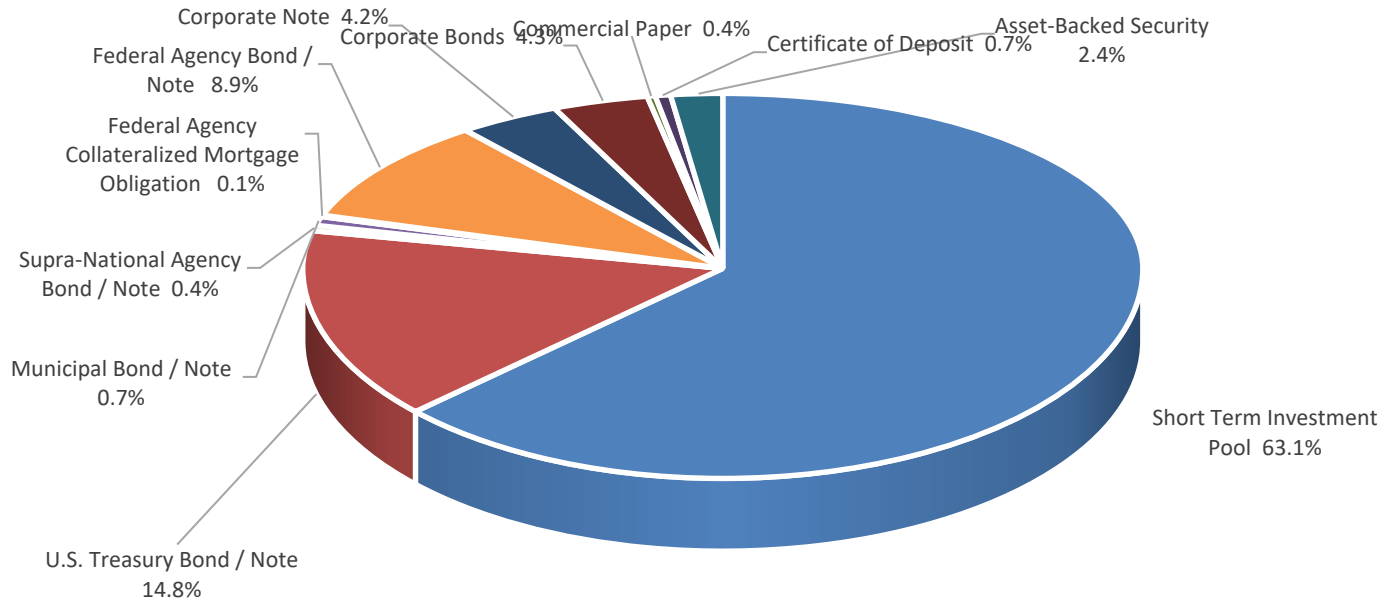
The overall portfolio is well diversified with \$104.8 million invested in marketable securities, \$64.6 million is invested in short-term investments that are considered liquid (LAIF, CAMP, and money markets), and another \$107.4 million is on deposit with our banks, which includes \$11.6 million on deposit with three local banks as part of the City's participation in a local banking initiative and COVID-19 Lift Program. Staff, in conjunction with our financial advisors, periodically reviews the mix of liquid and long-term investments and adjusts the portfolio according to the market conditions and our short-term cash needs.

Staff thoroughly reviews investment statements and makes appropriate inquiries of its investment advisors to confirm the existence and viability of the City's assets. The City invests conservatively in investment policy options in accordance with the California Government Code. The long-term assets are in securities that can be held to maturity, thus are less vulnerable to the fluctuations of the market. All securities are in compliance with the City's investment policy. There are sufficient funds to meet the City's expenditure requirements for the next six months.

The distribution of investments are displayed in the following charts:



Allocation By Security Type



ATTACHMENT(S)

1. City of Rancho Cordova Treasurer's Report for the quarter ended June 30, 2022

**CITY OF RANCHO CORDOVA
TREASURER'S REPORT
FOR THE QUARTER ENDED June 30, 2022**

Security Held	Book Value	Market Value
Wells Fargo Bank	95,822,243	95,822,243
5 Star Bank	5,290,111	5,290,111
American River Bank	5,274,456	5,274,456
Tri Counties Bank	1,000,015	1,000,015
Local Agency Investment Fund (LAIF)	6,204,509	6,204,509
CAMP Pool	58,422,984	58,422,984
CAMP Managed Account	62,105,818	59,344,591
Insight Investment	42,679,082	41,669,233
Total	276,799,217	273,028,142



Managed Account Detail of Securities Held

For the Month Ending June 30, 2022

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	425,000.00	AA+	Aaa	09/05/18	09/07/18	407,169.92	2.76	2,594.61	424,442.04	424,933.62
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	350,000.00	AA+	Aaa	01/30/19	01/31/19	344,449.22	2.55	20.21	349,289.66	349,234.38
US TREASURY NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	550,000.00	AA+	Aaa	06/03/19	06/07/19	545,681.64	1.83	757.00	549,008.02	543,640.63
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	850,000.00	AA+	Aaa	07/01/19	07/03/19	844,388.67	1.78	2,327.11	848,271.53	834,992.23
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	1,000,000.00	AA+	Aaa	10/02/19	10/04/19	1,005,742.19	1.48	2,737.77	1,001,879.33	982,343.80
US TREASURY NOTES DTD 12/15/2020 0.125% 12/15/2023	91282CBA8	4,000,000.00	AA+	Aaa	05/21/21	05/24/21	3,987,656.25	0.25	218.58	3,992,976.60	3,837,500.00
US TREASURY NOTES DTD 12/15/2020 0.125% 12/15/2023	91282CBA8	4,800,000.00	AA+	Aaa	06/25/21	06/28/21	4,773,375.00	0.35	262.29	4,784,261.67	4,605,000.00
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	450,000.00	AA+	Aaa	02/03/20	02/07/20	462,216.80	1.36	24.46	455,556.55	441,421.87
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	725,000.00	AA+	Aaa	03/02/20	03/06/20	760,315.43	0.85	39.40	741,347.66	711,179.69
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,000,000.00	AA+	Aaa	01/02/20	01/07/20	1,014,726.56	1.66	54.35	1,006,571.14	980,937.50
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,150,000.00	AA+	Aaa	11/01/19	11/06/19	1,173,269.53	1.55	62.50	1,160,003.98	1,128,078.12
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	2,450,000.00	AA+	Aaa	12/02/19	12/05/19	2,486,750.00	1.66	133.15	2,466,074.00	2,403,296.88
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	3,700,000.00	AA+	Aaa	06/07/21	06/08/21	3,888,179.69	0.33	201.09	3,822,872.25	3,629,468.75
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	4,000,000.00	AA+	Aaa	06/18/21	06/21/21	4,184,375.00	0.46	217.39	4,121,804.30	3,923,750.00





Managed Account Detail of Securities Held

For the Month Ending June 30, 2022

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024	912828YY0	475,000.00	AA+	Aaa	08/05/20	08/07/20	507,693.36	0.18	22.59	493,594.73	460,304.69
US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024	912828YY0	800,000.00	AA+	Aaa	07/01/20	07/06/20	852,250.00	0.28	38.04	829,137.58	775,250.00
US TREASURY NOTES DTD 06/30/2020 0.250% 06/30/2025	912828ZW3	100,000.00	AA+	Aaa	03/01/21	03/04/21	98,589.84	0.58	0.68	99,022.09	92,046.88
US TREASURY NOTES DTD 06/30/2020 0.250% 06/30/2025	912828ZW3	425,000.00	AA+	Aaa	04/01/21	04/05/21	416,765.63	0.72	2.89	419,171.54	391,199.24
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	525,000.00	AA+	Aaa	05/04/21	05/06/21	516,120.12	0.75	5.35	518,319.20	478,324.25
US TREASURY N/B NOTES DTD 04/30/2021 0.750% 04/30/2026	91282CBW0	100,000.00	AA+	Aaa	02/10/22	02/14/22	95,277.34	1.92	126.36	95,698.57	91,656.25
US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	325,000.00	AA+	Aaa	05/03/22	05/05/22	294,125.00	3.03	847.29	295,261.87	294,632.81
US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	950,000.00	AA+	Aaa	06/02/22	06/06/22	864,537.11	2.94	2,476.69	865,946.46	861,234.38
Security Type Sub-Total		29,150,000.00					29,523,654.30	0.88	13,169.80	29,340,510.77	28,240,425.97
Supra-National Agency Bond / Note											
INTL BK RECON & DEVELOP NOTES DTD 11/24/2020 0.250% 11/24/2023	459058JM6	650,000.00	AAA	Aaa	11/17/20	11/24/20	648,602.50	0.32	167.01	649,347.83	625,927.90
INTER-AMERICAN DEVEL BK NOTES DTD 09/23/2021 0.500% 09/23/2024	4581X0DZ8	585,000.00	AAA	Aaa	09/15/21	09/23/21	584,567.10	0.52	796.25	584,678.09	553,046.13
Security Type Sub-Total		1,235,000.00					1,233,169.60	0.42	963.26	1,234,025.92	1,178,974.03
Municipal Bond / Note											
CT ST TXBL GO BONDS DTD 06/11/2020 1.998% 07/01/2024	20772KJW0	75,000.00	A+	Aa3	05/29/20	06/11/20	75,000.00	2.00	749.25	75,000.00	73,847.25



Managed Account Detail of Securities Held

For the Month Ending June 30, 2022

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Municipal Bond / Note											
CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	100,000.00	AA-	Aa1	11/06/19	12/05/19	100,000.00	2.10	875.42	100,000.00	97,808.00
SAN JUAN USD, CA TXBL GO BONDS DTD 10/29/2020 0.702% 08/01/2024	798306WN2	200,000.00	NR	Aa2	10/16/20	10/29/20	200,000.00	0.70	585.00	200,000.00	189,800.00
NY ST URBAN DEV CORP TXBL REV BONDS DTD 12/23/2020 0.870% 03/15/2025	650036DT0	425,000.00	AA+	NR	12/16/20	12/23/20	425,000.00	0.87	1,088.71	425,000.00	395,547.50
UNIV OF CAL TXBL REV BONDS DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	100,000.00	AA	Aa2	07/10/20	07/16/20	100,000.00	0.88	112.83	100,000.00	92,925.00
CT ST TXBL GO BONDS DTD 06/04/2021 0.923% 06/01/2025	20772KNW5	275,000.00	A+	Aa3	05/20/21	06/04/21	275,000.00	0.92	211.52	275,000.00	258,456.00
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	75,000.00	AA	Aa3	09/03/20	09/16/20	75,530.25	1.11	471.75	75,332.28	70,297.50
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	100,000.00	AA	Aa3	09/03/20	09/16/20	100,663.00	1.12	629.00	100,415.46	93,730.00
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	200,000.00	AA	Aa3	09/03/20	09/16/20	200,000.00	1.26	1,258.00	200,000.00	187,460.00
MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025	60412AVJ9	130,000.00	AAA	Aa1	08/11/20	08/25/20	130,000.00	0.63	341.25	130,000.00	119,800.20
LOS ANGELES CCD, CA TXBL GO BONDS DTD 11/10/2020 0.773% 08/01/2025	54438CYK2	175,000.00	AA+	Aaa	10/30/20	11/10/20	175,000.00	0.77	563.65	175,000.00	162,015.00
CA ST UNIV TXBL REV BONDS DTD 07/29/2021 0.862% 11/01/2025	13077DQD7	175,000.00	AA-	Aa2	07/09/21	07/29/21	175,000.00	0.86	251.42	175,000.00	161,792.75
Security Type Sub-Total		2,030,000.00					2,031,193.25	1.00	7,137.80	2,030,747.74	1,903,479.20
Federal Agency Commercial Mortgage-Backed Security											
FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	27,454.51	AA+	Aaa	04/04/18	04/09/18	27,688.30	2.88	70.70	27,459.11	27,407.26
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	5,631.27	AA+	Aaa	12/07/18	12/17/18	5,631.25	3.20	15.03	5,631.27	5,596.51





Managed Account Detail of Securities Held

For the Month Ending June 30, 2022

Rancho Cordova - GENERAL FUND -

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Commercial Mortgage-Backed Security											
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	8,799.78	AA+	Aaa	11/20/19	11/26/19	8,799.57	2.09	15.34	8,799.69	8,778.27
FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	275,000.00	AA+	Aaa	03/19/20	03/25/20	288,621.09	1.95	701.71	282,033.32	273,754.05
Security Type Sub-Total		316,885.56					330,740.21	2.06	802.78	323,923.39	315,536.09
Federal Agency Bond / Note											
FREDDIE MAC NOTES DTD 05/07/2020 0.375% 05/05/2023	3137EAER6	400,000.00	AA+	Aaa	05/05/20	05/07/20	399,832.00	0.39	233.33	399,952.66	392,060.40
FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	1,200,000.00	AA+	Aaa	08/19/20	08/21/20	1,198,776.00	0.28	1,058.33	1,199,532.92	1,163,613.60
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	365,000.00	AA+	Aaa	09/02/20	09/04/20	365,066.65	0.24	286.42	365,026.32	353,563.82
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	485,000.00	AA+	Aaa	09/02/20	09/04/20	484,839.95	0.26	380.59	484,936.80	469,803.98
FREDDIE MAC NOTES DTD 10/16/2020 0.125% 10/16/2023	3137EAEY1	415,000.00	AA+	Aaa	10/14/20	10/16/20	413,452.05	0.25	108.07	414,332.76	400,158.77
FREDDIE MAC NOTES DTD 11/05/2020 0.250% 11/06/2023	3137EAEZ8	450,000.00	AA+	Aaa	11/03/20	11/05/20	449,595.00	0.28	171.88	449,817.82	433,908.00
FANNIE MAE NOTES DTD 11/25/2020 0.250% 11/27/2023	3135G06H1	400,000.00	AA+	Aaa	11/23/20	11/25/20	399,544.00	0.29	94.44	399,786.34	384,930.00
FREDDIE MAC NOTES DTD 12/04/2020 0.250% 12/04/2023	3137EAF2	400,000.00	AA+	Aaa	12/02/20	12/04/20	399,604.00	0.28	75.00	399,811.58	384,672.00
FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025	3130AJHU6	500,000.00	AA+	Aaa	04/15/20	04/16/20	497,520.00	0.60	534.72	498,615.88	465,688.00
FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	500,000.00	AA+	Aaa	04/22/20	04/24/20	498,970.00	0.67	598.96	499,420.63	466,582.00



Managed Account Detail of Securities Held

For the Month Ending June 30, 2022

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	500,000.00	AA+	Aaa	07/21/20	07/23/20	497,510.00	0.48	833.33	498,476.51	460,712.50
FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025	3135G05X7	450,000.00	AA+	Aaa	08/25/20	08/27/20	447,894.00	0.47	590.63	448,671.05	413,599.95
FEDERAL HOME LOAN BANK NOTES DTD 09/11/2020 0.375% 09/04/2025	3130AK5E2	200,000.00	AA+	Aaa	09/10/20	09/11/20	199,400.00	0.44	243.75	199,617.04	183,642.60
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	450,000.00	AA+	Aaa	09/23/20	09/25/20	448,645.50	0.44	459.38	449,123.73	413,005.50
FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	450,000.00	AA+	Aaa	11/09/20	11/12/20	448,389.00	0.57	337.50	448,916.27	413,046.90
Security Type Sub-Total		7,165,000.00					7,149,038.15	0.39	6,006.33	7,156,038.31	6,798,988.02
Corporate Note											
PNC BANK NA CORP NOTES (CALLABLE) DTD 01/23/2019 3.500% 01/23/2024	693475AV7	375,000.00	A-	A3	02/12/19	02/15/19	377,670.00	3.34	5,760.42	375,813.66	374,903.25
CHARLES SCHWAB CORP NOTES (CALLABLE) DTD 03/18/2021 0.750% 03/18/2024	808513BN4	135,000.00	A	A2	03/16/21	03/18/21	134,932.50	0.77	289.69	134,961.45	129,494.84
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDQ6	375,000.00	A-	A1	07/19/19	07/23/19	396,483.75	2.59	2,502.60	383,238.32	375,991.88
AMAZON.COM INC CORPORATE NOTES DTD 05/12/2021 0.450% 05/12/2024	023135BW5	355,000.00	AA	A1	05/10/21	05/12/21	354,481.70	0.50	217.44	354,677.95	337,485.72
AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024	02665WCZ2	375,000.00	A-	A3	07/11/19	07/15/19	373,140.00	2.51	100.00	374,252.50	366,734.25
GOLDMAN SACHS GROUP INC (CALLABLE) BONDS DTD 07/08/2014 3.850% 07/08/2024	38141EC23	375,000.00	BBB+	A2	07/08/19	07/11/19	392,467.50	2.84	6,938.02	381,521.33	375,509.63
BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	375,000.00	A-	A3	08/01/19	08/05/19	375,622.50	2.46	3,906.25	375,253.93	365,503.13





Managed Account Detail of Securities Held

For the Month Ending June 30, 2022

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
PACCAR FINANCIAL CORP CORPORATE NOTES DTD 08/09/2021 0.500% 08/09/2024	69371RR40	235,000.00	A+	A1	08/03/21	08/09/21	234,873.10	0.52	463.47	234,910.85	221,090.59
UNILEVER CAPITAL CORP (CALLABLE) CORPORA DTD 08/12/2021 0.626% 08/12/2024	904764BN6	100,000.00	A+	A1	08/09/21	08/12/21	100,000.00	0.63	241.71	100,000.00	94,293.40
WALT DISNEY COMPANY/THE (CALLABLE) DTD 09/06/2019 1.750% 08/30/2024	254687FK7	375,000.00	BBB+	A2	09/03/19	09/06/19	373,470.00	1.84	2,205.73	374,335.04	361,417.50
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 09/10/2021 0.625% 09/10/2024	24422EVU0	180,000.00	A	A2	09/07/21	09/10/21	179,883.00	0.65	346.88	179,914.39	169,874.64
CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 09/14/2021 0.600% 09/13/2024	14913R2P1	150,000.00	A	A2	09/07/21	09/14/21	149,796.00	0.65	270.00	149,850.03	141,157.65
NATIONAL RURAL UTIL COOP CORPORATE NOTES DTD 02/07/2022 1.875% 02/07/2025	63743HFC1	130,000.00	A-	A2	01/31/22	02/07/22	129,996.10	1.88	975.00	129,996.61	124,419.49
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	50,000.00	A+	A1	05/20/20	05/26/20	50,488.50	1.58	345.00	50,271.45	47,663.45
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	50,000.00	A+	A1	05/21/20	05/26/20	50,696.00	1.49	345.00	50,386.76	47,663.45
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	200,000.00	A+	A1	05/20/20	05/26/20	201,954.00	1.58	1,380.00	201,085.81	190,653.80
AMAZON.COM INC CORPORATE NOTES DTD 04/13/2022 3.000% 04/13/2025	023135CE4	290,000.00	AA	A1	04/11/22	04/13/22	289,538.90	3.06	1,885.00	289,572.14	287,481.06



Managed Account Detail of Securities Held

For the Month Ending June 30, 2022

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
HOME DEPOT INC (CALLABLE) CORPORATE NOTE DTD 03/28/2022 2.700% 04/15/2025	437076CM2	45,000.00	A	A2	03/24/22	03/28/22	44,921.25	2.76	313.88	44,927.97	44,041.91
BANK OF AMERICA CORP NOTES (CALLABLE) DTD 04/22/2021 0.976% 04/22/2025	06051GJR1	325,000.00	A-	A2	04/16/21	04/22/21	325,000.00	0.98	607.97	325,000.00	305,589.05
CITIGROUP INC CORP NOTES DTD 04/27/2015 3.300% 04/27/2025	172967JP7	300,000.00	BBB+	A3	08/28/20	09/01/20	332,985.00	0.88	1,760.00	320,016.21	295,644.00
CINTAS CORPORATION NO. 2 CORP NOTE (CALL) DTD 05/03/2022 3.450% 05/01/2025	17252MAP5	130,000.00	A-	A3	04/26/22	05/03/22	129,971.40	3.46	722.58	129,972.94	130,186.94
APPLE INC (CALLABLE) CORP NOTES DTD 05/11/2020 1.125% 05/11/2025	037833DT4	400,000.00	AA+	Aaa	05/11/20	05/13/20	400,804.00	1.08	625.00	400,454.88	375,749.60
APPLE INC CORPORATE NOTES DTD 05/13/2015 3.200% 05/13/2025	037833BG4	500,000.00	AA+	Aaa	11/24/21	11/29/21	530,775.00	1.37	2,133.33	525,552.28	499,854.50
JPMORGAN CHASE & CO CORPORATE NOTES DTD 06/01/2021 0.824% 06/01/2025	46647PCH7	580,000.00	A-	A2	05/24/21	06/01/21	580,000.00	0.82	398.27	580,000.00	542,533.16
NATIONAL AUSTRALIA BK/NY CORPORATE NOTES DTD 06/09/2022 3.500% 06/09/2025	63254ABD9	470,000.00	AA-	Aa3	05/31/22	06/09/22	470,000.00	3.50	1,005.28	470,000.00	465,613.02
NATIONAL RURAL UTIL COOP CORPORATE NOTES DTD 05/04/2022 3.450% 06/15/2025	63743HFE7	70,000.00	A-	A2	04/27/22	05/04/22	69,981.10	3.46	382.37	69,982.06	69,601.77
CITIGROUP INC CORP NOTE (CALLABLE) DTD 11/03/2021 1.281% 11/03/2025	172967ND9	90,000.00	BBB+	A3	10/27/21	11/03/21	90,000.00	1.28	185.75	90,000.00	83,435.49
UNITEDHEALTH GROUP INC (CALLABLE) CORPOR DTD 05/19/2021 1.150% 05/15/2026	91324PEC2	475,000.00	A+	A3	05/17/21	05/19/21	474,173.50	1.19	697.99	474,358.58	431,651.98





Managed Account Detail of Securities Held

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Rancho Cordova - GENERAL FUND -

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
ASTRAZENECA FINANCE LLC (CALLABLE) CORP DTD 05/28/2021 1.200% 05/28/2026	04636NAA1	450,000.00	A-	A3	07/16/21	07/20/21	450,540.00	1.17	495.00	450,432.81	406,053.90
TOYOTA MOTOR CREDIT CORP CORPORATE NOTES DTD 06/18/2021 1.125% 06/18/2026	89236TJK2	85,000.00	A+	A1	09/08/21	09/13/21	84,811.30	1.17	34.53	84,842.88	76,819.77
BANK OF AMERICA CORP NOTES (CALLABLE) DTD 06/16/2020 1.319% 06/19/2026	06051GJD2	600,000.00	A-	A2	07/23/21	07/27/21	602,754.00	1.22	263.80	602,097.92	544,642.20
AMERICAN EXPRESS CO (CALLABLE) CORPORATE DTD 11/04/2021 1.650% 11/04/2026	025816CM9	450,000.00	BBB+	A2	11/19/21	11/23/21	449,316.00	1.68	1,175.63	449,399.28	407,938.50
JPMORGAN CHASE & CO NOTES (CALLABLE) DTD 11/19/2020 1.045% 11/19/2026	46647PBT2	350,000.00	A-	A2	11/24/21	11/29/21	339,717.00	1.66	426.71	340,928.76	311,044.65
CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 01/10/2022 1.700% 01/08/2027	14913R2U0	450,000.00	A	A2	01/11/22	01/13/22	447,727.50	1.81	3,633.75	447,938.40	412,083.45
TARGET CORP CORPORATE NOTES DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	80,000.00	A	A2	01/19/22	01/24/22	79,864.00	1.99	680.33	79,875.83	74,070.16
BANK OF NY MELLON CORP (CALLABLE) CORPOR DTD 01/26/2022 2.050% 01/26/2027	06406RBA4	900,000.00	A	A1	01/26/22	01/28/22	898,002.00	2.10	7,943.75	898,170.69	825,990.30
BERKSHIRE HATHAWAY CORP NOTES (CALLABLE) DTD 03/15/2022 2.300% 03/15/2027	084664CZ2	900,000.00	AA	Aa2	03/15/22	03/17/22	883,116.00	2.70	6,095.00	884,097.20	850,503.60
NATIONAL AUSTRALIA BK/NY CORPORATE NOTES DTD 06/09/2022 3.905% 06/09/2027	63254ABE7	400,000.00	AA-	Aa3	06/09/22	06/13/22	396,424.00	4.10	954.56	396,459.33	394,444.00
Security Type Sub-Total		12,175,000.00					12,246,376.60	1.91	58,707.69	12,204,550.24	11,558,829.68



Managed Account Detail of Securities Held

For the Month Ending June 30, 2022

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Commercial Paper											
MUFG BANK LTD/NY COMM PAPER DTD 11/04/2021 0.000% 08/01/2022	62479MH14	1,000,000.00	A-1	P-1	11/09/21	11/10/21	998,020.00	0.27	0.00	999,767.50	998,356.00
Security Type Sub-Total		1,000,000.00					998,020.00	0.27	0.00	999,767.50	998,356.00
Certificate of Deposit											
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 07/14/2020 0.700% 07/08/2022	86565CKU2	360,000.00	A-1	P-1	07/10/20	07/14/20	360,000.00	0.70	1,204.00	360,000.00	359,921.88
NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	400,000.00	A-1+	P-1	08/27/19	08/29/19	400,000.00	1.84	2,528.33	400,000.00	399,932.80
SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	400,000.00	A-1	P-1	08/29/19	09/03/19	400,000.00	1.85	2,583.33	400,000.00	399,938.80
DNB BANK ASA/NY LT CD DTD 12/06/2019 2.040% 12/02/2022	23341VZT1	400,000.00	A-1+	P-1	12/04/19	12/06/19	400,000.00	2.03	657.33	400,000.00	398,889.20
CREDIT SUISSE NEW YORK CERT DEPOS DTD 03/23/2021 0.590% 03/17/2023	22552G3C2	350,000.00	A-1	P-1	03/19/21	03/23/21	350,000.00	0.59	608.03	350,000.00	343,185.85
Security Type Sub-Total		1,910,000.00					1,910,000.00	1.44	7,581.02	1,910,000.00	1,901,868.53
Asset-Backed Security											
BMWLT 2021-1 A4 DTD 03/10/2021 0.370% 07/25/2024	05591RAD6	105,000.00	AAA	Aaa	03/02/21	03/10/21	104,995.83	0.37	6.48	104,997.45	101,802.57
COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	700,000.00	AAA	NR	08/28/19	09/05/19	699,823.74	1.73	535.11	699,924.26	699,875.26
HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	146,146.01	AAA	NR	09/22/20	09/29/20	146,124.54	0.37	19.53	146,133.82	143,558.01
GMALT 2020-3 A4 DTD 09/29/2020 0.510% 10/21/2024	362569AD7	100,000.00	AAA	Aaa	09/22/20	09/29/20	99,986.00	0.51	15.58	99,992.04	98,956.47
MBALT 2021-B A3 DTD 06/29/2021 0.400% 11/15/2024	58769KAD6	280,000.00	AAA	NR	06/22/21	06/29/21	279,978.86	0.40	49.78	279,985.14	271,131.50





Managed Account Detail of Securities Held

For the Month Ending June 30, 2022

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security											
BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025	09690AAD5	540,000.00	NR	Aaa	09/08/21	09/15/21	539,979.59	0.43	38.70	539,984.39	512,712.34
GMALT 2021-1 A4 DTD 02/24/2021 0.330% 02/20/2025	36261RAD0	115,000.00	NR	Aaa	02/17/21	02/24/21	114,982.64	0.33	11.60	114,988.50	112,087.38
GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025	380144AD7	65,000.00	AAA	NR	05/18/21	05/26/21	64,994.53	0.41	8.14	64,996.04	62,441.83
GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025	36262XAD6	145,000.00	AAA	NR	08/10/21	08/18/21	144,994.77	0.50	22.15	144,995.93	137,780.03
VWALT 2020-A A4 DTD 12/03/2020 0.450% 07/21/2025	92868VAD1	265,000.00	AAA	NR	11/24/20	12/03/20	264,945.20	0.45	36.44	264,963.83	258,736.22
HAROT 2021-2 A3 DTD 05/26/2021 0.330% 08/15/2025	43811JAC1	225,000.00	AAA	Aaa	05/18/21	05/26/21	224,991.23	0.33	33.00	224,993.51	217,862.84
GMCAR 2020-4 A3 DTD 10/14/2020 0.380% 08/18/2025	36260KAC8	123,263.68	AAA	NR	10/06/20	10/14/20	123,237.34	0.38	19.52	123,246.65	120,552.90
HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025	44933LAC7	95,000.00	AAA	NR	04/20/21	04/28/21	94,990.01	0.38	16.04	94,992.69	92,009.57
NAROT 2021-A A3 DTD 06/23/2021 0.330% 10/15/2025	65480BAC1	590,000.00	AAA	Aaa	06/15/21	06/23/21	589,990.03	0.33	86.53	589,992.39	567,166.00
TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025	89190GAC1	650,000.00	AAA	NR	06/08/21	06/14/21	649,930.00	0.26	75.11	649,946.54	625,522.04
CARMX 2021-1 A3 DTD 01/27/2021 0.340% 12/15/2025	14316NAC3	70,000.00	AAA	NR	01/20/21	01/27/21	69,986.17	0.34	10.58	69,990.20	68,236.35
HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026	44934KAC8	405,000.00	AAA	NR	07/20/21	07/28/21	404,910.62	0.39	68.40	404,929.13	389,104.07
HAROT 2021-4 A3 DTD 11/24/2021 0.880% 01/21/2026	43815GAC3	185,000.00	NR	Aaa	11/16/21	11/24/21	184,961.00	0.89	45.22	184,966.62	176,751.18
CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026	14314QAC8	145,000.00	AAA	NR	04/13/21	04/21/21	144,968.75	0.52	33.51	144,976.48	140,761.00



Managed Account Detail of Securities Held

For the Month Ending June 30, 2022

Rancho Cordova - GENERAL FUND -

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security											
HART 2021-C A3 DTD 11/17/2021 0.740% 05/15/2026	44935FAD6	145,000.00	AAA	NR	11/09/21	11/17/21	144,967.64	0.75	47.69	144,972.10	138,332.22
CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026	14317DAC4	400,000.00	AAA	Aaa	07/21/21	07/28/21	399,934.20	0.55	97.78	399,946.67	384,356.80
GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026	380140AC7	250,000.00	AAA	NR	07/13/21	07/21/21	249,984.55	0.48	50.00	249,987.53	239,946.48
COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026	14041NFW6	600,000.00	AAA	NR	07/15/21	07/22/21	599,975.70	0.55	146.67	599,980.30	566,064.24
COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026	14044CAC6	185,000.00	AAA	Aaa	10/19/21	10/27/21	184,996.50	0.77	63.31	184,996.98	175,135.74
GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026	362554AC1	155,000.00	AAA	Aaa	10/13/21	10/21/21	154,996.05	0.68	43.92	154,996.61	147,250.53
Security Type Sub-Total		6,684,409.69					6,683,625.49	0.59	1,580.79	6,683,875.80	6,448,133.57
Managed Account Sub-Total		61,666,295.25					62,105,817.60	1.00	95,949.47	61,883,439.67	59,344,591.09
Joint Powers Authority											
CAMP Pool		58,422,983.77	AAA-m	NR			58,422,983.77		0.00	58,422,983.77	58,422,983.77
Liquid Sub-Total		58,422,983.77					58,422,983.77		0.00	58,422,983.77	58,422,983.77
Securities Sub-Total		\$120,089,279.02					\$120,528,801.37	1.00%	\$95,949.47	\$120,306,423.44	\$117,767,574.86
Accrued Interest											\$95,949.47
Total Investments											\$117,863,524.33



ITEM 9.11 SECURITIES HELD

As of June 30, 2022

ATTACHMENT 1
FRANCISCO CORDOVA

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Asset Backed Securities										
89239JAD6	TOYOTA AUTO RECEIVABLES OWNER TAOT 2019-B A3	2.570	08/15/2023	57,582.44	58,671.11	57,951.09	57,604.28	(346.81)	61.66	0.14
Total Asset Backed Securities				57,582.44	58,671.11	57,951.09	57,604.28	(346.81)	61.66	0.14
Cash and Cash Equivalents										
	Cash and Cash Equivalents	0.000		171,051.16	171,051.16	171,051.16	171,051.16	0.00	0.00	0.40
Total Cash and Cash Equivalents				171,051.16	171,051.16	171,051.16	171,051.16	0.00	0.00	0.40
Corporate Bonds										
46625HJE1	JPMORGAN CHASE & CO 3.25% 23SEP2022	3.250	09/23/2022	1,000,000.00	1,014,000.00	1,000,933.33	1,001,545.62	612.29	8,756.94	2.35
02665WDH1	AMERICAN HONDA FINANCE 1.95% 10MAY2023	1.950	05/10/2023	600,000.00	609,648.00	606,141.44	593,717.56	(12,423.88)	1,625.00	1.42
90331HNV1	US BANK NA CINCINNATI 3.4% 24JUL2023 (CALLABLE 23JUN23)	3.400	07/24/2023 06/24/2023	650,000.00	682,090.50	658,428.53	649,452.54	(8,975.99)	9,576.67	1.58
69349LAM0	PNC BANK NA 3.8% 25JUL2023 (CALLABLE 25JUN23)	3.800	07/25/2023 06/25/2023	750,000.00	775,057.50	767,684.72	752,036.72	(15,648.00)	12,270.83	1.80
89236THA6	TOYOTA MOTOR CREDIT CORP 1.35% 25AUG2023	1.350	08/25/2023	1,000,000.00	1,006,650.00	1,004,685.48	977,678.18	(27,007.30)	4,687.50	2.34
06051GHC6	BANK OF AMERICA CORP 3.004% 20DEC2023 (CALLABLE 20DEC22)	3.004	12/20/2023 12/20/2022	850,000.00	888,190.50	859,896.93	847,213.59	(12,683.34)	709.28	2.06
02665WCT6	AMERICAN HONDA FINANCE 3.55% 12JAN2024	3.550	01/12/2024	600,000.00	654,468.00	627,685.39	600,833.92	(26,851.47)	9,940.00	1.52

ITEM 9.11 SECURITIES HELD

As of June 30, 2022

ATTACHMENT 1
FRANCISCO CORDOVA

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Corporate Bonds										
17325FAS7	CITIBANK NA 3.65% 23JAN2024 (CALLABLE 23DEC23)	3.650	01/23/2024 12/23/2023	1,000,000.00	1,076,820.00	1,045,393.64	1,002,894.77	(42,498.87)	15,918.06	2.50
459200HU8	IBM CORP 3.625% 12FEB2024	3.625	02/12/2024	600,000.00	652,356.00	628,937.50	601,269.88	(27,667.62)	8,337.50	1.51
037833CU2	APPLE INC 2.85% 11MAY2024 (CALLABLE 11MAR24)	2.850	05/11/2024 03/11/2024	400,000.00	413,260.00	405,180.22	397,113.65	(8,066.57)	1,551.67	0.96
14913R2L0	CATERPILLAR FINL SERVICE 0.45% 17MAY2024	0.450	05/17/2024	1,000,000.00	998,760.00	999,135.45	947,313.43	(51,822.02)	537.50	2.32
06051GHL6	BANK OF AMERICA CORP 3.864% 23JUL2024 (CALLABLE 23JUL23)	3.864	07/23/2024 07/23/2023	800,000.00	856,216.00	827,219.63	796,486.79	(30,732.84)	13,481.07	1.99
931142DV2	WALMART INC 2.65% 15DEC2024 (CALLABLE 15OCT24)	2.650	12/15/2024 10/15/2024	950,000.00	1,009,812.00	994,454.86	938,168.76	(56,286.10)	1,048.96	2.34
166764BW9	CHEVRON CORP 1.554% 11MAY2025 (CALLABLE 11APR25)	1.554	05/11/2025 04/11/2025	1,600,000.00	1,525,696.00	1,529,263.69	1,517,130.00	(12,133.69)	3,384.27	3.54
Total Corporate Bonds				11,800,000.00	12,163,024.50	11,955,040.81	11,622,855.41	(332,185.40)	91,825.25	28.24
Government Agencies										
3135G0T78	FANNIE MAE 2% 05OCT2022	2.000	10/05/2022	1,000,000.00	988,920.00	999,162.61	999,532.33	369.72	4,722.22	2.30
3133EA7E2	FEDERAL FARM CREDIT BANK 1.96% 07NOV2022	1.960	11/07/2022	1,000,000.00	1,009,046.00	1,001,126.32	999,349.11	(1,777.21)	2,885.56	2.34
3135G0T94	FANNIE MAE 2.375% 19JAN2023	2.375	01/19/2023	980,000.00	998,228.00	982,836.10	979,417.38	(3,418.72)	10,409.10	2.32
3133EKKT2	FEDERAL FARM CREDIT BANK 2.25% 08FEB2023	2.250	02/08/2023	840,000.00	853,524.00	842,260.91	838,832.51	(3,428.40)	7,455.00	1.98

ITEM 9.11 SECURITIES HELD

As of June 30, 2022

ATTACHMENT 1
FRANCISCO CORDOVA

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Agencies										
3130AJ7E3	FEDERAL HOME LOAN BANK 1.375% 17FEB2023	1.375	02/17/2023	1,200,000.00	1,201,698.09	1,201,140.43	1,190,114.14	(11,026.29)	6,095.83	2.79
3130ADRG9	FEDERAL HOME LOAN BANK 2.75% 10MAR2023 #0000	2.750	03/10/2023	1,000,000.00	1,014,967.70	1,002,653.85	1,000,348.84	(2,305.01)	8,402.78	2.36
3133EKGC4	FEDERAL FARM CREDIT BANK 2.25% 05APR2023	2.250	04/05/2023	1,000,000.00	996,160.00	999,265.14	997,080.27	(2,184.87)	5,312.50	2.31
3137EAEN5	FREDDIE MAC 2.75% 19JUN2023	2.750	06/19/2023	1,000,000.00	1,015,570.00	1,003,601.01	997,646.38	(5,954.63)	840.28	2.36
3135G0U43	FANNIE MAE 2.875% 12SEP2023	2.875	09/12/2023	985,000.00	1,022,617.15	995,804.93	984,910.48	(10,894.45)	8,495.63	2.37
3133EKKU9	FEDERAL FARM CREDIT BANK 2.3% 08NOV2023	2.300	11/08/2023	1,100,000.00	1,122,682.00	1,107,010.02	1,091,436.90	(15,573.12)	3,654.44	2.61
3133EJ2B4	FEDERAL FARM CREDIT BANK 3% 06DEC2023	3.000	12/06/2023	1,250,000.00	1,339,837.50	1,297,938.11	1,251,986.99	(45,951.12)	2,500.00	3.11
3134GVP51	FREDDIE MAC 0.5% 15DEC2023 CALLABLE	0.500	12/15/2023	1,000,000.00	1,000,000.00	1,000,000.00	964,727.30	(35,272.70)	208.33	2.32
3133EKMx1	FEDERAL FARM CREDIT BANK 2.23% 23FEB2024	2.230	02/23/2024	2,100,000.00	2,129,174.84	2,110,523.53	2,074,434.79	(36,088.74)	16,520.58	4.94
3130AMQQ8	FEDERAL HOME LOAN BANK 0.35% 23APR2024 (CALLABLE 23SEP22)	0.350	04/23/2024 09/23/2022	1,000,000.00	999,000.00	999,364.17	957,036.65	(42,327.52)	68.06	2.32
3130A1XJ2	FEDERAL HOME LOAN BANK 2.875% 14JUN2024	2.875	06/14/2024	835,000.00	881,814.28	854,629.10	832,001.36	(22,627.74)	1,066.94	2.05
3135GAC90	FANNIE MAE 0.25% 15JUL2024 (CALLABLE 15JUL22)	0.250	07/15/2024 07/15/2022	500,000.00	500,000.00	500,000.00	473,313.17	(26,686.83)	572.92	1.16

SECURITIES HELD

As of June 30, 2022

ATTACHMENT 1

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Agencies										
3130AL2A1	FEDERAL HOME LOAN BANK 0.5% 10FEB2025 (CALLABLE 10AUG22)	0.500	02/10/2025 08/10/2022	1,000,000.00	1,002,860.00	1,000,000.00	935,340.55	(64,659.45)	1,944.44	2.33
Total Government Agencies				17,790,000.00	18,076,099.56	17,897,316.23	17,567,509.15	(329,807.08)	81,154.61	41.97
Government Bonds										
9128282S8	USA TREASURY 1.625% 31AUG2022	1.625	08/31/2022	1,000,000.00	977,854.91	998,892.75	1,000,078.50	1,185.75	5,387.23	2.27
912828VB3	USA TREASURY 1.75% 15MAY2023	1.750	05/15/2023	850,000.00	854,548.83	851,096.81	841,699.22	(9,397.59)	1,859.38	1.98
91282CCN9	USA TREASURY 0.125% 31JUL2023	0.125	07/31/2023	750,000.00	742,795.48	744,959.38	727,500.00	(17,459.38)	388.47	1.72
9128282D1	USA TREASURY 1.375% 31AUG2023	1.375	08/31/2023	1,000,000.00	987,734.38	996,237.49	981,523.44	(14,714.05)	4,558.42	2.29
912828T26	USA TREASURY 1.375% 30SEP2023	1.375	09/30/2023	1,000,000.00	985,940.85	995,876.10	980,585.94	(15,290.16)	3,418.72	2.29
912828T91	USA TREASURY 1.625% 31OCT2023	1.625	10/31/2023	500,000.00	512,638.39	508,245.37	491,347.66	(16,897.71)	1,346.81	1.19
91282CDM0	USA TREASURY 0.5% 30NOV2023	0.500	11/30/2023	1,200,000.00	1,191,894.65	1,193,932.70	1,159,218.74	(34,713.96)	491.80	2.77
912828W71	USA TREASURY 2.125% 31MAR2024	2.125	03/31/2024	1,000,000.00	1,019,143.98	1,007,581.77	985,273.44	(22,308.33)	5,283.47	2.37
91282CCG4	USA TREASURY 0.25% 15JUN2024	0.250	06/15/2024	900,000.00	894,413.17	896,323.37	853,453.13	(42,870.24)	92.21	2.08
912828YE4	USA TREASURY 1.25% 31AUG2024	1.250	08/31/2024	1,150,000.00	1,180,999.95	1,171,890.44	1,107,908.21	(63,982.23)	4,765.63	2.74

SECURITIES HELD

As of June 30, 2022

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Bonds										
912828YH7	USA TREASURY 1.5% 30SEP2024	1.500	09/30/2024	900,000.00	929,077.23	921,385.67	870,609.38	(50,776.29)	3,356.56	2.16
912828YY0	USA TREASURY 1.75% 31DEC2024	1.750	12/31/2024	1,000,000.00	1,041,253.35	1,031,325.16	969,140.62	(62,184.54)	0.00	2.42
91282CAJ0	USA TREASURY 0.25% 31AUG2025	0.250	08/31/2025	1,400,000.00	1,279,250.00	1,279,975.54	1,281,875.00	1,899.46	1,160.33	2.97
Total Government Bonds				12,650,000.00	12,597,545.17	12,597,722.55	12,250,213.28	(347,509.27)	32,109.03	29.25
Grand total				42,468,633.60	43,066,391.50	42,679,081.84	41,669,233.28	(1,009,848.56)	205,150.55	100.00

MEMORANDUM



ITEM 10.1.

DATE: September 6, 2022

TO: Honorable Mayor and Council Members

FROM: Albert Stricker, Public Works Director
Quoc Nham, Senior Civil Engineer

SUBJECT: **A RESOLUTION VACATING A PORTION OF RIGHT-OF-WAY AT 11295 FOLSOM BOULEVARD AND RESERVING A PUBLIC UTILITY EASEMENT PURSUANT TO THE PROVISIONS OF CHAPTER 3, PART 3 OF PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW COMMENCING AT SECTION 8320 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE, AND DECLARING CITY PROPERTY AS EXEMPT SURPLUS LAND PURSUANT TO THE CALIFORNIA SURPLUS LAND ACT**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would vacate approximately 6,352 square feet of right-of-way that is unimproved behind the existing sidewalk at the curve return of the northwest portion of the intersection of Folsom Boulevard and Citrus Road. A public utility easement shall be reserved for any existing or future uses.

BACKGROUND

An application for Multifamily Housing Streamlined Design Review Permit has been made with the Planning Department by St. Anton Communities, LLC for an 82-unit income and rent restricted multifamily housing community project at 11295 Folsom Boulevard. The Rancho Cordova Public Works Department found an excess of unimproved right-of-way behind the existing ultimate improvements that is no longer needed. A condition to abandon the excess right-of-way was placed on the design review permit by Public Works to be completed prior to approval of the permit. The vacating of this right-of-way will also allow for needed parking spaces.

FISCAL IMPACT AND FUNDING SOURCE

There is no fiscal impact to the city.

ATTACHMENT(S)

1. Resolution

2. Exhibit A to the Resolution
3. Exhibit B to the Resolution

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, VACATING A PORTION OF RIGHT-OF-WAY AT 11295 FOLSOM BOULEVARD AND RESERVING A PUBLIC UTILITY EASEMENT PURSUANT TO THE PROVISIONS OF CHAPTER 3, PART 3 OF PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW COMMENCING AT SECTION 8320 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE, AND DECLARING CITY PROPERTY AS EXEMPT SURPLUS LAND PURSUANT TO THE CALIFORNIA SURPLUS LAND ACT

WHEREAS, the City is the owner of approximately 6,352 square feet of Folsom Boulevard right-of-way property located near Citrus Road as depicted on Exhibit A (the "Property"); and

WHEREAS, a hearing date was scheduled for a proposed resolution to vacate the Property and reserve a public utility easement located at 11295 Folsom Boulevard; and

WHEREAS, a notice of the hearing has been posted at City Hall at least two weeks in advance of the hearing; and

WHEREAS, notice of date, time, and place of hearing of the proposed vacating was published for at least two successive weeks prior to the hearing; and

WHEREAS, at least two weeks before the day set for the hearing, at least three notices of vacation were conspicuously posted along the right of way to be vacated, not more than 300 feet apart; and

WHEREAS, the Surplus Land Act, Government Code Section 54220, et seq., as amended by Assembly Bill 1486 effective January 1, 2020, provides that local public agencies must determine whether land owned by the public agency is "surplus land" or "exempt surplus land," and must send notices of availability of surplus land to specified parties prior to the conveyance of such land; and

WHEREAS, Section 54221(f)(1)(E) of the Surplus Land Act provide that "exempt surplus land" include: "(E) Surplus land that is a former street, right-of-way, or easement, and is conveyed to an owner of an adjacent property"; and

WHEREAS, the Surplus Land Act Guidelines provide that a local agency which determines that property is exempt from Surplus Land Act shall support such a determination with written findings and shall provide a copy of the written determination to the California Department of Housing and Community Development at least 30 days prior to disposition; and

WHEREAS, the City Council desires to make certain findings with respect to the exemption of the disposition of the City right-of-way from the Surplus Land Act pursuant to the exceptions noted above; and

WHEREAS, the hearing described above has been conducted, and this Council, having heard and considered all oral, documentary and other evidence presented, hereby finds,

determines and orders as follows:

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA that the Council hereby finds as follows:

Pursuant to the provisions of Chapter 4, Part 3 of Public Streets, Highways, and Service Easements Vacation Law commencing at Section 8330 of the California Streets and Highways Code, the right-of-way line located at 11295 Folsom Boulevard is determined to be excess for present or prospective public use, and there are no other public facilities located within the right of way. The City of Rancho Cordova Department of Public Works has no objection to this vacation.

BE IT FURTHER RESOLVED that:

1. The right-of-way as described in Exhibit A and shown on Exhibit B is hereby vacated; reserving the public utility easement pursuant to Streets and Highways Code section 8340(a).
2. The City Clerk of the City of Rancho Cordova shall cause a certified copy of this Resolution of Vacation, attested by the clerk under seal, to be recorded without acknowledgment, certificate of acknowledgment, or further proof in the office of the Recorder of the County of Sacramento.
3. From and after the date this resolution is recorded, the Property no longer constitutes a street or highway.
4. The Property vacated is a former street, right-of-way, or easement and is being conveyed to an owner of an adjacent property, within the meaning of Section 544221(f)(1)(E) of the Surplus Land Act, and the City's vacation is therefore exempt surplus land.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Donald Terry, Mayor

Stacy Leitner, CMC
City Clerk

EXHIBIT 'A'RIGHT OF WAY ABANDONMENT AREA
LEGAL DESCRIPTION

THE LAND REFERRED TO IS SITUATED IN THE COUNTY OF SACRAMENTO, CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF "HENRY S. MELLEN, 176 A"; SUBDIVISION OF 'RANCHO RIO DE LOS AMERICANOS, MADE BY T.J. ARNOLD, C.E. ACCORDING TO THE OFFICIAL PLAT THEREOF, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY, CALIFORNIA, ON APRIL 4, 1866, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHERLY CORNER OF THAT CERTAIN 0.998 ACRE PROPERTY SHOWN ON BOOK 25 OF SURVEYS, PAGE 21; THENCE NORTH 81°01'51" EAST 31.12 FEET;

THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 188.00 FEET, A CENTRAL ANGLE OF 12°21'22", AN ARC LENGTH OF 40.54 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING SOUTH 15°08'50" EAST 40.46 FEET TO A POINT OF REVERSE CURVATURE;

THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 23.00 FEET, A CENTRAL ANGLE OF 78°40'06", AN ARC LENGTH OF 31.58 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING SOUTH 18°00'32" WEST 29.16 FEET;

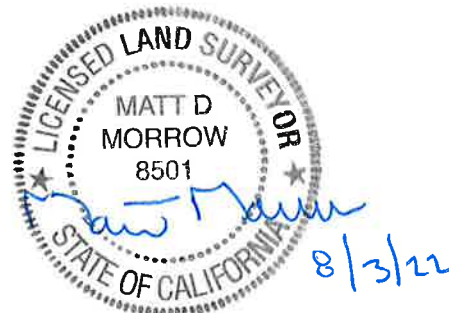
THENCE SOUTH 57°20'35" WEST 165.32 FEET;

THENCE NORTH 49°24'54" EAST 36.50 FEET;

THENCE NORTH 31°51'35" EAST 150.00 FEET TO THE **POINT OF BEGINNING**.

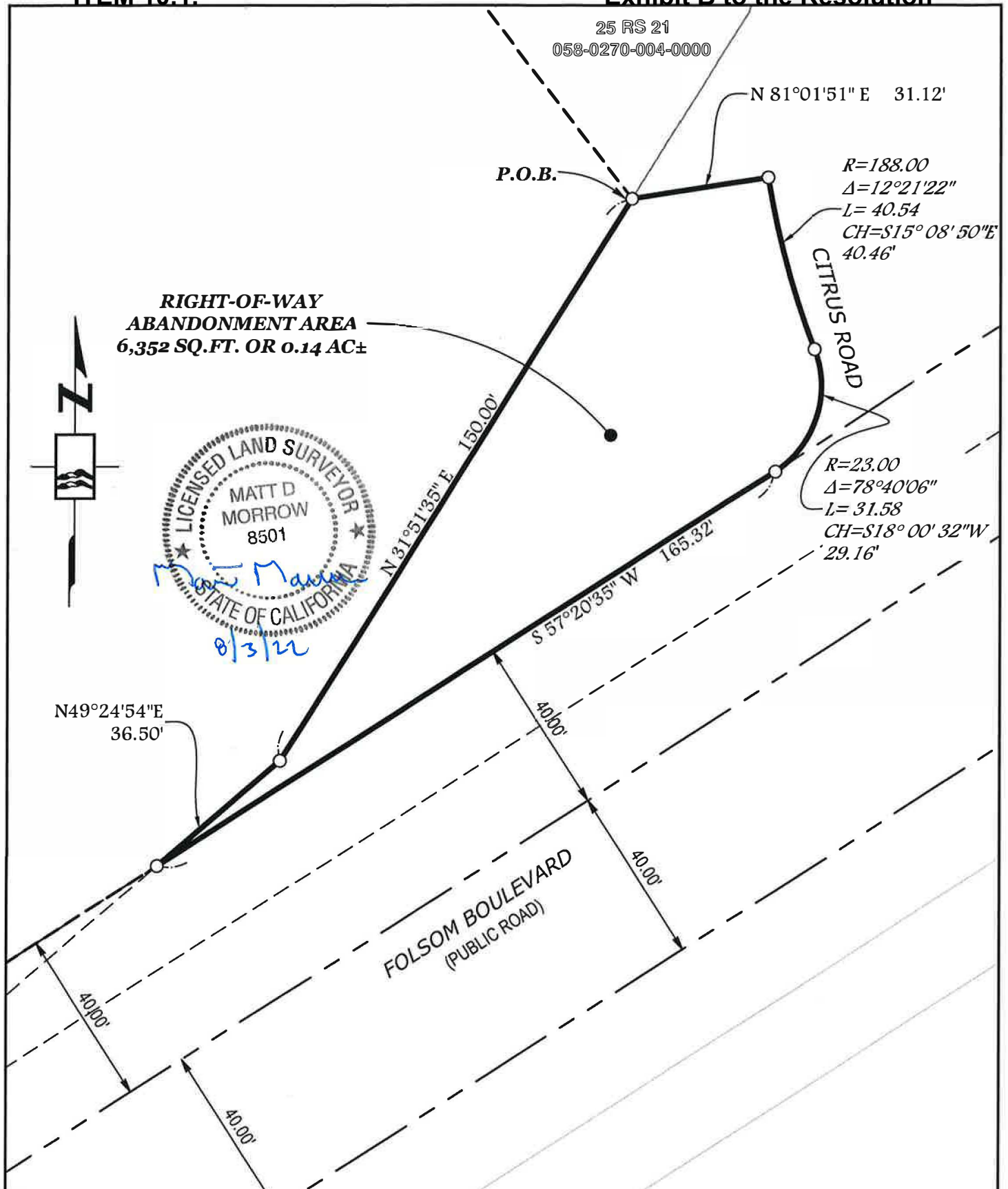
TOGETHER WITH A RESERVATION FOR PUBLIC UTILITY EASEMENTS OVER THE PRECEDING DESCRIPTION.

CONTAINING 6,352 SQ. FT., MORE OR LESS.



ITEM 10.1.

Exhibit B to the Resolution



1255 Starboard Drive
West Sacramento ~ CA ~ 95691
Phone: 916-372-8124
Email: info@morrowsurveying.com
www.morrowsurveying.com

EXHIBIT "B"
R.O.W. Abandonment Area
City of Rancho Cordova
County of Sacramento
California

SCALE:
1" = 30'
DATE:
2022-06-24
SHEET
1 OF 1

ROW ABANDONMENT-CLOSURE REPORT

North: 11048.6852' East: 11782.4479'

Segment #1 : Line

Course: N81° 01' 51"E Length: 31.12'

North: 11053.5369' East: 11813.1873'

Segment #2 : Curve

Length: 40.54' Radius: 188.00'

Delta: 012°21'22" Tangent: 20.35'

Chord: 40.46' Course: S15° 08' 50"E

Course In: N81° 01' 51"E Course Out: S68° 40' 29"W

RP North: 11082.8467' East: 11998.8885'

End North: 11014.4826' East: 11823.7595'

Segment #3 : Curve

Length: 31.58' Radius: 23.00'

Delta: 078°40'06" Tangent: 18.85'

Chord: 29.16' Course: S18° 00' 32"W

Course In: S68° 40' 29"W Course Out: S32° 39' 25"E

RP North: 11006.1184' East: 11802.3343'

End North: 10986.7512' East: 11814.7443'

Segment #4 : Line

Course: S57° 20' 35"W Length: 165.32'

North: 10897.5432' East: 11675.5587'

EXHIBIT B

Segment #5 : Line

Course: N49° 24' 54"E Length: 36.50'

North: 10921.2892' East: 11703.2783'

Segment #6 : Line

Course: N31° 51' 35"E Length: 150.00'

North: 11048.6907' East: 11782.4545'

Perimeter: 455.06' Area: 6352.31 Sq. Ft.

Error Closure: 0.0086 Course: N50° 35' 24"E

Error North: 0.00545 East: 0.00663

Precision 1: 52623.26



MEMORANDUM



ITEM 10.2.

DATE: September 6, 2022

TO: Honorable Mayor and Council Members

FROM: Quoc Nham, Senior Civil Engineer
Albert Stricker, Public Works Director

SUBJECT: **A RESOLUTION VACATING A NO INGRESS OR EGRESS RIGHTS LINE PURSUANT TO THE PROVISIONS OF CHAPTER 3, PART 3 OF THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW COMMENCING AT SECTION 8320 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE (3479 SUNRISE BLVD)**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the resolution would vacate approximately 35 feet of the no ingress or egress rights line located at 3479 Sunrise Boulevard.

BACKGROUND

An application for Encroachment Permit No. ENC-21-0074 has been made with the Public Works Department by the owner, Vachayan Zokargan for a driveway to access from Sunrise Boulevard located at 3479 Sunrise Blvd. The Rancho Cordova Public Works Department has evaluated and determined that the no ingress or egress rights line is no longer needed by the public. The City will sell the no ingress or egress rights line in a manner and upon the terms and conditions approved by the City. A condition to abandon the no ingress or egress rights line was placed on the Encroachment Permit by Public Works to be completed prior to approval of the permit. The vacation of this no ingress or egress rights line will allow for vehicular access from Sunrise Boulevard.

FISCAL IMPACT AND FUNDING SOURCE

There is no fiscal impact to the City.

ATTACHMENT(S)

1. Resolution
2. Exhibit A to the Resolution
3. Exhibit B to the Resolution

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, VACATING A NO INGRESS OR EGRESS RIGHTS LINE PURSUANT TO THE PROVISIONS OF CHAPTER 3, PART 3 OF THE PUBLIC STREETS, HIGHWAYS, AND SERVICES EASEMENTS VACATION LAW COMMENCING AT SECTION 8320 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE

WHEREAS, a hearing date was scheduled for a proposed resolution to vacate a portion of a no ingress or egress rights line located at 3479 Sunrise Boulevard; and

WHEREAS, a notice of the hearing has been posted at City Hall at least two weeks in advance of the hearing; and

WHEREAS, notice of the date, time, and place of hearing of the proposed vacation was published for at least two successive weeks prior to the hearing; and

WHEREAS, at least two weeks before the day set for the hearing, at least three notices of vacation were conspicuously posted along the easements to be vacated, not more than 300 feet apart; and

WHEREAS, the hearing described above has been conducted, and this Council, having heard and considered all oral, documentary and other evidence presented.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA that the Council hereby finds as follows:

Pursuant to the provisions of Chapter 6, Article 2 of Public Streets, Highways, and Service Easements Vacation Law commencing at Section 8355 of the California Streets and Highways Code, the no ingress or egress rights line is no longer needed by the public. The legislative body will sell the property pursuant to Section 8355 of the California Streets and Highways Code in the manner, and upon the terms and conditions, approved by the legislative body. The City of Rancho Cordova Department of Public Works has no objection to this vacation.

BE IT FURTHER RESOLVED AND ORDERED that:

1. The no ingress or egress rights line located at 3479 Sunrise Boulevard and as described in Exhibit A and shown on Exhibit B is hereby vacated.
2. The terms and conditions, approved by the legislative body, is in the form of a purchase/sale agreement. The sale price of the no ingress or egress rights line shall match the appraised value. Per an Appraisal Report prepared by Bender Rosenthal Incorporated dated June 17, 2022, the no ingress or egress rights line is valued at \$10,000.00.
3. Pursuant to Section 8357 of the California Streets and Highways Code, the purchase price for any property sold by the legislative body of a local agency pursuant to this article shall be paid into the treasury of the local agency to the credit of any fund, available for the same purposes for which the property was used, that the legislative body designates.

ITEM 10.2.

ATTACHMENT 1

4. The City Clerk of the City of Rancho Cordova shall cause a certified copy of this Resolution of Vacation, attested by the clerk under seal, to be recorded without acknowledgment, certificate of acknowledgment, or further proof in the office of the Recorder of the County of Sacramento.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Donald Terry, Mayor

Stacy Leitner, CMC
City Clerk

EXHIBIT "A"

ABANDONMENT OF A PORTION
OF THE NO INGRESS OR EGRESS RIGHTS LINE ACROSS PARCEL 41 PER 42 PM 11

The line described herein is situated in the City of Rancho Cordova, County of Sacramento, State of California, and is a portion of the "No ingress or egress rights line" shown along the northeasterly right of way line of Sunrise Boulevard that is common to southwest line of Parcel 41, as said Parcel is shown on that certain Parcel Map filed for record in the Office of the Recorder of Sacramento County in Book 42 of Parcel Maps, at Page 11, said line being described as follows:

Beginning at a point located on the northeasterly right of way line of said Sunrise Boulevard, being also common with the southwest line of said Parcel 41, said Point of Beginning being located North 39° 07' 00" West 148.12 feet from the most southerly corner of said Parcel 41; thence from said Point of Beginning along said right of way line and said lot line North 39° 07' 00" West 35.00 feet to the end of this described line.

Said line described hereinabove is depicted on Exhibit B attached hereto and made a part hereof.

End of Description


William F. McKinney, PLS 4715

MARCH 1, 2022
Date



EXHIBIT B

**ABANDONMENT OF A PORTION OF THE NO INGRESS
OR EGRESS RIGHTS LINE, ACROSS PARCEL 41 PER 42 PM 11**
APN: 072-0420-011

3479 SUNRISE BOULEVARD, CITY OF RANCHO CORDOVA,
SACRAMENTO COUNTY, CALIFORNIA

RFE ENGINEERING, INC.

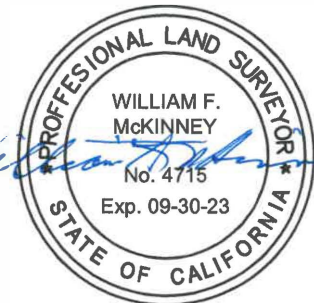
SCALE: 1" = 60'

SHEET 1 OF 1

LEGEND:

- CENTERLINE
- BOUNDARY
- PARCEL LINES
- //// NO INGRESS OR EGRESS RIGHTS LINE

FITZGERALD ROAD

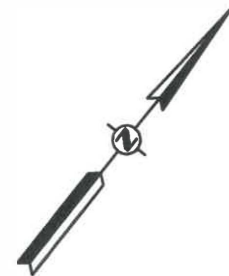


MARCH 1, 2022

42
11

PARCEL
42 P M

APN: 072-0420-008
JOHNSON



60 0 60



1 INCH = 60 FEET

APN: 072-0420-010
VHZ INVESTMENTS LLC

PARCEL A
PER 800618 O.R. 901

APN: 072-0420-012
VHZ INVESTMENTS LLC

PARCEL
42 P M

APN: 072-0420-011
VHZ INVESTMENTS LLC

PORTION OF
NO INGRESS OR
EGRESS RIGHTS LINE
BEING ABANDONED

POB

12.5' P.U.E.
PER 42 PM 11

MOST SOUTHERLY CORNER
PARCEL 41, 42 PM 11

S50°53'00"W 215.00'

S39°07'00"E 205.81'

N47°12'29"E 215.44'

8.88'

N39°07'00"W 192.00'

35.00'

148.12'

50'

50'

SUNRISE BOULEVARD

MEMORANDUM

ITEM 10.3.



DATE: September 6, 2022

TO: Honorable Mayor and Council Members

FROM: Arlene Granadosin-Jones, AICP, Senior Planner

SUBJECT: **A RESOLUTION APPROVING SUNRIDGE LOT J VILLAGE 4 TENTATIVE SUBDIVISION MAP, SPECIAL DEVELOPMENT PERMIT, AND MAJOR DESIGN REVIEW - PROJECT NO. DD10028**

PROPERTY OWNER:
Cresleigh Homes Corp.
433 California Street, 7th Floor
San Francisco, CA 94104

APPLICANT/DEVELOPER:
Cresleigh Homes Corp.
3001 Douglas Boulevard, Suite 110
Roseville, CA 95661

PROJECT: Sunridge Lot J Village 4 Tentative Subdivision Map, Special Development Permit, and Major Design Review.

FILE: DD10028

LOCATION: South of Douglas Road and East of Rancho Cordova Parkway within the Sunridge Specific Plan

APN: 067-1060-004-0000

PLANNER: Arlene Granadosin-Jones, AICP, Senior Planner

RECOMMENDATION

Adopt the Resolution approving Sunridge Lot J Village 4 Tentative Subdivision Map, Special Development Permit, and Major Design Review.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would approve the Sunridge Lot J Village 4 Tentative Subdivision Map, a Special Development Permit, and Major Design Review for Master home plans. The subdivision map, Special Development Permit, and Major Design Review when a final map is approved, would allow for the construction of homes on individual lots and the sale of lots.

PROJECT DESCRIPTION

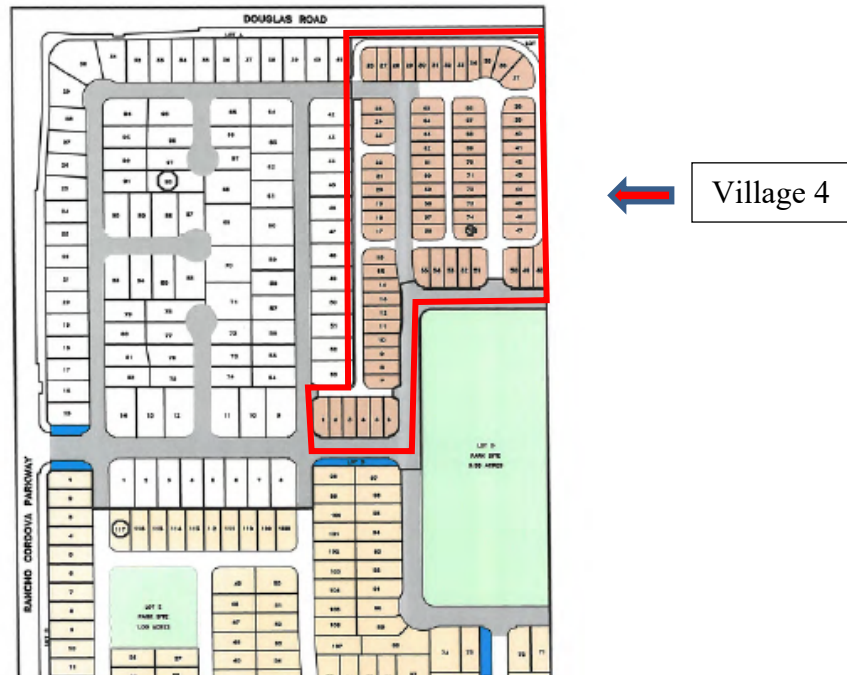
The project site, Sunridge Lot J tentative subdivision map was approved on April 6, 2006, and subdivided 81 acres into 4 Villages that consisted of 369 single family lots, 7.89 acres of parks, 4.05 acres of open space, and landscape corridors for pedestrian access, as shown in **Figure 1: Site Location**. Additionally, a Development Agreement was entered into on June 15, 2006 for Sunridge Lot J, which vests the standards in the specific plan that apply to consideration of the proposed design review. Villages 1 through 3 are currently under construction by Cresleigh

Homes. The approved 2006 Sunridge Lot J Village 4 tentative subdivision map included 74 residential lots, as shown in **Figure 2: Approved 2006 Sunridge Lot J Village 4**.

Figure 1: Site Location



Figure 2: Approved 2006 Sunridge Lot J Village 4



The applicant, Cresleigh Homes, is requesting the following:

- A proposed new Tentative Subdivision Map;
- A Special Development Permit to revise the building setbacks; and
- A Major Design Review for three floor plans, each with three architectural elevations.

ANALYSIS

GENERAL PLAN/SPECIFIC PLAN CONSISTENCY:

The project site General Plan designation is Medium Density Residential (MDR). The Medium Density land use designation is generally characterized by small lot single-family detached, single-family attached and small apartment complexes. The proposed subdivision map is consistent with the MDR General Plan designation and is within the required density range of 6.1 – 18.0 dwelling units per acre. The approved subdivision lot density for this area is consistent with the MDR designation.

ZONING ORDINANCE:

The project site is located within Sunridge Lot J area that includes several residential density districts (RD-residential, commercial, and open space). The project site is zoned Residential Density 10 (RD-10) Sunridge Specific Plan District. The proposed subdivision of 71 lots is consistent with RD-10 zoning district.

TENTATIVE SUBDIVISION MAP

The applicant is proposing a new tentative subdivision map for Sunridge Lot J Village 4. The new proposed subdivision lot layout is a combination of front-loaded lots with garages that can be accessed from the street and alley loaded “court type” lots, as shown in **Figure 3: Lot Layout**. The proposed subdivision includes the following:

- 40 front loaded lots (typical lot layout)
- 31 lots that will front an alley in a “court type” configuration that includes the following:
 - Front door, driveway, and garage access from the alley.
 - Corner lots along alleys will include a pedestrian pathway from the sidewalk to the front porch.
 - A pedestrian easement is included between the central alleys.

This proposed new map differs from the approved 2006 Sunridge Lot J Village 4 tentative subdivision map in the following ways:

- Reduces the number of total lots from 74 lots to 71 lots.
- Provides a combination of front loaded and “alley court” configurations.
- Removes all rear alleys.
- Creates pedestrian connections between two central alley courts.

Figure 3: Lot Layout



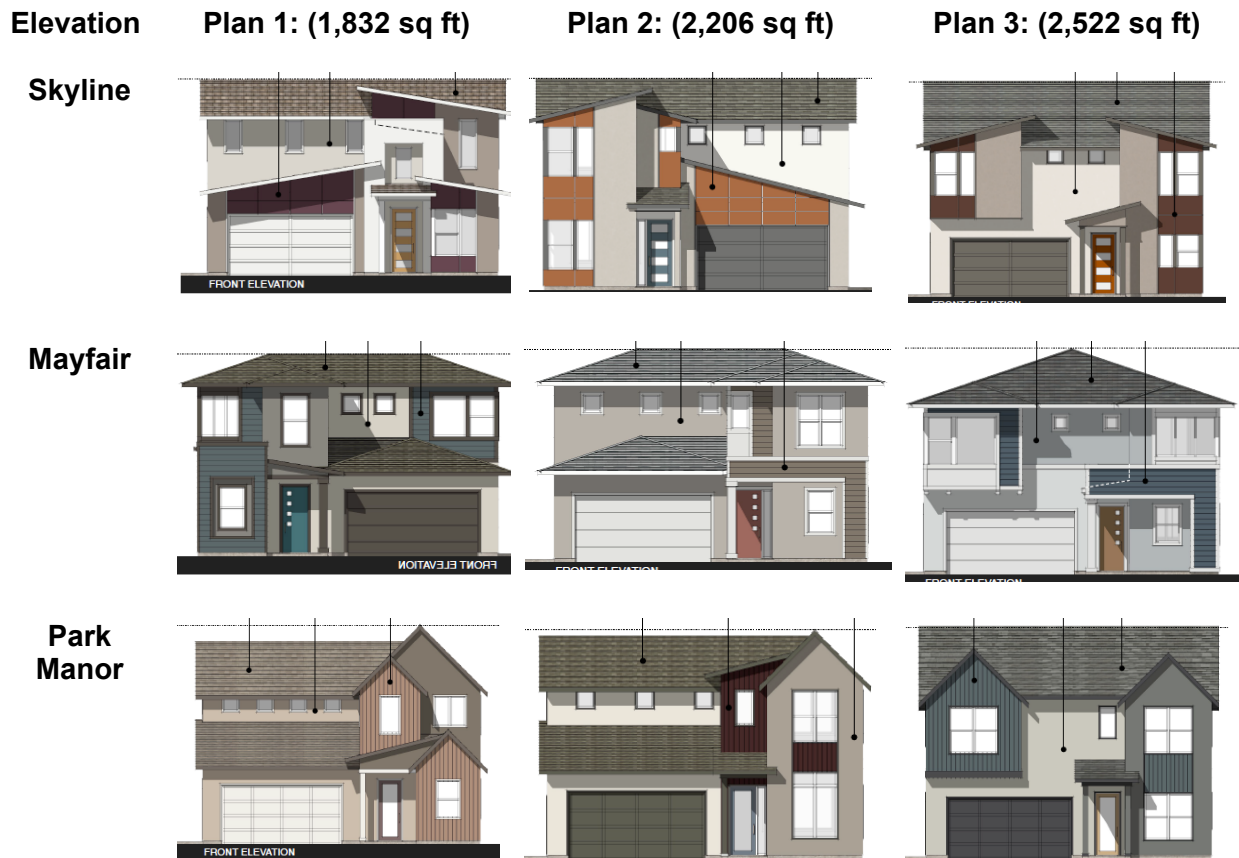
Title 22 - Land Development: Title 22 of the City of Rancho Cordova Municipal Code regulates land division and is intended to supplement and implement the Subdivision Map Act. The proposed project, as conditioned, is consistent with requirements and procedures of a subdivision map application.

Section 66474 of the California Subdivision Map Act requires a City to deny approval of a parcel map if specific findings cannot be made. As shown in Attachment 1, all applicable findings have been met supporting the tentative subdivision map request.

MAJOR DESIGN REVIEW

The Sunridge Lot J Village 4 development includes three house plans, each with three proposed modern architectural styles, as shown in **Figure 4: Village 4 Plans Front Elevation**. All elevations (front, side, rear elevations) for each floor plan are shown in the attached project plans (Attachment 2).

Figure 4: Village 4 Plans Front Elevation

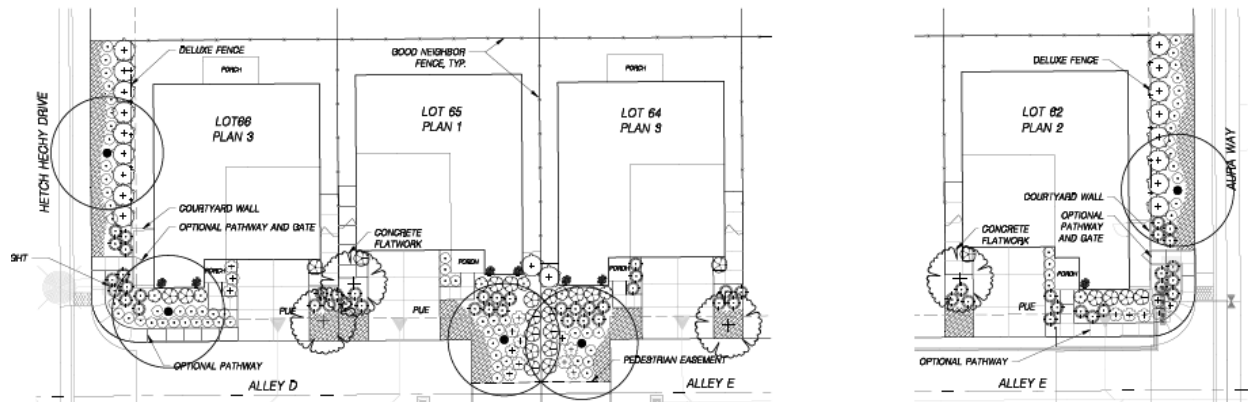


The proposed designs include multiple color schemes for body, fascia, trim/garage, roof material, and additional accent colors. The proposed designs are in compliance with the Sunridge Specific Plan Development Design Standards in the following ways:

- The proposed project utilizes materials, colors, and finishes that are coordinated to achieve a sense of continuity and quality in design.
- The proposed designs include multiple color schemes and architectural details that create a visual interest and variation within the subdivision.
- All proposed housing unit plans are oriented with a portion of the active living space (living room, kitchen, family room) located toward the street/sidewalk side of the dwelling.

- All proposed housing unit plans provide a transition space between the sidewalk and the interior space of the dwelling in the form of front yard landscaping and a covered entryway.
- The primary entrance to each housing unit is visible from the primary access street.
- All proposed housing unit plans have a garage door that does not extend beyond the primary living area of the home.
- The front door to each residential unit is clearly visible from the adjacent street and distinctive architectural elements and materials are used to denote prominent entrances.
- Homes located on the corner will also include a courtyard area along the public right-of-way with a pathway leading from the sidewalk to either the courtyard area or front porch area. These features will provide some engagement with the streetscape, as shown in **Figure 5: Proposed Courtyard Area and Pathways.**

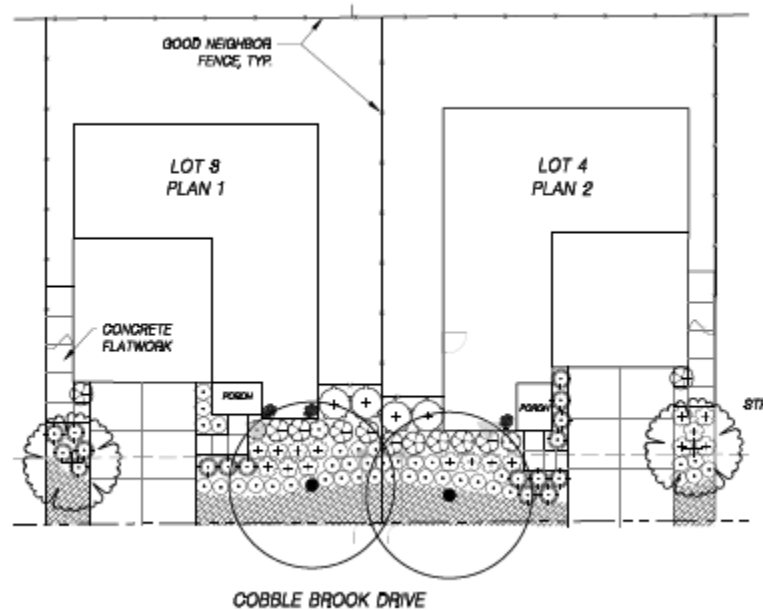
Figure 5: Proposed Courtyard Area and Pathways



Landscape Design

The submitted typical landscape plan depicts a variation of drought tolerant trees, shrubs and a small area of drought tolerant grass and natural grasses, as shown in **Figure 6: Typical Landscape Plans.** The full detail of the landscape plans and proposed plant materials can be seen in Attachment 2.

Figure 6: Typical Landscape Plans



Approval of the Major Design Review, subject to the Project Plans ([Attachment 2](#)) and the Conditions of Approval ([Attachment 3](#)) must be in compliance with the Sunridge Specific Plan Development Design Standards. Supportive evidence for approval is shown in [Attachment 1](#).

SPECIAL DEVELOPMENT PERMIT

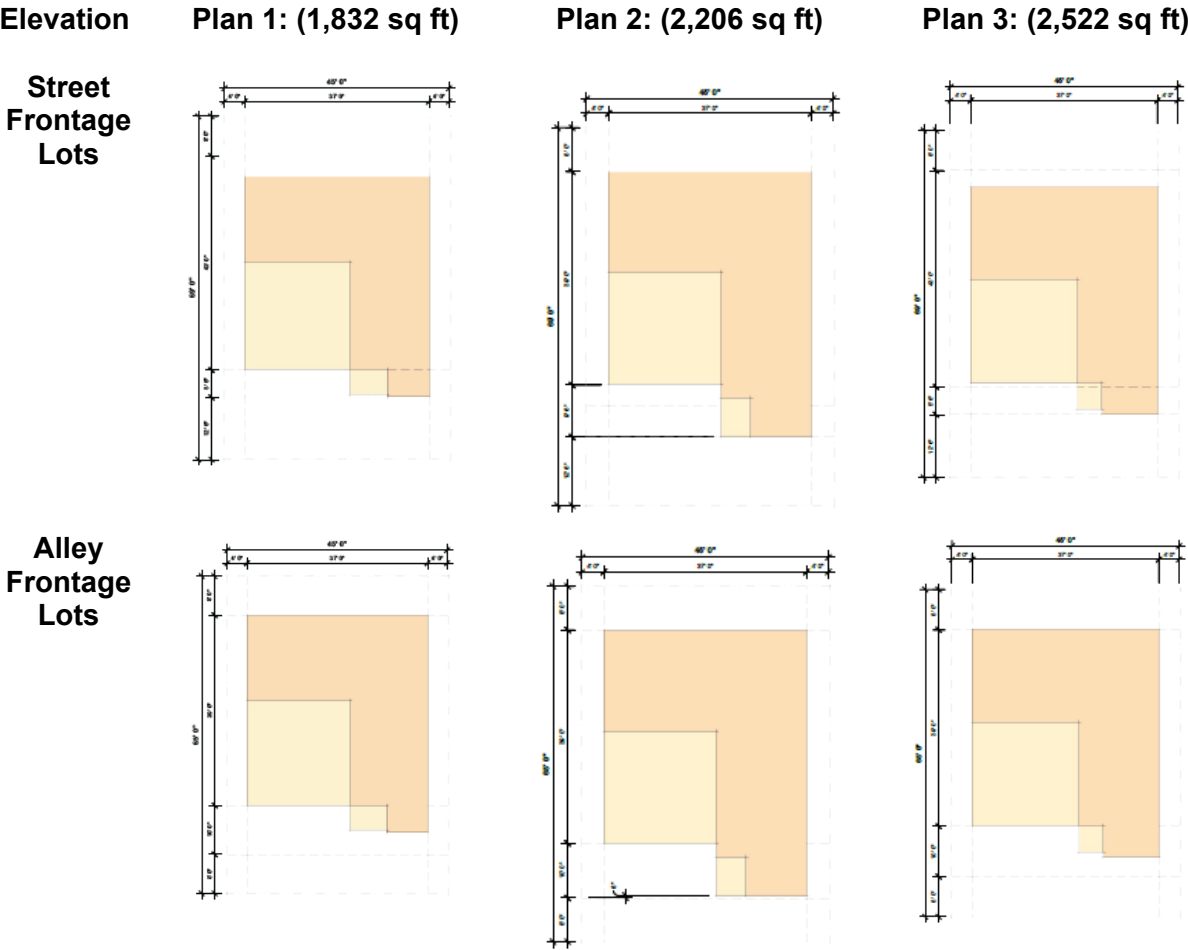
The applicant is requesting a Special Development Permit to vary from the Sunridge Specific Plan setbacks, as summarized in **Table 1: Proposed Sunridge Lot J Village 4 Setbacks**. Under the existing Sunridge Specific Plan's building setbacks the desired proposed house plans are unable to meet the setback requirements and therefore this permit is required. The applicant is attempting to meet the unit allocation stipulated in the Specific Plan, however due to the lot size per the zoning density, this project would not be able to build to its allocation, without the reductions to the front, side and rear setbacks and distance to building development standards. **Figure 7: Village 4 Lot Diagrams** shows each floor plan and the proposed building setbacks.

Table 1: Proposed Sunridge Lot J Village 4 Setbacks

	Required per Sunridge Specific Plan	Proposed Sunridge Lot J Village 4
Front setback to building	16'	8' to living (alley) 12.5' to living (street)
Front setback to garage	19'	18'
Side yard setback	5' / 4'	4'
Rear yard setback	20% of the lot depth	8'

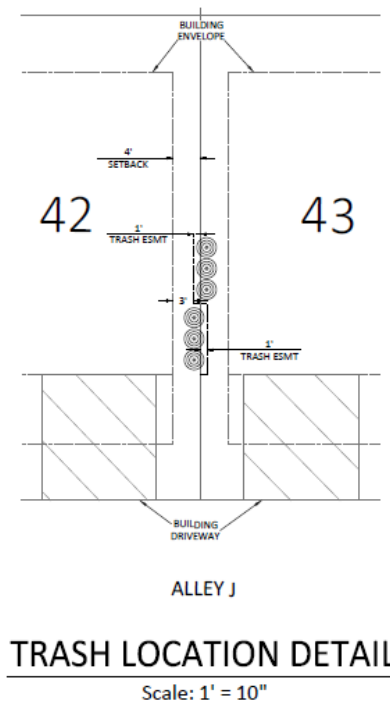
Minimum distance between buildings	9'	8'
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Figure 7: Village 4 Lot Diagrams



The Special Development Permit also includes an easement along the side property line for the storage of trash bins, as shown in **Figure 8: Proposed Trash Bin Easement**. The proposed side yard setback is 4 feet wide. The proposed easement/fence would extend over the adjacent property line by 1 foot to increase the space for the trash bin storage to 5 feet wide. This would allow space for trash bin storage and maneuvering. The fence in this area would shift by 1 foot and then shift back by 1 foot.

Figure 8: Proposed Trash Bin Easement



Approval of the Special Development Permit would allow the applicant to provide more innovative housing development layout than what was previously proposed in the approved 2006 tentative parcel map. The project proposes a combination of front-loaded lots with garages that can be accessed from the street and alley loaded lots that are arranged in a “court-type” configuration. Each “alley court” groups between four to six homes with the central alleys providing pedestrian pathways that connect the north-south streets. The enhanced connections provide improved pedestrian circulation throughout the development and to adjacent amenities such as the future park.

The applicant believes that the adopted 2006 Tentative Subdivision Map showing the public alleyway to the east of the development would only be used by the residents and would provide limited access for the entry and exit of their cars to the garages. This site layout creates significant amounts of time that there is no frequent use and visibility in the alley. Alleys that are not continually used and activated by vehicles and pedestrians may create spaces for illicit activity and have future enforcement issues. The proposed layout of backyard to backyard or backyard to side yard orientation, although with closer setbacks to existing homes in some cases, removes unused space between housing units.

Though the reduced setbacks provide smaller backyard space for housing units, the subdivision is located adjacent to a future park, which will be easily accessed via the improved pedestrian connections. The applicant will also include a courtyard area along the public right-of-way for corner lots to provide additional private outdoor areas and an additional architectural feature that engages with the street. **Figure 9: Enhanced Side Conditions** indicates which lots will have this courtyard feature and provides an illustrative rendering of the courtyard.

Figure 9: Enhanced Side Conditions



As shown in [Attachment 1](#), all applicable findings have been met supporting the Special Development Permit request.

ENVIRONMENTAL

A Mitigated Negative Declaration (MND) was approved for Sunridge Lot J rezone and subdivision in 2006. The MND for Sunridge Lot J included site specific mitigation measures and references the mitigation measures within the Mitigation Monitoring & Reporting Program prepared for the Sunridge Specific Plan EIR. The MND determined that the rezone and subdivision resulted in no significant increase to the impacts previously studied in the EIR for the Sunridge Specific Plan. The proposed project is consistent with the approved subdivision and therefore, no further environmental analysis is required.

FISCAL IMPACT

Staff anticipates that approval of the Tentative Parcel Map will result in additional revenues created from the potential sale of the residential lots through taxes collected for each lot. Approval of the Major Design Review for the design of production homes within Sunridge Lot J Village 4 will benefit the City and the community by providing direct contributions to fund needed public infrastructure for this project and the broader community. While the project will generate additional demands for municipal services, the project will be subject to existing and new funding mechanisms to pay fair share costs for ongoing operations, maintenance, and services that will offset City costs.

RECOMMENDED MOTION

Staff recommends that the City Council take the following actions:

- Find the project to be in compliance with the California Environmental Quality Act (CEQA) consistent with the approved Mitigated Negative Declaration for the Sunridge Lot J rezone and subdivision; and
- Adopt the Resolution approving Sunridge Lot J Village 4 Tentative Subdivision Map, Special Development Permit, and Major Design Review.

ATTACHMENT(S)

1. Resolution
2. Exhibit A to the Resolution – Tentative Subdivision Map and Project Plans
3. Exhibit B to the Resolution – Conditions of Approval

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
APPROVING A TENTATIVE SUBDIVISION MAP, SPECIAL DEVELOPMENT PERMIT, AND
MAJOR DESIGN REVIEW FOR SUNRIDGE LOT J VILLAGE 4 PROJECT NO. DD10028**

WHEREAS, Cresleigh Homes Corporation (hereinafter referred to as Applicant) filed an application with the City of Rancho Cordova for a Tentative Subdivision Map, Special Development Permit, and Major Design Review for Sunridge Lot J Village 4 located within Sunridge Specific Plan. Parcel Number: 067-1060-004-0000; and

WHEREAS, the applicant has met all applicable requirements under State law and City ordinances related to this Tentative Subdivision Map and the City Council is the appropriate authority to hear and take action on this project; and

WHEREAS, the attached Tentative Subdivision Map meets the requirements of the Subdivision Map Act and the Rancho Cordova Municipal Code as set forth in findings below, and the City Council has conducted a properly noticed public hearing for the approval of the Tentative Subdivision Map attached hereto in accordance with the Subdivision Map Act requirements; and

WHEREAS, the submitted application also includes a Special Development Permit for the revised building setbacks and a Major Design Review for the approval for Village 4 located in the Sunridge Lot J subdivision with 3 new floor plans each with three architectural styles design; and

WHEREAS, a Mitigated Negative Declaration was approved for Sunridge Lot J rezone and subdivision in 2006 in accordance with the requirements of the California Environmental Quality Act (CEQA); and

WHEREAS, on September 6, 2022, the City Council held a properly noticed public hearing at which it received a report from City Staff regarding the tentative subdivision map, special development permit, and major design review and oral and written testimony from the public, and deliberated on the item; and

WHEREAS, the public hearing was noticed in accordance with the requirements set forth in Government Code section 65090 and 65091

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
HEREBY RESOLVES AS FOLLOWS:**

1. Determine the project to be in compliance with the California Environmental Quality Act (CEQA) consistent with the approved Mitigated Negative Declaration prepare for the Sunridge Lot J rezone and subdivision in 2006.
 - a) **Finding:** The project site has been analyzed and is in compliance with the California Environmental Quality Act (CEQA).

Evidence: A Mitigated Negative Declaration was approved for Sunridge Lot J rezone and subdivision in 2006. The Mitigated Negative Declaration (MND) for Lot J included site specific mitigation measures and references the mitigation measures within the MMRP prepared for the Specific Plan EIR. The MND determined that the rezone and subdivision resulted in no significant increase to the impacts previously studied in the FEIR for the SRSP. The proposed project is consistent with the approved subdivision and therefore, no further environmental analysis is required.

2. In accordance with Government Code section 66473.5, the proposed Tentative Subdivision Map (Exhibit A) with attached Conditions of Approval (Exhibit B) attached hereto is consistent with the applicable General and Specific Plan objectives, policies, land uses and programs. Section 66474 of the California Subdivision Map Act requires a City to deny approval of a parcel map, if any of the following findings cannot be made. The following evidence supports the map request:

- a) **Finding:** The proposed map is consistent with applicable general and specific plans as specified in Section 65451.

Evidence: The proposed tentative subdivision map is consistent with the General Plan Medium Density Residential land use designation and is within the required density range of 6.1 to 18.0 dwelling units per acre. The Sunridge Lot J Village 4 project is located within the Sunridge Specific Plan and proposes housing unit types that are consistent with the Specific Plan.

- b) **Finding:** The design or improvement of the proposed subdivision is consistent with applicable general and specific plans.

Evidence: The proposed map is consistent with the Sunridge Specific Plan Village 4 layout concept. The residential lot count at 71 is three lots less than the original Sunridge Lot J Village 4 of 74 lots. The proposed street layout maintains the original Village 4 connections.

- c) **Finding:** The site is physically suitable for the type of development.

Evidence: The site is physically suitable to subdivide. The subdivision maps were originally approved on April 6, 2006 and subdivided 81 acres into 4 Villages that consisted of 369 single family lots, 7.89 acres of parks, 4.05 acres of open space, and landscape corridors for pedestrian access. The proposed tentative subdivision map includes a new lot configuration with a combination of front loaded and alley or "court type" layout.

- d) **Finding:** The site is physically suitable for the proposed density of development.

Evidence: The proposed subdivision map lot count is 71 lots which is consistent with the Sunridge Specific Plan land use and zoning designation. For this area, the Specific Plan calls for lower density residential land use that will provide a mix of housing types and intensities ranging from single family residential to multi-family garden apartments, townhouses and condominiums.

- e) **Finding:** The design of the subdivision or the proposed improvements are likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.

Evidence: The proposed project is located within the Sunridge Lot J. A Mitigated Negative Declaration was approved for Sunridge Lot J rezone and subdivision in 2006. The Mitigated Negative Declaration (MND) for Lot J included site specific mitigation measures and references the mitigation measures within the Mitigation and Monitoring Reporting Program prepared for the Sunridge Specific Plan EIR. The MND determined that the rezone and subdivision resulted in no significant increase to the impacts previously studied in the EIR for the Sunridge Specific Plan. The proposed project is consistent with the approved subdivision and therefore, no further environmental analysis is required.

- f) **Finding:** The design of the subdivision or the type of improvements is not likely to cause serious public health problems.

Evidence: The proposed subdivision map with the new lot layout will not cause serious public health problems. The residential subdivision includes 71 single family lots and is adjacent to other residential neighborhoods. The proposed project maintains the street layout in the Sunridge Specific Plan and enhances pedestrian connections between two centrally located alley courts.

- g) **Finding:** The design of the subdivision or the type of improvements will not conflict with easements, acquired by the public at large, for access through or use of property within the proposed subdivision. In this connection, the legislative body may approve a map if it finds that alternate easements, for access or for use, will be provided, and that these will be substantially equivalent to ones previously acquired by the public.

Evidence: The proposed Village 4 subdivision map layout does not conflict with any easements or access through the subdivision from the existing developments. The proposed street layout maintains the original Village 4 connections. The proposed improvements on the Tentative Subdivision Map and included within the project are consistent with the approved Sunridge Specific Plan, the City of Rancho Cordova Ordinances and Standards and do not conflict with public easements and related necessary access through the project.

3. Approve the Design Review, subject to the Project Plans (Exhibit A) and the Conditions of Approval (Exhibit B). The proposed project is in compliance with applicable guidelines of the Sunridge Specific Plan Development Design Standards, including in the following ways:

- The proposed project utilizes materials, colors, and finishes that are coordinated to achieve a sense of continuity and quality in design.
- The proposed designs include multiple color schemes and architectural details that create a visual interest and variation within the subdivision.
- All proposed housing unit plans are oriented with a portion of the active living space (living room, kitchen, family room) located toward the street/sidewalk side of the dwelling.

- All proposed housing unit plans provide a transition space between the sidewalk and the interior space of the dwelling in the form of front yard landscaping and a covered entryway.
 - The primary entrance to each housing unit is visible from the primary access street.
 - All proposed housing unit plans have a garage door that does not extend beyond the primary living area of the home.
 - The front door to each residential unit is clearly visible from the adjacent street and distinctive architectural elements and materials are used to denote prominent entrances.
 - Homes located on the corner will also include a courtyard area along the public right-of-way with a pathway leading from the sidewalk to either the courtyard area or front porch area.
4. Approve the Special Development Permit in order to revise setbacks to accommodate the approved subdivision lot sizes with the proposed plans to maintain the desired housing product diversity. The following evidence supports the Special Development Permit request. Findings and supportive evidence are shown below:
- a) **Finding:** That the proposed development will carry out the intent of the General Plan and the appropriate community plan.
- Evidence:** The proposed project is consistent with the General Plan land use designation of Medium Density Residential.
- b) **Finding:** That the proposed development is of sufficient size and is designed so as to provide a desirable environment within its own boundaries.
- Evidence:** The proposed Tentative Subdivision Map is of sufficient size that includes small lot single- family lots that meets the density requirement within its own boundaries. The development is within walkable distance to the adjacent future park.
- c) **Finding:** That the proposed development is compatible with existing and proposed land uses in the surrounding area.
- Evidence:** The site is physically suitable to subdivide and is compatible with existing and proposed land uses in the surrounding area as it is consistent with the General Plan and Sunridge Specific Plan in that they both allow for this type of development.
- d) **Finding:** That any exceptions to, or deviation from, the use, density, requirements or design standards of the Land Use Zone in which the property is located, or of Title II of the Sacramento Code are justified by the design of the development or by the substantial energy savings proposed pursuant to Section 110-65(b). In case of a residential area, the rearrangement of dwellings and the mixing of dwelling types shall be justified by larger and more usable open spaces.
- Evidence:** The site is physically suitable for the proposed density of development. The proposed Tentative Subdivision Map will divide the existing parcel into 71 single-family homes that are a combination of front loaded and alley front loaded homes. The overall residential density is 8.8 units per acre which is consistent with the RD-

10 zoning designation in the 2003 Sacramento County Zoning Code. Improvements are provided as shown on the Tentative Subdivision Map (Exhibit A), and subject to the attached Conditions of Approval (Exhibit B).

- e) **Finding:** That there is adequate assurance that all public improvements will be installed at the scheduled times, as required by Public Works.

Evidence: The project conditions of approval provide a time schedule for all public improvements as required by Public Works.

- f) **Finding:** That there is adequate assurance that the development schedule will be met.

Evidence: The project includes an existing Development Agreement that has an expiration date of June 18, 2024.

- g) **Finding:** That the existing or proposed utility services are adequate for the uses and population densities proposed.

Evidence: The existing and proposed utilities are adequate for the uses and population density proposed.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

ATTEST:

Stacy Leitner, CMC
City Clerk

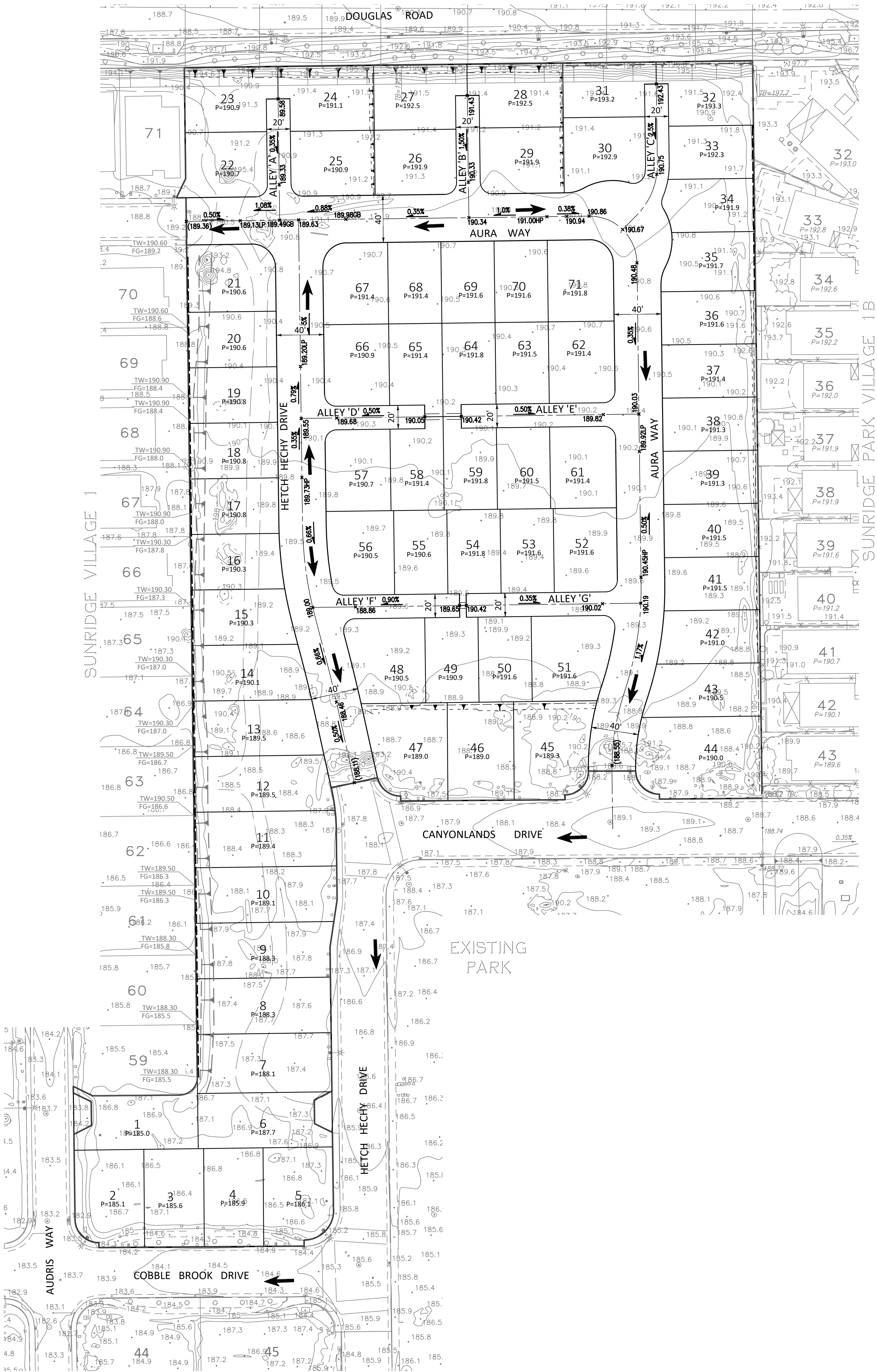
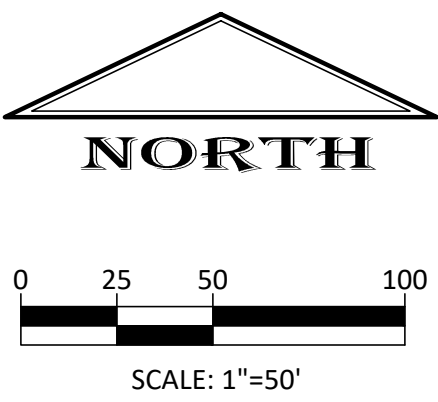
TENTATIVE SUBDIVISION MAP
SUNRIDGE VILLAGE 4
COVER SHEET

ELECTRIC:
S.M.U.D.

R=8, TI=6.0
CANYONLANDS DRIVE

TENTATIVE SUBDIVISION MAP
SUNRIDGE VILLAGE 4
GRADING PLAN

CITY OF RANCHO CORDOVA, CALIFORNIA
AUGUST 26, 2022



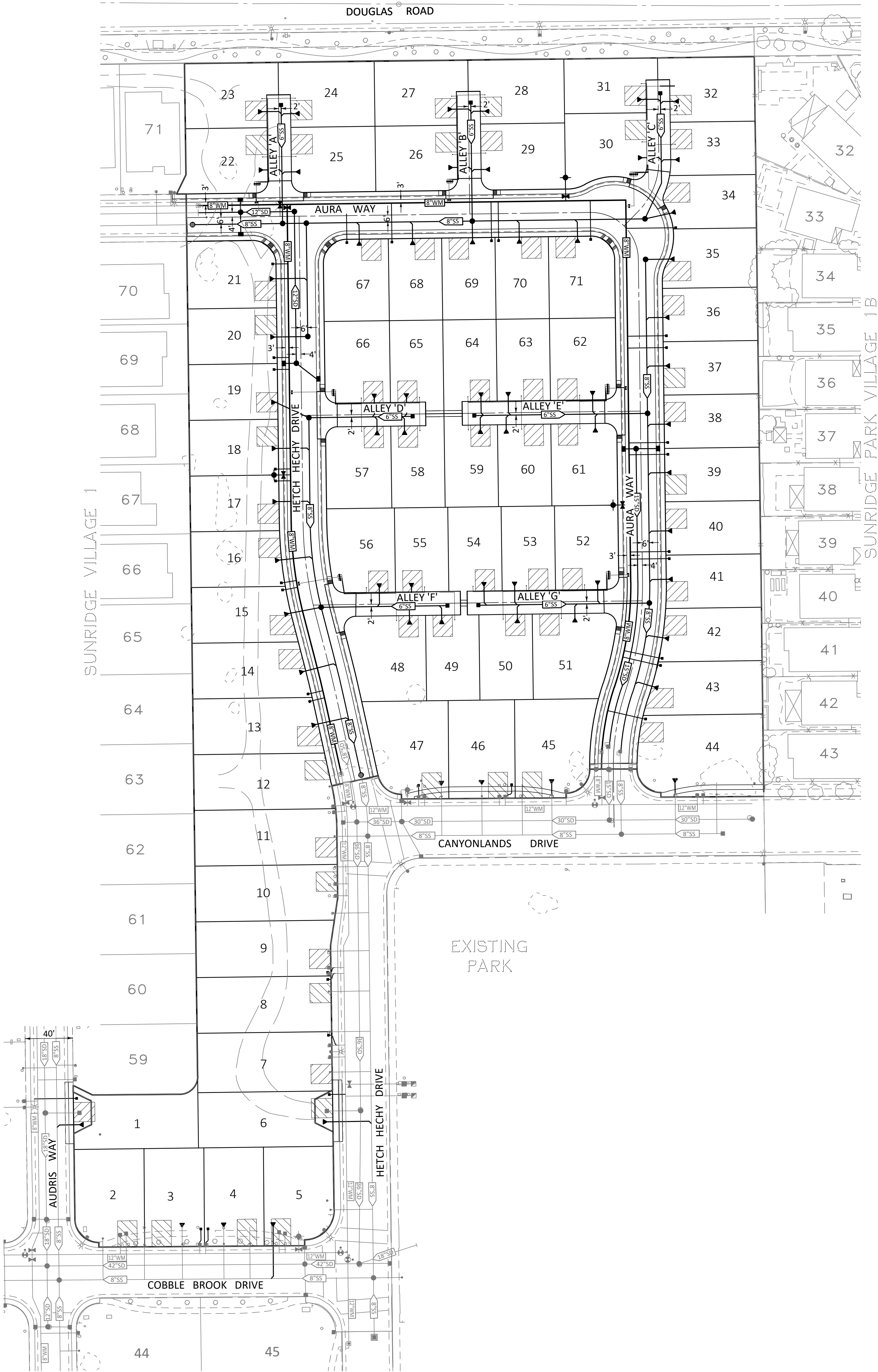
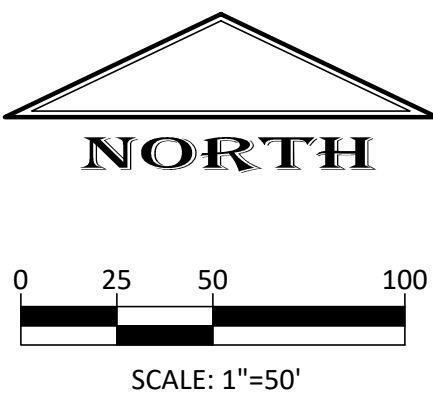
msa
A **cbg** company

CIVIL ENGINEERS
SURVEYORS
PLANNERS

MSA ENGINEERING INC.
1430 BLUE OAKS BLVD, SUITE 110
ROSEVILLE, CA 95747
PHONE: (916) 788-4456

TENTATIVE SUBDIVISION MAP
SUNRIDGE VILLAGE 4
UTILITY PLAN

CITY OF RANCHO CORDOVA, CALIFORNIA
AUGUST 26, 2022

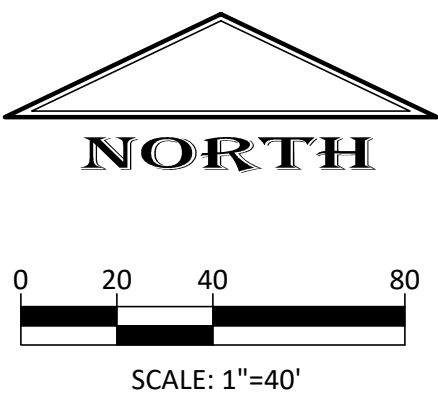


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CIVIL ENGINEERS
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PLANNERS

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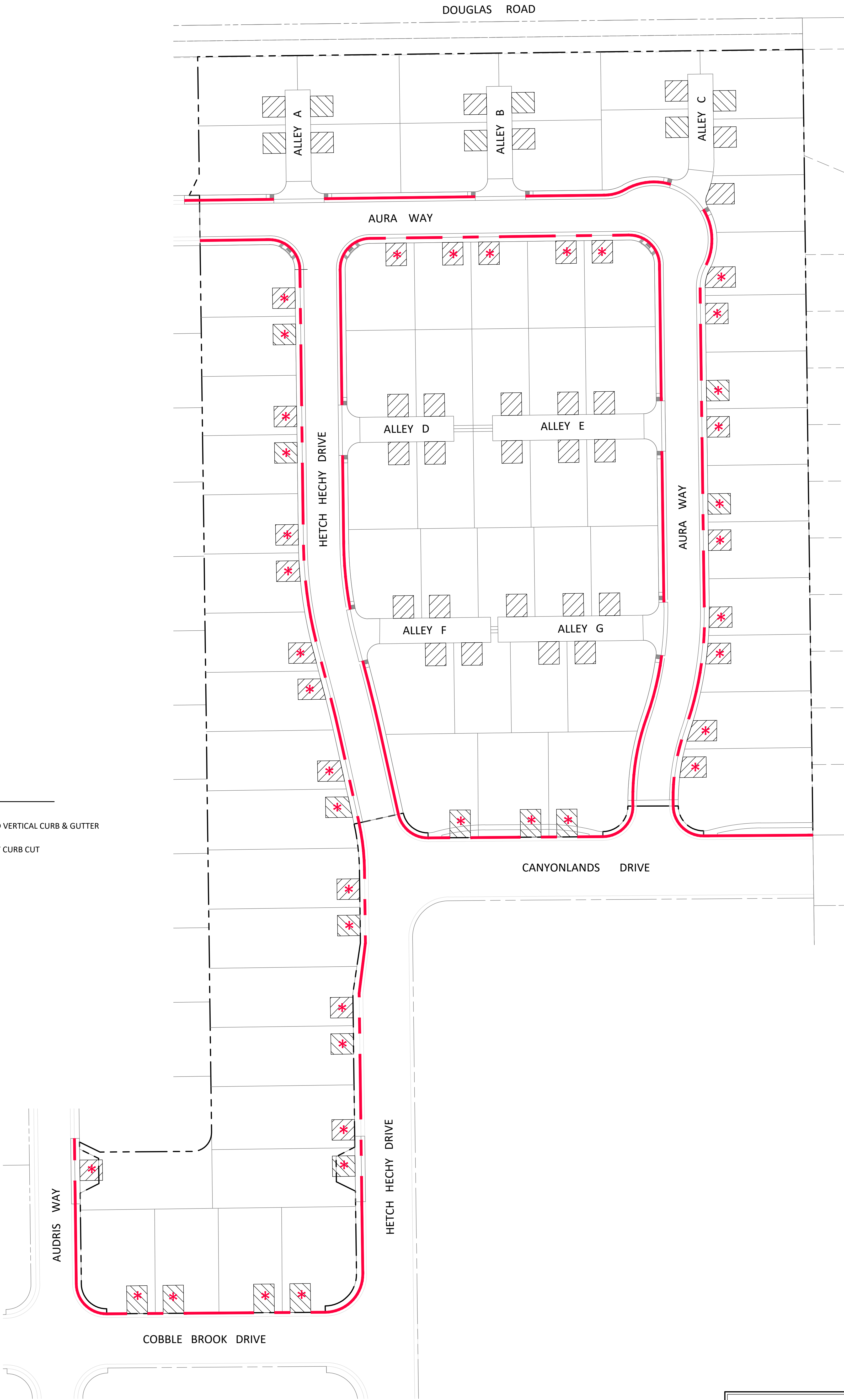
MSA ENGINEERING INC.
1430 BLUE OAKS BLVD, SUITE 110
ROSEVILLE, CA 95747
PHONE: (916) 788-4456



Curbing Exhibit for:
SUNRIDGE VILLAGE 4

CITY OF RANCHO CORDOVA, CALIFORNIA
AUGUST 29, 2022

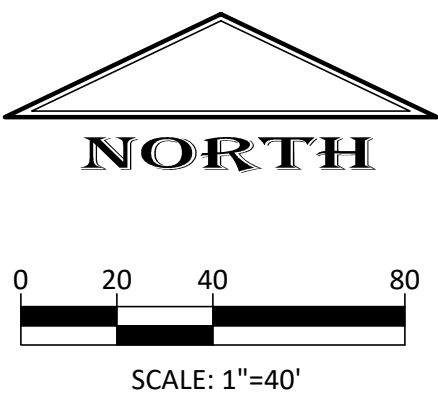
- LEGEND:**
- PROPOSED VERTICAL CURB & GUTTER
 - DRIVEWAY CURB CUT



msa
A **cbg** company

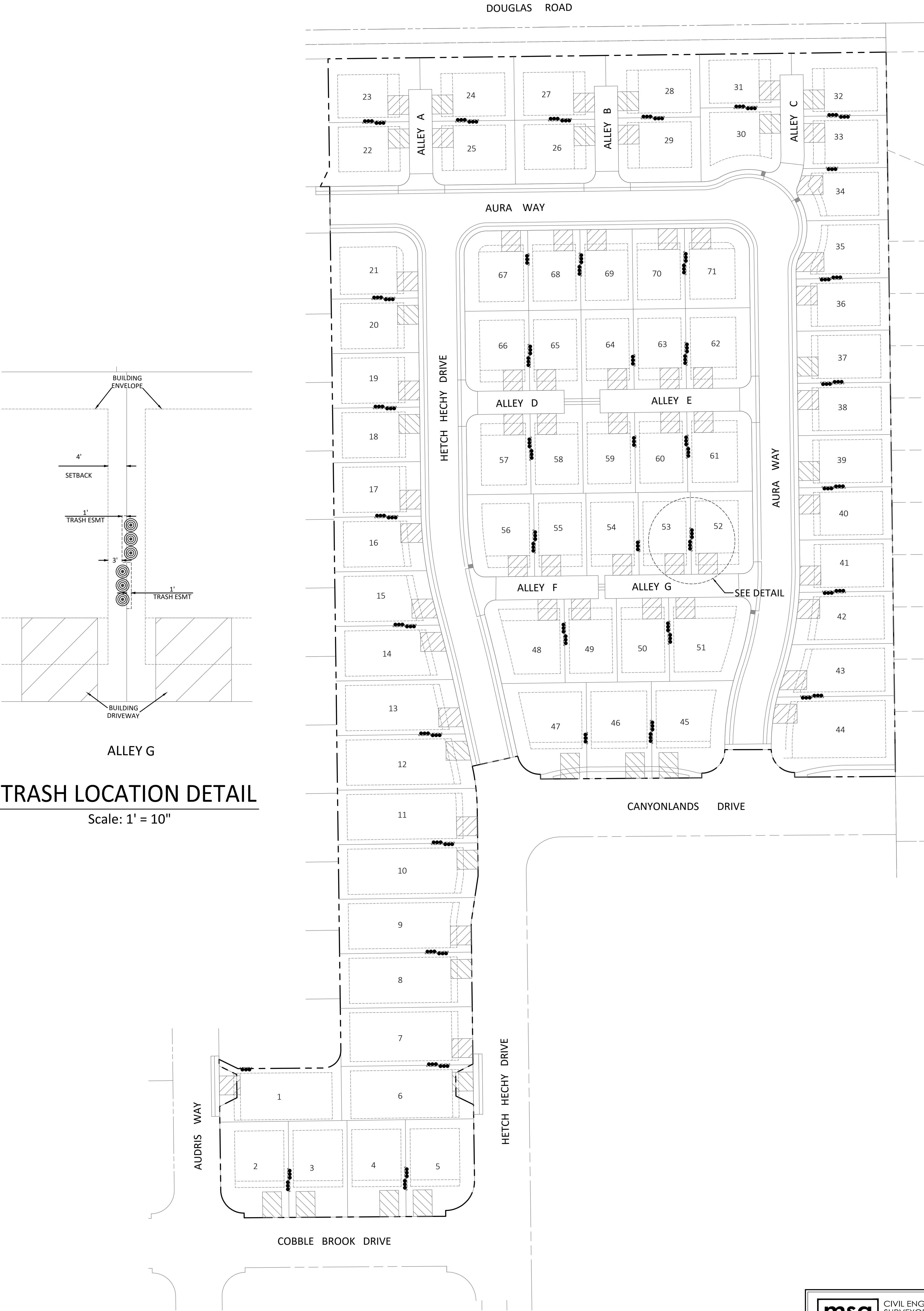
CIVIL ENGINEERS
SURVEYORS
PLANNERS

MSA ENGINEERING INC.
1430 BLUE OAKS BLVD, SUITE 110
ROSEVILLE, CA 95747
PHONE: (916) 788-4456



Trash Storage Exhibit for:
SUNRIDGE VILLAGE 4

CITY OF RANCHO CORDOVA, CALIFORNIA
AUGUST 29, 2022



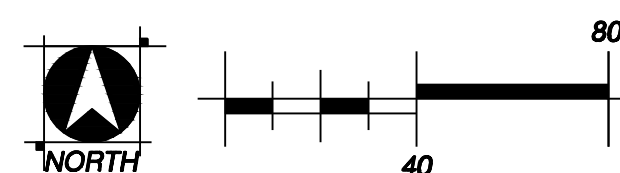
msa

CIVIL ENGINEERS
SURVEYORS
PLANNERS

A **cbg** company

MSA ENGINEERING INC.
1430 BLUE OAKS BLVD, SUITE 110
ROSEVILLE, CA 95747
PHONE: (916) 788-4456

J:\Projects\Sunridge\19-020 Sunridge Village\4\Exhibits\Trash Storage Exhibit.dwg, 8/29/2022 3:42 AM



OF 3

PROPOSED PLANT MATERIALS
SUNRIDGE VILLAGE 4
CRESLEIGH HOMES
RANCHO CORDOVA, CALIFORNIA
AUGUST 26, 2022

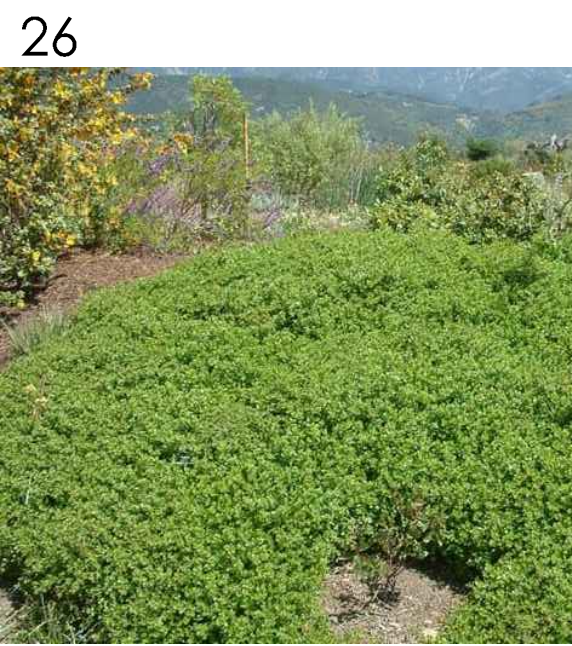
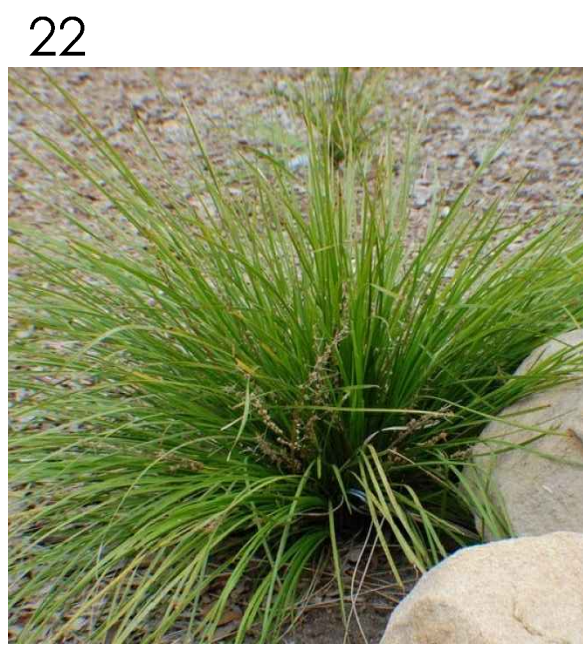
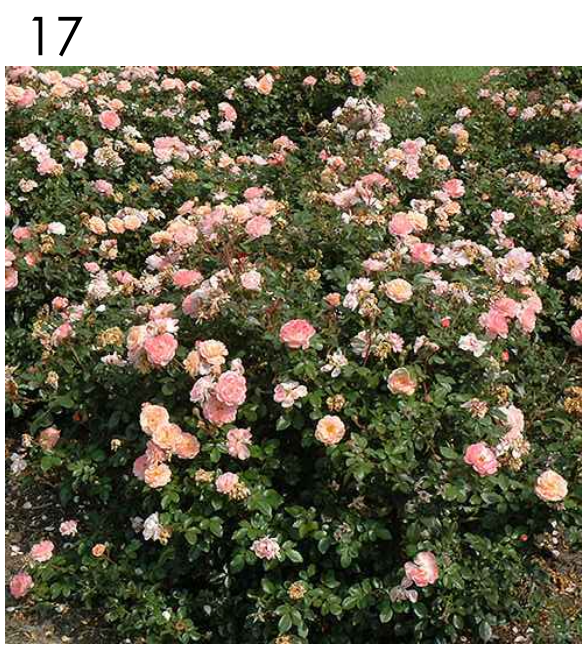
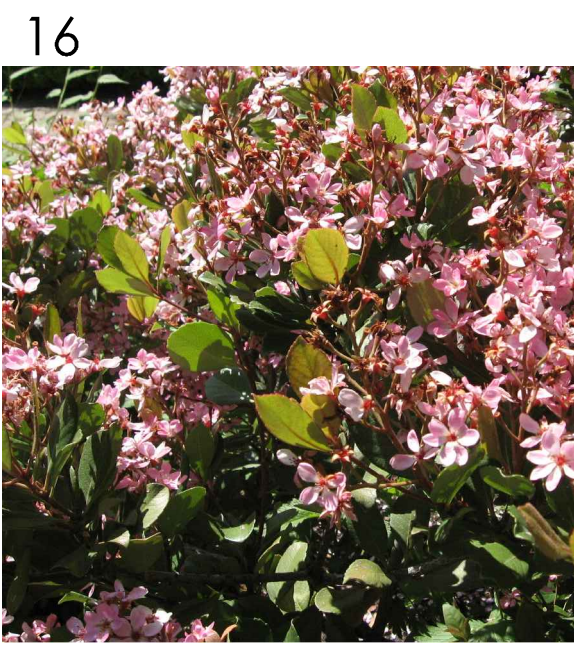
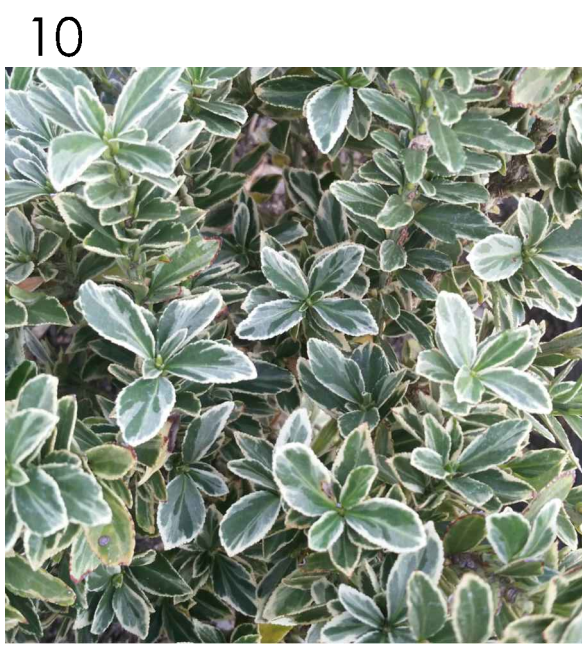
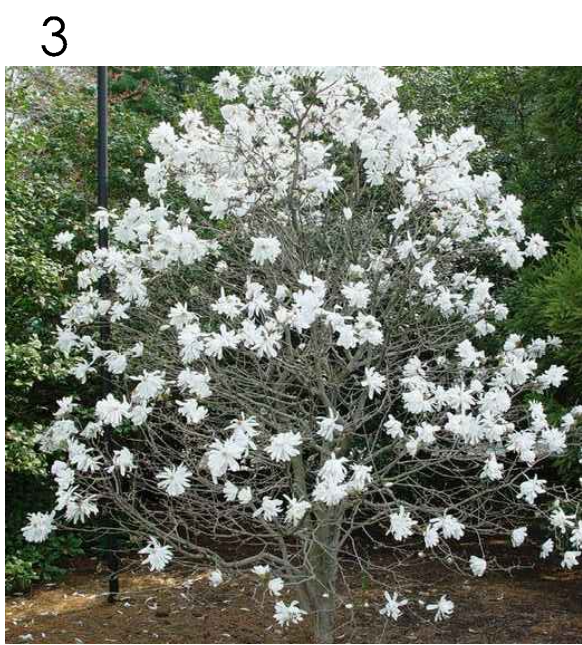
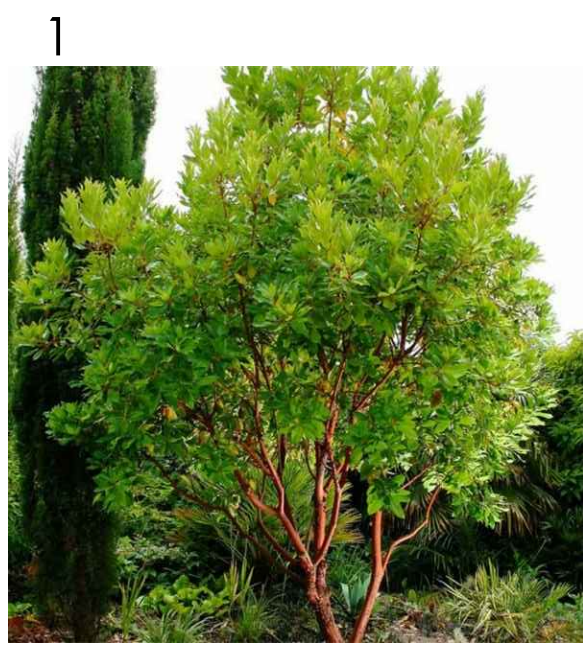
PLANT SCHEDULE

TREES	SIZE
1 ARBUTUS X 'MARINA' / ARBUTUS STANDARD	24"BOX
2 LAURUS NOBILIS / SWEET BAY	24"BOX
3 MAGNOLIA STELLATA / STAR MAGNOLIA MULTI-TRUNK	24"BOX
4 OLEA EUROPAEA 'SWAN HILL' TM / SWAN HILL OLIVE	24"BOX
5 ULMUS PROPINQUA 'JFS-BIEBERICH' / EMERALD SUNSHINE ELM	24"BOX
6 ZELKOVA SERRATA 'CITY SPRITE'	24" BOX

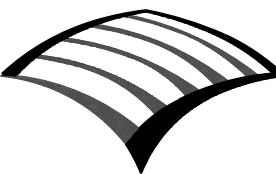
SHRUBS	SIZE
7 ABELIA X GRANDIFLORA 'EDWARD GOUCHER' / GLOSSY ABELIA	5 GAL
8 CALLISTEMON CITRINUS 'LITTLE JOHN' / DWARF BOTTLE BRUSH	5 GAL
9 ELAEOCARPUS DECIPIENS 'LITTLE EMPEROR' / DWARF JAPANESE BLUEBERRY TREE	5 GAL
10 EUONYMUS J. 'MICROPHYLLA VARIEGATA' / VARIEGATED EUONYMUS	5 GAL
11 GREVILLEA LANIGERA 'COASTAL GEM' / COASTAL GEM GREVILLEA	5 GAL
12 HESPERALOE P. 'BRAKELIGHTS' / BRAKELIGHTS RED YUCCA	5 GAL
13 LAURUS NOBILIS 'MONRIK' TM / LITTLE RAGU SWEET BAY	5 GAL
14 POLYGALA FRUTICOSA 'PETITE BUTTERFLY' / SWEET PEA SHRUB	5 GAL
15 PRUNUS CAROLINIANA 'BRIGHT 'N TIGHT' TM / BRIGHT 'N TIGHT CAROLINA LAUREL	5 GAL
16 RHAPHIOLEPIS L 'BALLERINA' / BALLERINA INDIAN HAWTHORN	5 GAL
17 ROSA X 'APRICOT DRIFT' / APRICOT DRIFT ROSE	5 GAL
18 ROSMARINUS OFFICINALIS / ROSEMARY	5 GAL
19 WESTRINGIA FRUTICOSA 'SMOKEY' / SMOKEY WESTRINGIA	5 GAL

GRASSES	SIZE
20 CALAMAGROSTIS X ACUTIFLORA 'KARL FOERSTER' / FEATHER REED GRASS	5 GAL
21 DIETES VEGETA 'VARIEGATA' / VARIEGATED AFRICAN IRIS	5 GAL
22 LOMANDRA LONGIFOLIA 'BREEZE' / MAT RUSH	5 GAL
23 MUHLENBERGIA CAPILLARIS / PINK MUHLY GRASS	5 GAL
24 PHORMIUM X 'BLACK ADDER' / NEW ZEALAND FLAX	5 GAL

GROUND COVER	SIZE
25 ARCTOSTAPHYLOS UVA-URSI 'WOODS COMPACT' / KINNIKINNICK	5 GAL
26 BACCHARIS PILULARIS 'PIGEON POINT' / COYOTE BRUSH	5 GAL
27 JUNIPERUS HORIZONTALIS 'HUGHES' / HUGHES JUNIPER	1 GAL
28 LANTANA MONTEVIDENSIS 'PURPLE' / TRAILING LANTANA	5 GAL



*APPROVED FOR PLANTING IN COUNTY
RIGHTS-OF-WAY AND PUBLIC EASEMENTS
PER IMPROVEMENTS STANDARDS, SECTION 4-32



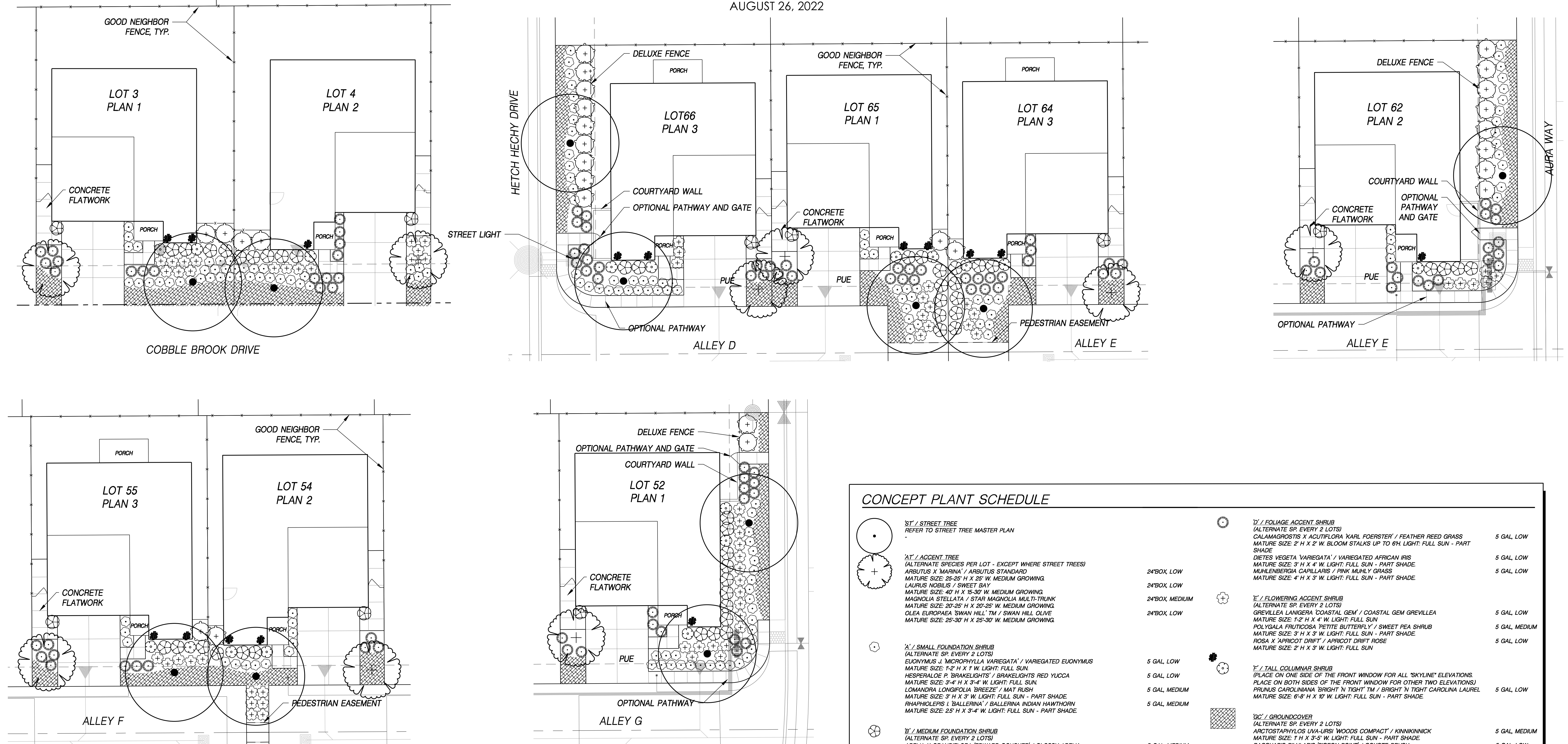
WOOD RODGERS
BUILDING RELATIONSHIPS ONE PROJECT AT A TIME
3301 C St, Bldg. 100-B
Sacramento, CA 95816

Tel 916.341.7760
Fax 916.341.7767

CONCEPTUAL PRODUCTION LANDSCAPE PLANS

SUNRIDGE VILLAGE 4

CRESLEIGH HOMES
RANCHO CORDOVA, CALIFORNIA
AUGUST 26, 2022



CONCEPT PLANT SCHEDULE

	1' / STREET TREE (REFER TO STREET TREE MASTER PLAN)		
	1' / ACCENT TREE (ALTERNATE SPECIES PER LOT - EXCEPT WHERE STREET TREES) ARBUTUS X MARINA / ARBUTUS STANDARD MATURE SIZE: 25-25' H X 25' W. MEDIUM GROWING. LAURUS NOBILIS / SWEET BAY MATURE SIZE: 40' H X 15-30' W. MEDIUM GROWING. MAGNOLIA STELLATA / STAR MAGNOLIA MULTI-TRUNK MATURE SIZE: 20-25' H X 20-25' W. MEDIUM GROWING. OLEA EUROPAEA 'SWAN HILL' TM / SWAN HILL OLIVE MATURE SIZE: 25-30' H X 25-30' W. MEDIUM GROWING.	24"BOX, LOW 24"BOX, LOW 24"BOX, MEDIUM 24"BOX, LOW	
	1' / SMALL FOUNDATION SHRUB (ALTERNATE SP. EVERY 2 LOTS) EUNYMIUS J. MICROPHYLLA VARIEGATA / VARIEGATED EUNYMIUS MATURE SIZE: 1-2' H X 1' W. LIGHT: FULL SUN. HESPERALOE P. 'BRAKELIGHTS' / BRAKELIGHTS RED YUCCA MATURE SIZE: 3'-4' H X 3'-4' W. LIGHT: FULL SUN. LOMANDRA LONGIFOLIA 'BREEZE' / MAT RUSH MATURE SIZE: 3' H X 3' W. LIGHT: FULL SUN - PART SHADE. RHAPHIOLEPIS L. 'BALLERINA' / BALLERINA INDIAN HAWTHORN MATURE SIZE: 25' H X 3'-4' W. LIGHT: FULL SUN - PART SHADE.	5 GAL, LOW 5 GAL, LOW 5 GAL, MEDIUM 5 GAL, MEDIUM	
	1' / MEDIUM FOUNDATION SHRUB (ALTERNATE SP. EVERY 2 LOTS) ABELIA X GRANDIFLORA 'EDWARD GOUCHER' / GLOSSY ABELIA MATURE SIZE: 3'-5' H X 3'-5' W. LIGHT: FULL SUN - PART SHADE CALLISTEMON CITRINUS 'LITTLE JOHN' / DWARF BOTTLE BRUSH MATURE SIZE: 3' H X 5' W. LIGHT: FULL SUN - PART SHADE. ROSMARINUS OFFICINALIS / ROSEMARY MATURE SIZE: 2'-6' H X 2'-5' W. LIGHT: FULL SUN WESTRINGIA FRUTICOSA 'SMOKEY' / SMOKEY WESTRINGIA MATURE SIZE: 4'-6' H X 4'-5' W. LIGHT: FULL SUN	5 GAL, MEDIUM 5 GAL, LOW 5 GAL, LOW 5 GAL, LOW	
	1' / LARGE FOUNDATION SHRUB (ALTERNATE SP. EVERY 2 LOTS) ELAEAGARPUS DECIPENS 'LITTLE EMPEROR' / DWARF JAPANESE BLUEBERRY TREE MATURE SIZE: 6'-8' H X 10' W. LIGHT: FULL SUN - PART SHADE LAURUS NOBILIS 'MONRIK' TM / LITTLE RAGU SWEET BAY MATURE SIZE: 6'-8' H X 6'-8' W. LIGHT: FULL SUN - PART SHADE PHORMIUM X 'BLACK ADDER' / NEW ZEALAND FLAX MATURE SIZE: 6' H X 6' W. LIGHT: FULL SUN	5 GAL, LOW 5 GAL, LOW 5 GAL, LOW	
	1' / FOLIAGE ACCENT SHRUB (ALTERNATE SP. EVERY 2 LOTS) CALAMAGROSTIS X ACUTIFLORA 'KARL FOERSTER' / FEATHER REED GRASS MATURE SIZE: 2' H X 2' W. BLOOM STALKS UP TO 6H. LIGHT: FULL SUN - PART SHADE DIETES VEGETA 'VARIEGATA' / VARIEGATED AFRICAN IRIS MATURE SIZE: 3' H X 4' W. LIGHT: FULL SUN - PART SHADE. MUEHLBERGIA CAPILLARIS / PINK MUHLY GRASS MATURE SIZE: 4' H X 3' W. LIGHT: FULL SUN - PART SHADE.	5 GAL, LOW 5 GAL, LOW 5 GAL, LOW	
	1' / FLOWERING ACCENT SHRUB (ALTERNATE SP. EVERY 2 LOTS) GREVILLEA LANIGERA 'COASTAL GEM' / COASTAL GEM GREVILLEA MATURE SIZE: 1-2' H X 4' W. LIGHT: FULL SUN POLYGALA FRUTICOSA 'PETITE BUTTERFLY' / SWEET PEA SHRUB MATURE SIZE: 3' H X 3' W. LIGHT: FULL SUN - PART SHADE. ROSA X 'APRICOT DRIFT' / APRICOT DRIFT ROSE MATURE SIZE: 2' H X 3' W. LIGHT: FULL SUN	5 GAL, LOW 5 GAL, MEDIUM 5 GAL, LOW	
	1' / TALL COLUMNAR SHRUB (PLACE ON ONE SIDE OF THE FRONT WINDOW FOR ALL 'SKYLINE' ELEVATIONS. PLACE ON BOTH SIDES OF THE FRONT WINDOW FOR OTHER TWO ELEVATIONS.) PRUNUS CAROLINIANA 'BRIGHT N TIGHT' TM / BRIGHT N TIGHT CAROLINA LAUREL MATURE SIZE: 6'-8' H X 10' W. LIGHT: FULL SUN - PART SHADE.	5 GAL, LOW	
	1' / GROUNDCOVER (ALTERNATE SP. EVERY 2 LOTS) ARCTOSTAPHYLOS UVA-URSI 'WOODS COMPACT' / KINKINNICK MATURE SIZE: 1' H X 3'-5' W. LIGHT: FULL SUN - PART SHADE BACCHARIS PILLULARIS 'PIGEON POINT' / COYOTE BRUSH MATURE SIZE: 1'-2' H X 5'-6' W. LIGHT: FULL SUN JUNIPERUS HORIZONTALIS 'HUGHES' / HUGHES JUNIPER MATURE SIZE: 1' H X 6'-8' W. LIGHT: FULL SUN LANTANA MONTEVIDENSIS 'PURPLE' / TRAILING LANTANA MATURE SIZE: 1' H X 6'-8' W. LIGHT: FULL SUN	5 GAL, MEDIUM 5 GAL, LOW 5 GAL, LOW 5 GAL, LOW	

LANDSCAPE PLAN NOTES

- ALL LANDSCAPE AREAS WILL UTILIZE LOW AND MEDIUM WATER USE PLANT MATERIAL AND LIMIT HIGH WATER USE PLANT MATERIAL.
- ALL SHRUB AND GROUNDCOVER AREAS ARE TO RECEIVE A 3" LAYER OF BARK MULCH. INSTALL WEED CONTROL LAYER IN ALL BARK MULCH AREAS.
- IRRIGATION DESIGN SHALL COMPLY WITH THE MODEL WATER EFFICIENT LANDSCAPE ORDINANCE. ALL NECESSARY DOCUMENTATION INCLUDING WATER CALCULATIONS AND CERTIFICATES SHALL BE SUBMITTED WITH THE LANDSCAPE CONSTRUCTION DOCUMENTS FOR REVIEW AND APPROVAL.
- IRRIGATION SYSTEM WILL CONSIST OF LOW FLOW ROTARY SPRAY NOZZLE TECHNOLOGY. POINT SOURCE BUBBLERS AND/OR DRIP EMITTERS SYSTEM CONTROLLED BY AN AUTOMATIC IRRIGATION CONTROLLER USING ET DATA SCHEDULING AND RAIN SENSOR SHUT-OFF CAPABILITIES.
- A PRE-EMERGENT SHALL BE APPLIED IN ALL NON-SEEDED LANDSCAPED AREAS.
- ROOT BARRIERS SHALL BE INSTALLED FOR ALL TREES PLANTED WITHIN 10' OF PAVING OR HARDSCAPE.
- A 25% MINIMUM OF ALL PROPOSED TREES ARE REQUIRED TO BE A 24" BOX CONTAINER SIZE.
- A 30% MINIMUM OF ALL PROPOSED TREES ARE REQUIRED TO BE EVERGREEN.
- SHRUBS AND OTHER OBSTRUCTIONS SHALL NOT EXCEED 30" ABOVE PAVEMENT GRADE WITHIN CLEAR SIGHT TRIANGLES, PURSUANT TO SACRAMENTO COUNTY STD. DRAWING 4-18.

APPROXIMATE TOTAL LANDSCAPE AREA = 57,880 SQ. FT.

MODEL WATER EFFICIENT LANDSCAPE ORDINANCE LANDSCAPE DESIGN PLAN
STATEMENT, SIGNATURE AND DATE:

I HAVE COMPLIED WITH THE CRITERIA OF THE ORDINANCE AND APPLIED THEM
ACCORDINGLY FOR THE EFFICIENT USE OF WATER IN THE LANDSCAPE DESIGN
PLAN.
SIGNATURE: *Jim Thurman* DATE: 03/14/2022

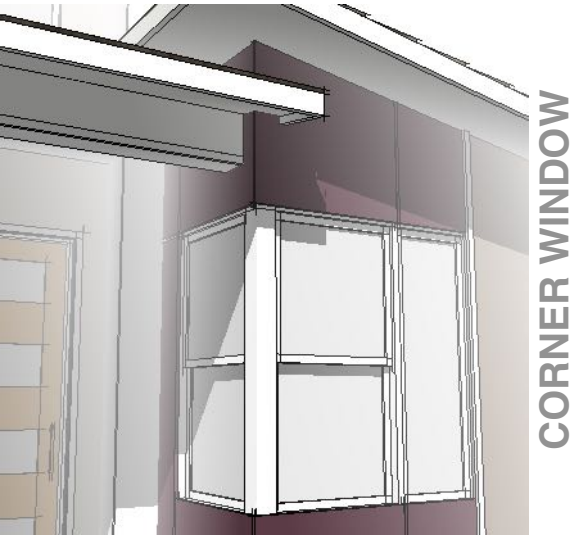


WOOD RODGERS
BUILDING RELATIONSHIPS ONE PROJECT AT A TIME
3301 C St. Bldg. 100-B
Sacramento, CA 95816
Tel 916.341.7760
Fax 916.341.7767



STYLE NARRATIVE

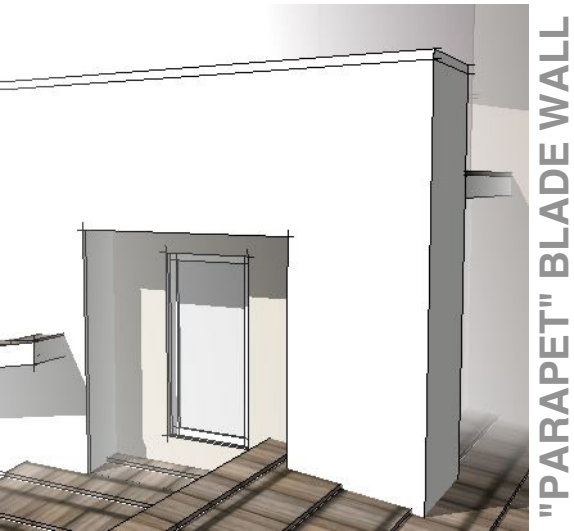
Inspired by homes throughout Daly City, the "SKYLINE" is a contemporary style featuring low-pitched shed roofs, asymmetric corner windows, bracket awnings, and all-stucco facade. Accent stucco areas include an aluminum channel reveal to create a modern "paneled look" highlighted with a bright, playful color palette.



ROOF DETAILS

GABLE + ACCENT SHED ROOF

ROOF PITCH (Main)	=	6:12
ROOF PITCH (Shed)	=	2:12
EAVE DIMENSION	=	24"
RAKE DIMENSION	=	6" & 24"



MATERIALS

STUCCO
STUCCO WITH CHANNEL REVEAL
WOOD (OR FOAM) DETAILS
COMPOSITION ROOFING



STYLE NARRATIVE

The "PARK MANOR" is a modern interpretation of the classic farmhouse with a combination of steep-pitched gables and low-pitched shed roofs. Accent & panel areas feature vertical siding with a rich, natural color scheme. Metal awnings with corrugated metal roofing add a contemporary edge and additional shadow and definition to the facade.



ROOF DETAILS

SHED + ACCENT GABLE ROOF

ROOF PITCH (Main)	=	6:12
ROOF PITCH (Gable)	=	12:12
ROOF PITCH (Shed)	=	3:12
EAVE DIMENSION	=	12" & 24"
RAKE DIMENSION	=	12"



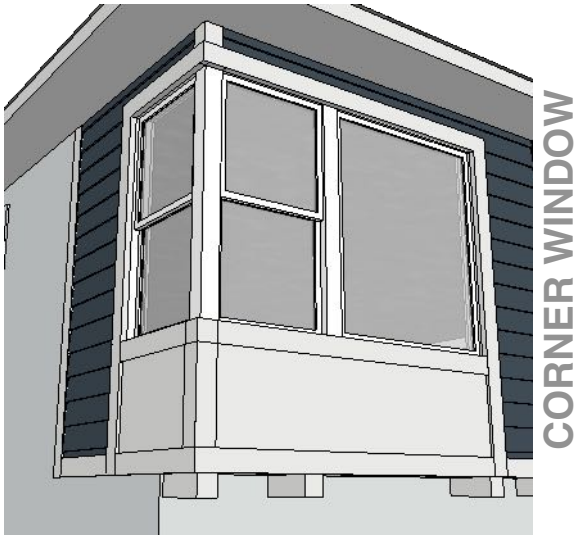
MATERIALS

STUCCO
VERTICAL PANEL SIDING (6" Exposure)
METAL DETAILS
COMPOSITION ROOFING



STYLE NARRATIVE

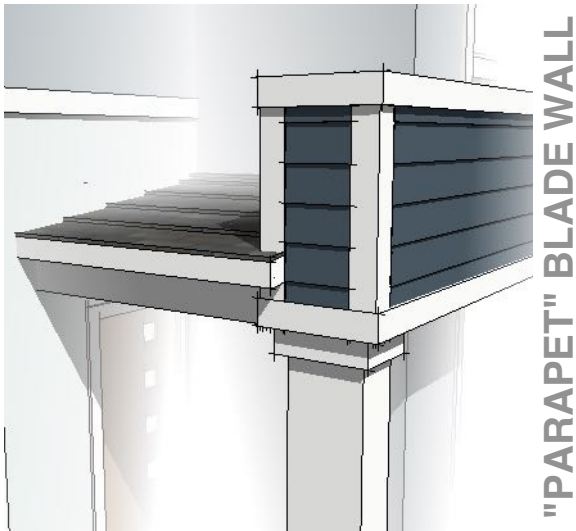
Bold, geometric lines and simple massing are key elements of the "MAYFAIR" style. Hip roofs with deep, soffitted overhangs, large corner windows, accent horizontal siding and paneling, and modern garage & entry doors create a fresh look. Bold color schemes with bright accent colors complete the style.



ROOF DETAILS

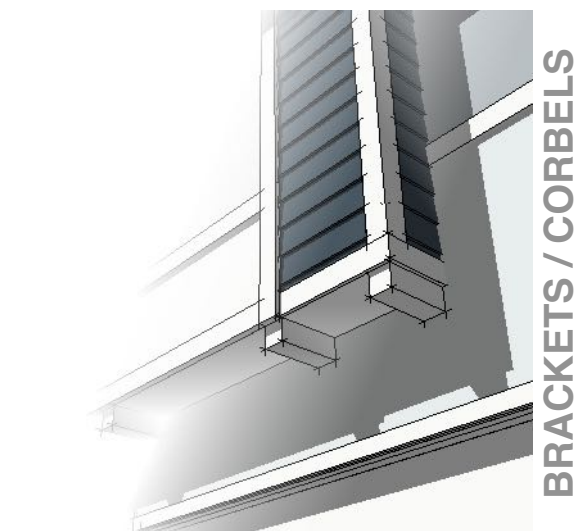
HIP ROOF

ROOF PITCH (Main)	=	6:12
EAVE (SOFFIT) DIMENSION	=	24"
RAKE DIMENSION	=	12"

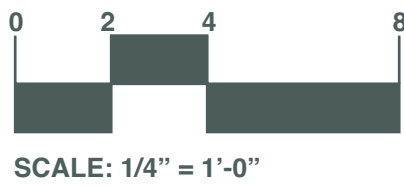


MATERIALS

STUCCO
HORIZONTAL LAP SIDING (8" Exposure)
HARDIE PANELS WITH TRIM BOARDS
WOOD (OR FOAM) DETAILS
COMPOSITION ROOFING



SCHEMATIC STREET SCENE + ELEVATION STYLE GUIDE



JD+A JOB NUMBER: 20086
DATE: 06.17.2022

A0.1

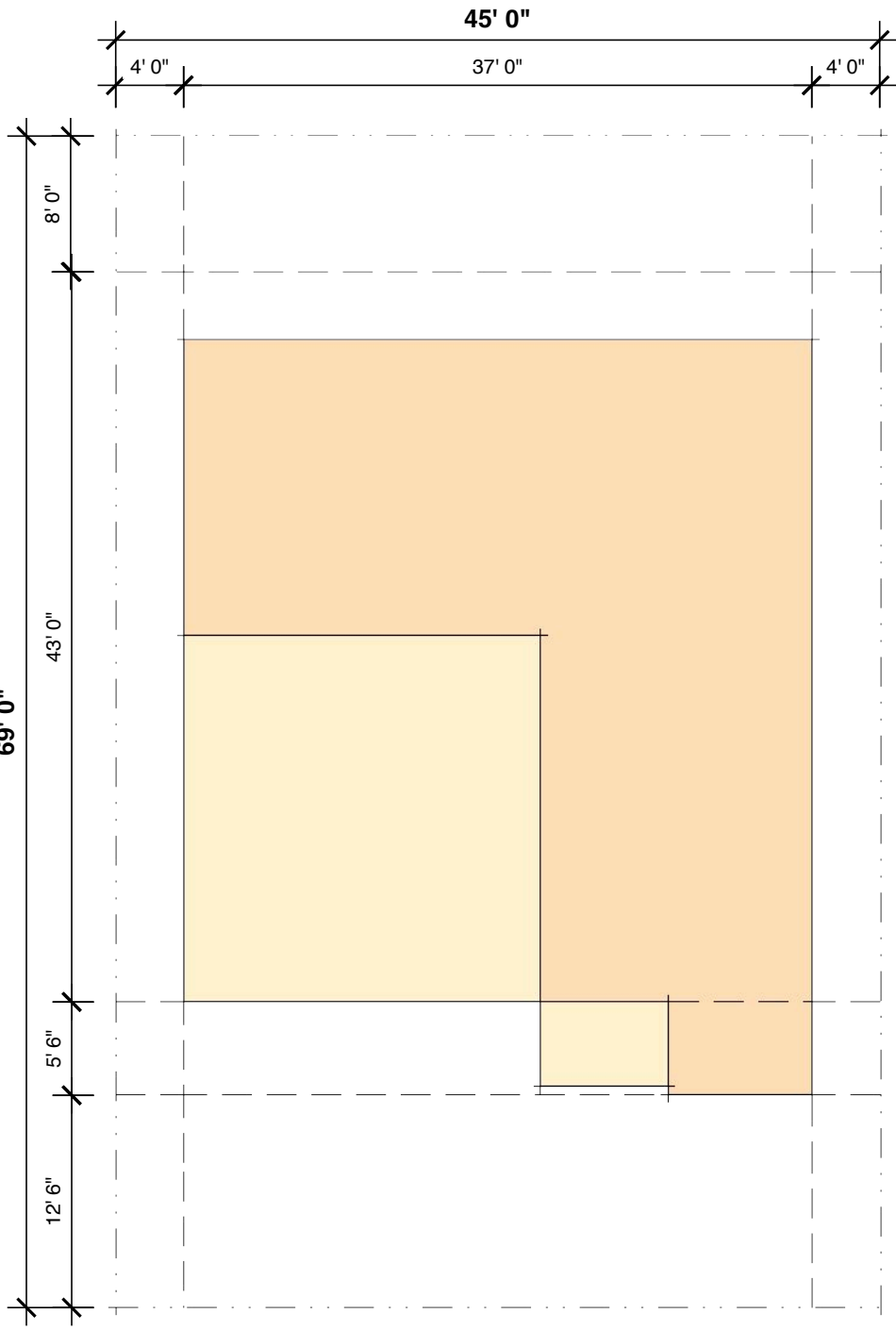
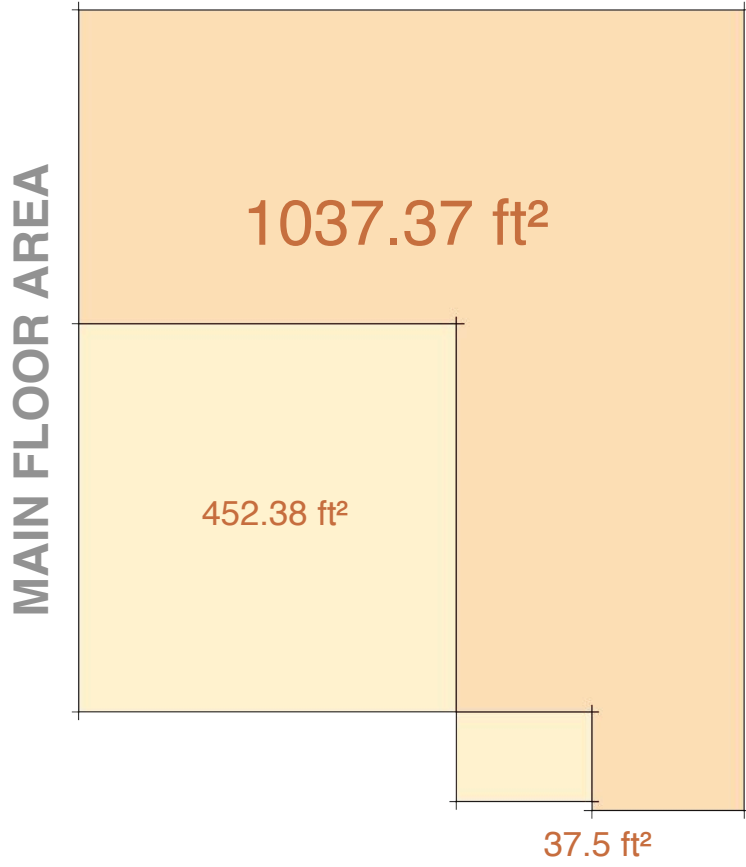
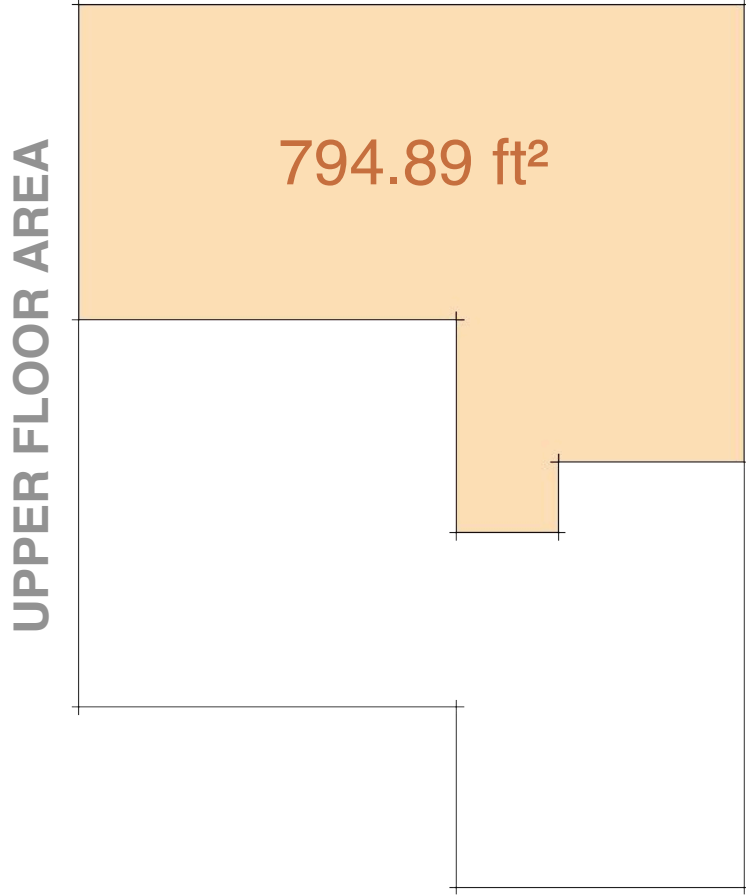
SHEET NOTES

PROGRAM

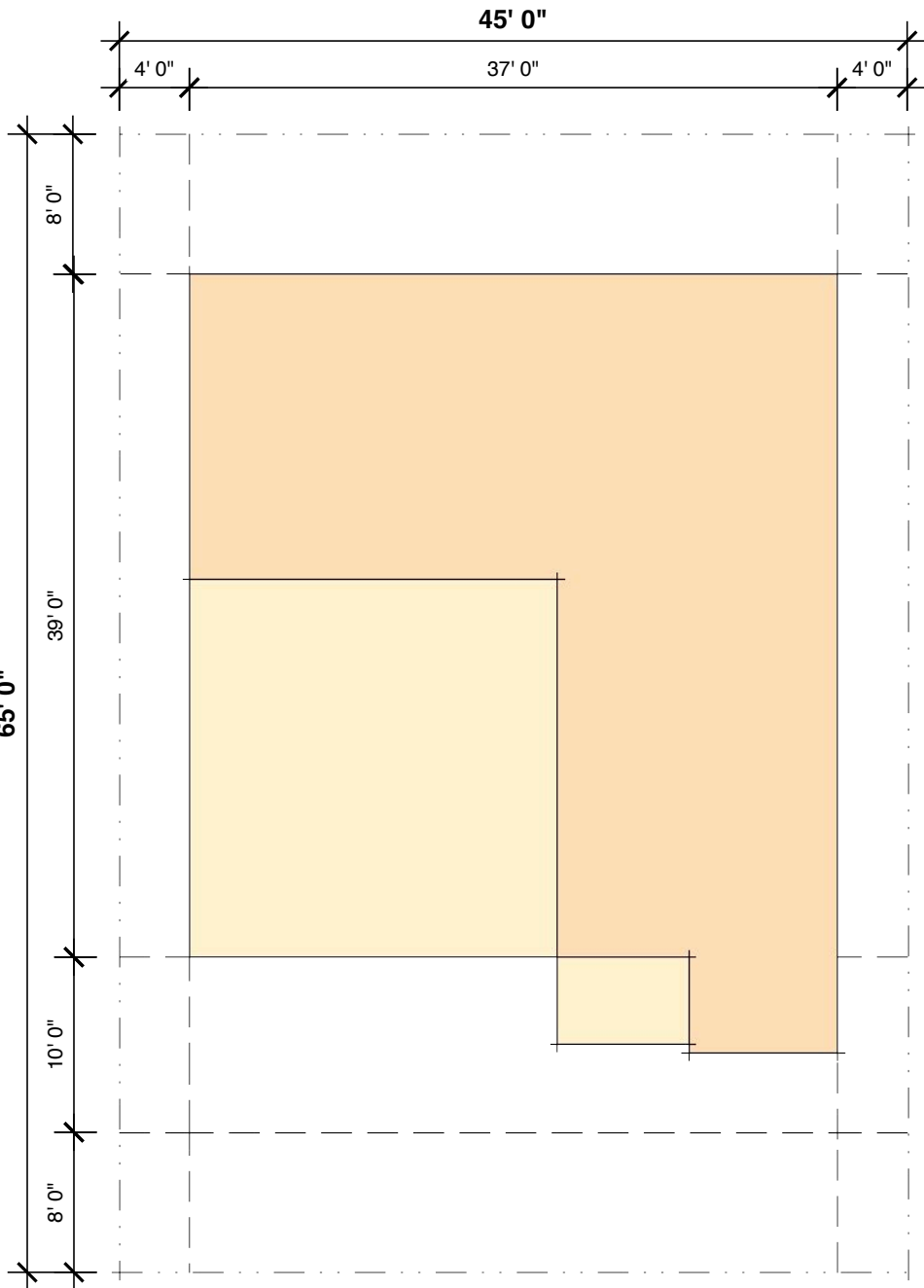
STORIES	=	2
BEDROOMS	=	3
BATHROOMS	=	3
GARAGE	=	2 - CAR
KITCHEN / GREAT ROOM		
LAUNDRY		
POCKET OFFICE		

AREA CALCS (Building Total)

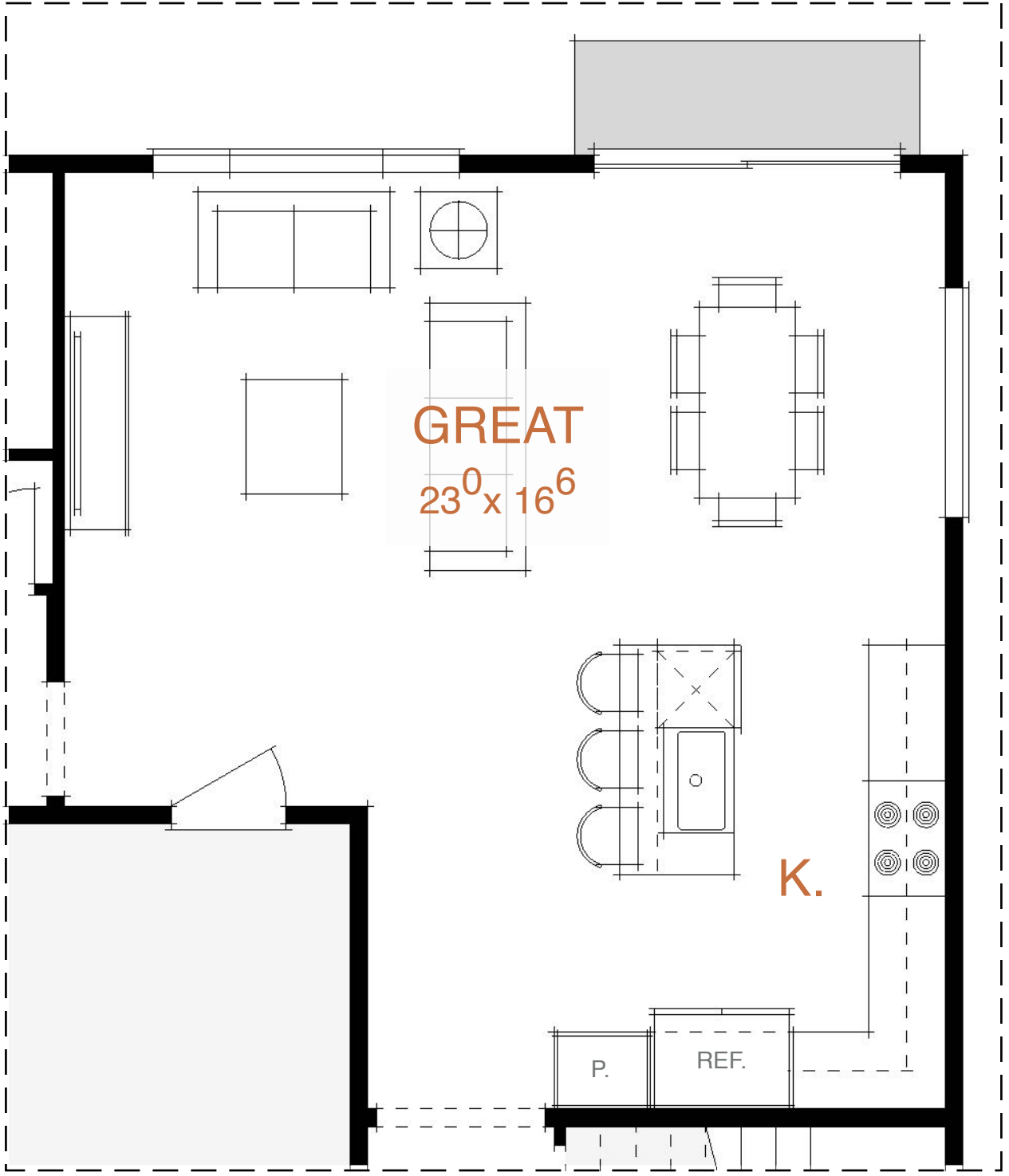
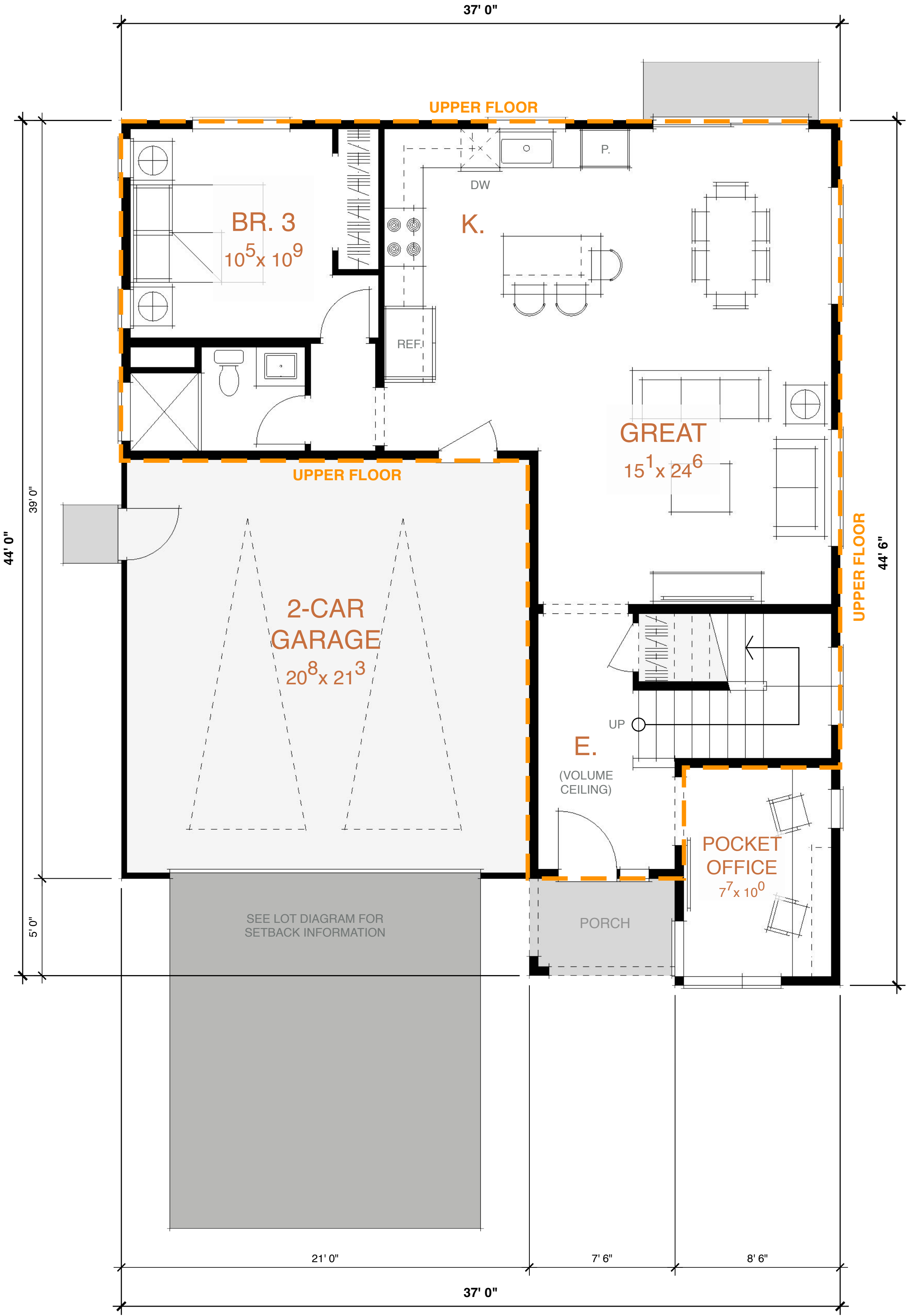
LIVING (Conditioned)	=	1,832.26 SF
GARAGE	=	452.38 SF
PORCH / PATIO	=	105.25 SF
LOT COVERAGE	=	59.8%



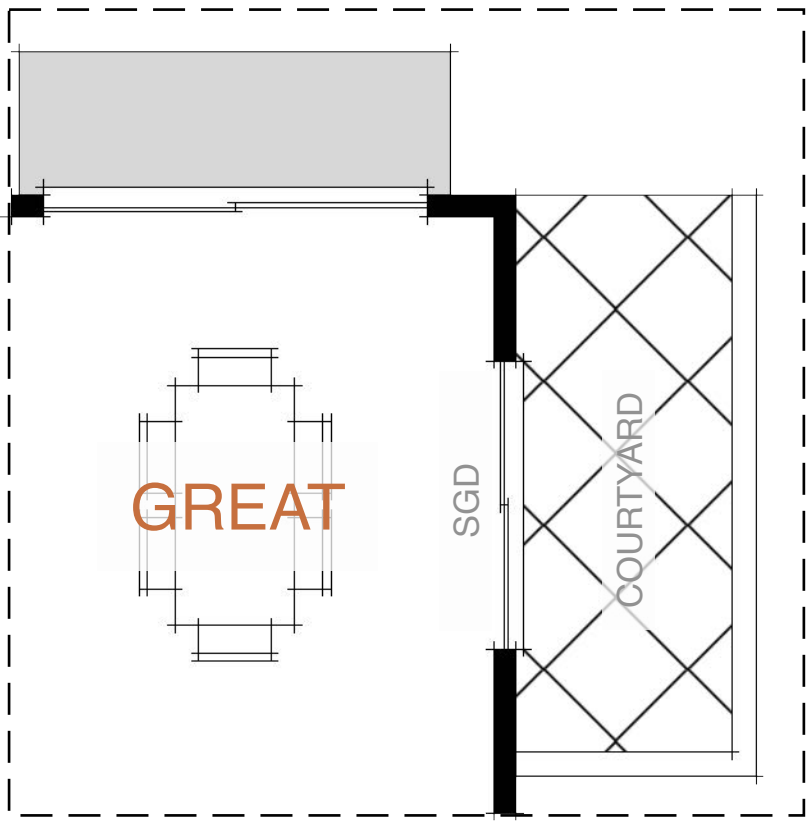
LOT DIAGRAM
(STREET FRONTAGE LOTS)



LOT DIAGRAM
(ALLEY FRONTAGE LOTS)

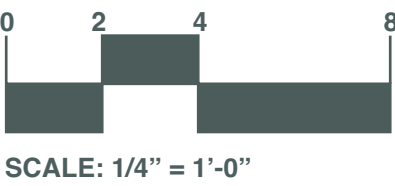


ALTERNATE GREAT ROOM LAYOUT
(ALT. KITCHEN + LIVING LOCATIONS)



COURTYARD OPTION
(AT ENHANCED ELEVATIONS)

PLAN 1 | SCHEMATIC FIRST FLOOR PLAN - 1,832 SF



08.29.2022 | PROGRESS SET

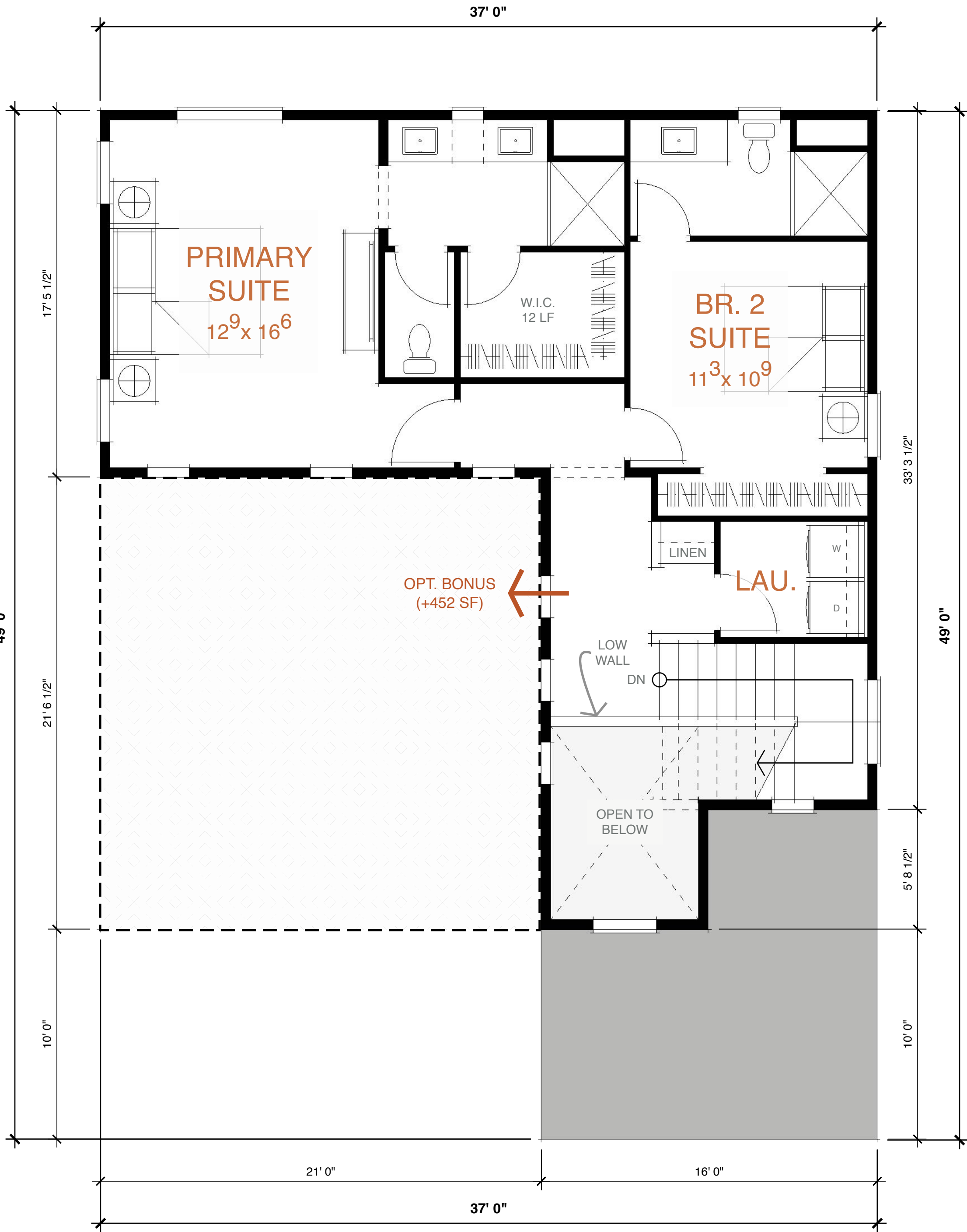
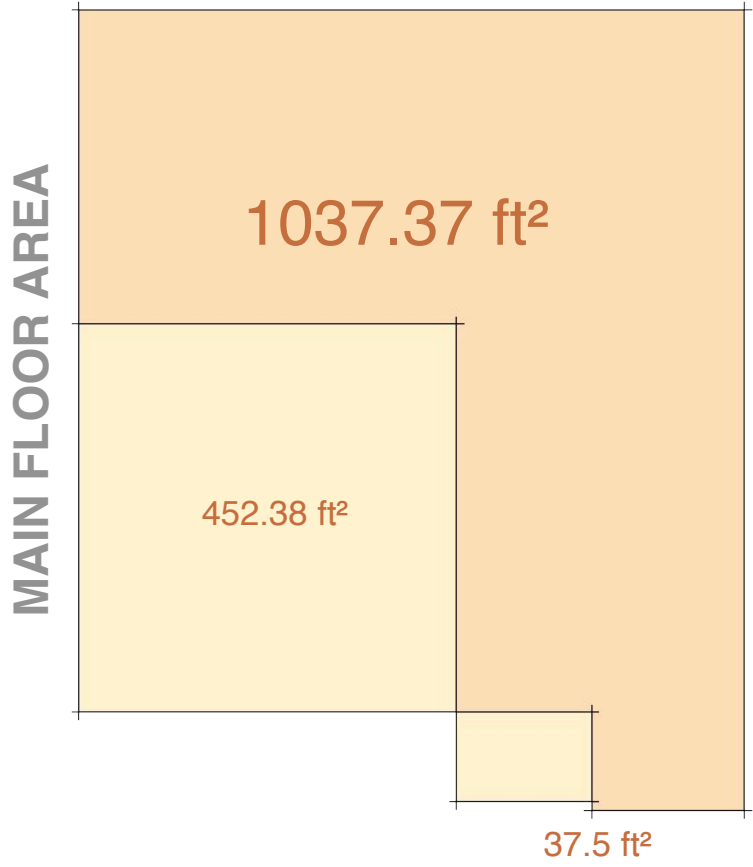
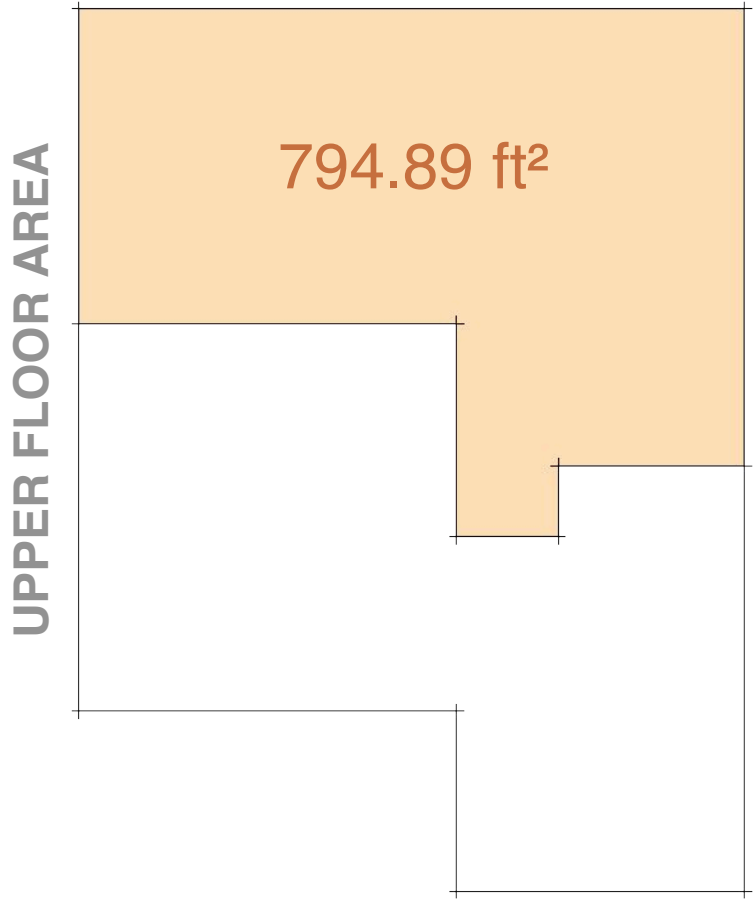
SHEET NOTES

PROGRAM

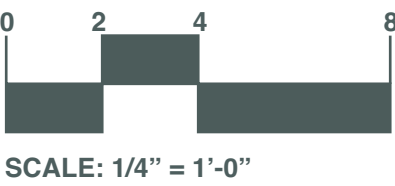
STORIES	=	2
BEDROOMS	=	3
BATHROOMS	=	3
GARAGE	=	2 - CAR
KITCHEN / GREAT ROOM		
LAUNDRY		
POCKET OFFICE		

AREA CALCS (Building Total)

LIVING (Conditioned)	=	1,832.26 SF
GARAGE	=	452.38 SF
PORCH / PATIO	=	105.25 SF
LOT COVERAGE	=	59.8%



PLAN 1 | SCHEMATIC SECOND FLOOR PLAN - 1,832 SF



JD+A JOB NUMBER: 20086
DATE: 08.29.2022

A1.2

08.29.2022 | PROGRESS SET



SUNRIDGE VILLAGE 4

CITY OF RANCHO CORDOVA, CALIFORNIA

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PLAN 1 | SCHEMATIC PERSPECTIVE - "SKYLINE"



SHEET NOTES

PLAN 1

SQUARE FOOTAGE	=	1,832 SF
STORIES	=	2
BEDROOMS	=	3
BATHROOMS	=	3

MATERIALS

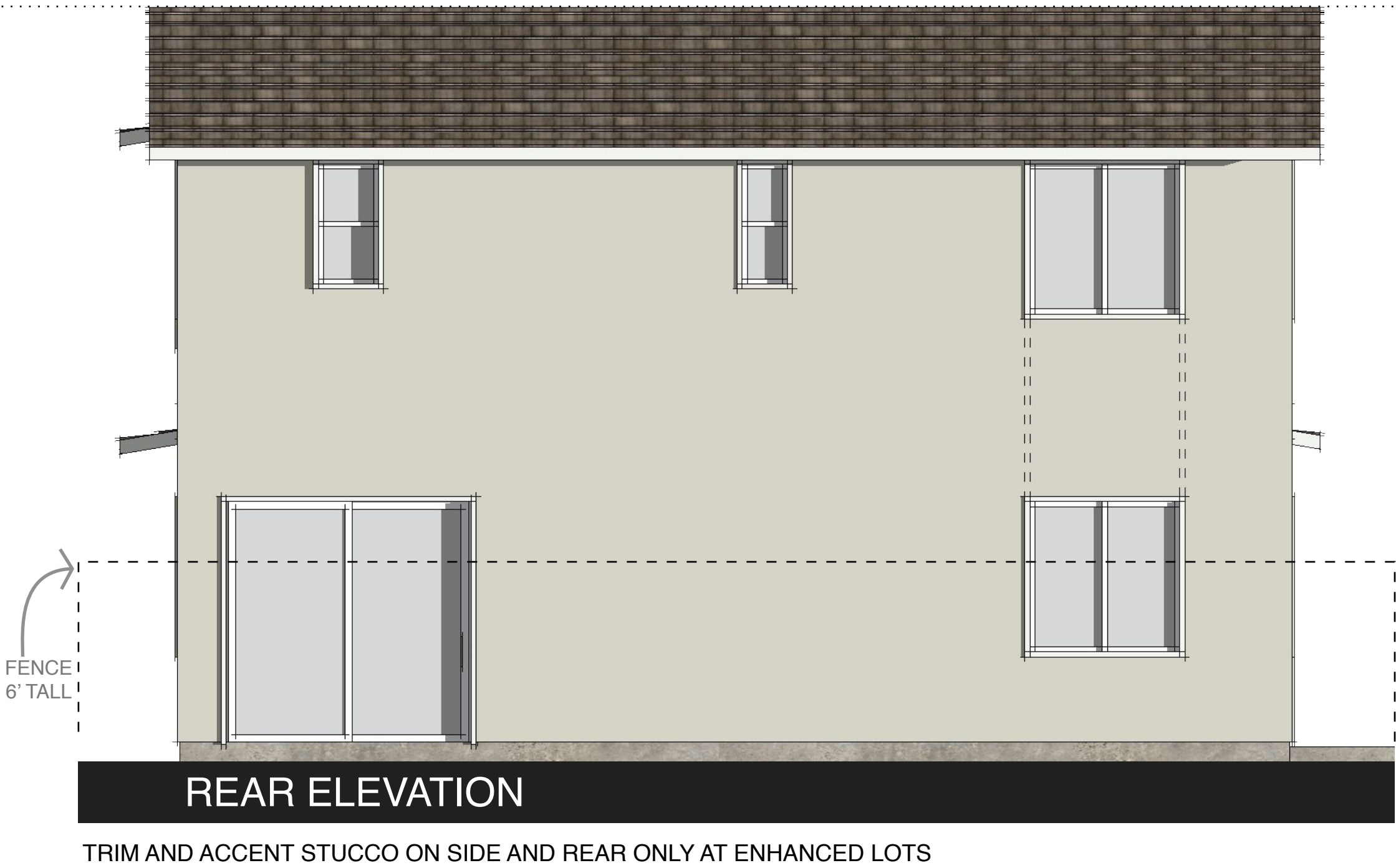
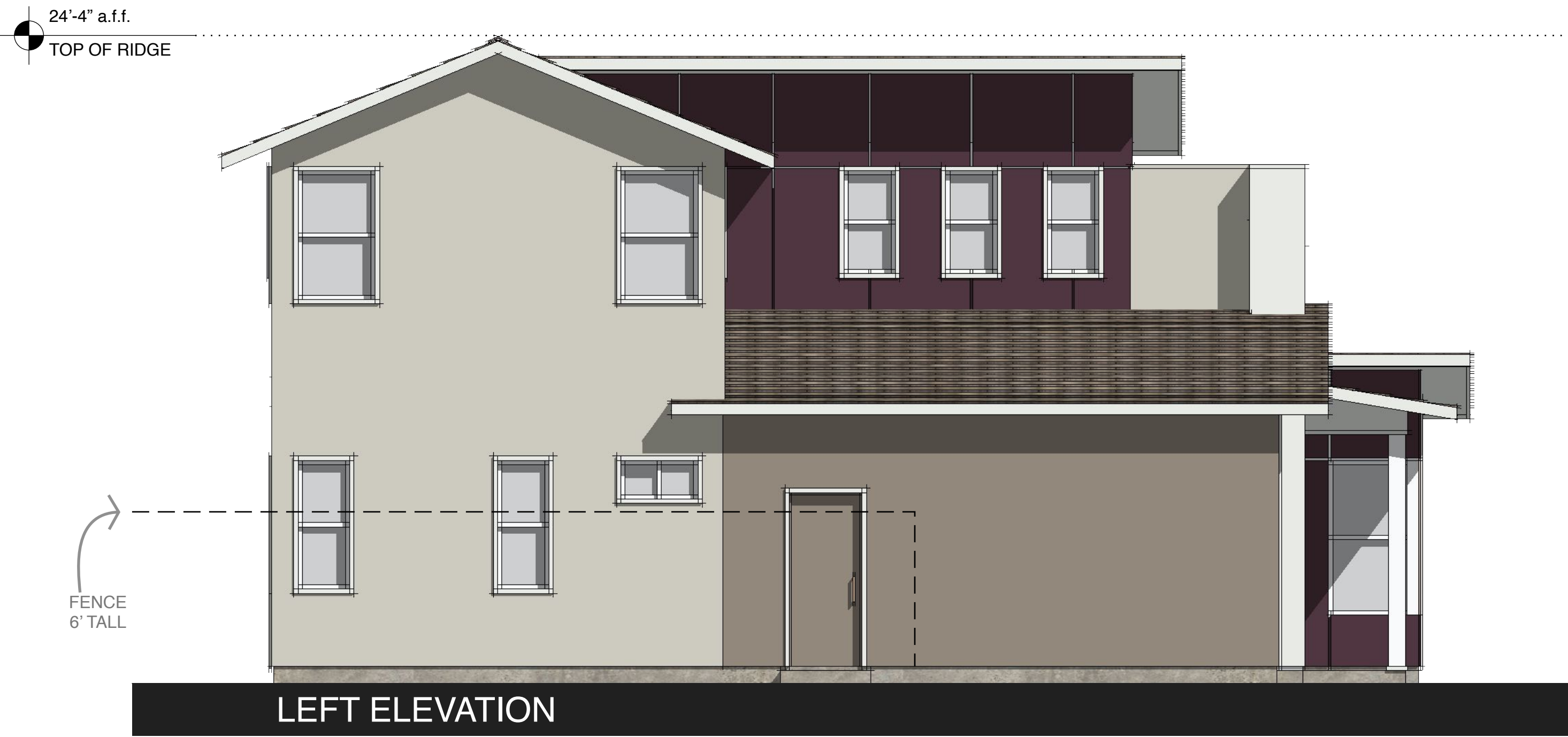
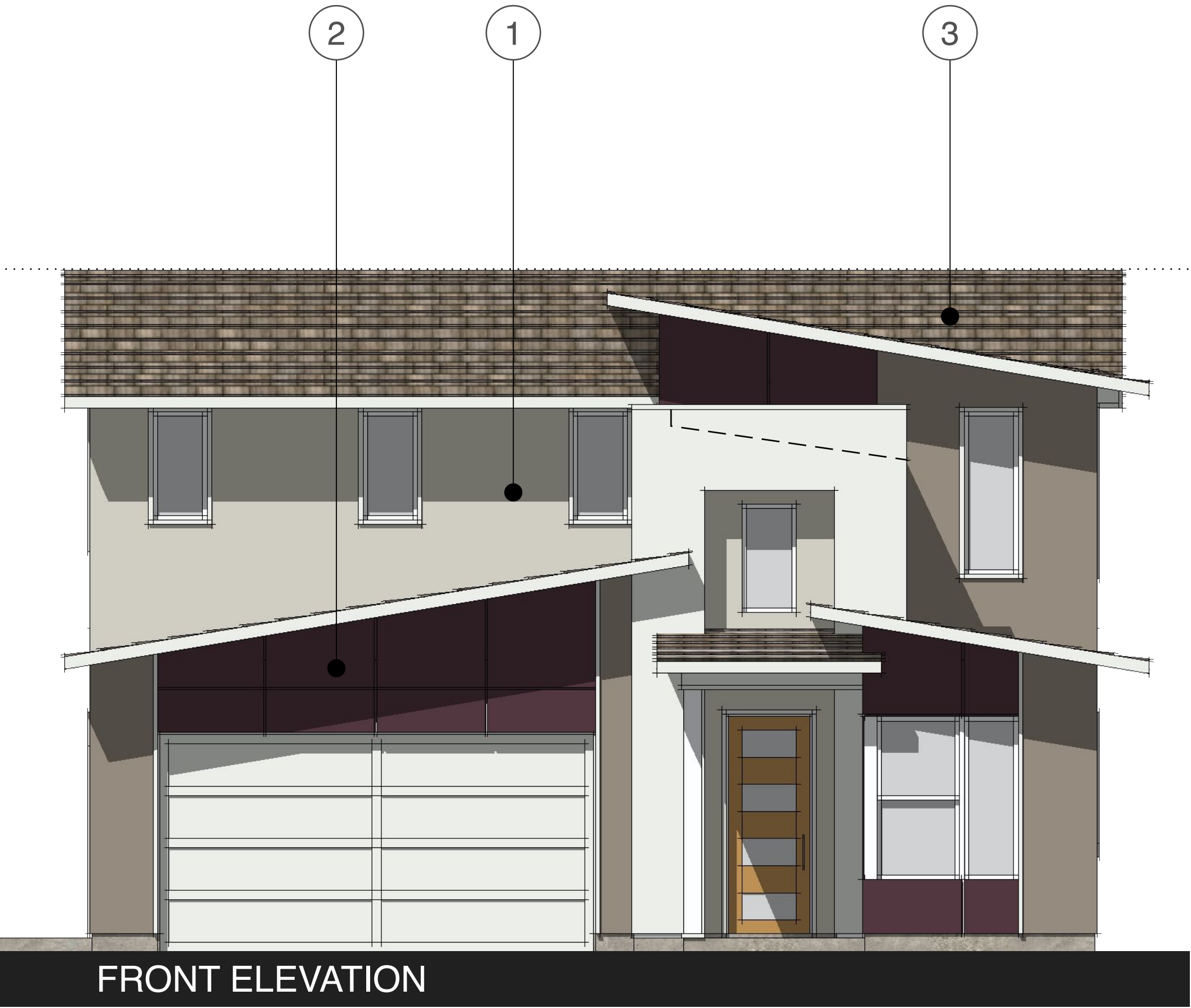
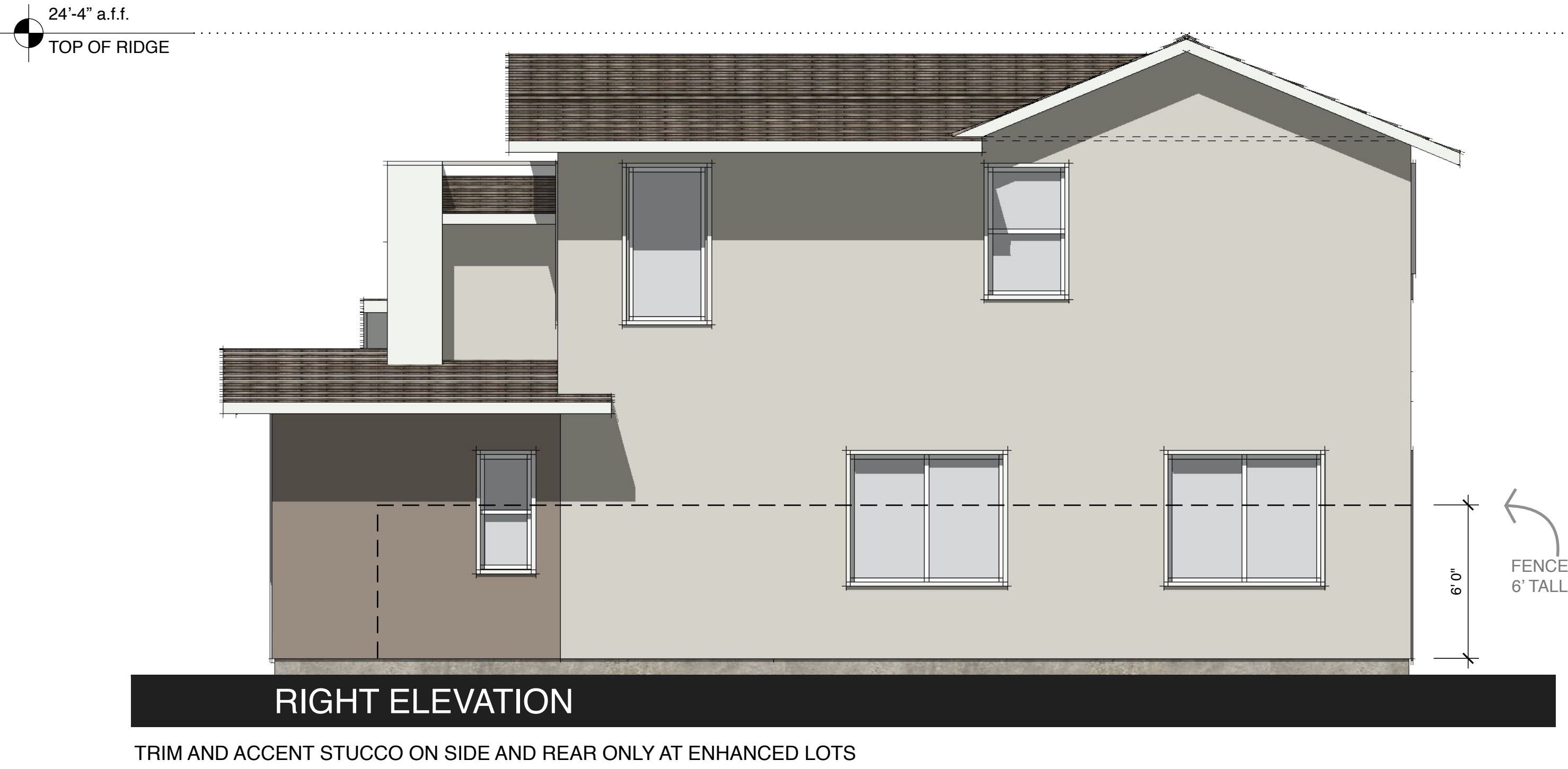
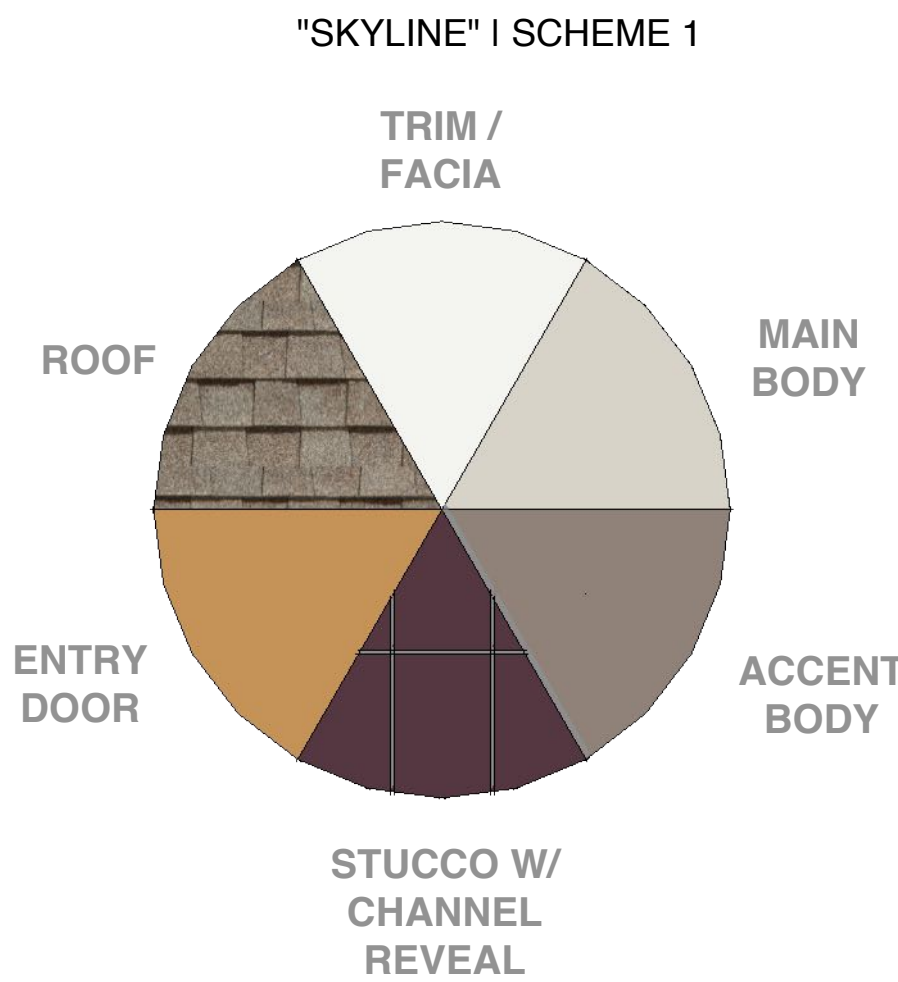
- 1

STUCCO
SAND FINISH
- 2

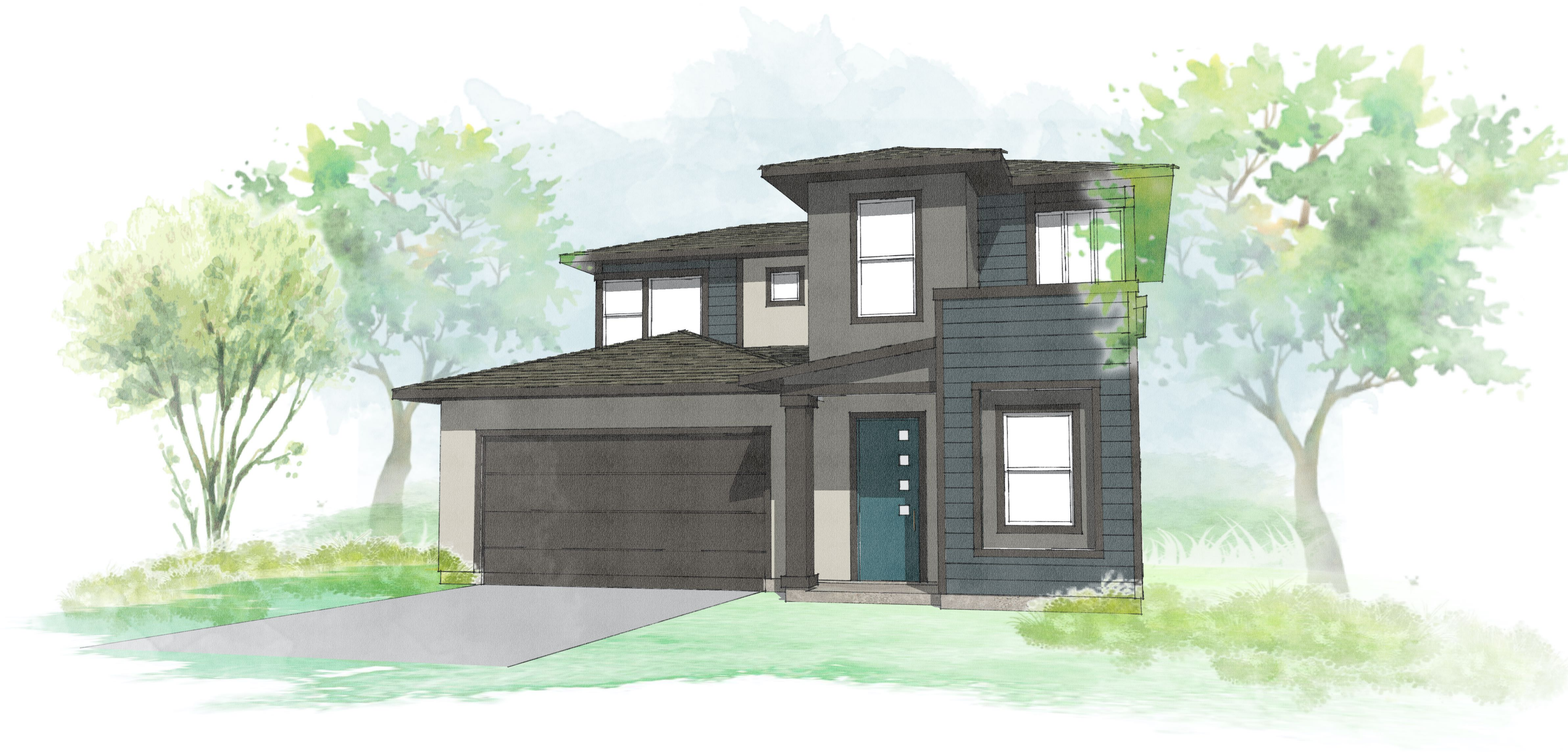
STUCCO W/ CHANNEL REVEAL
SAND FINISH
1" ALUMINUM CHANNEL
- 3

COMPOSITION SHINGLE ROOF
CERTAINTEED (OR SIMILAR)

COLOR SCHEME



PLAN 1 | SCHEMATIC ELEVATIONS - "SKYLINE"



06.17.2022 | PROGRESS SET



SUNRIDGE VILLAGE 4

CITY OF RANCHO CORDOVA, CALIFORNIA

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PLAN 1 | SCHEMATIC PERSPECTIVE - "MAYFAIR"



JD+A JOB NUMBER: 20086
DATE: 06.17.2022

A1.5

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SHEET NOTES

PLAN 1

SQUARE FOOTAGE	=	1,832 SF
STORIES	=	2
BEDROOMS	=	3
BATHROOMS	=	3

MATERIALS

- 1

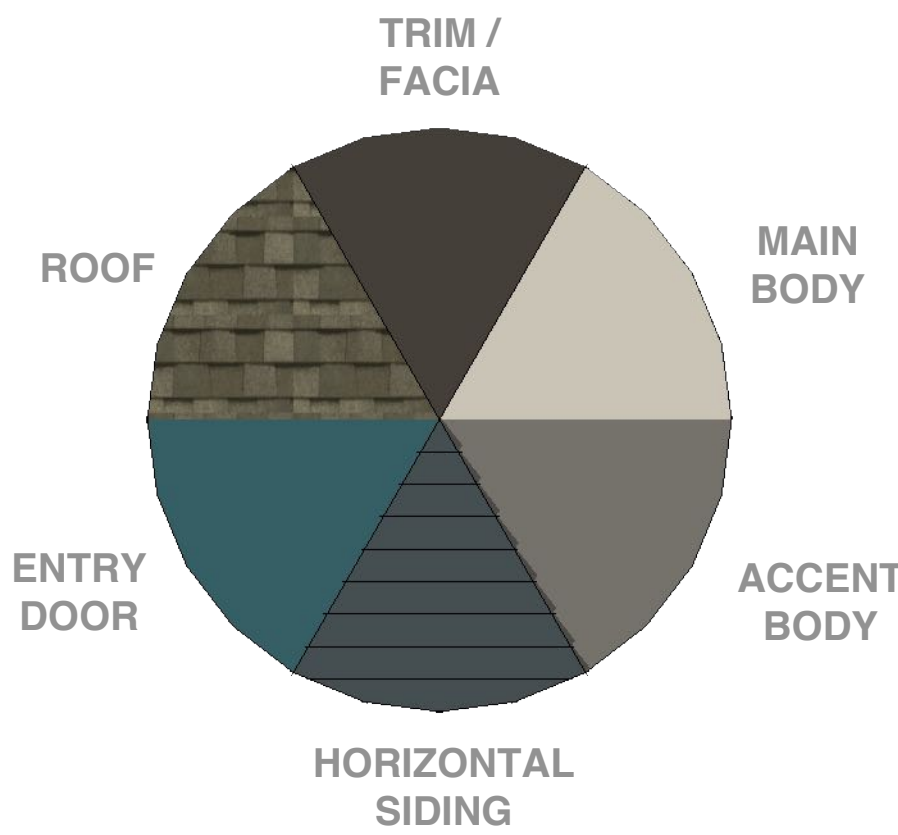
STUCCO
SAND FINISH
- 2

ACCENT SIDING
HARDIEPLANK, HORIZONTAL
SIDING 8" EXPOSURE
- 3

COMPOSITION SHINGLE ROOF
CERTAINTEED (OR SIMILAR)

COLOR SCHEME

"MAYFAIR" | SCHEME 4



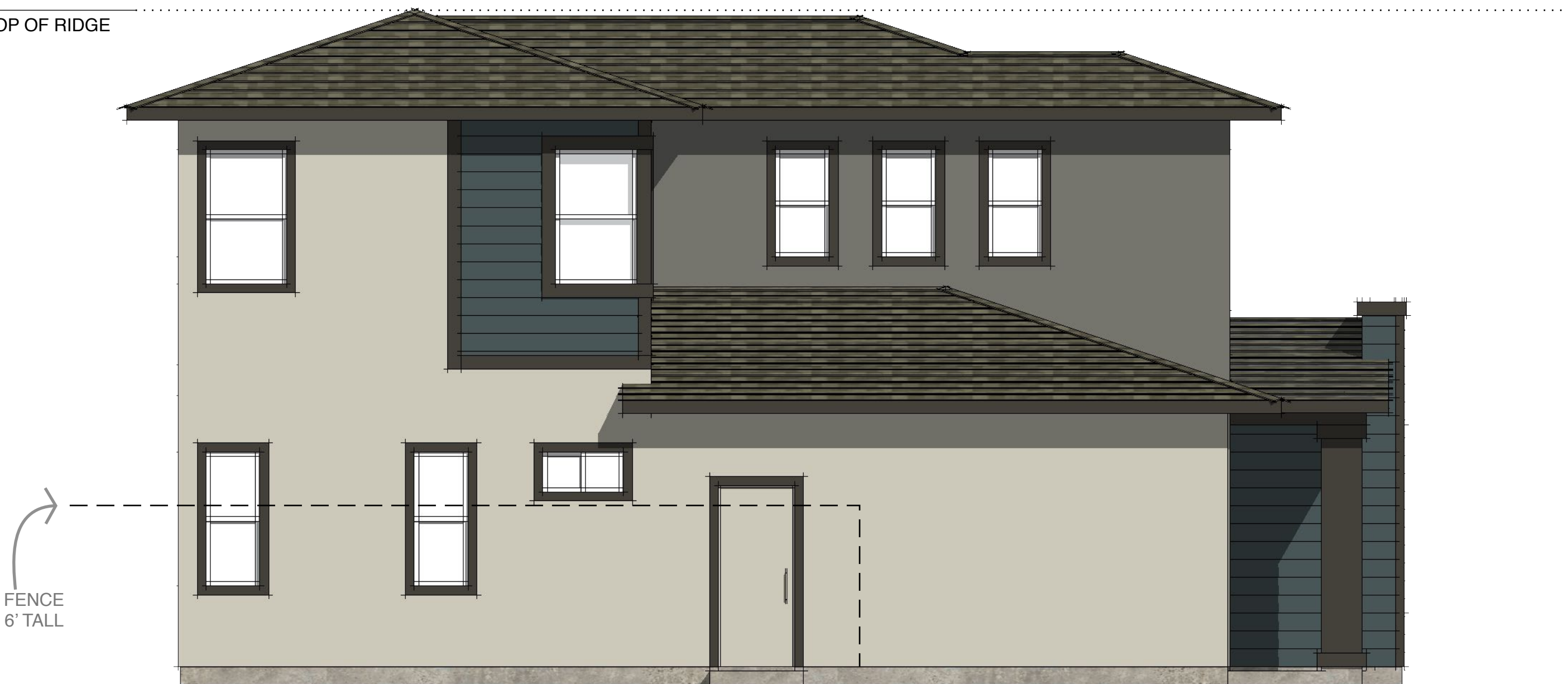
24'-9" a.f.f.
TOP OF RIDGE



RIGHT ELEVATION

TRIM AND ACCENT STUCCO ON SIDE AND REAR ONLY AT ENHANCED LOTS

24'-9" a.f.f.
TOP OF RIDGE



LEFT ELEVATION

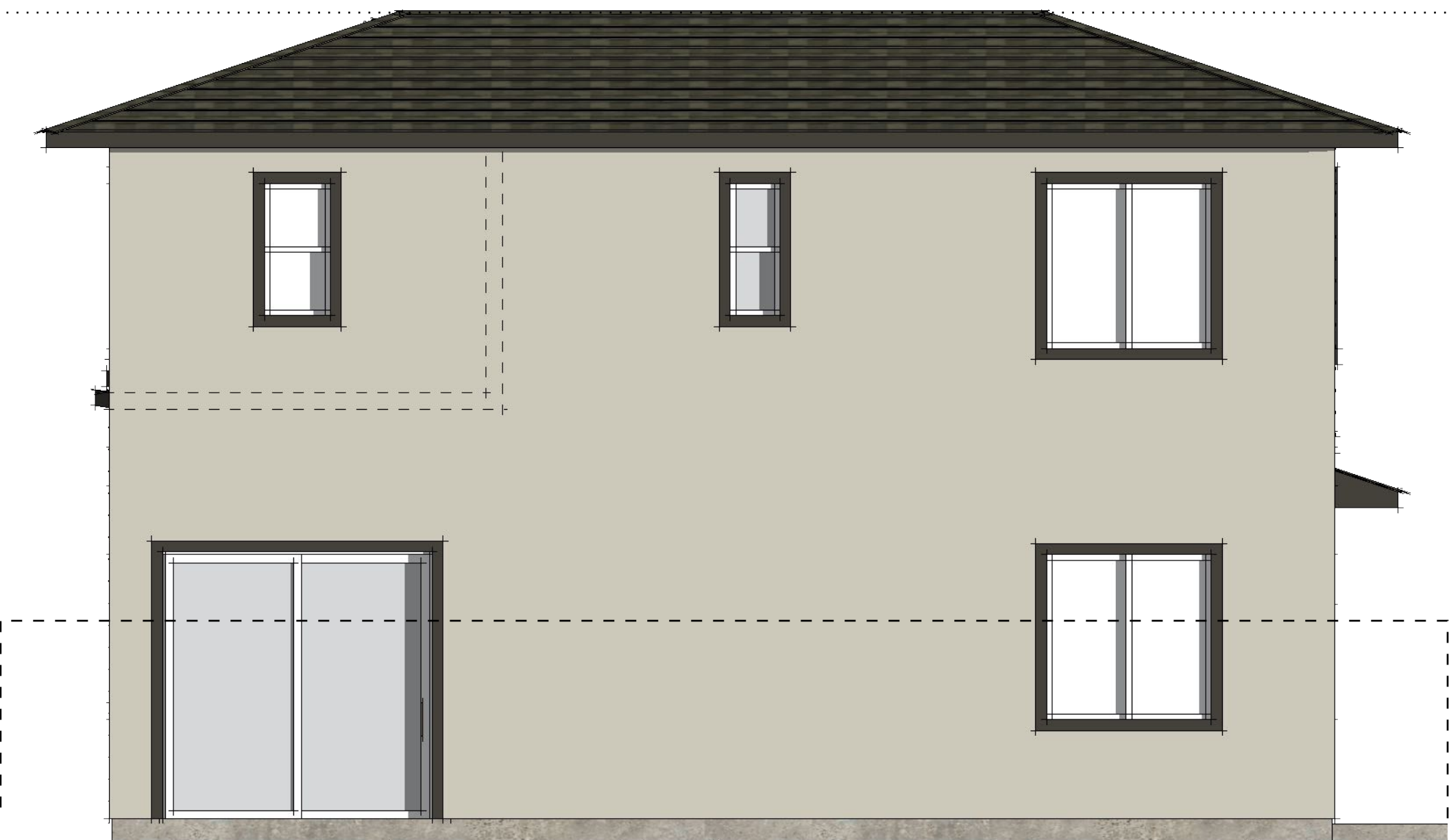
2

1

3



FRONT ELEVATION



REAR ELEVATION

TRIM AND ACCENT STUCCO ON SIDE AND REAR ONLY AT ENHANCED LOTS

PLAN 1 | SCHEMATIC ELEVATIONS - "MAYFAIR"

06.17.2022 | PROGRESS SET



SUNRIDGE VILLAGE 4

CITY OF RANCHO CORDOVA, CALIFORNIA

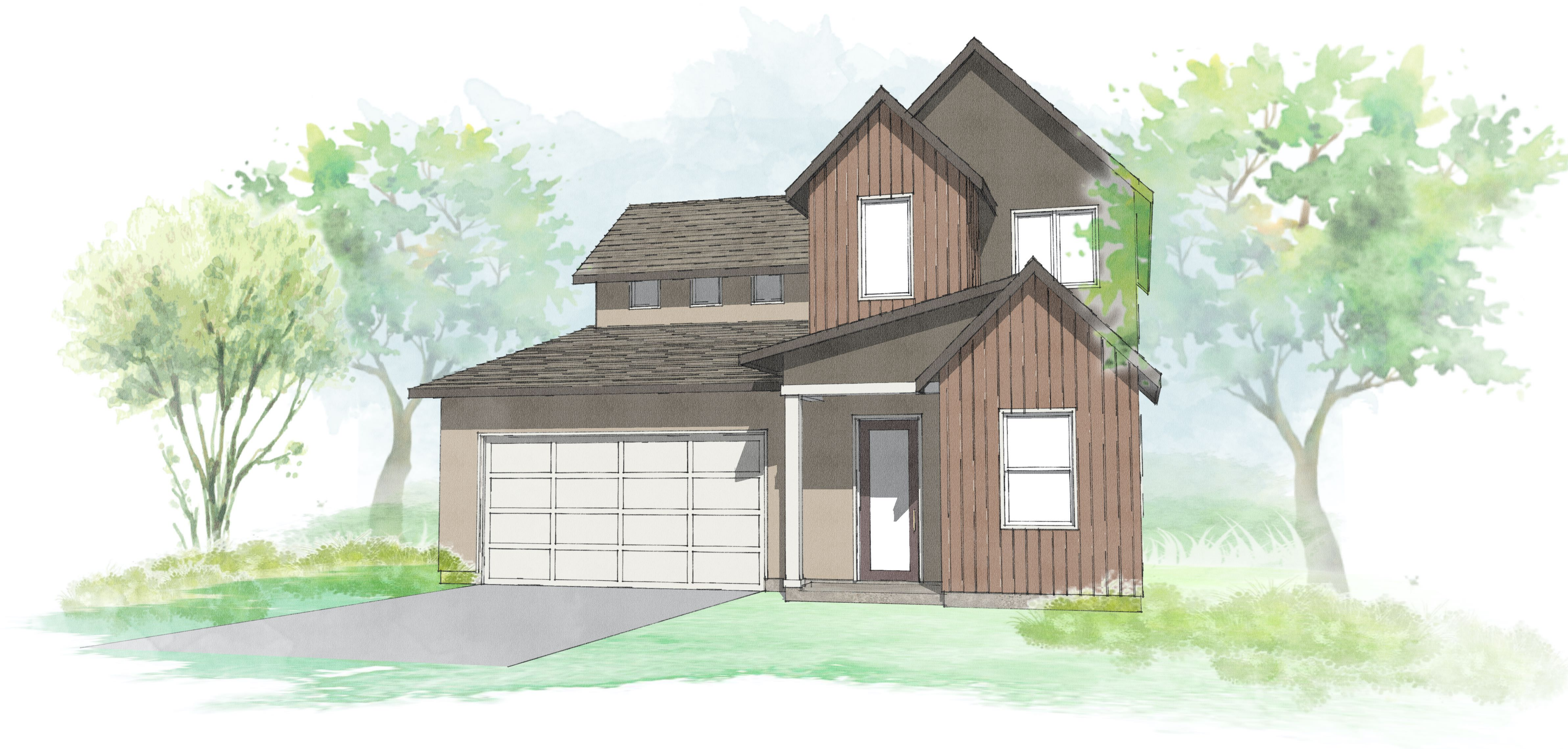
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DATE: 06.17.2022

A1.6

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PLAN 1 | SCHEMATIC PERSPECTIVE - "PARK MANOR"

06.17.2022 | PROGRESS SET



SUNRIDGE VILLAGE 4

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DATE: 06.17.2022

A1.7

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SHEET NOTES

PLAN 1

SQUARE FOOTAGE	=	1,832 SF
STORIES	=	2
BEDROOMS	=	3
BATHROOMS	=	3

MATERIALS

- 1

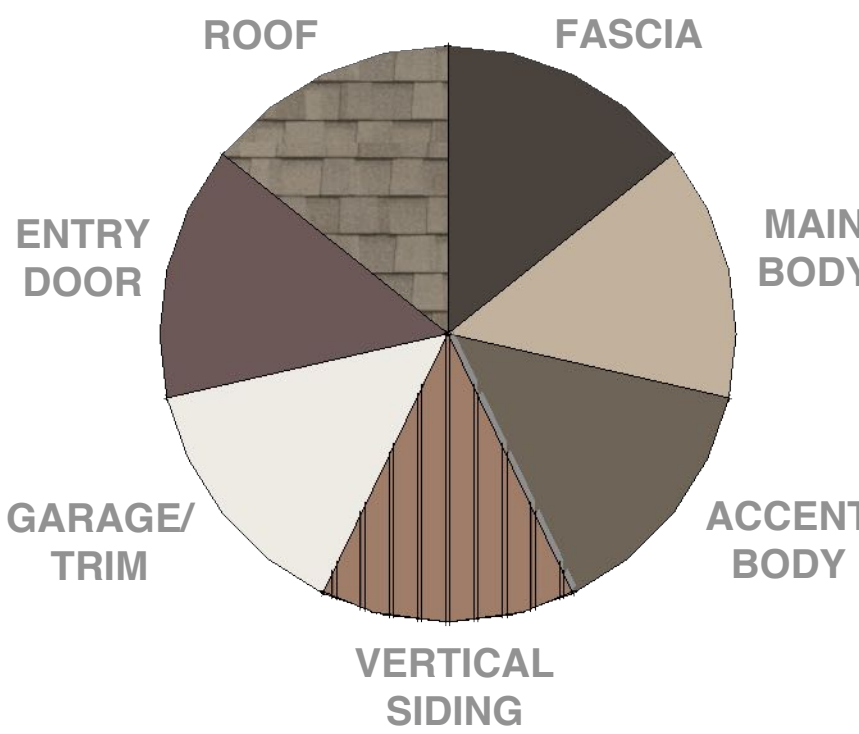
STUCCO
SAND FINISH
- 2

ACCENT SIDING
HARDIEPLANK, VERTICAL SIDING
6" EXPOSURE
- 3

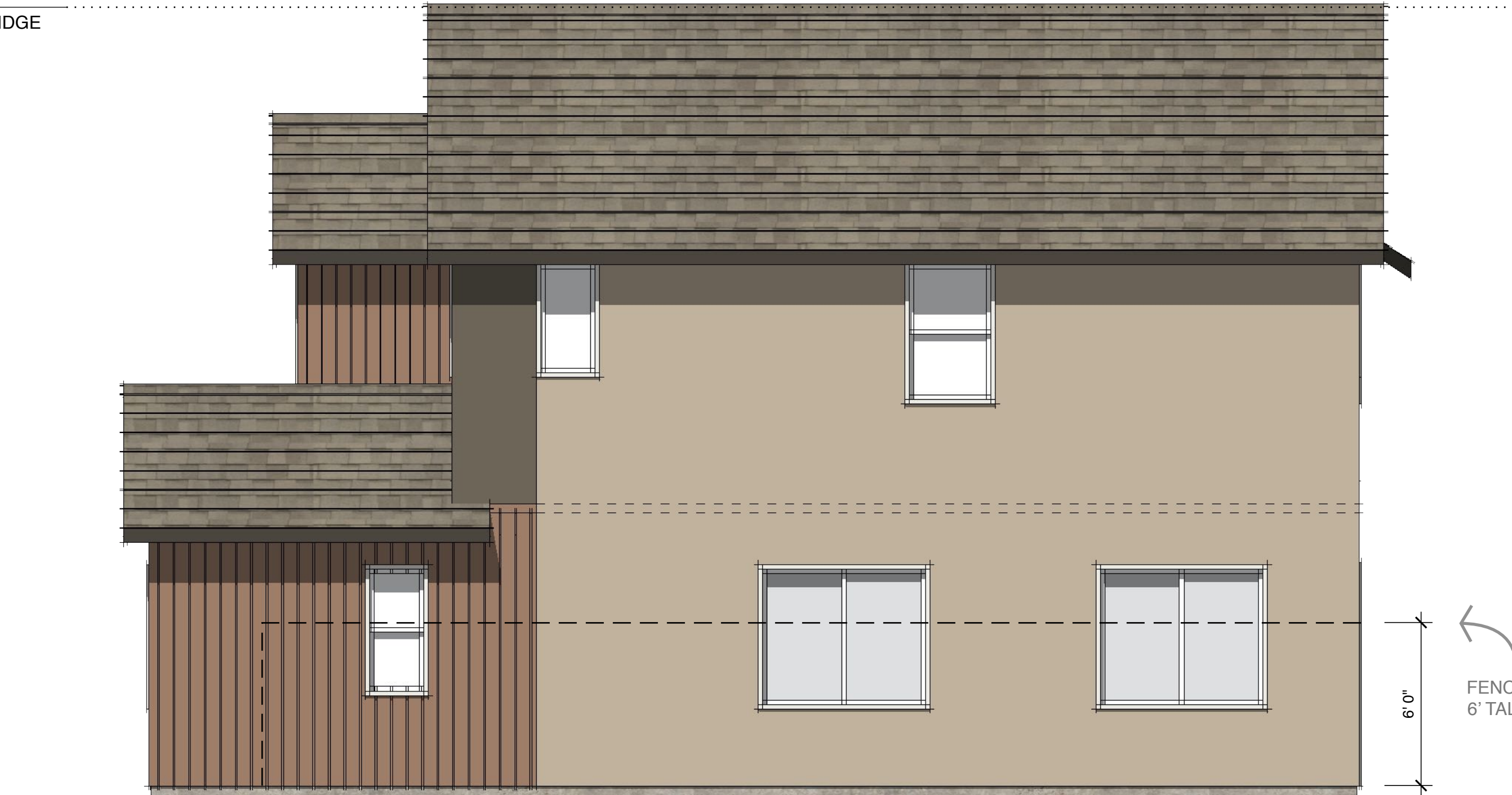
COMPOSITION SHINGLE ROOF
CERTAINTED (OR SIMILAR)

COLOR SCHEME

"PARK MANOR" | SCHEME 8



28'-9" a.f.f.
TOP OF RIDGE



RIGHT ELEVATION

TRIM AND ACCENT STUCCO ON SIDE AND REAR ONLY AT ENHANCED LOTS

28'-9" a.f.f.
TOP OF RIDGE



LEFT ELEVATION

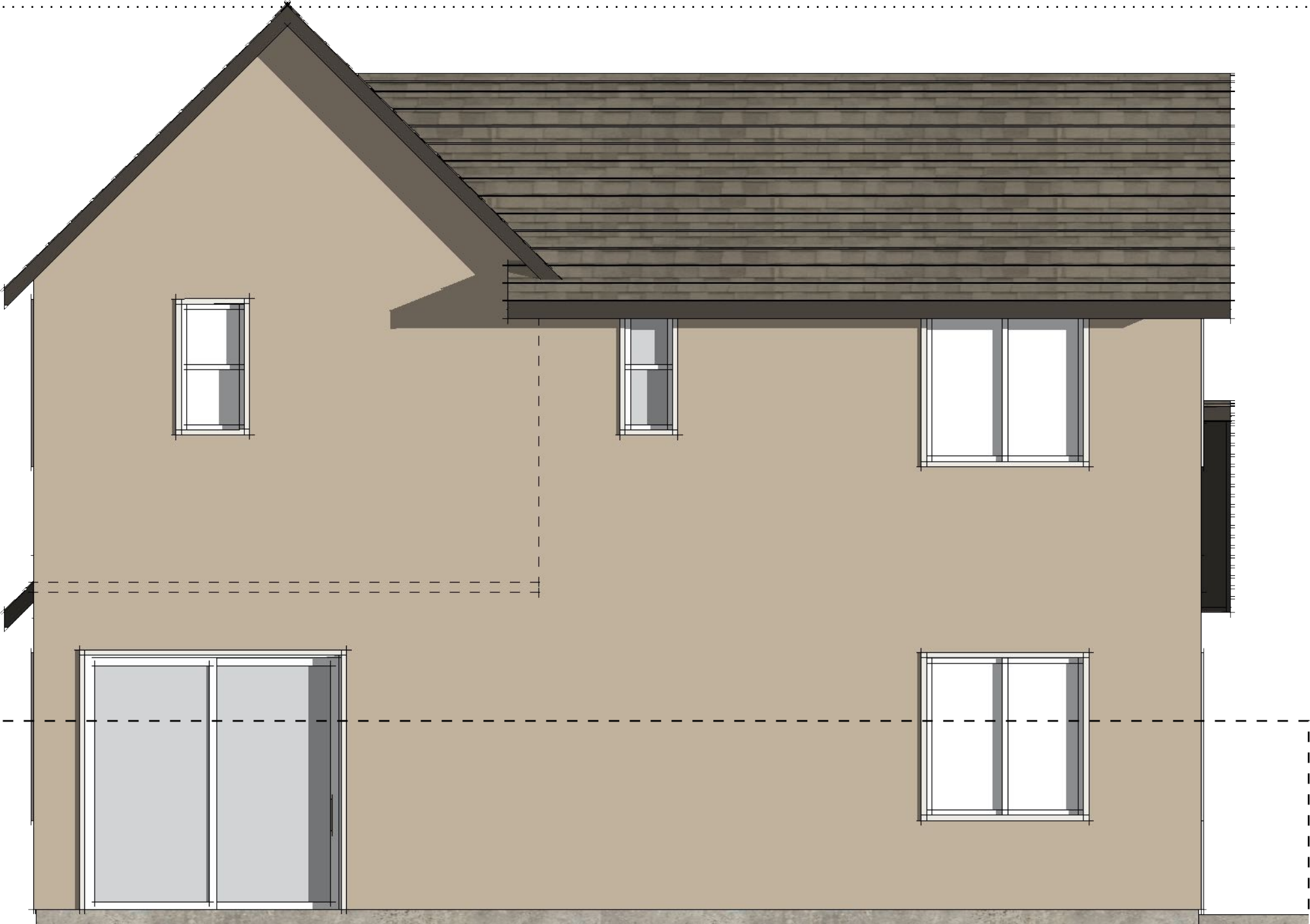
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1

2

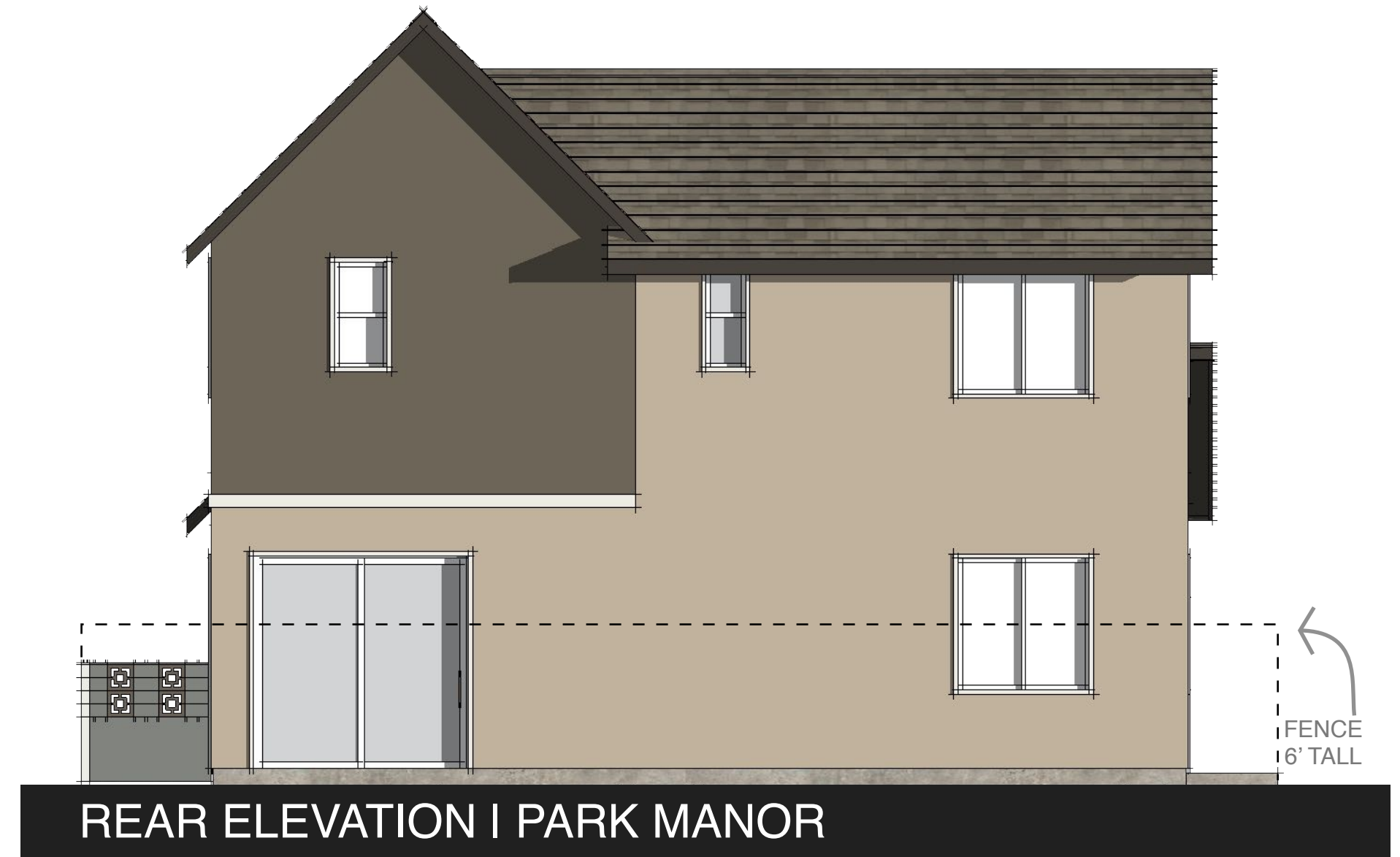
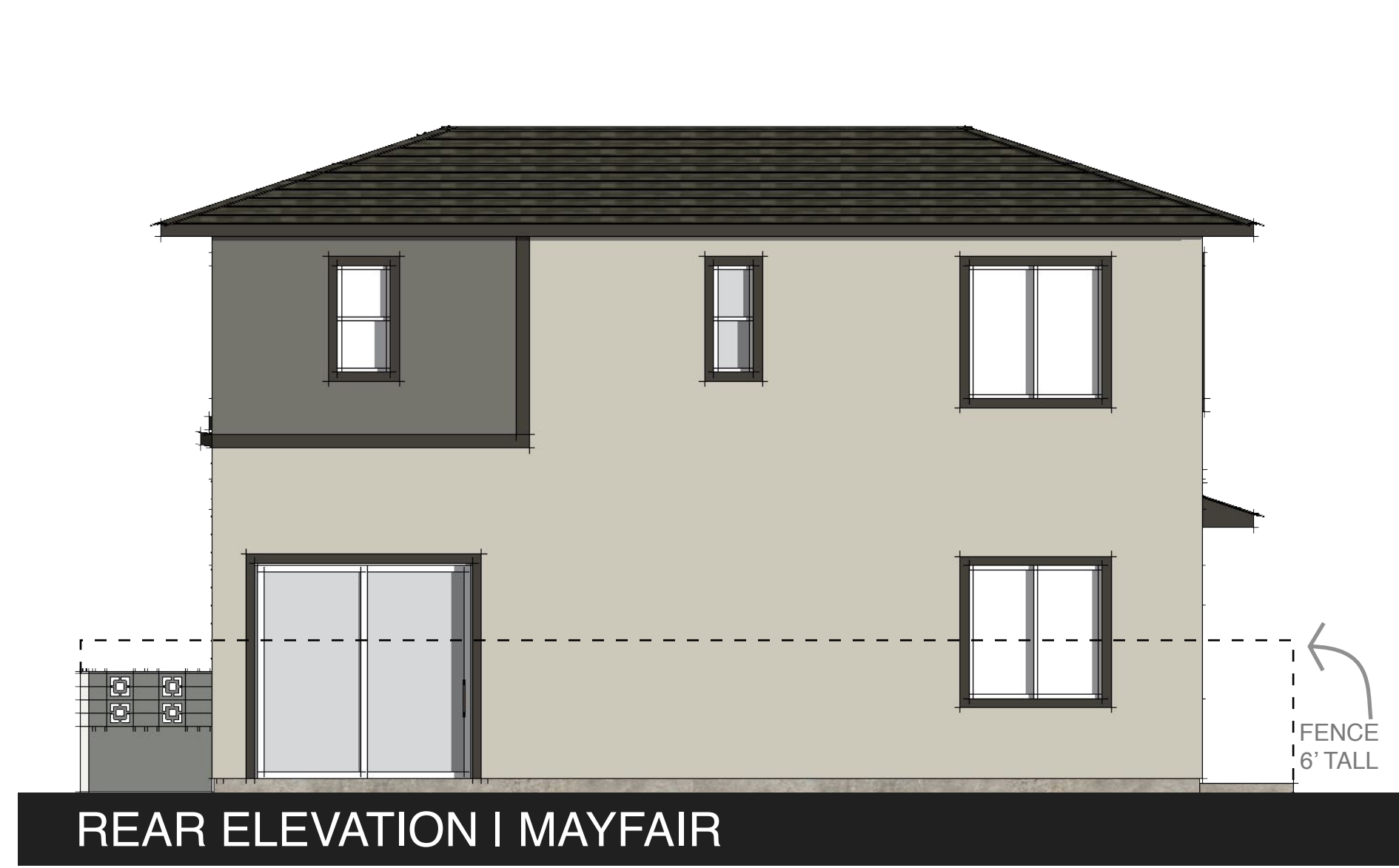
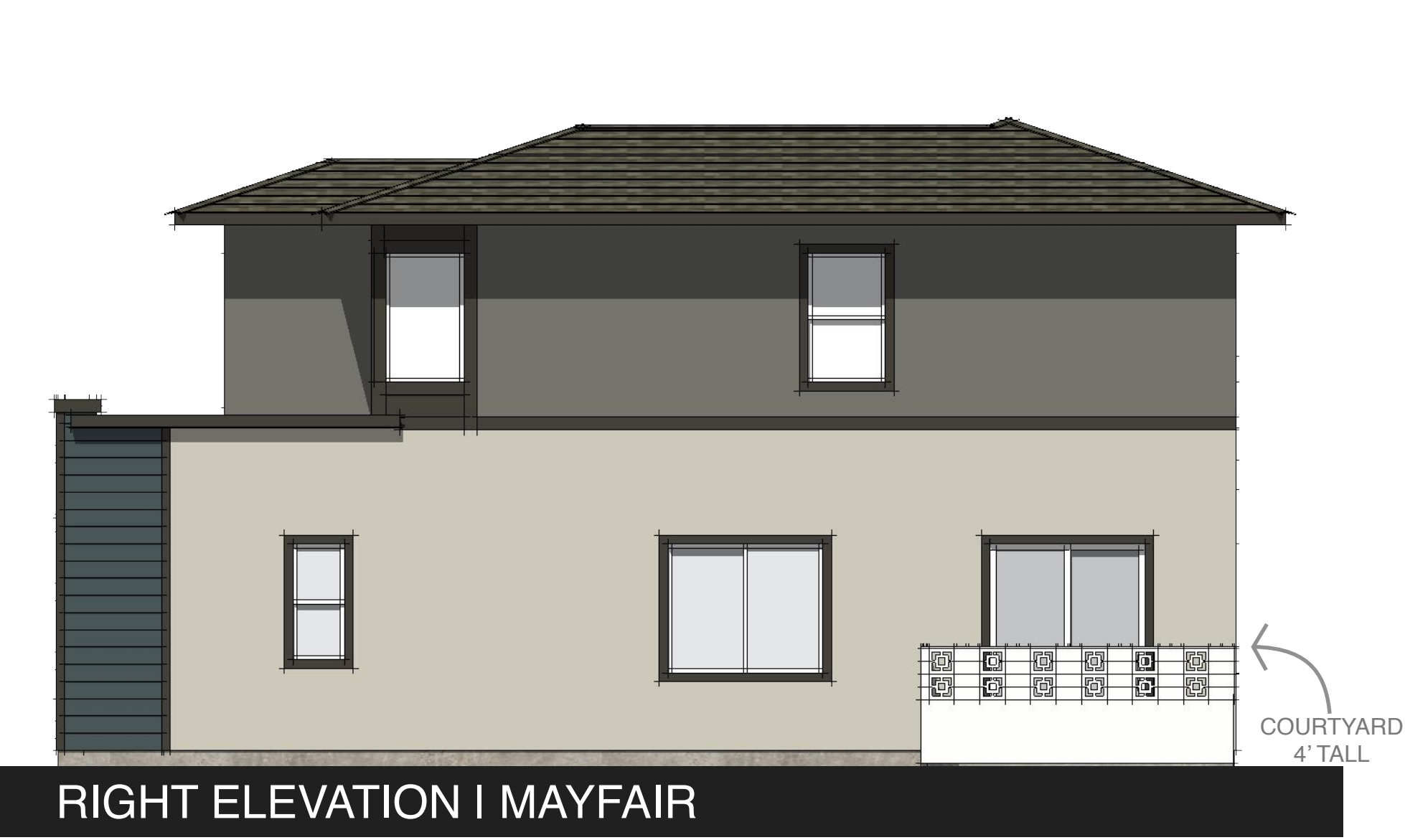
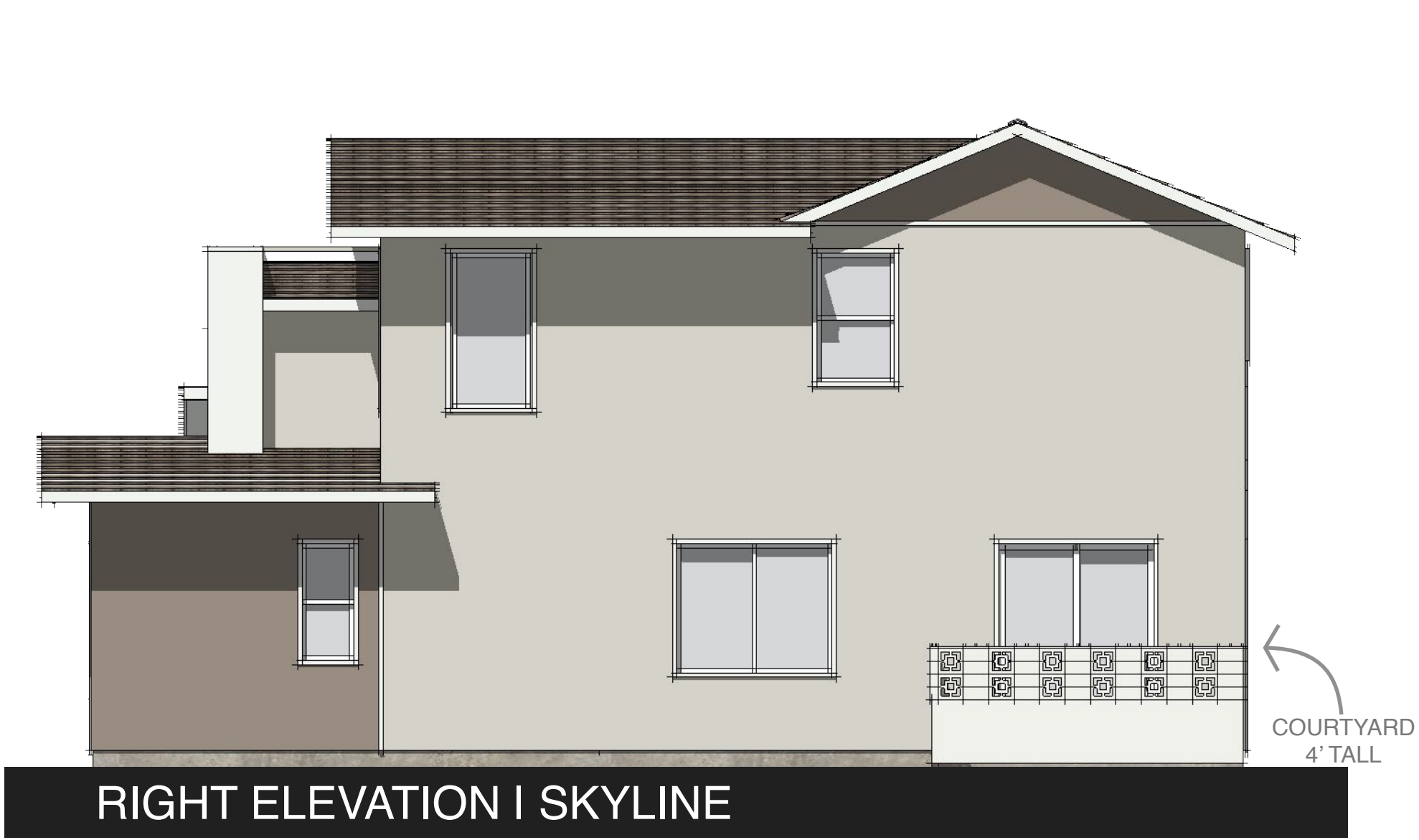


FRONT ELEVATION

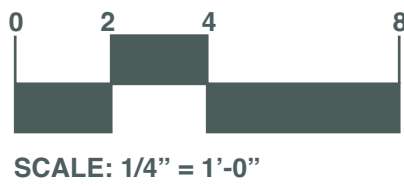


REAR ELEVATION

TRIM AND ACCENT STUCCO ON SIDE AND REAR ONLY AT ENHANCED LOTS



PLAN 1 | SCHEMATIC ENHANCED ELEVATIONS



\\jeffj\jallia\Library\CloudStorage\cgm\jeffj\jdaarch\Shared\02 PROJECTS\CRESLEIGH HOMES\20086 SUNRIDGE V4\01 DESIGN\03 SketchUp\02

ITEM 10.3.

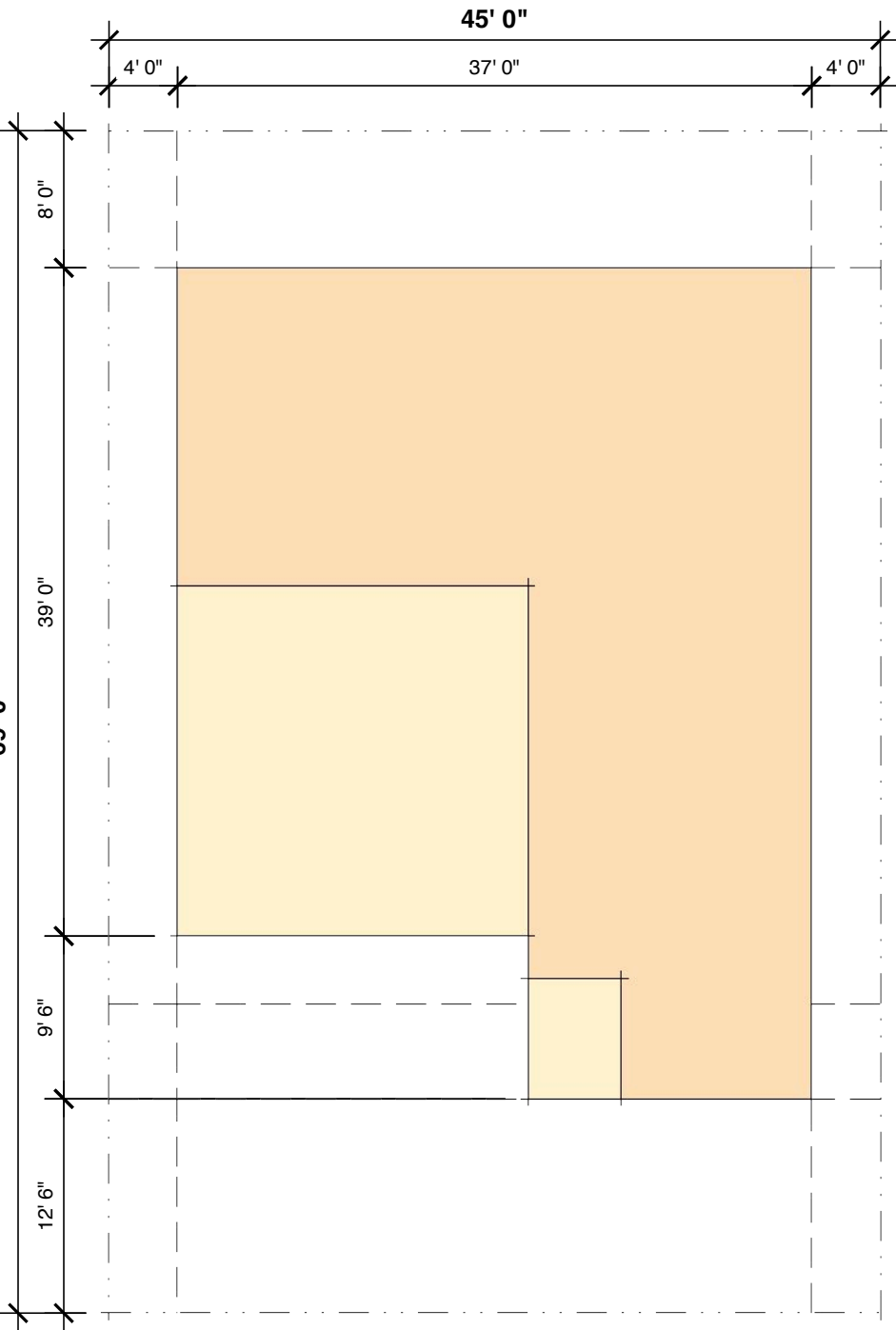
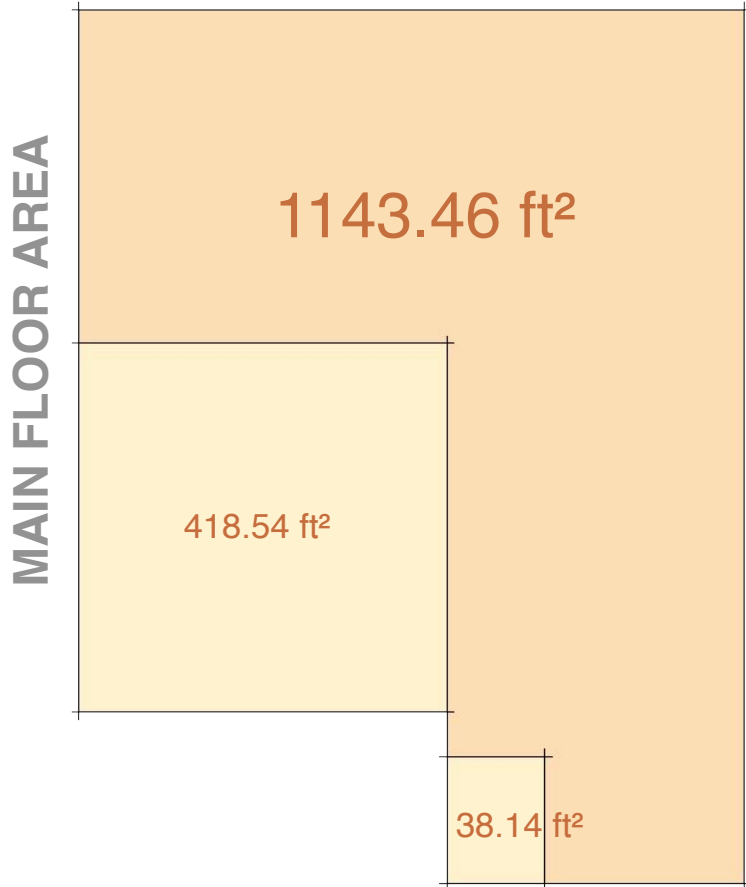
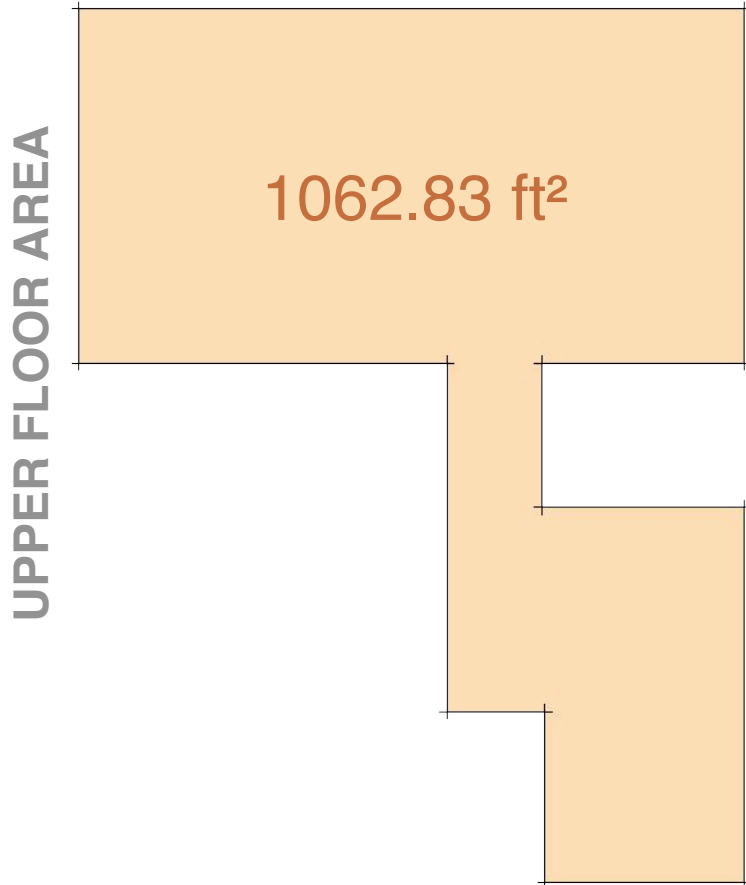
SHEET NOTES

PROGRAM

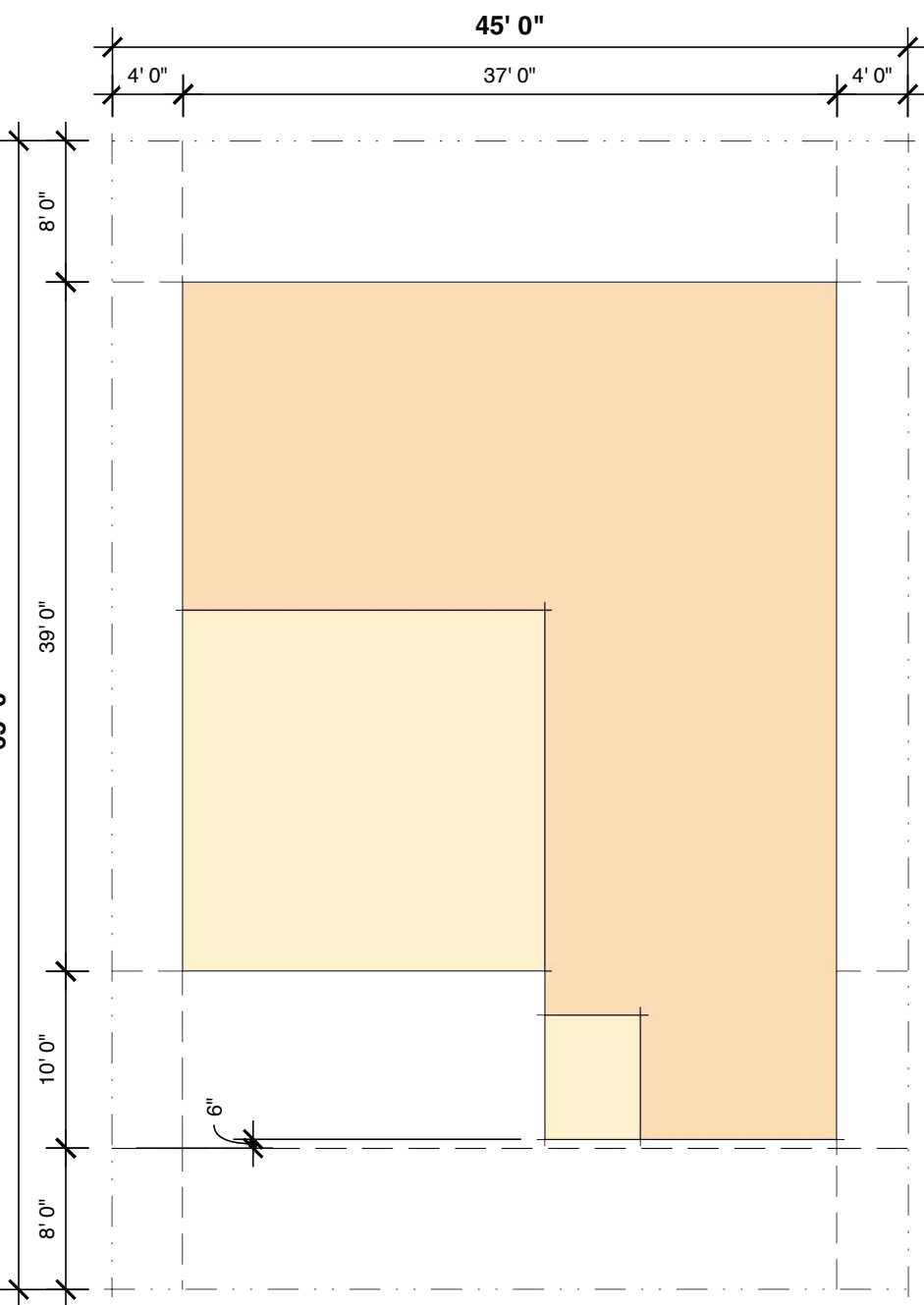
STORIES	=	2
BEDROOMS	=	3 - 4
BATHROOMS	=	2.5 - 3
GARAGE	=	2 - CAR
KITCHEN / GREAT ROOM		
LAUNDRY		
DEN		
(OPT. BR. 4 + FULL BATH)		

AREA CALCS (Building Total)

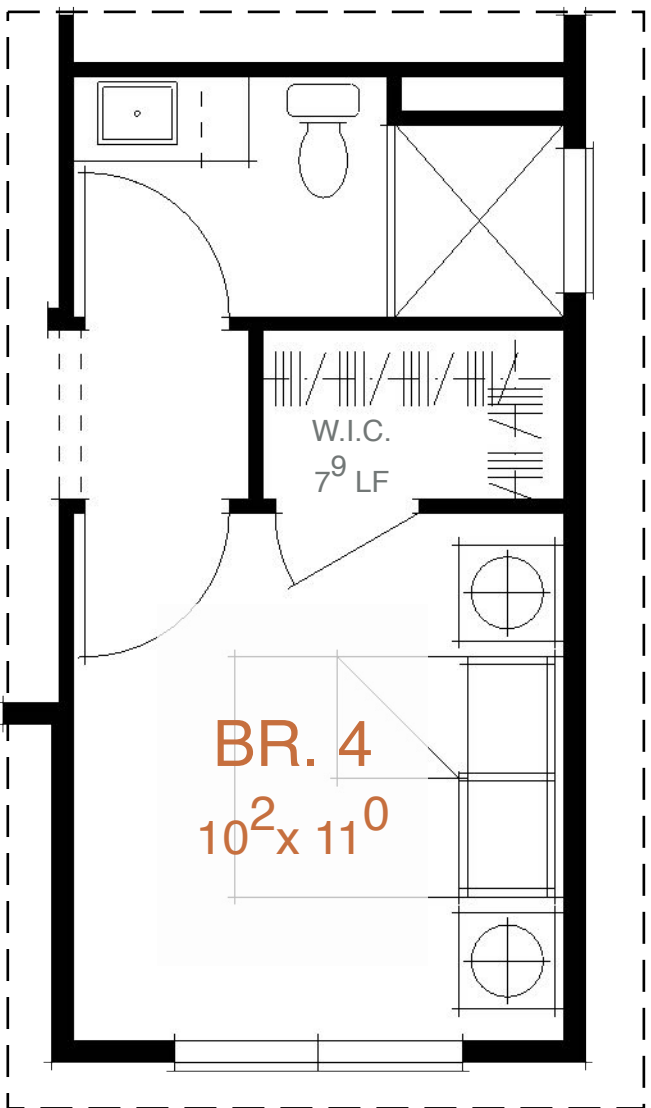
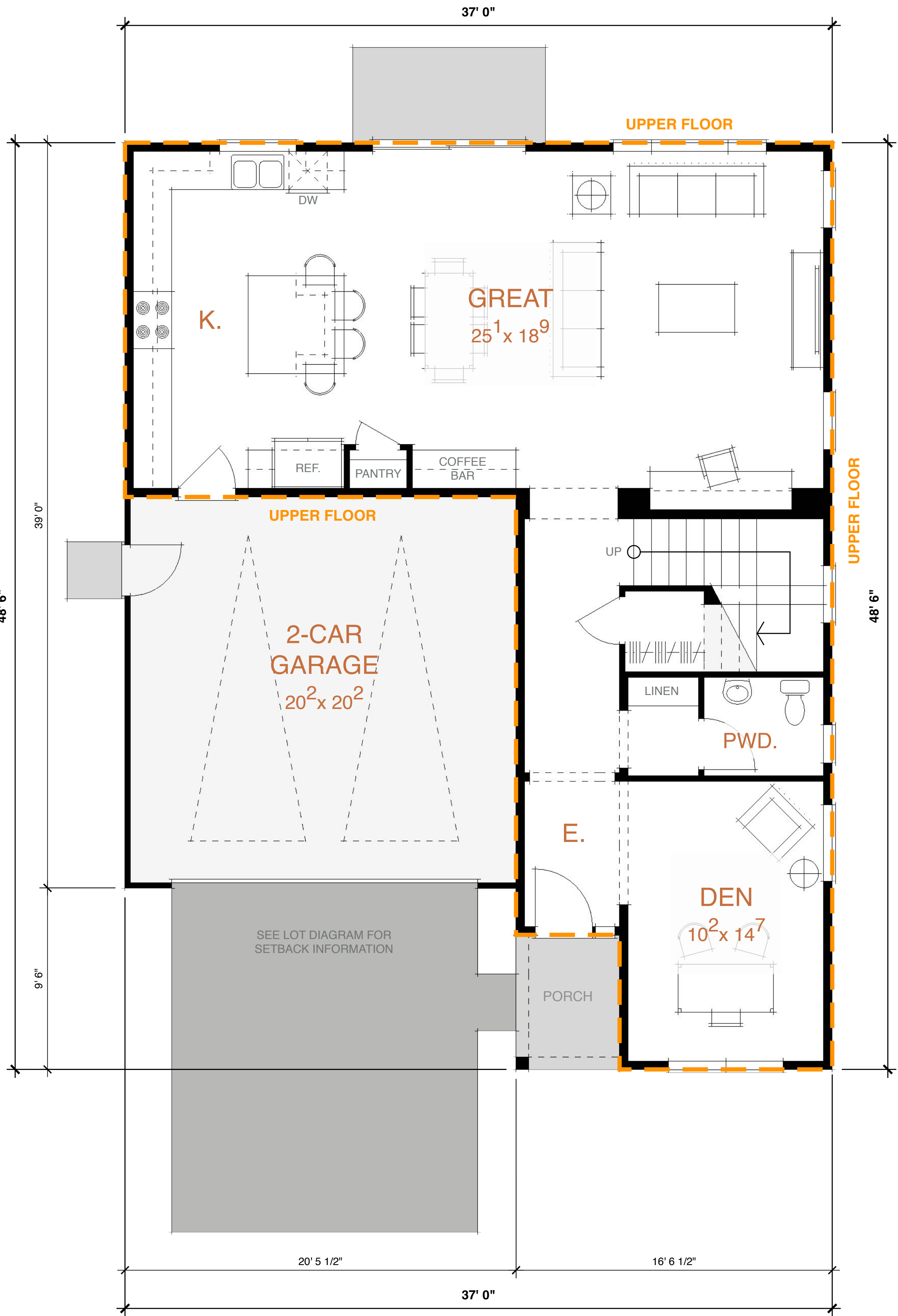
LIVING (Conditioned)	=	2,206.29 SF
GARAGE	=	418.54 SF
PORCH / PATIO	=	38.14 SF
LOT COVERAGE	=	54.7%



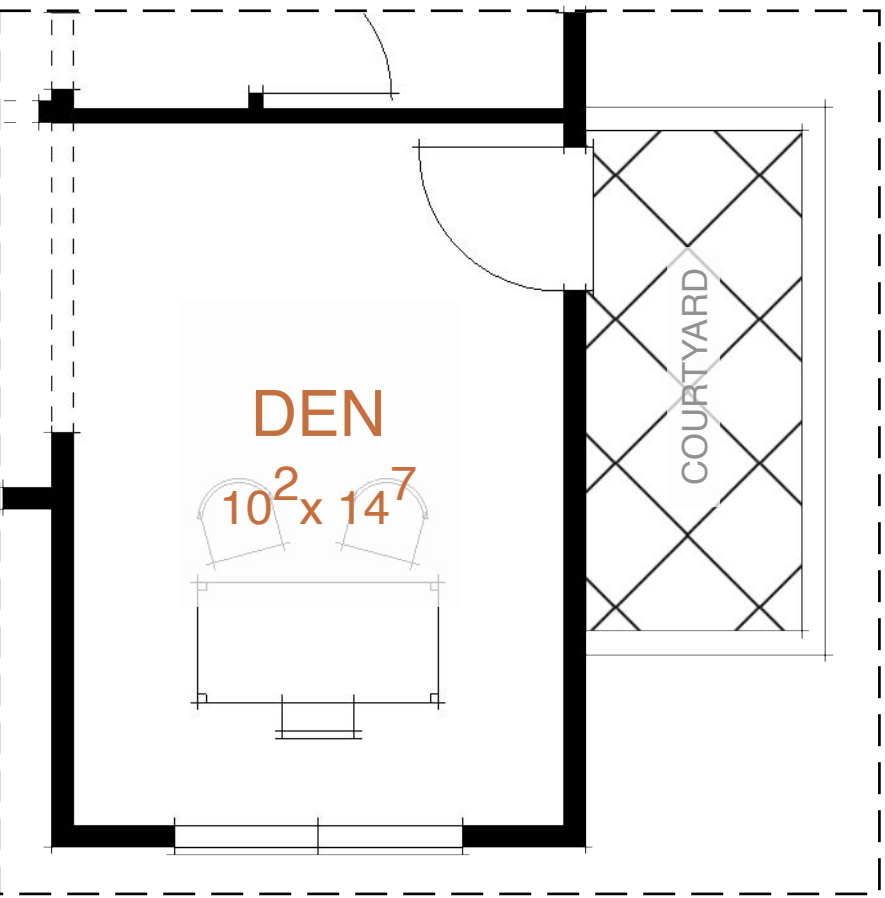
LOT DIAGRAM
(STREET FRONTAGE LOTS)



LOT DIAGRAM
(ALLEY FRONTAGE LOTS)

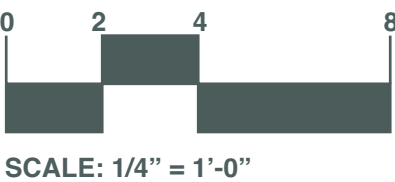


BR. 4 OPTION
(IN LIEU OF DEN + PWD)



COURTYARD OPTION
(AT ENHANCED ELEVATIONS)

PLAN 2 | SCHEMATIC FIRST FLOOR PLAN - 2,206 SF



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ITEM 10.3.

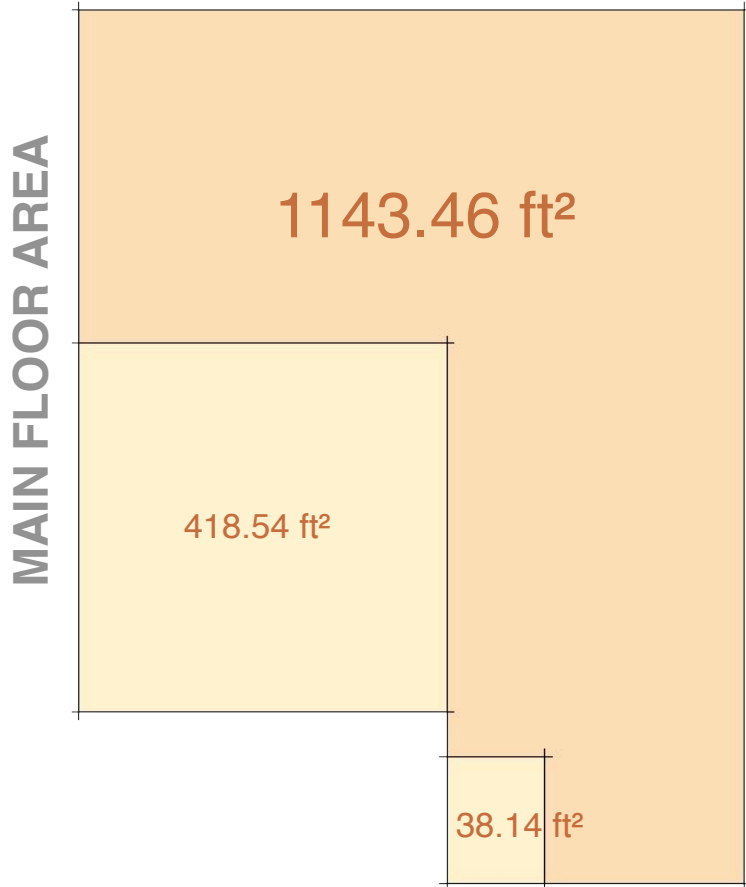
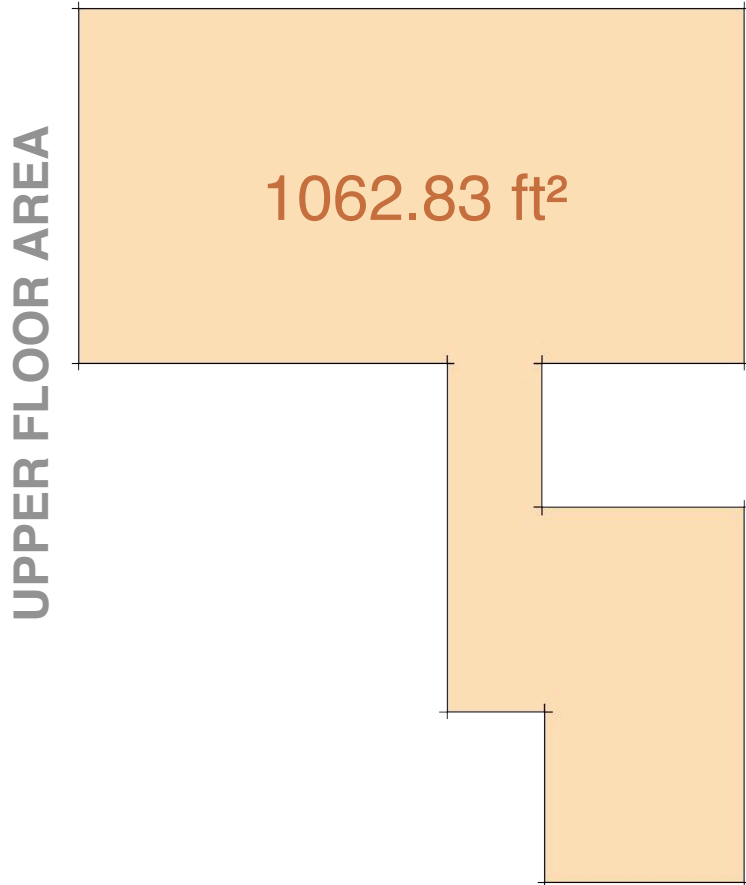
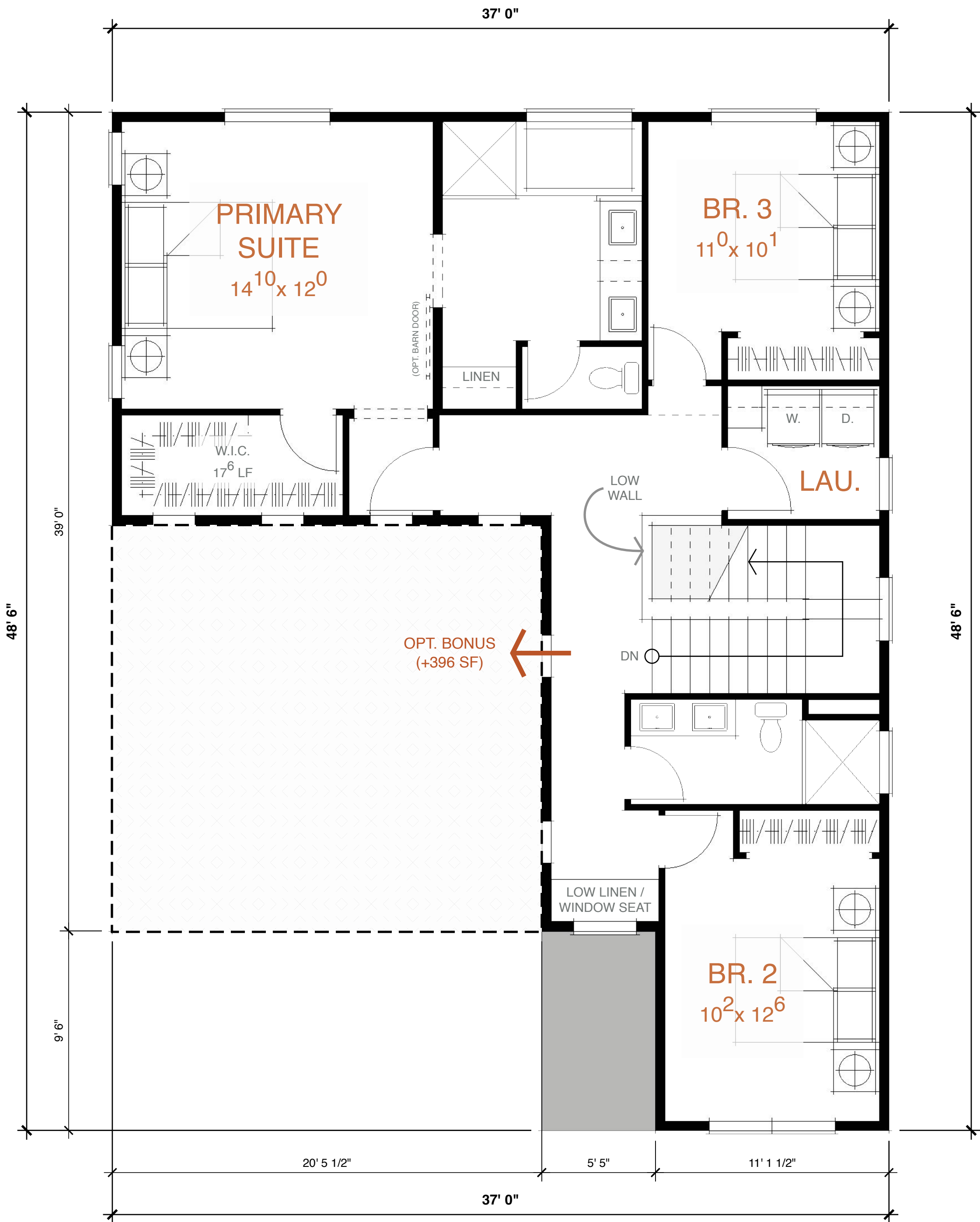
SHEET NOTES

PROGRAM

STORIES	=	2
BEDROOMS	=	3 - 4
BATHROOMS	=	2.5 - 3
GARAGE	=	2 - CAR
KITCHEN / GREAT ROOM		
LAUNDRY		
DEN		
(OPT. BR. 4 + FULL BATH)		

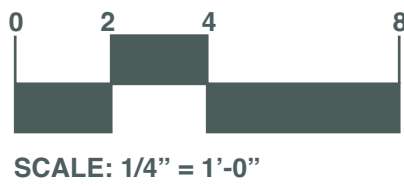
AREA CALCS (Building Total)

LIVING (Conditioned)	=	2,206.29 SF
GARAGE	=	418.54 SF
PORCH / PATIO	=	38.14 SF
LOT COVERAGE	=	54.7%



CONDITIONED SPACE UNCONDITIONED SPACE

PLAN 2 | SCHEMATIC SECOND FLOOR PLAN - 2,206 SF



JD+A JOB NUMBER: 20086
DATE: 08.29.2022

A2.2

08.29.2022 | PROGRESS SET



SUNRIDGE VILLAGE 4

CITY OF RANCHO CORDOVA, CALIFORNIA

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SHEET NOTES

PLAN 2

SQUARE FOOTAGE	=	2,206 SF
STORIES	=	2
BEDROOMS	=	3 - 4
BATHROOMS	=	2.5 - 3

MATERIALS

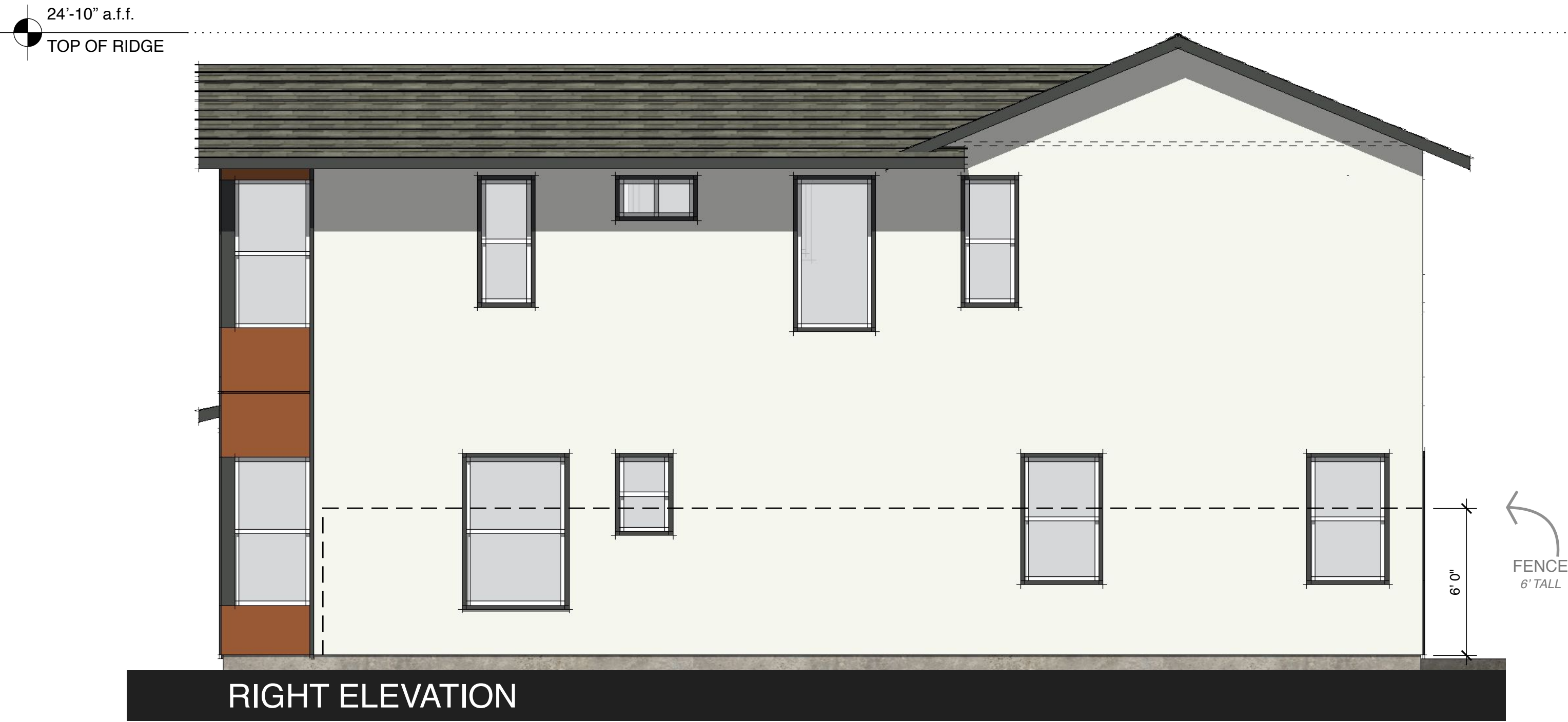
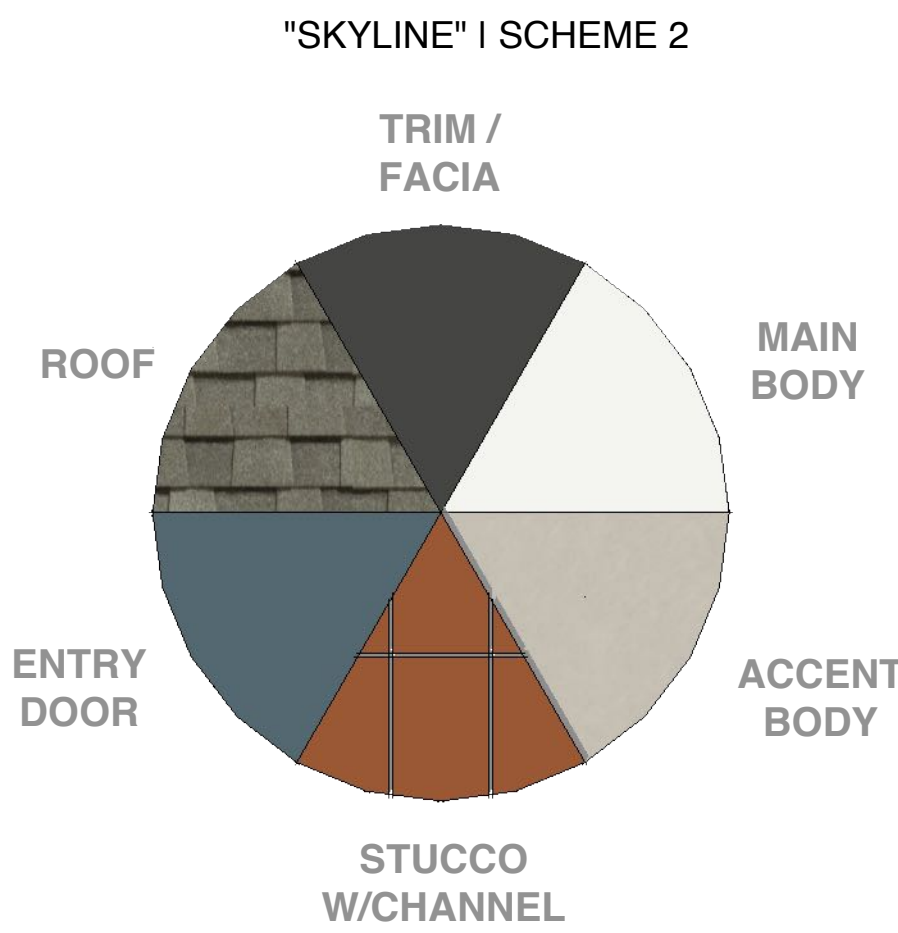
- 1

STUCCO
SAND FINISH
- 2

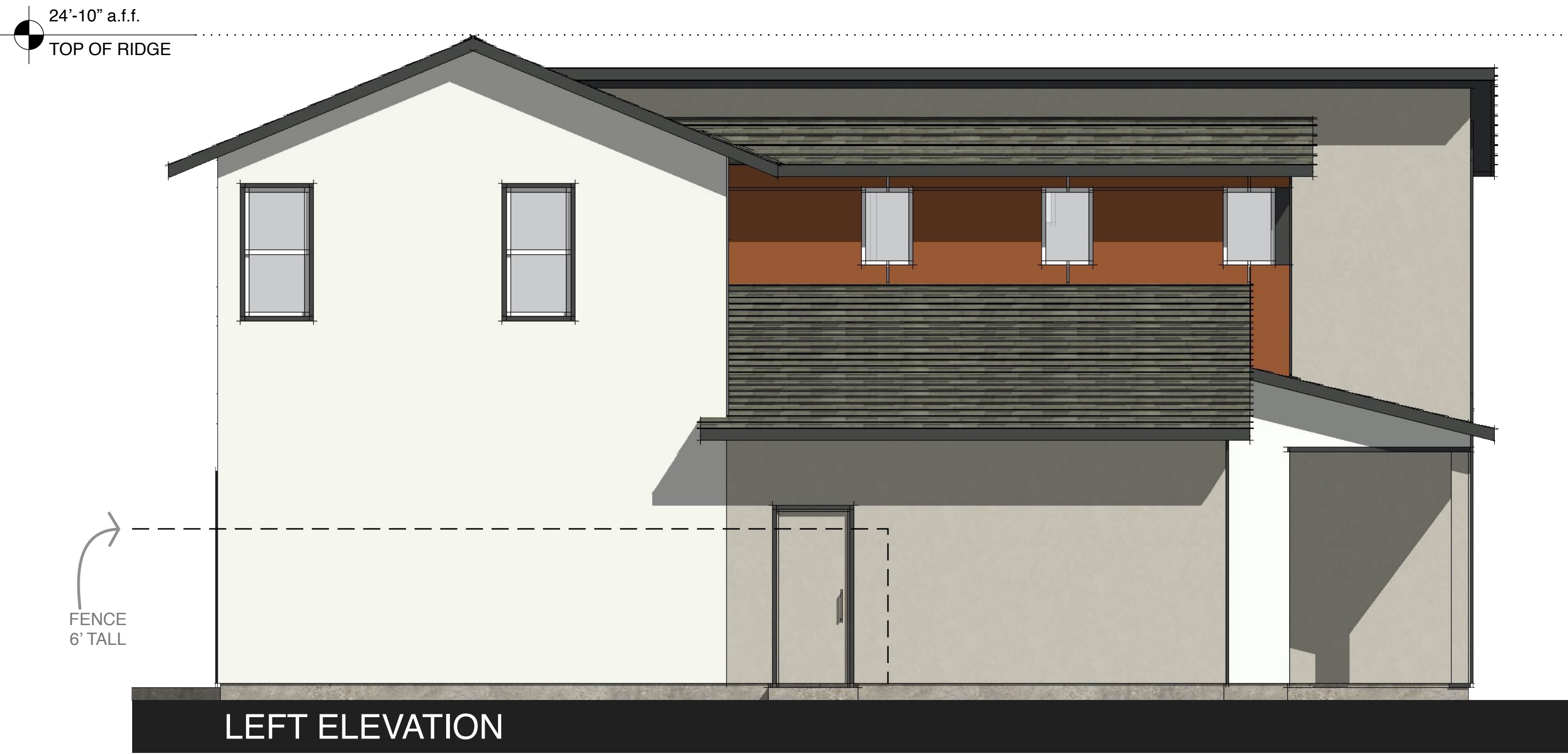
STUCCO W/ CHANNEL REVEAL
SAND FINISH
1" ALUMINUM CHANNEL
- 3

COMPOSITION SHINGLE ROOF
CERTAINTED (OR SIMILAR)

COLOR SCHEME

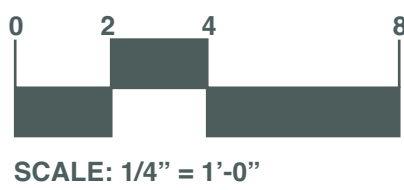


TRIM AND ACCENT STUCCO ON SIDE AND REAR ONLY AT ENHANCED LOTS



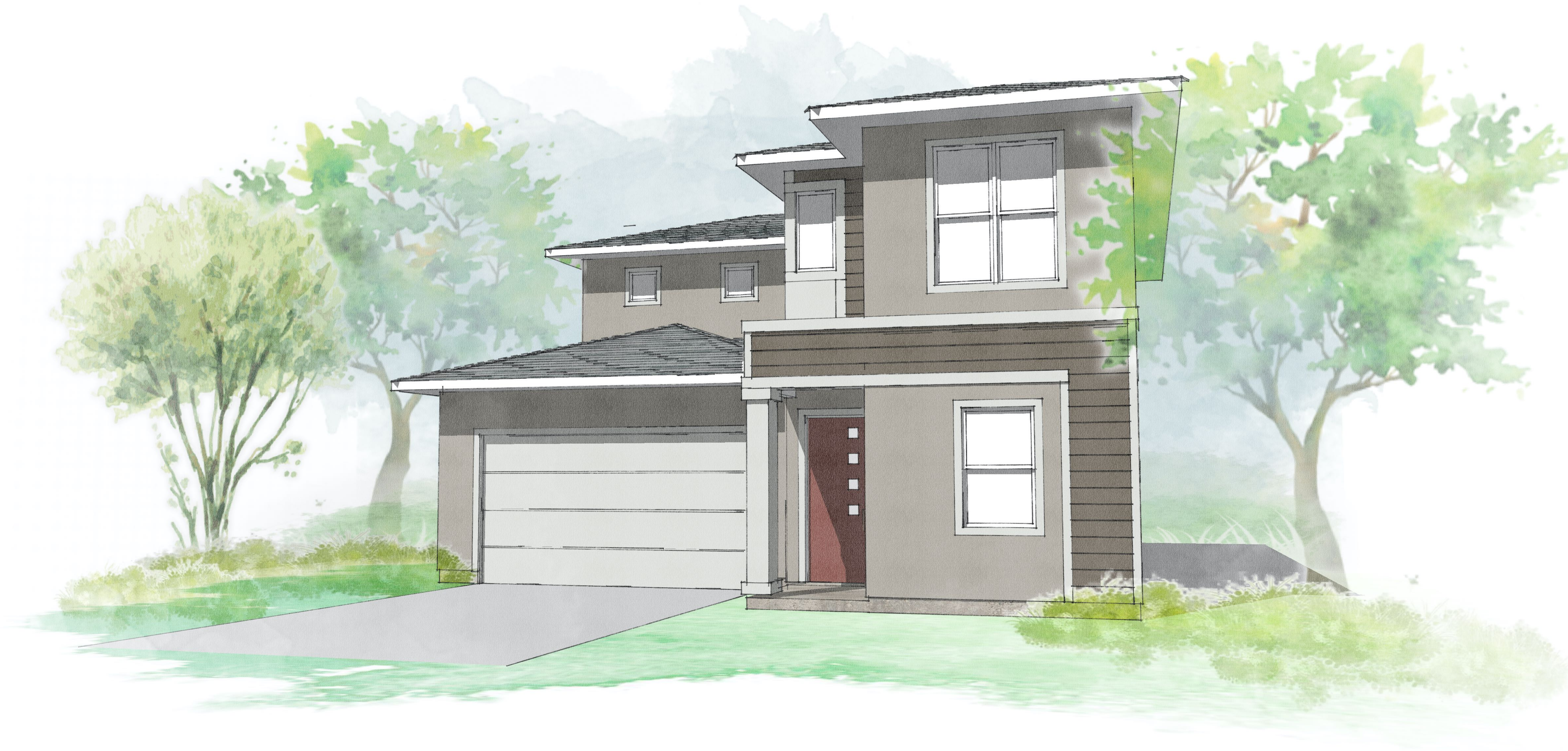
TRIM AND ACCENT STUCCO ON SIDE AND REAR ONLY AT ENHANCED LOTS

PLAN 2 | SCHEMATIC ELEVATIONS - "SKYLINE"



JD+A JOB NUMBER: 20086
DATE: 06.17.2022

A2.4



06.17.2022 | PROGRESS SET



SUNRIDGE VILLAGE 4

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PLAN 2 | SCHEMATIC PERSPECTIVE - "MAYFAIR"



JD+A JOB NUMBER: 20086
DATE: 06.17.2022

A2.5

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SHEET NOTES

PLAN 2

SQUARE FOOTAGE	=	2,206 SF
STORIES	=	2
BEDROOMS	=	3 - 4
BATHROOMS	=	2.5 - 3

MATERIALS

- 1

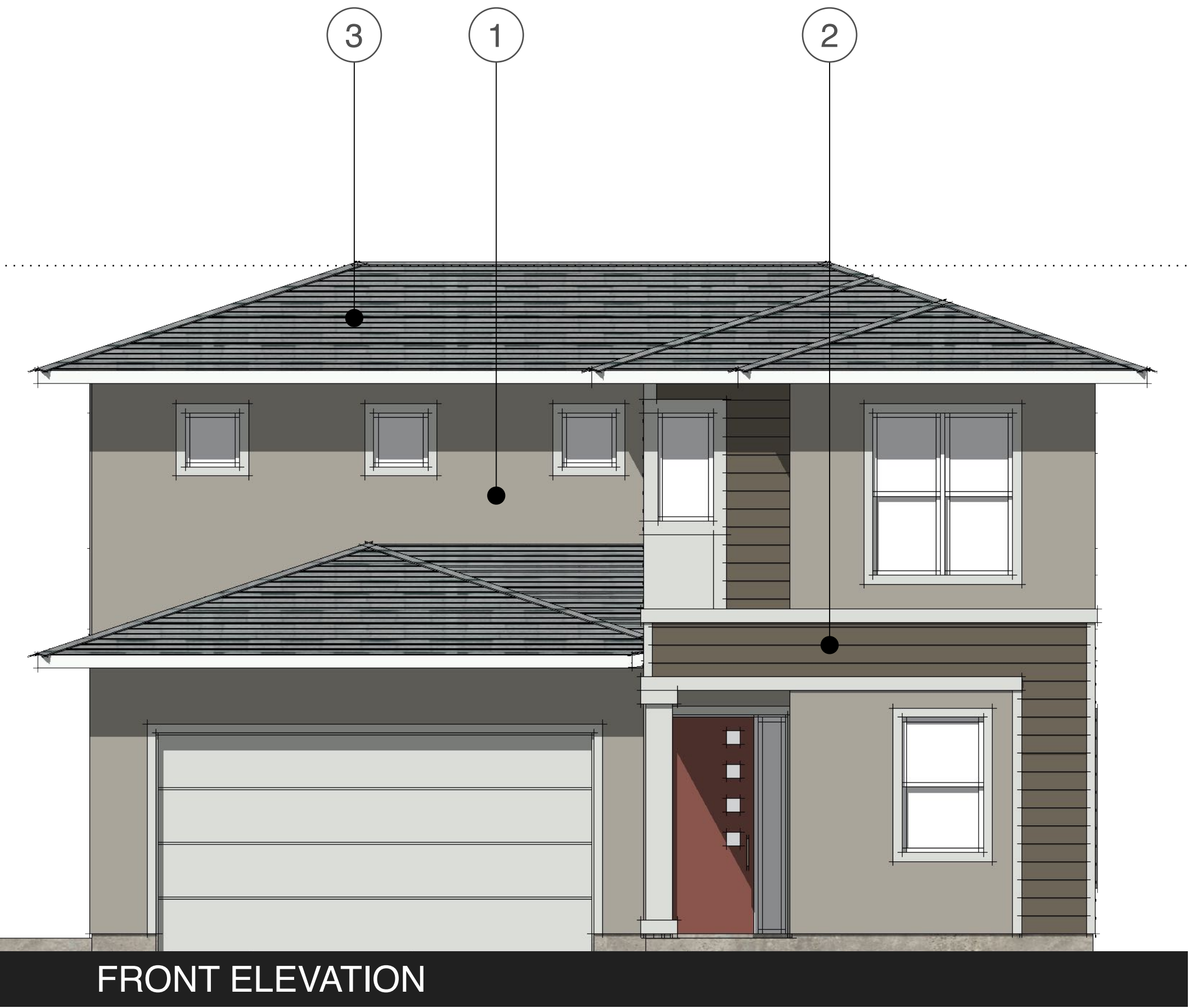
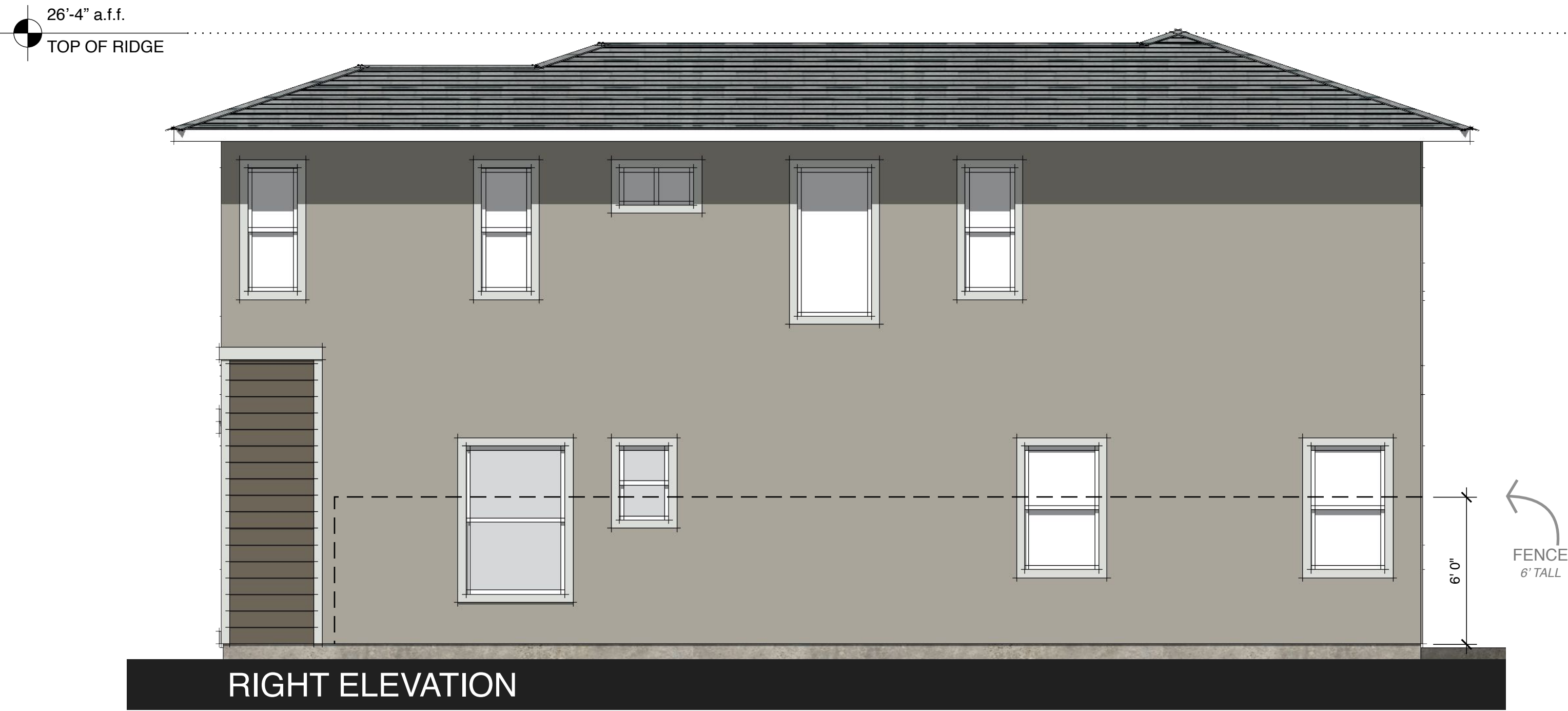
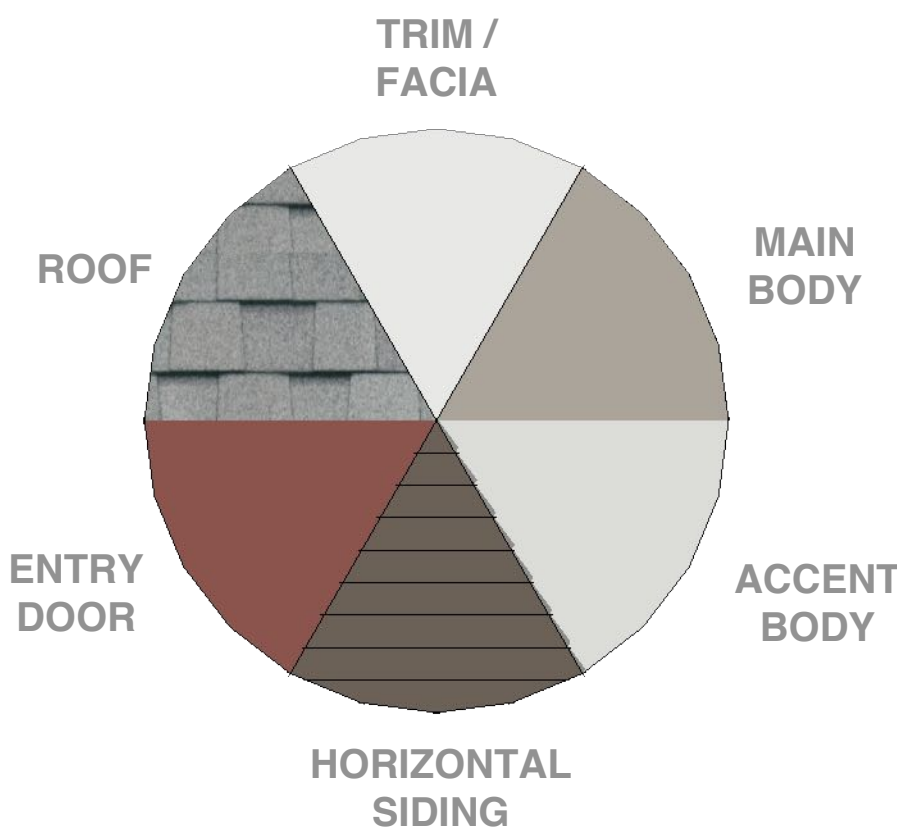
STUCCO
SAND FINISH
- 2

ACCENT SIDING
HARDIEPLANK, HORIZONTAL
SIDING 8" EXPOSURE
- 3

COMPOSITION SHINGLE ROOF
CERTAINTED (OR SIMILAR)

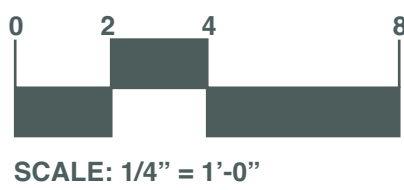
COLOR SCHEME

"MAYFAIR" | SCHEME 5



TRIM AND HORIZONTAL SIDING ON REAR ONLY AT ENHANCED LOTS

PLAN 2 | SCHEMATIC ELEVATIONS - "MAYFAIR"



JD+A JOB NUMBER: 20086
DATE: 06.17.2022

A2.6



PLAN 2 | SCHEMATIC PERSPECTIVE - "PARK MANOR"

06.17.2022 | PROGRESS SET



SUNRIDGE VILLAGE 4

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JD+A JOB NUMBER: 20086
DATE: 06.17.2022

A2.7

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SHEET NOTES

PLAN 2

SQUARE FOOTAGE	=	2,206 SF
STORIES	=	2
BEDROOMS	=	3 - 4
BATHROOMS	=	2.5 - 3

MATERIALS

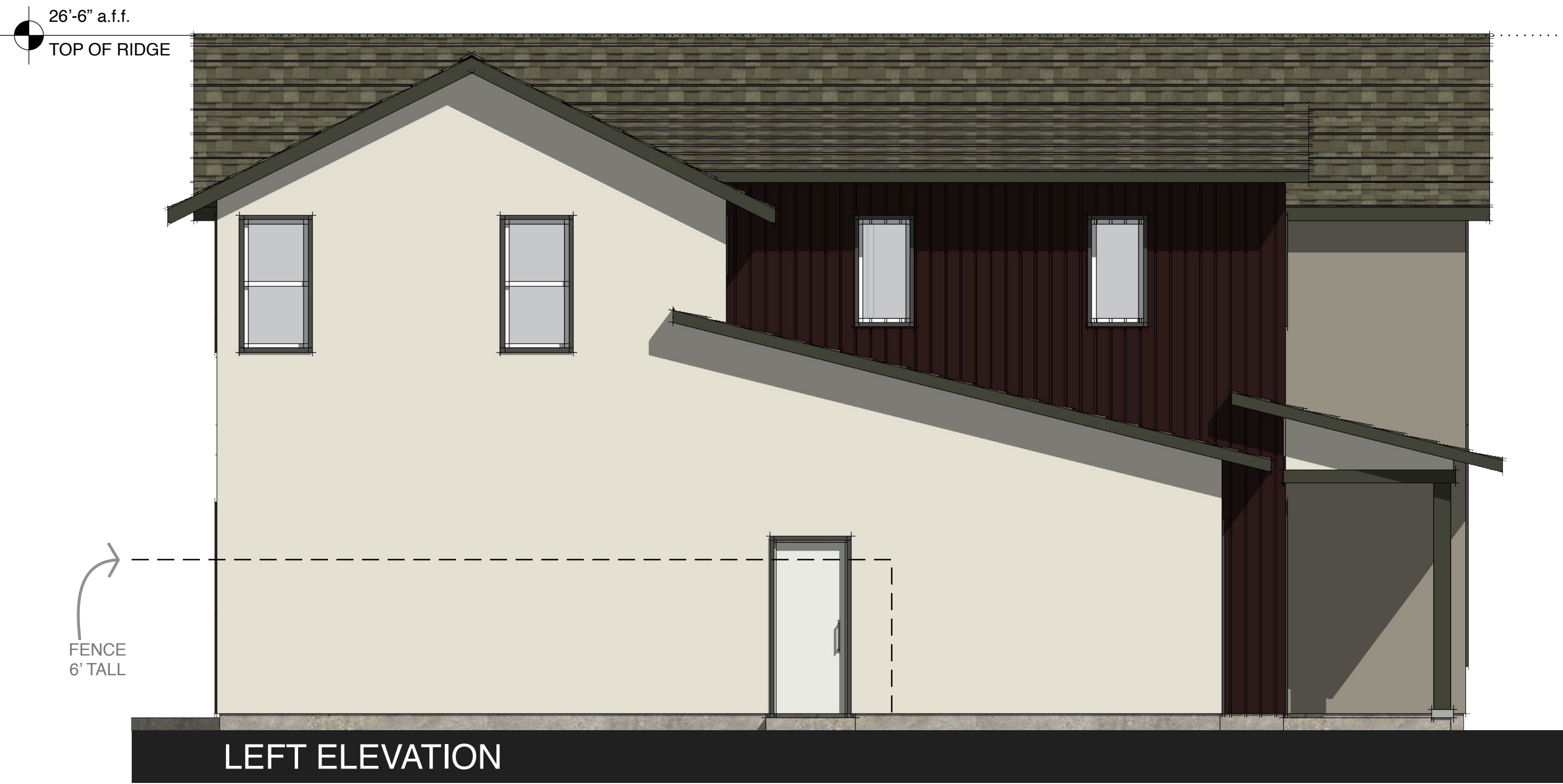
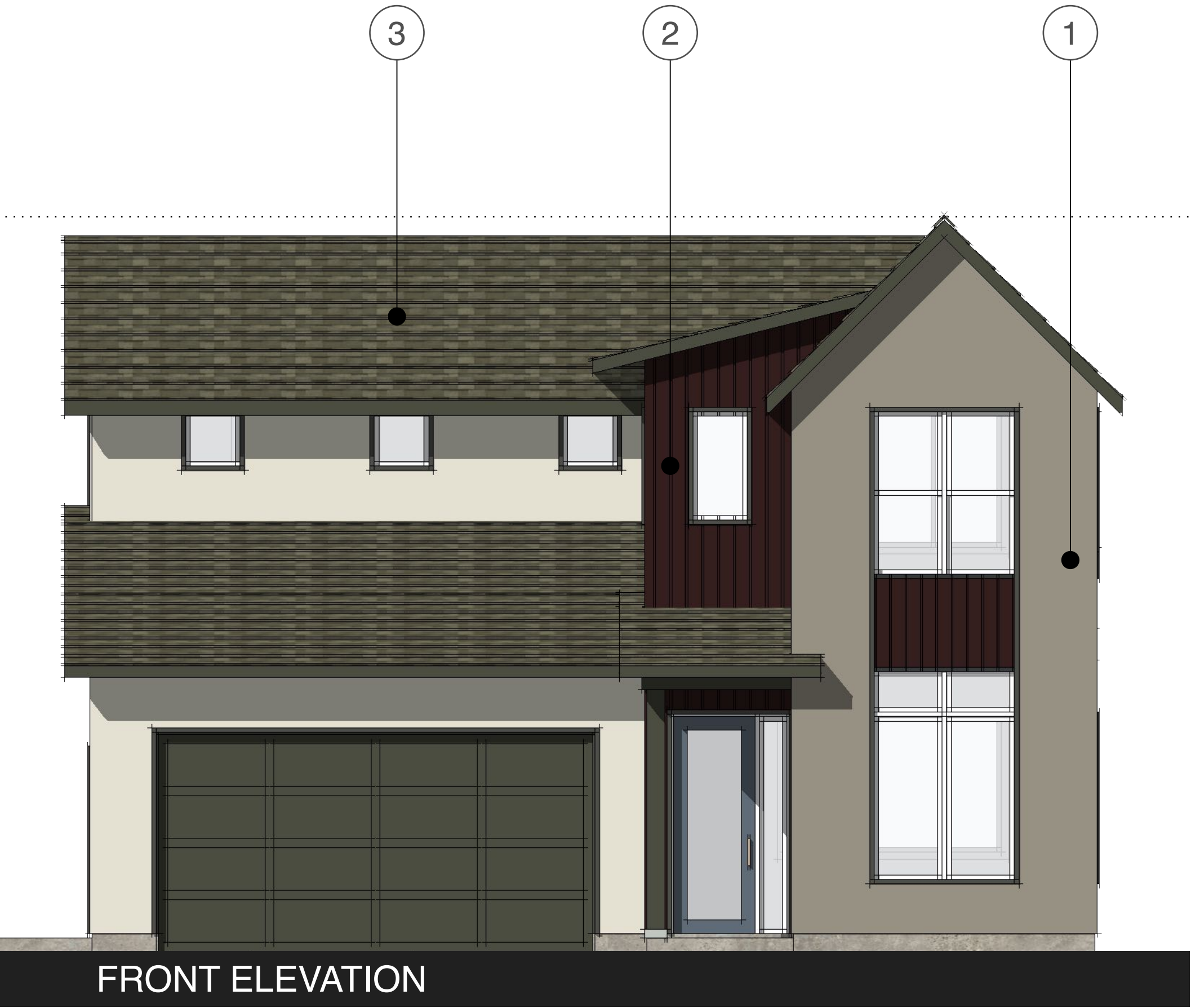
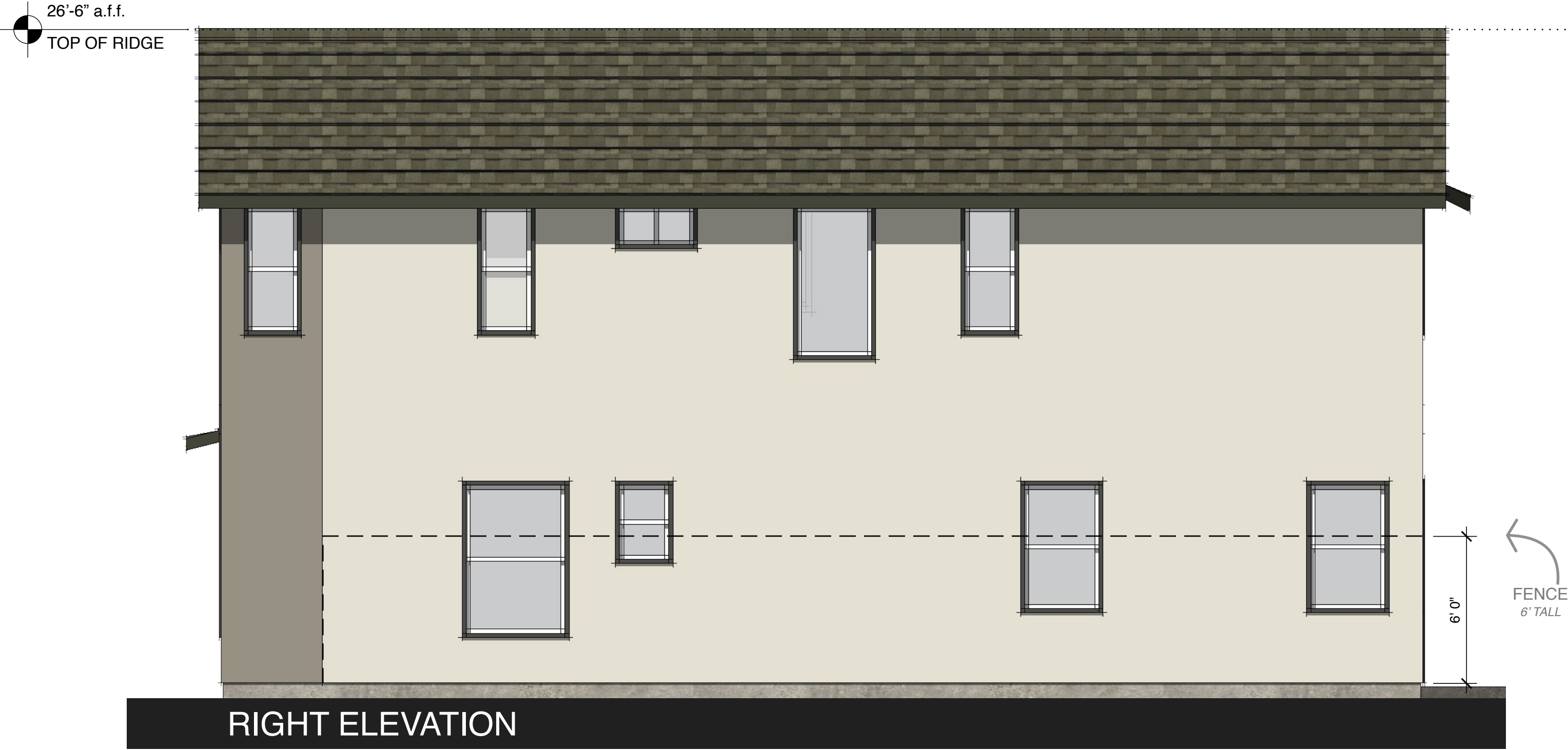
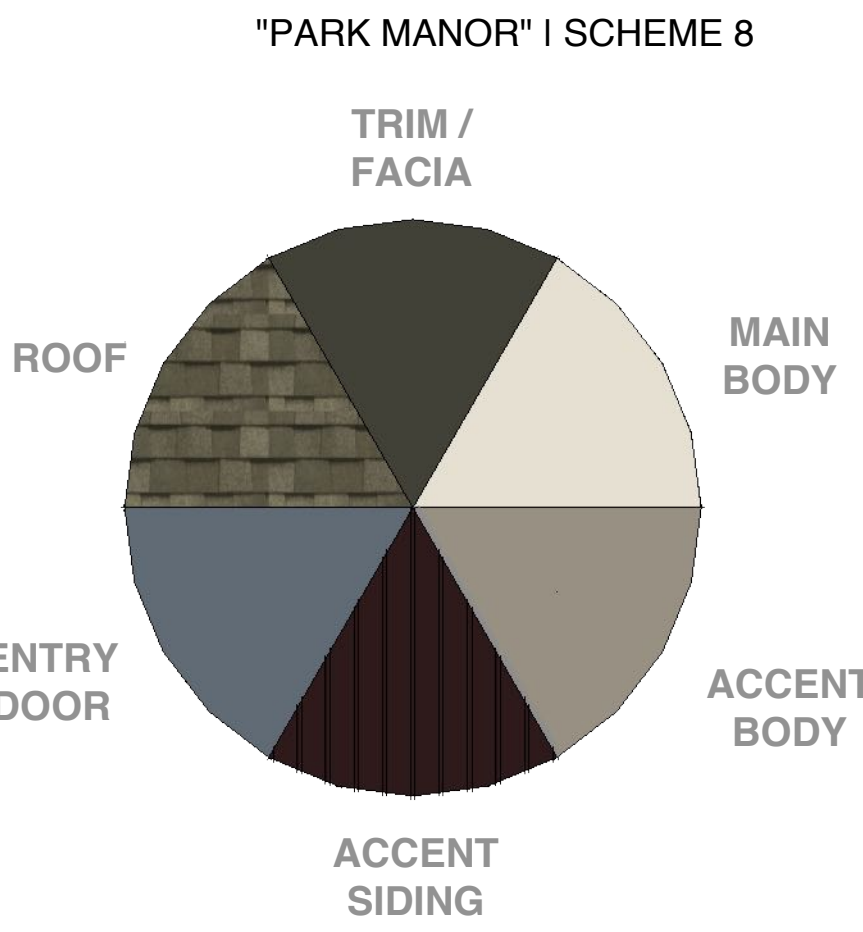
- 1

STUCCO
SAND FINISH
- 2

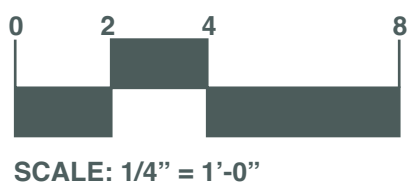
ACCENT SIDING
HARDIEPLANK, VERTICAL SIDING
6" EXPOSURE
- 3

COMPOSITION SHINGLE ROOF
CERTAINTED (OR SIMILAR)

COLOR SCHEME

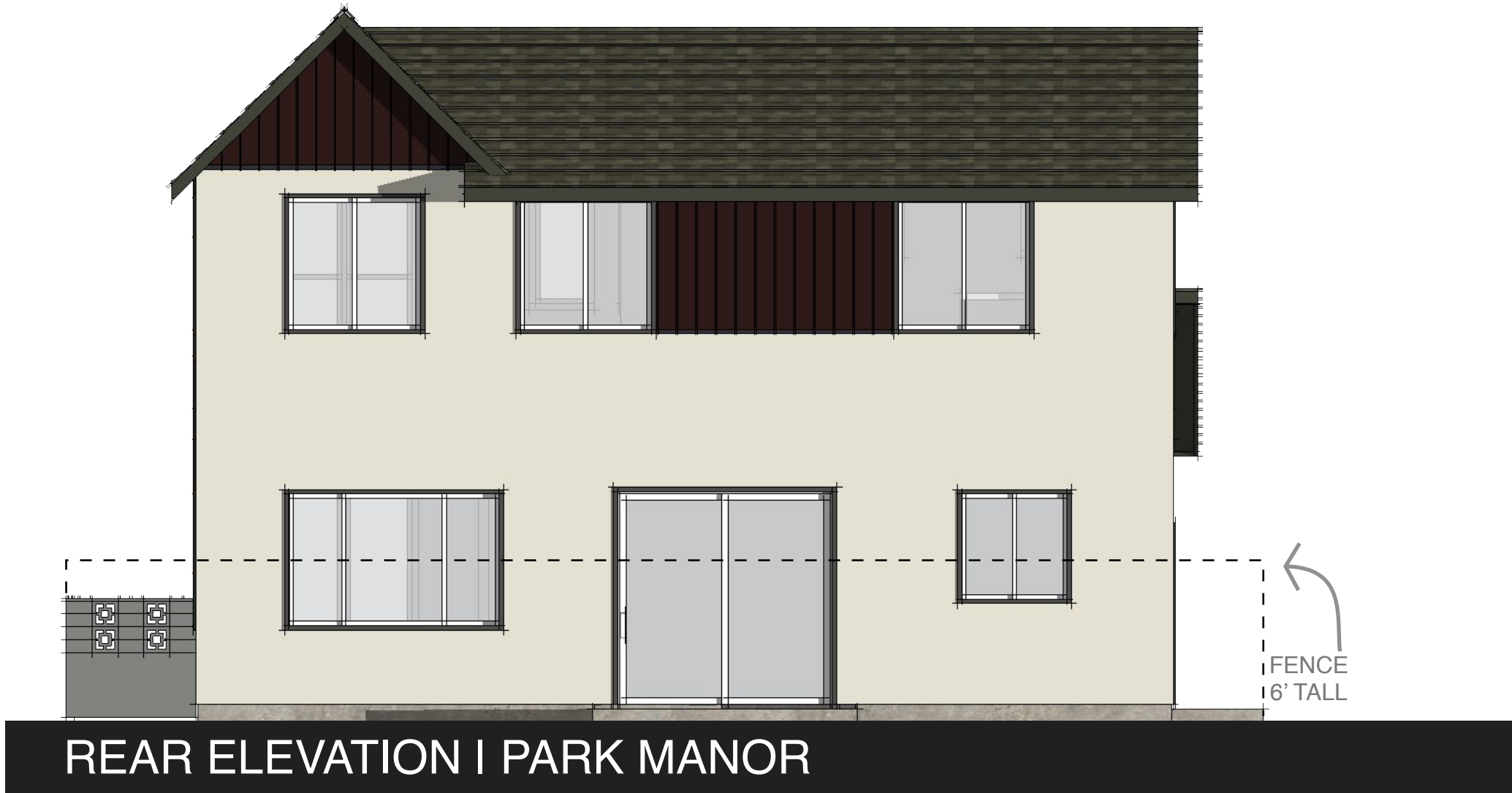
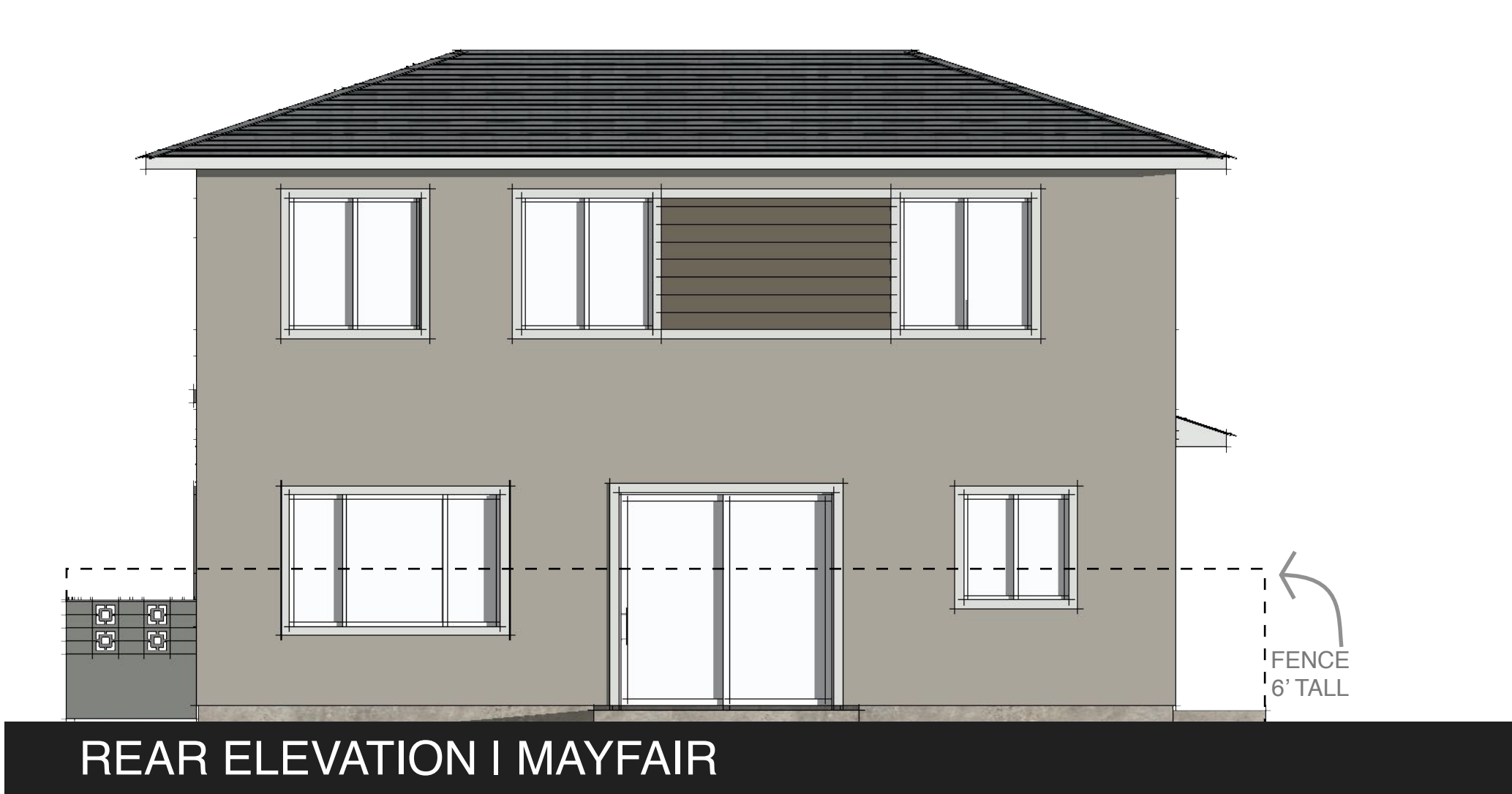
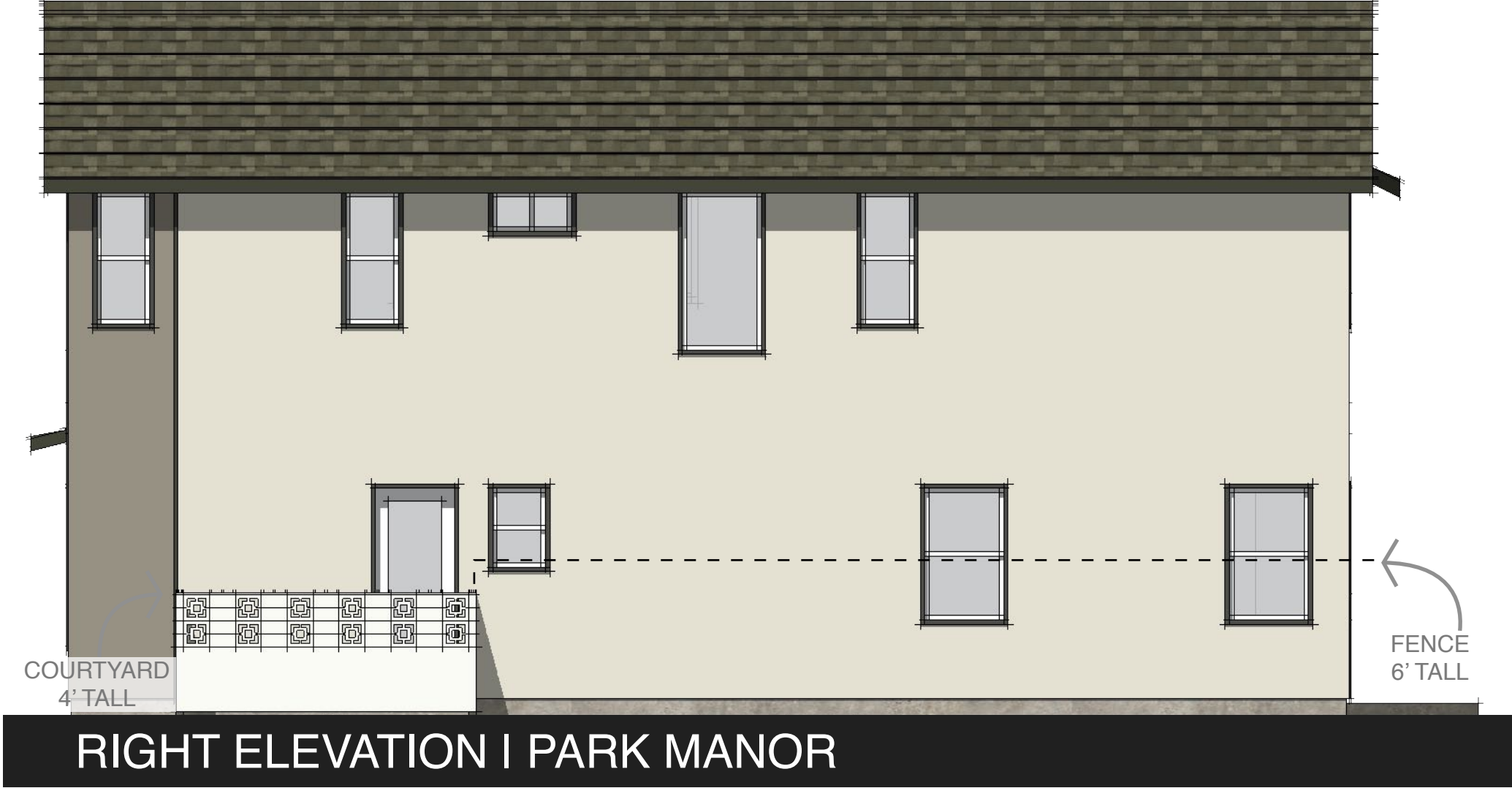
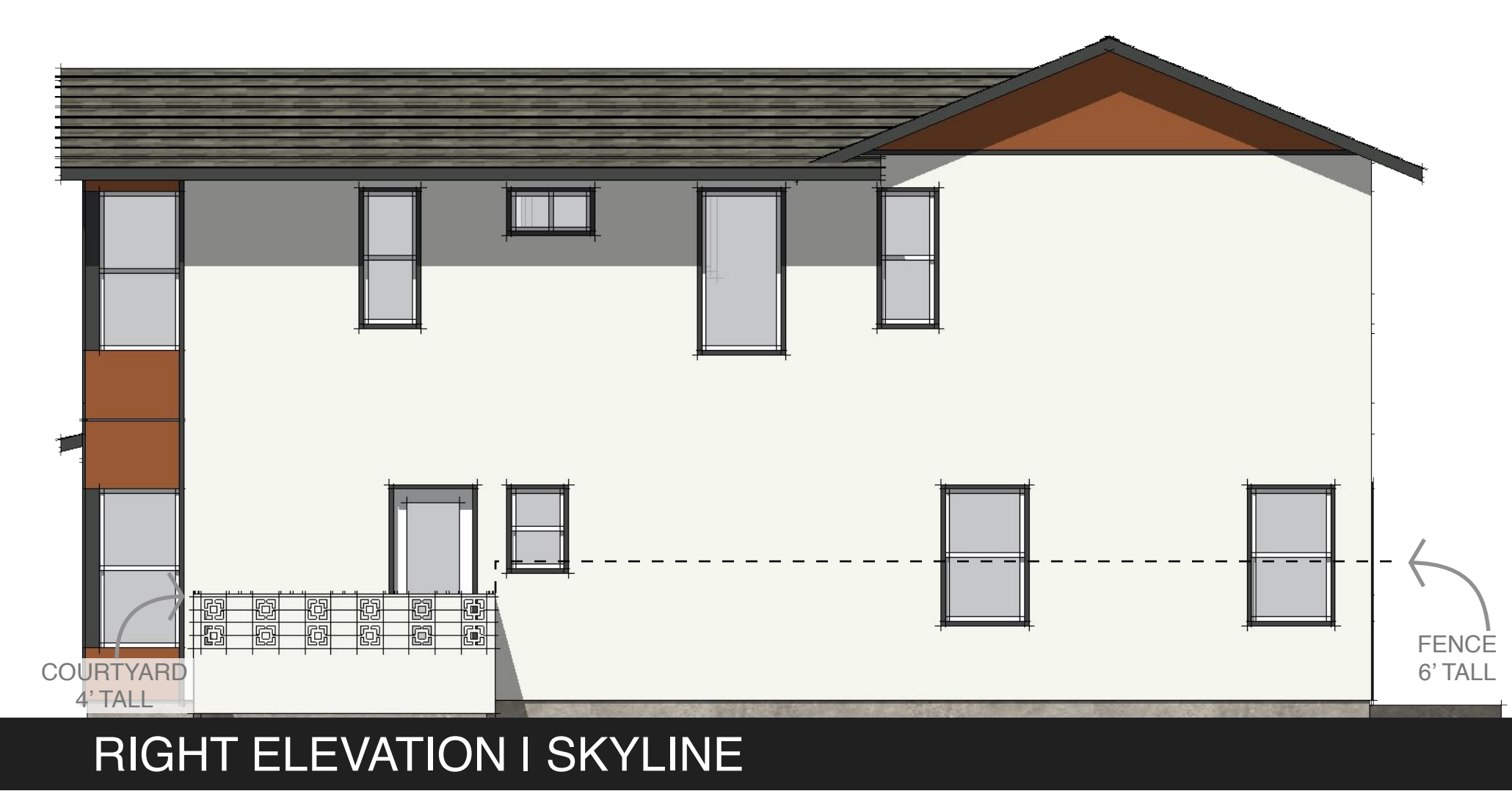


PLAN 2 | SCHEMATIC ELEVATIONS - "PARK MANOR"



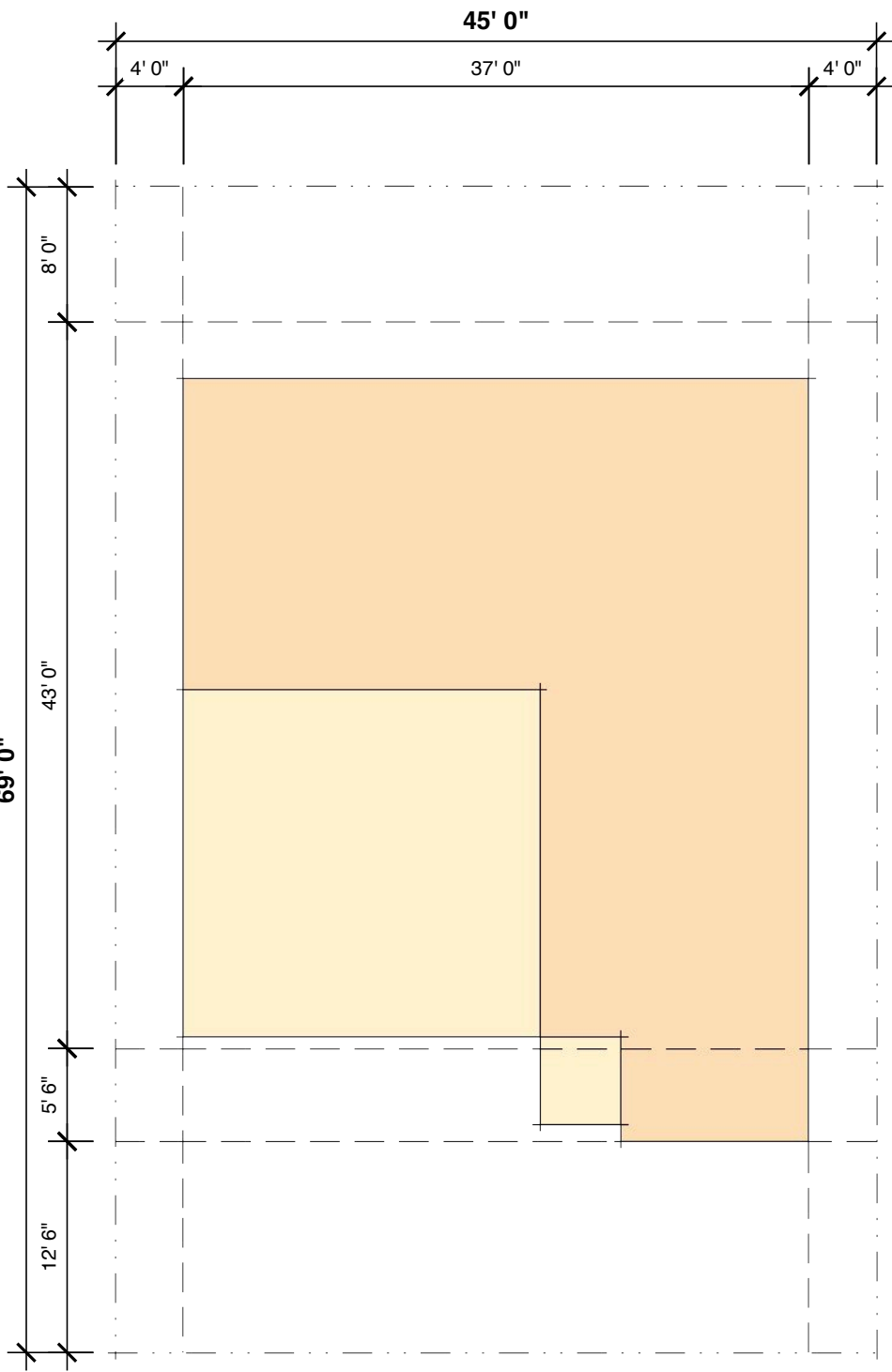
JD+A JOB NUMBER: 20086
DATE: 06.17.2022

A2.8

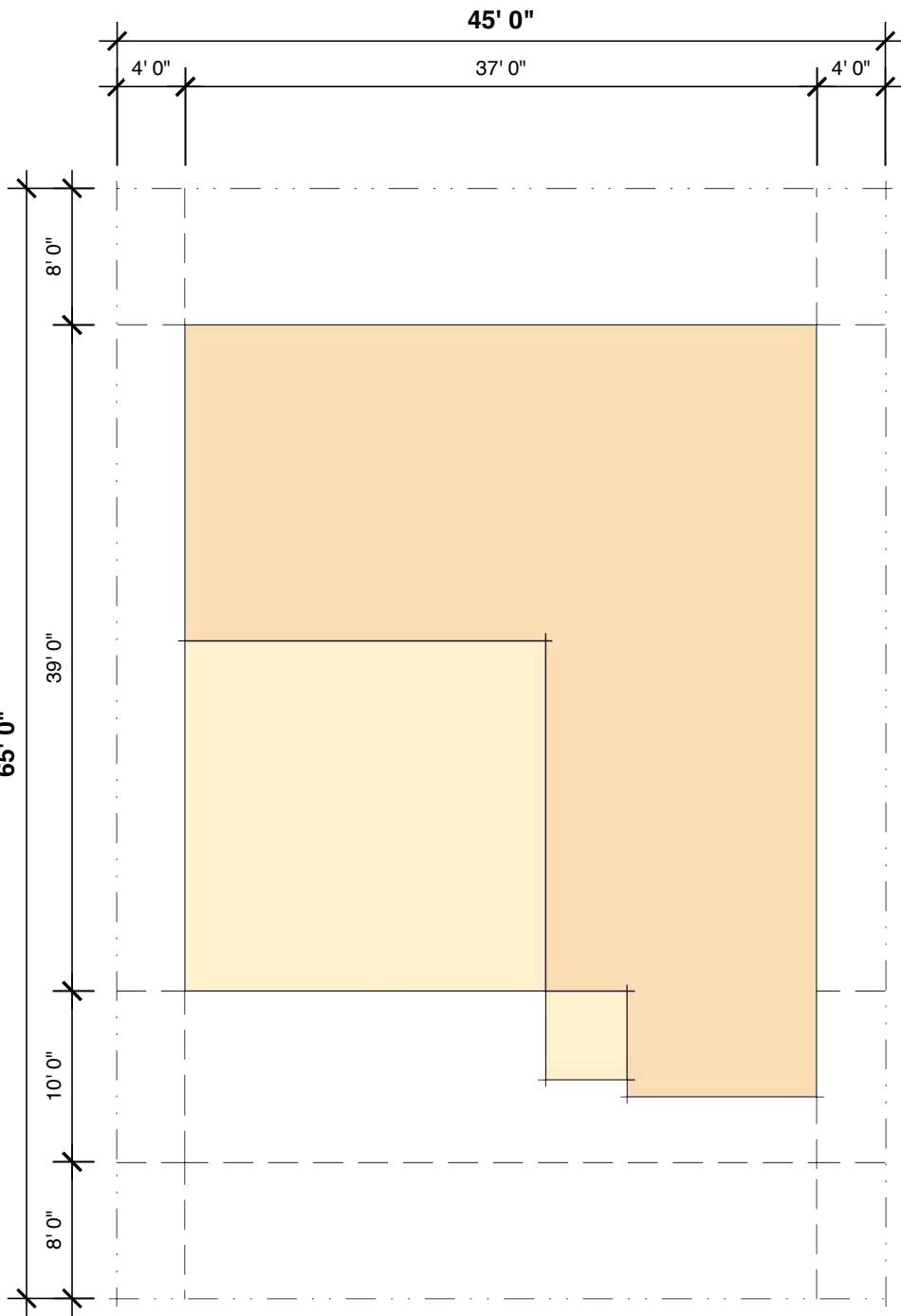


\\users\jalia\Library\CloudStorage\Egnyte-Jaarch\Shared\00 PROJECTS\CRESLEIGH HOMES\20086 SUNRIDGE V4\01 DESIGN\03 Schematic\02 Layout\20086_A3_PLAN 3_24x36.dwg

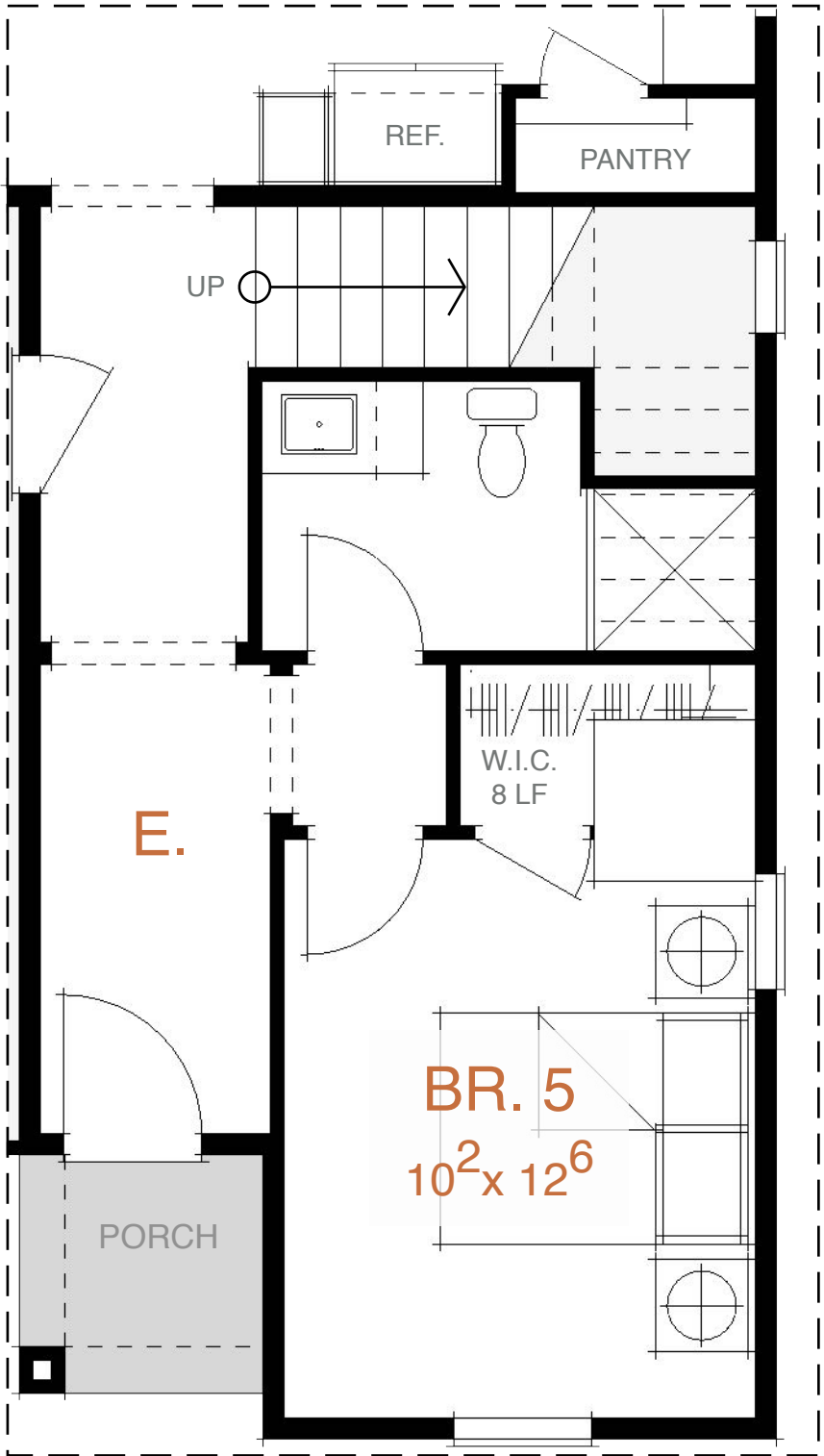
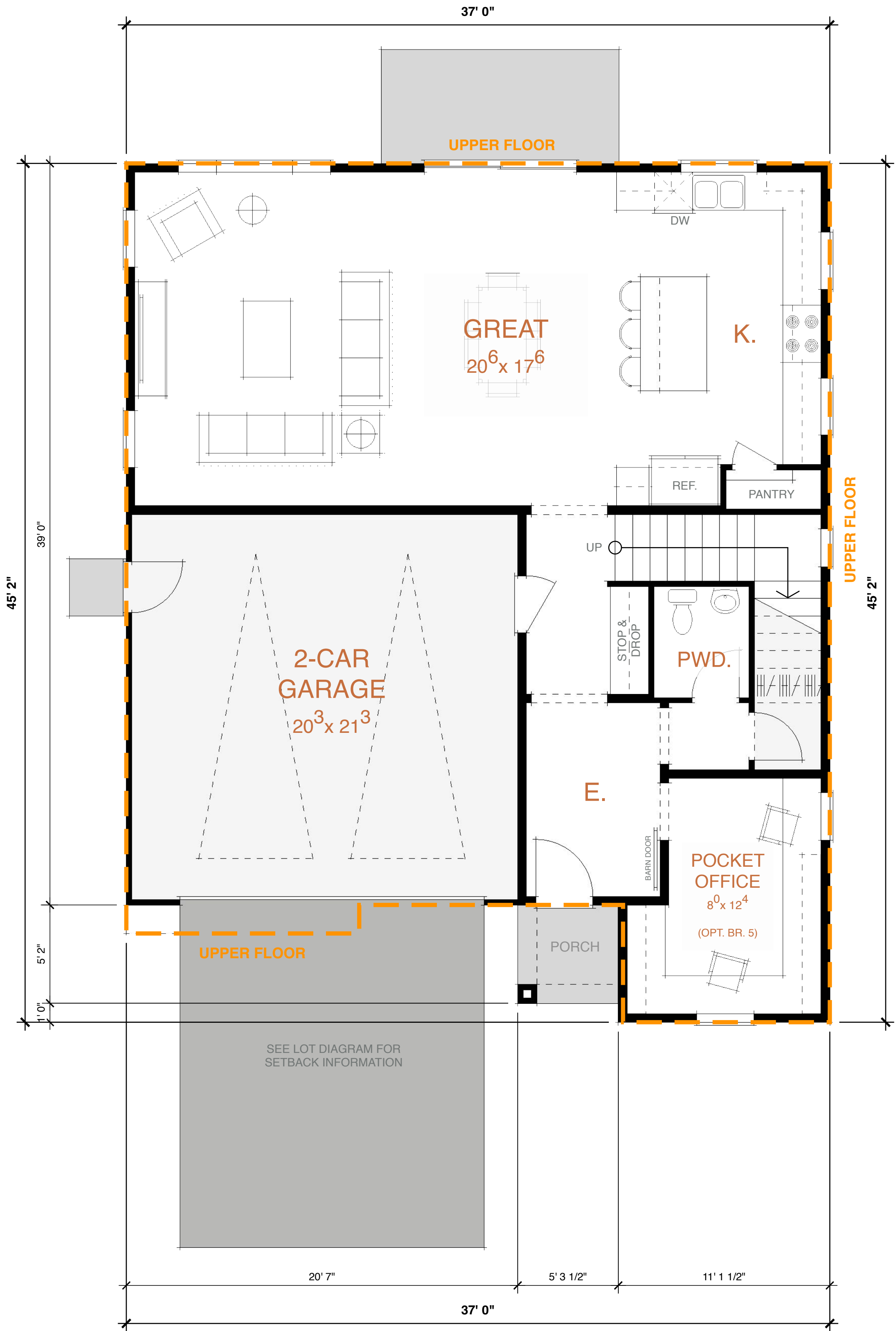
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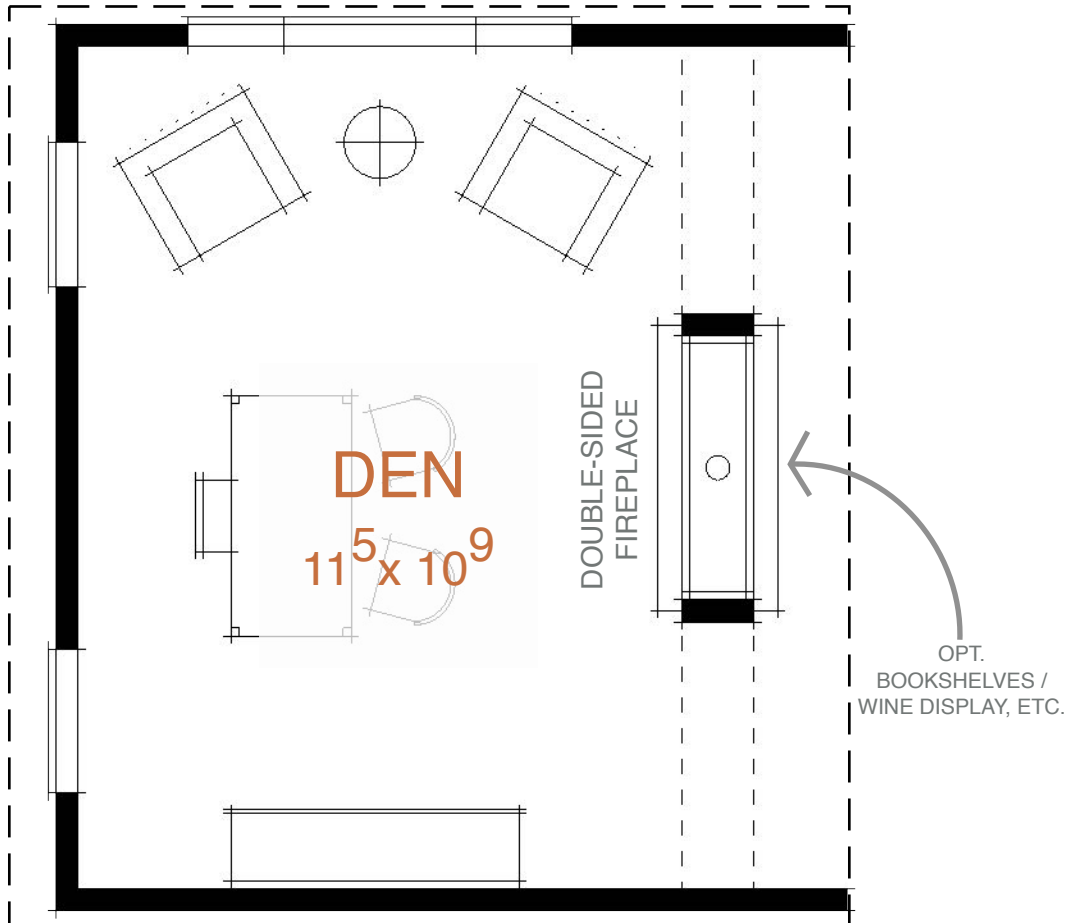
LOT DIAGRAM
(STREET FRONTAGE LOTS)



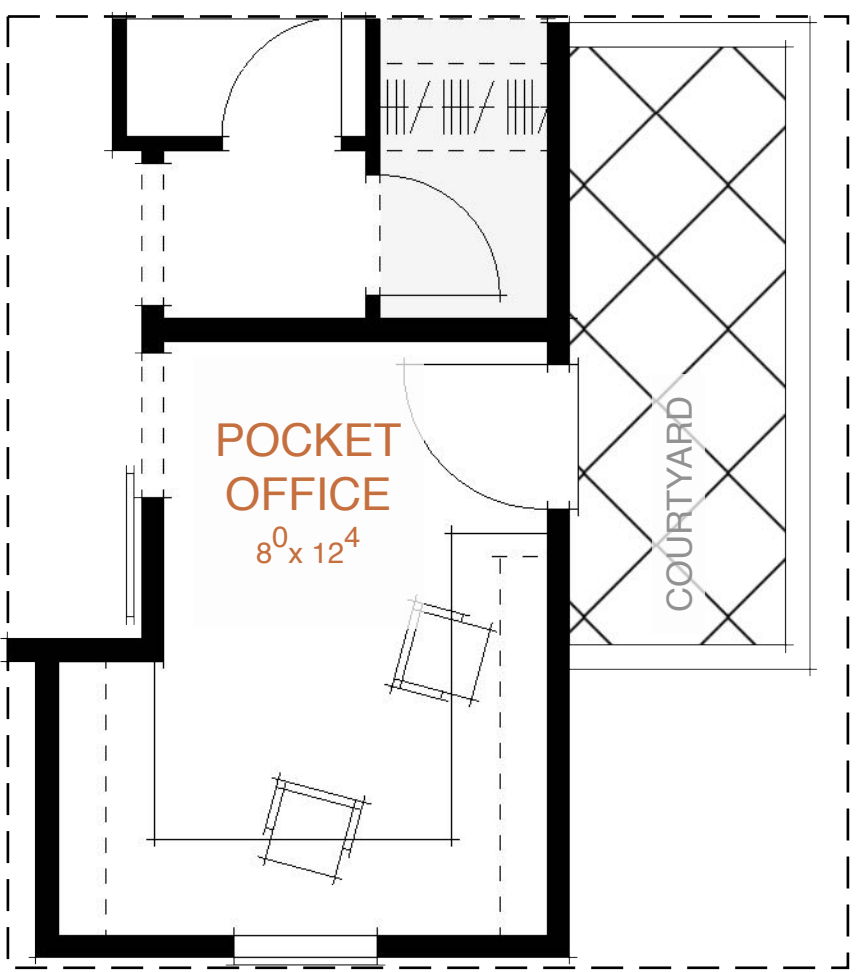
LOT DIAGRAM
(ALLEY FRONTAGE LOTS)



BR. 5 OPTION
(IN LIEU OF POCKET OFFICE)



DEN/FAMILY ROOM OPTION
(IN LIEU OF ENLARGED GREAT ROOM)



COURTYARD OPTION
(AT ENHANCED ELEVATIONS)

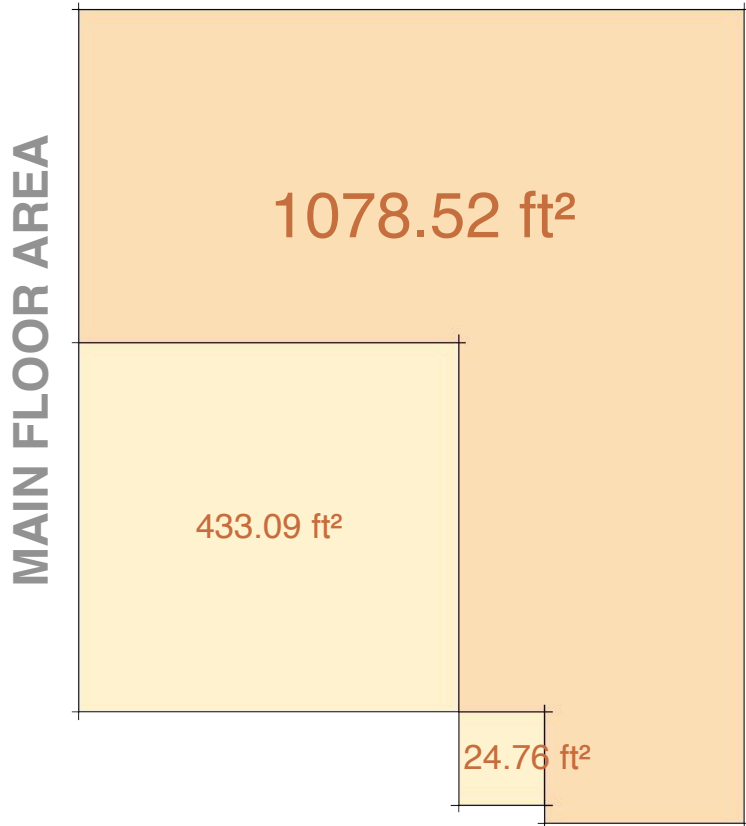
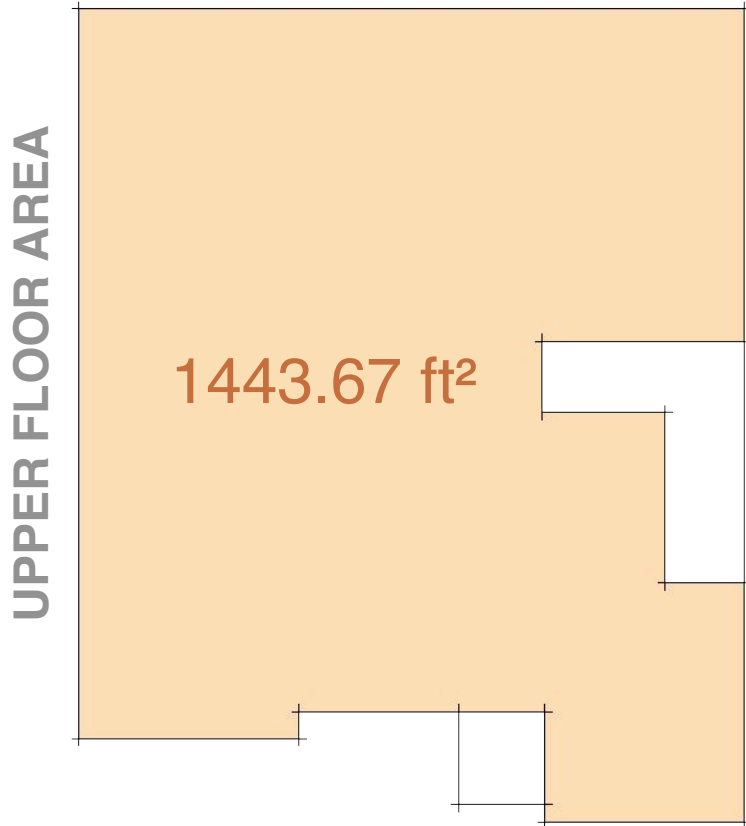
SHEET NOTES

PROGRAM

STORIES	=	2
BEDROOMS	=	4 - 5 (OPT)
BATHROOMS	=	2.5 - 3.5 (OPT.)
GARAGE	=	2 - CAR
KITCHEN / GREAT ROOM		
NOOK		
LAUNDRY		
POCKET OFFICE		
LOFT		
COVERED PATIO		
(OPT. BR. 5 SUITE)		
(OPT. DEN)		

AREA CALCS (Building Total)

LIVING (Conditioned)	=	2,522.19 SF
GARAGE	=	433.09 SF
PORCH / PATIO	=	124.76 SF
LOT COVERAGE	=	54.4%



CONDITIONED SPACE UNCONDITIONED SPACE

08.29.2022 | PROGRESS SET

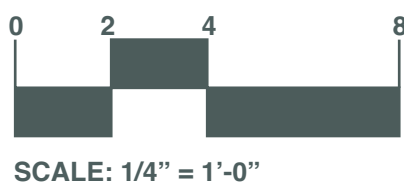


SUNRIDGE VILLAGE 4

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PLAN 3 | SCHEMATIC FIRST FLOOR PLAN - 2,522 SF



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JD+A JOB NUMBER: 20086
DATE: 08.29.2022

A3.1

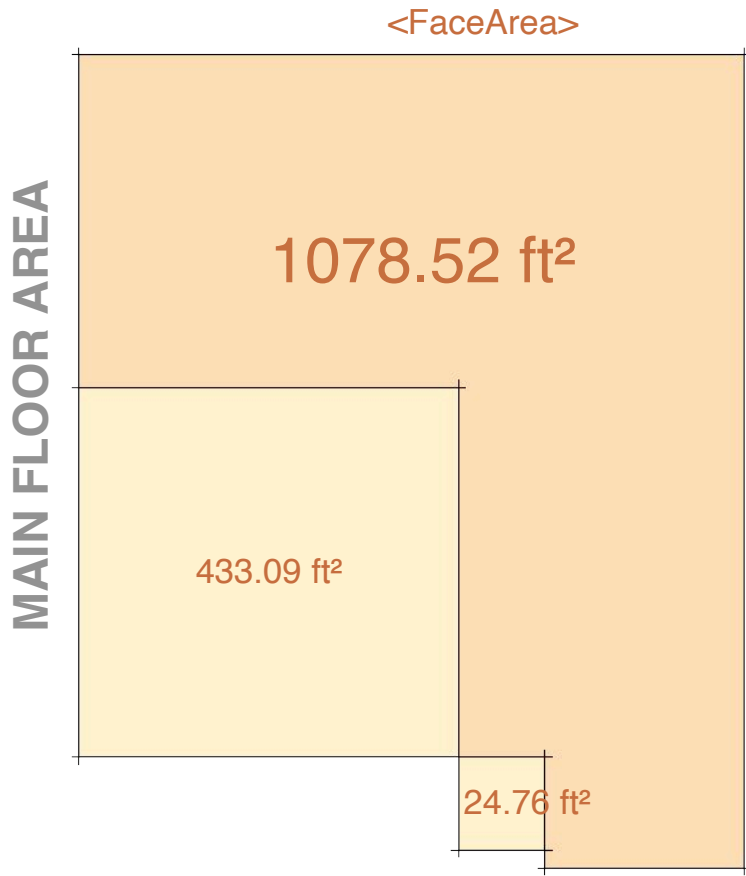
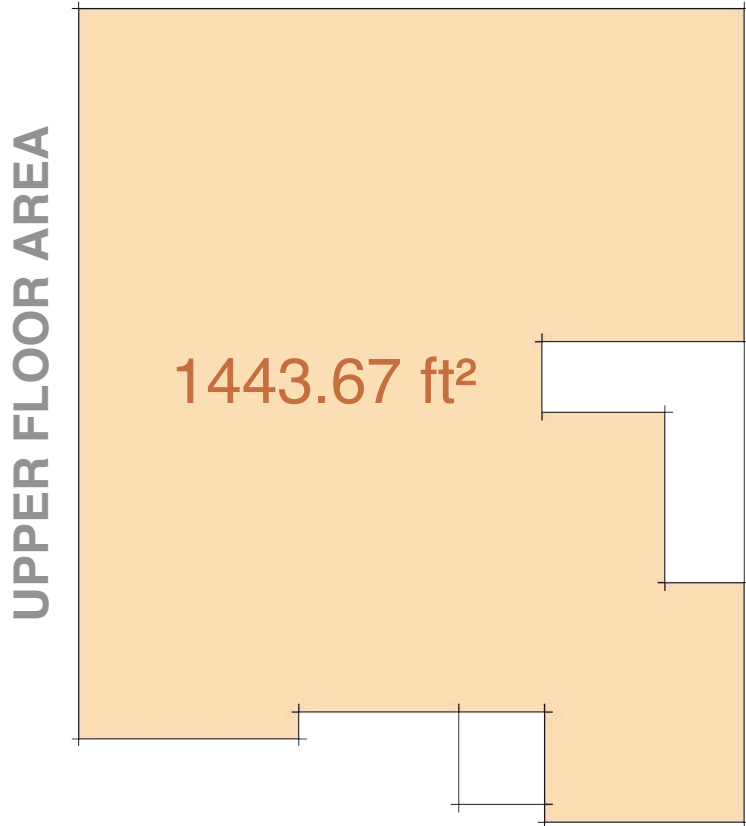
SHEET NOTES

PROGRAM

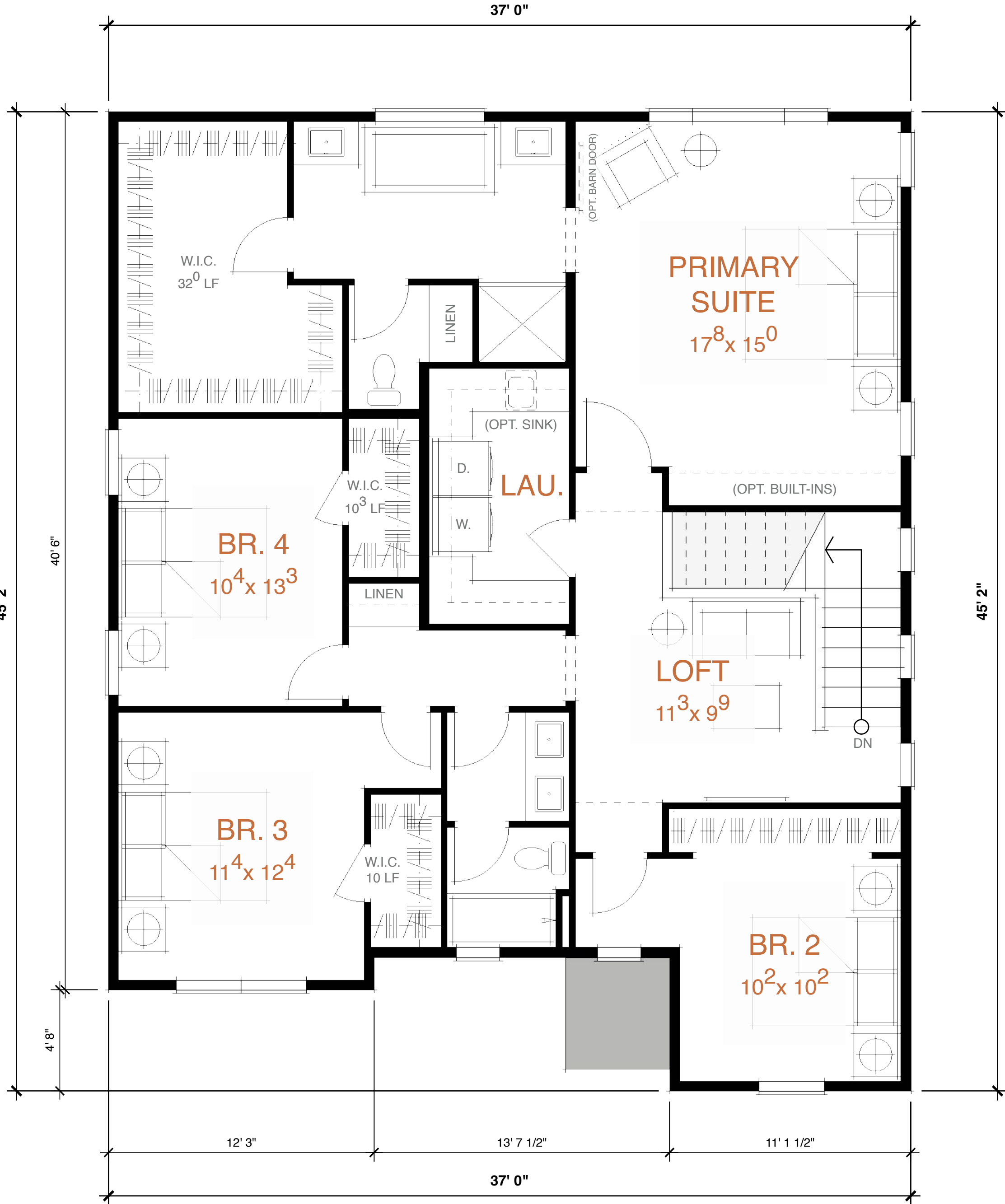
STORIES	=	2
BEDROOMS	=	4 - 5 (OPT)
BATHROOMS	=	2.5 - 3.5 (OPT.)
GARAGE	=	2 - CAR
KITCHEN / GREAT ROOM		
NOOK		
LAUNDRY		
POCKET OFFICE		
LOFT		
COVERED PATIO		
(OPT. BR. 5 SUITE)		
(OPT. DEN)		

AREA CALCS (Building Total)

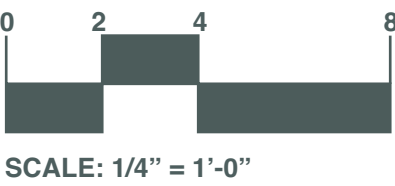
LIVING (Conditioned)	=	2,497.19 SF
GARAGE	=	433.09 SF
PORCH / PATIO	=	124.76 SF
LOT COVERAGE	=	54.4%



	CONDITIONED SPACE		UNCONDITIONED SPACE
--	-------------------	--	---------------------



PLAN 3 | SCHEMATIC SECOND FLOOR PLAN - 2,522 SF



JD+A JOB NUMBER: 20086
DATE: 08.29.2022

A3.2

08.29.2022 | PROGRESS SET



SUNRIDGE VILLAGE 4

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06.17.2022 | PROGRESS SET

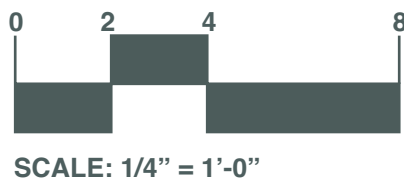


SUNRIDGE VILLAGE 4

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PLAN 3 | SCHEMATIC PERSPECTIVE - "SKYLINE"



JD+A JOB NUMBER: 20086
DATE: 06.17.2022

A3.3

SHEET NOTES

PLAN 3

SQUARE FOOTAGE	=	2,522 SF
STORIES	=	2
BEDROOMS	=	4 - 5
BATHROOMS	=	3.5 - 4.5

MATERIALS

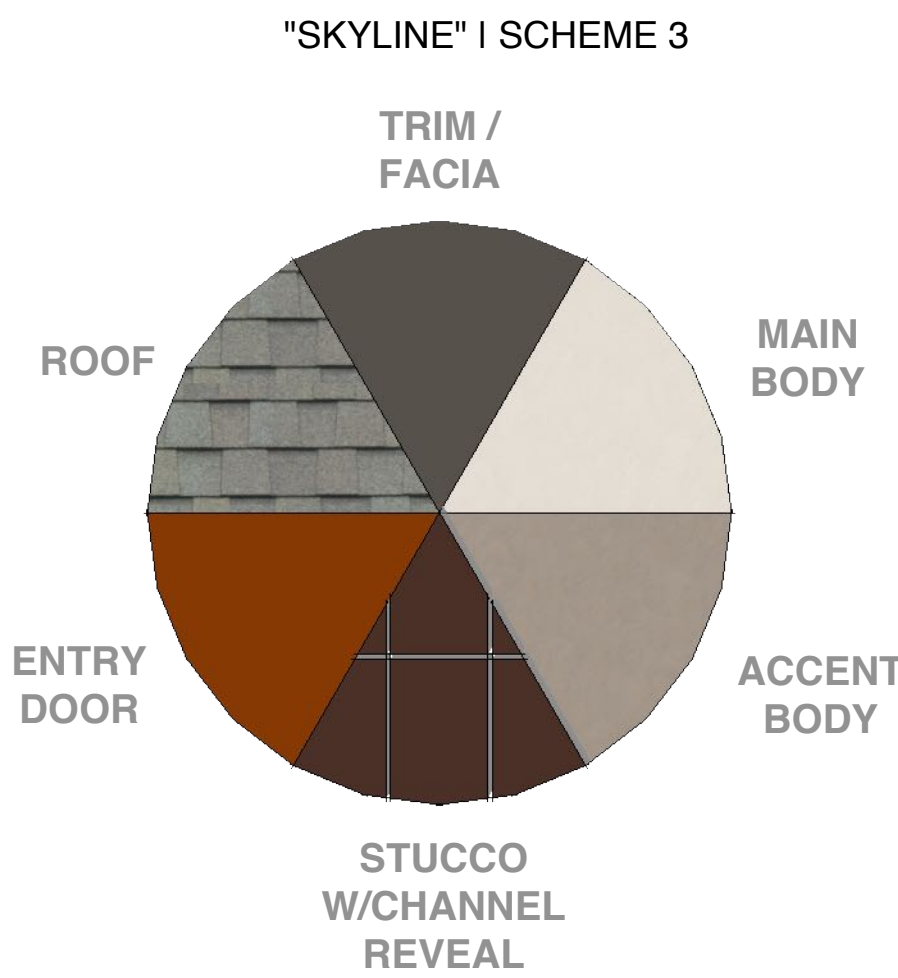
- 1

STUCCO
SAND FINISH
- 2

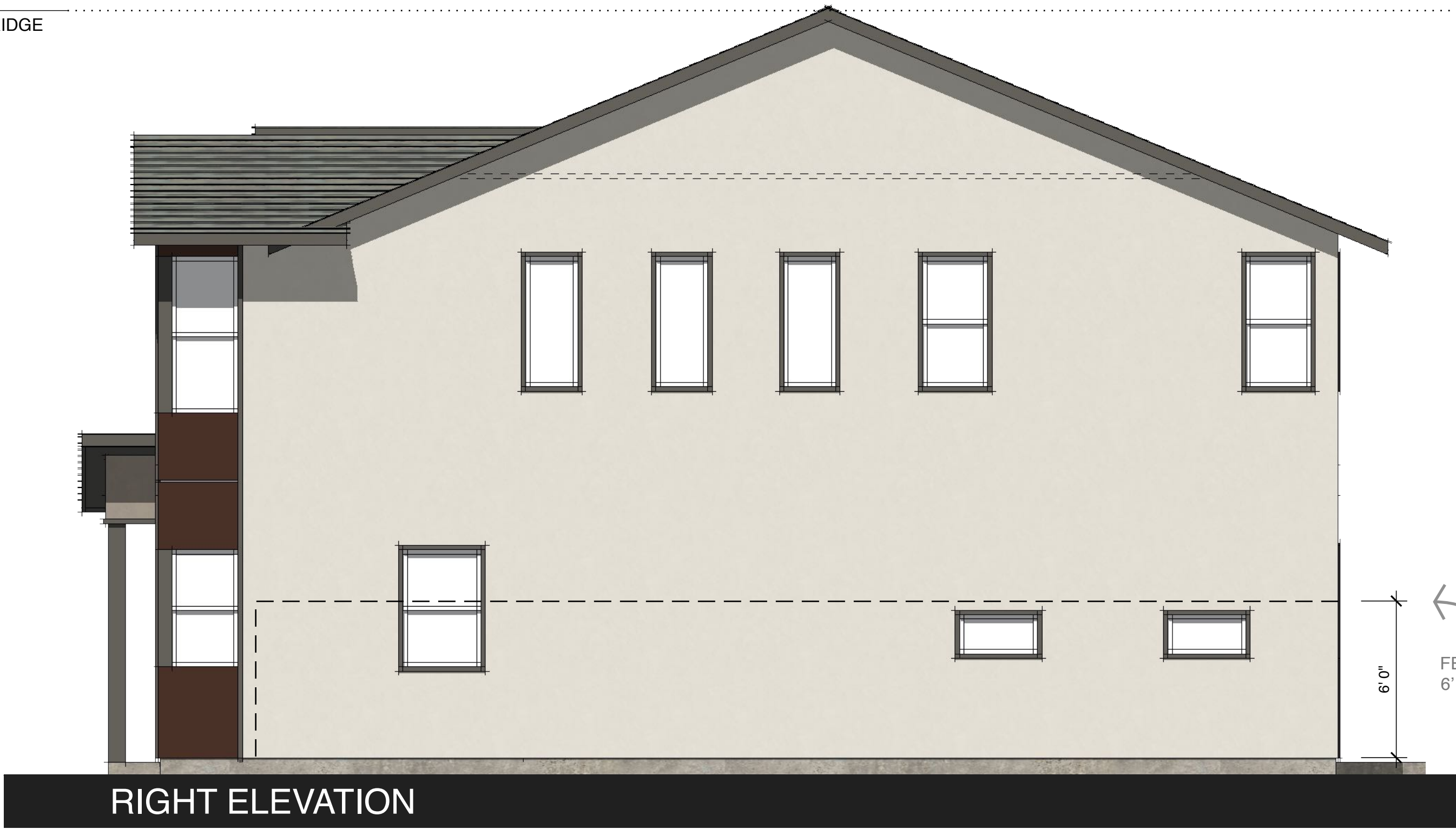
STUCCO W/ CHANNEL REVEAL
SAND FINISH
1" ALUMINUM CHANNEL
- 3

COMPOSITION SHINGLE ROOF
CERTAINTED (OR SIMILAR)

COLOR SCHEME

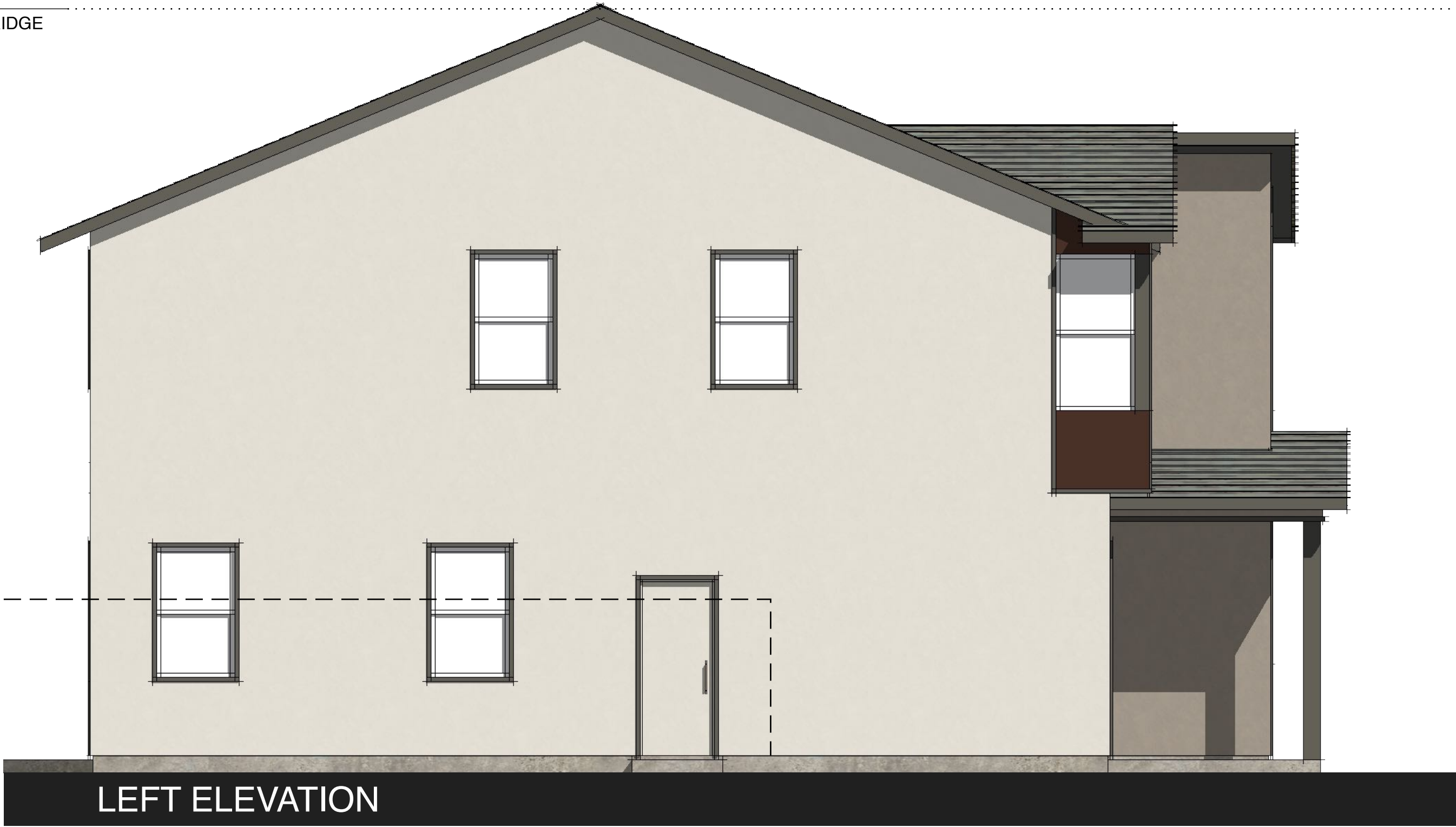


28'-10" a.f.f.
TOP OF RIDGE



TRIM AND ACCENT STUCCO ON SIDE AND REAR ONLY AT ENHANCED LOTS

28'-10" a.f.f.
TOP OF RIDGE



LEFT ELEVATION

1 3 2



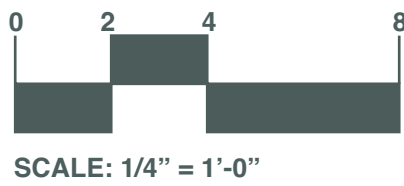
FRONT ELEVATION

FENCE
6' TALL



TRIM AND ACCENT STUCCO ON SIDE AND REAR ONLY AT ENHANCED LOTS

PLAN 3 | SCHEMATIC ELEVATIONS - "SKYLINE"



JD+A JOB NUMBER: 20086
DATE: 06.17.2022

A3.4



06.17.2022 | PROGRESS SET



SUNRIDGE VILLAGE 4

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PLAN 3 | SCHEMATIC PERSPECTIVE - "MAYFAIR"



JD+A JOB NUMBER: 20086
DATE: 06.17.2022

A3.5

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SHEET NOTES

PLAN 3

SQUARE FOOTAGE	=	2,522 SF
STORIES	=	2
BEDROOMS	=	4 - 5
BATHROOMS	=	3.5 - 4.5

MATERIALS

- 1

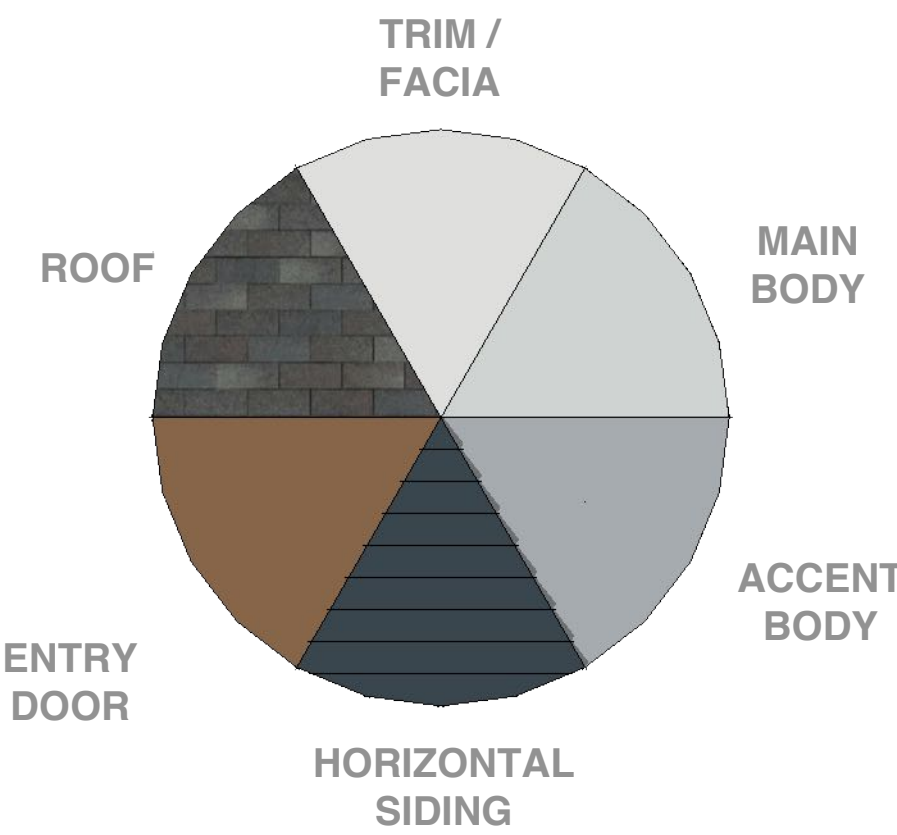
STUCCO
SAND FINISH
- 2

ACCENT SIDING
HARDIEPLANK, HORIZONTAL
SIDING 8" EXPOSURE
- 3

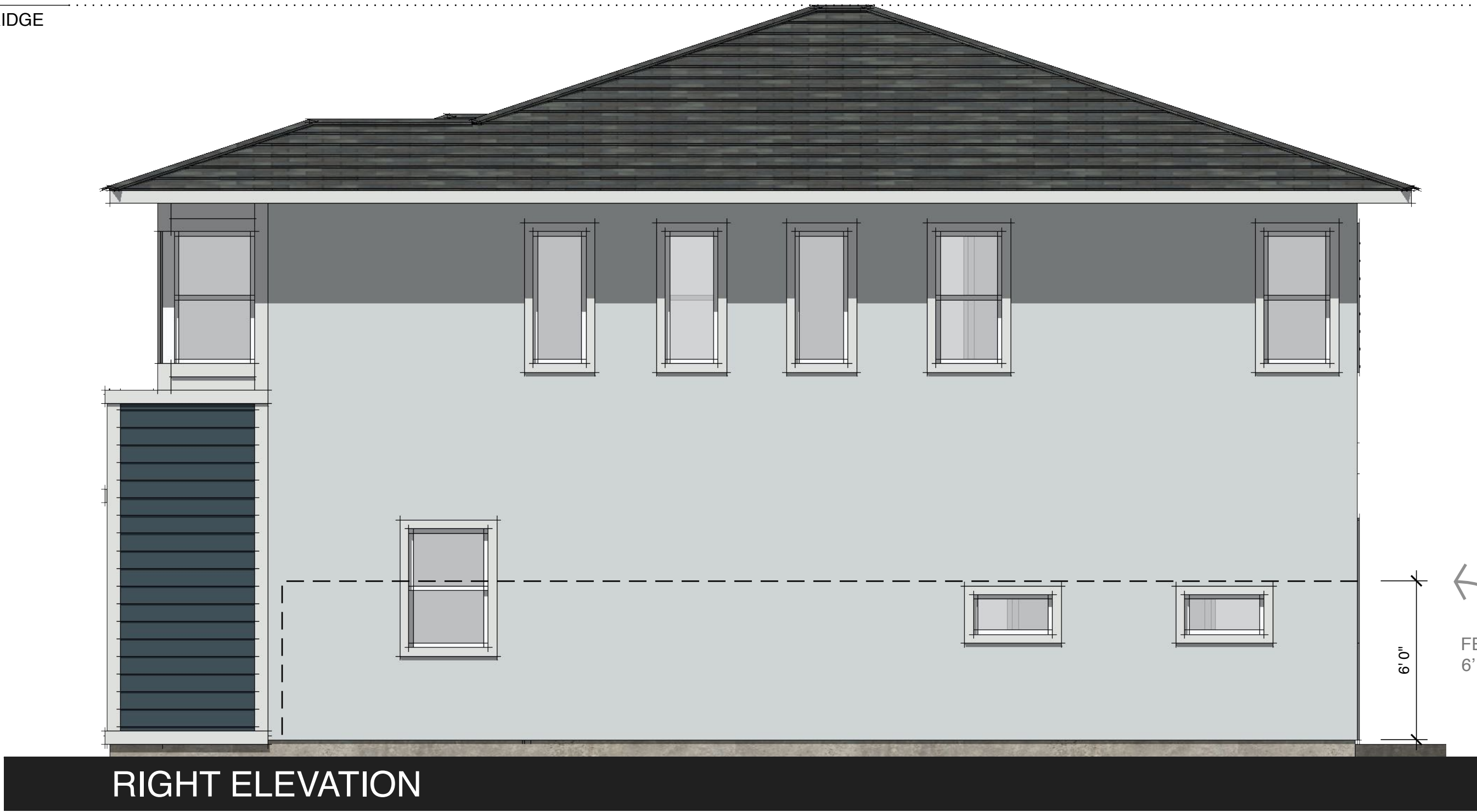
COMPOSITION SHINGLE ROOF
CERTAINTEED (OR SIMILAR)

COLOR SCHEME

"MAYFAIR" | SCHEME 6



27'-11" a.f.f.
TOP OF RIDGE



RIGHT ELEVATION

27'-11" a.f.f.
TOP OF RIDGE



LEFT ELEVATION

1

3

2



FRONT ELEVATION

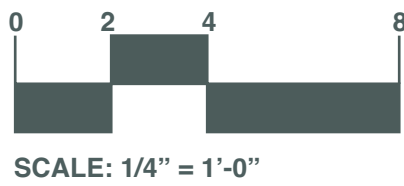
FENCE
6' TALL



REAR ELEVATION

TRIM AND HORIZONTAL SIDING ON REAR ONLY AT ENHANCED LOTS

PLAN 3 | SCHEMATIC ELEVATIONS - "MAYFAIR"



JD+A JOB NUMBER: 20086
DATE: 06.17.2022

A3.6



06.17.2022 | PROGRESS SET

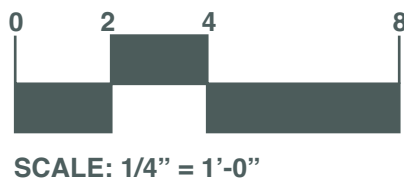


SUNRIDGE VILLAGE 4

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PLAN 3 | SCHEMATIC PERSPECTIVE - "PARK MANOR"



JD+A JOB NUMBER: 20086
DATE: 06.17.2022

A3.7

SHEET NOTES

PLAN 3

SQUARE FOOTAGE	=	2,522 SF
STORIES	=	2
BEDROOMS	=	4 - 5
BATHROOMS	=	3.5 - 4.5

MATERIALS

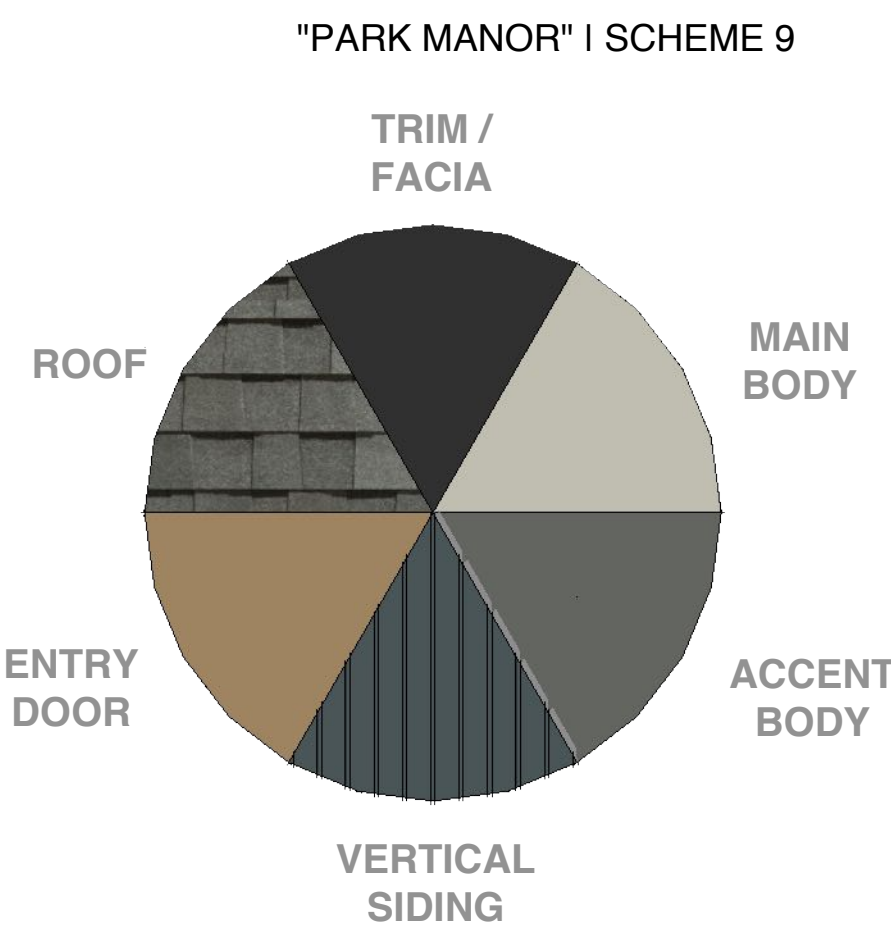
- 1

STUCCO
SMOOTH FINISH, 3-COAT
- 2

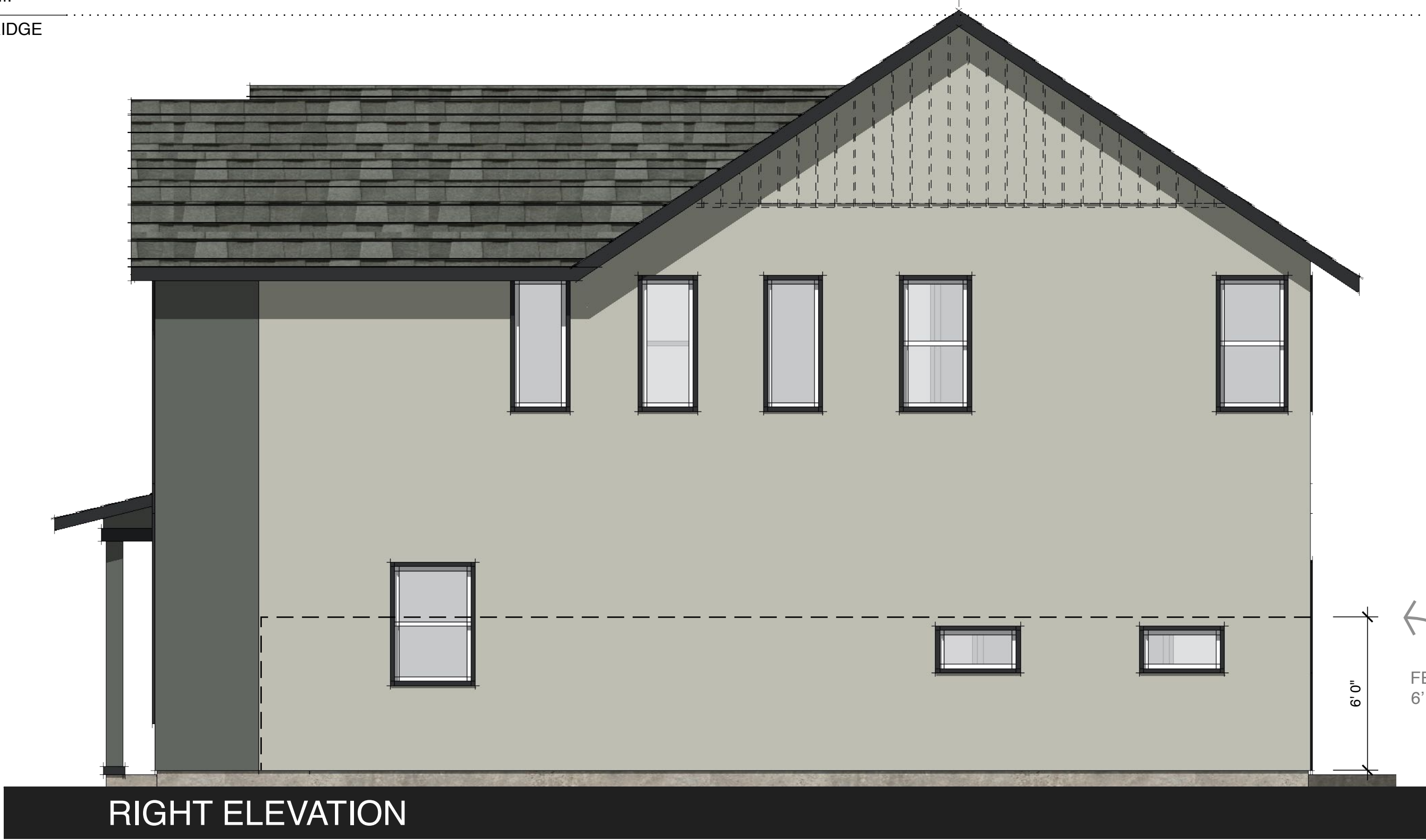
ACCENT SIDING
HARDIEPLANK, VERTICAL SIDING
6" EXPOSURE
- 3

COMPOSITION SHINGLE ROOF
CERTAINTED (OR SIMILAR)

COLOR SCHEME



29'-10" a.f.f.
TOP OF RIDGE



TRIM AND VERTICAL SIDING ON SIDE AND REAR ONLY AT ENHANCED LOTS

29'-10" a.f.f.
TOP OF RIDGE



LEFT ELEVATION

2

1

3

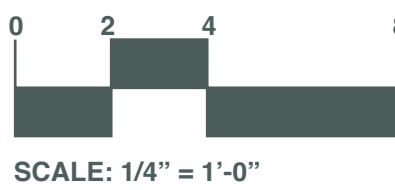


FRONT ELEVATION



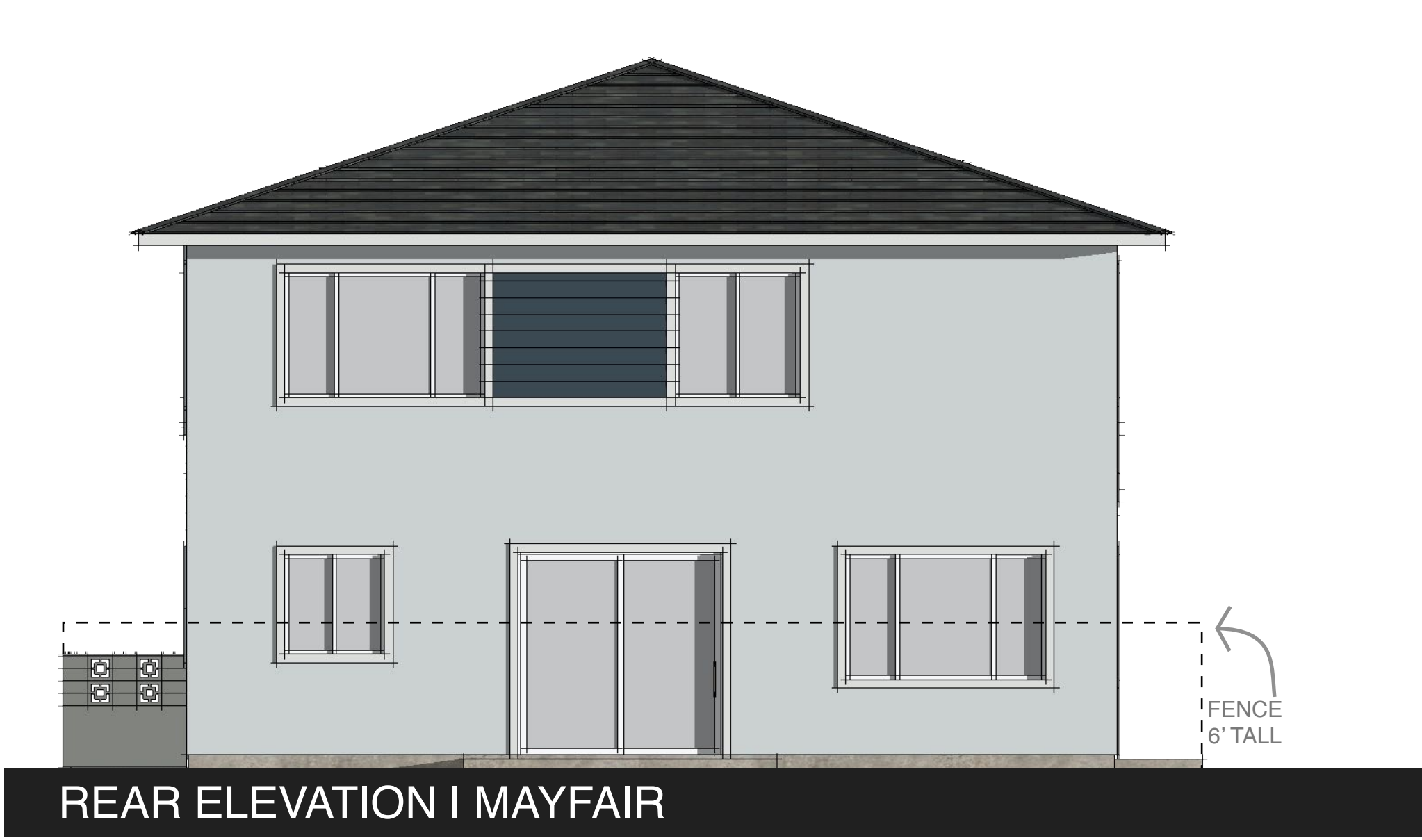
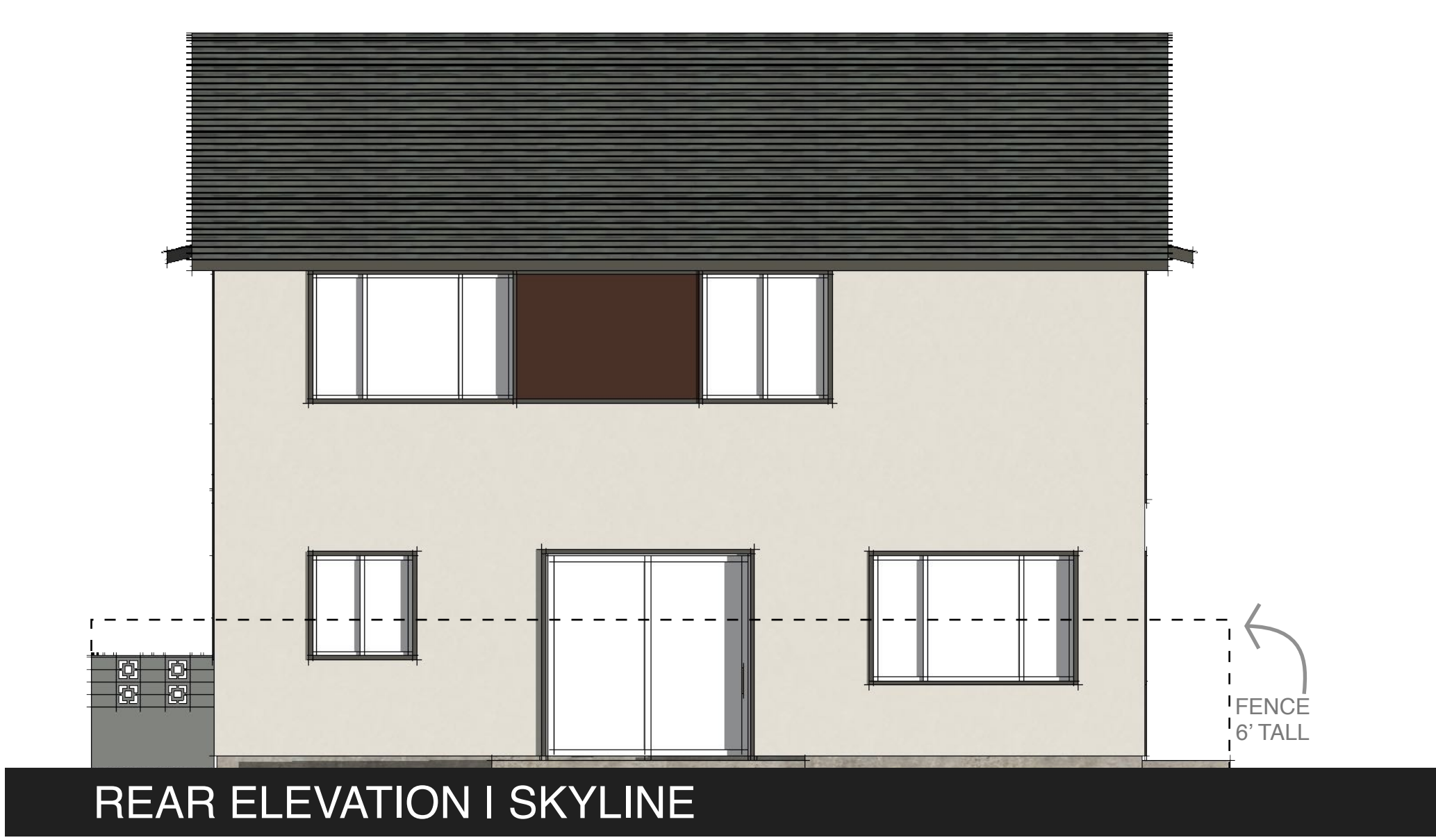
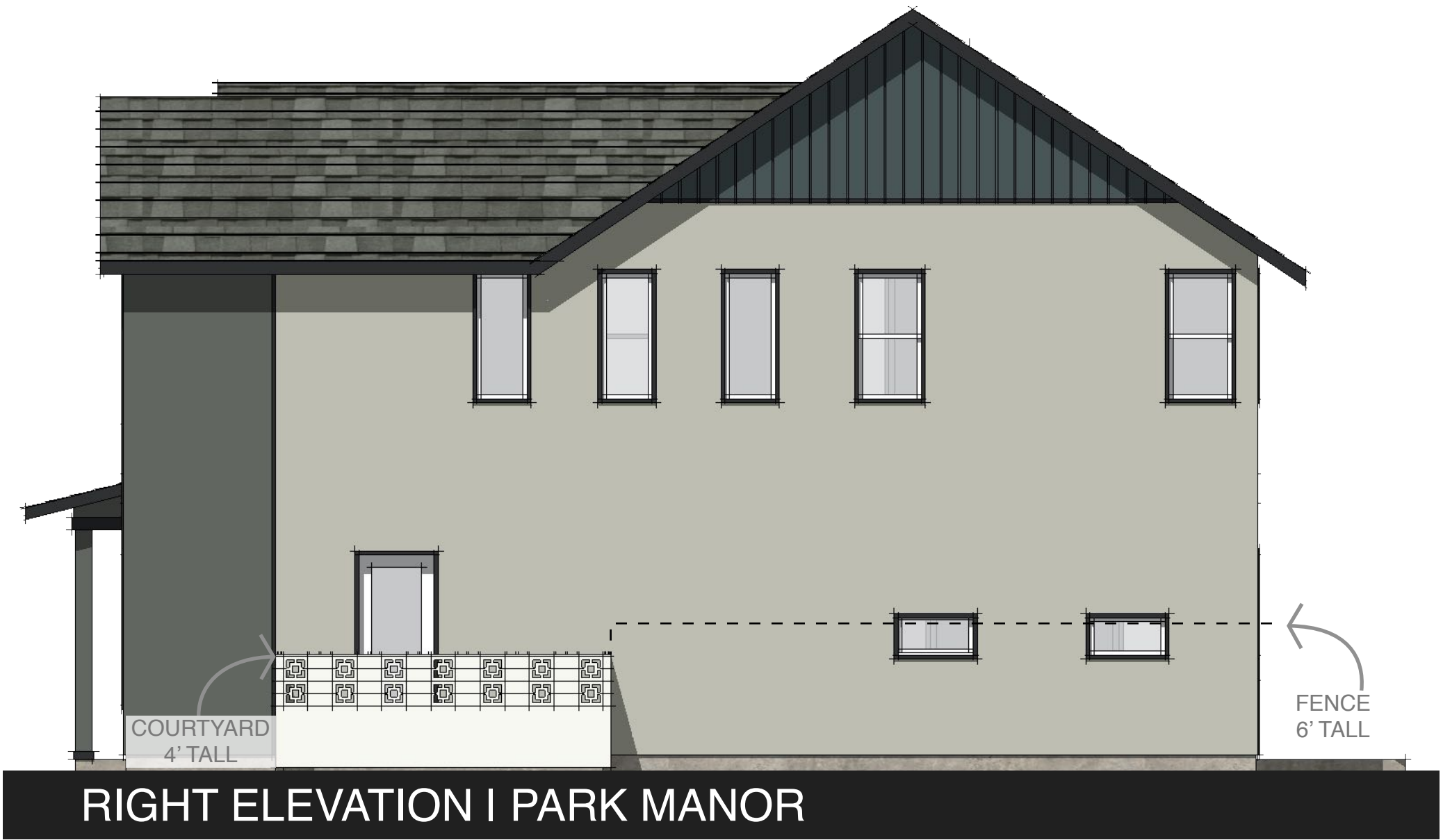
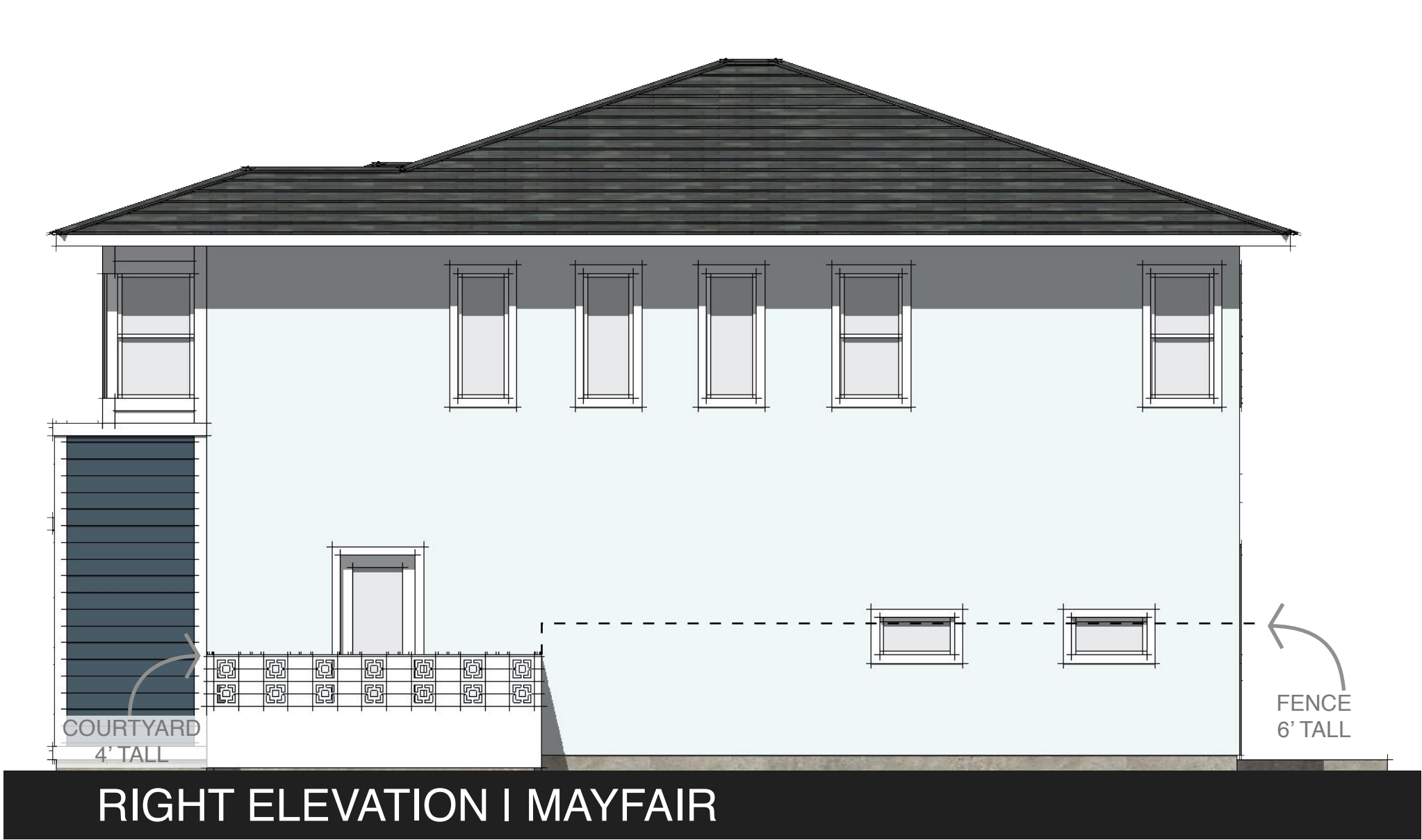
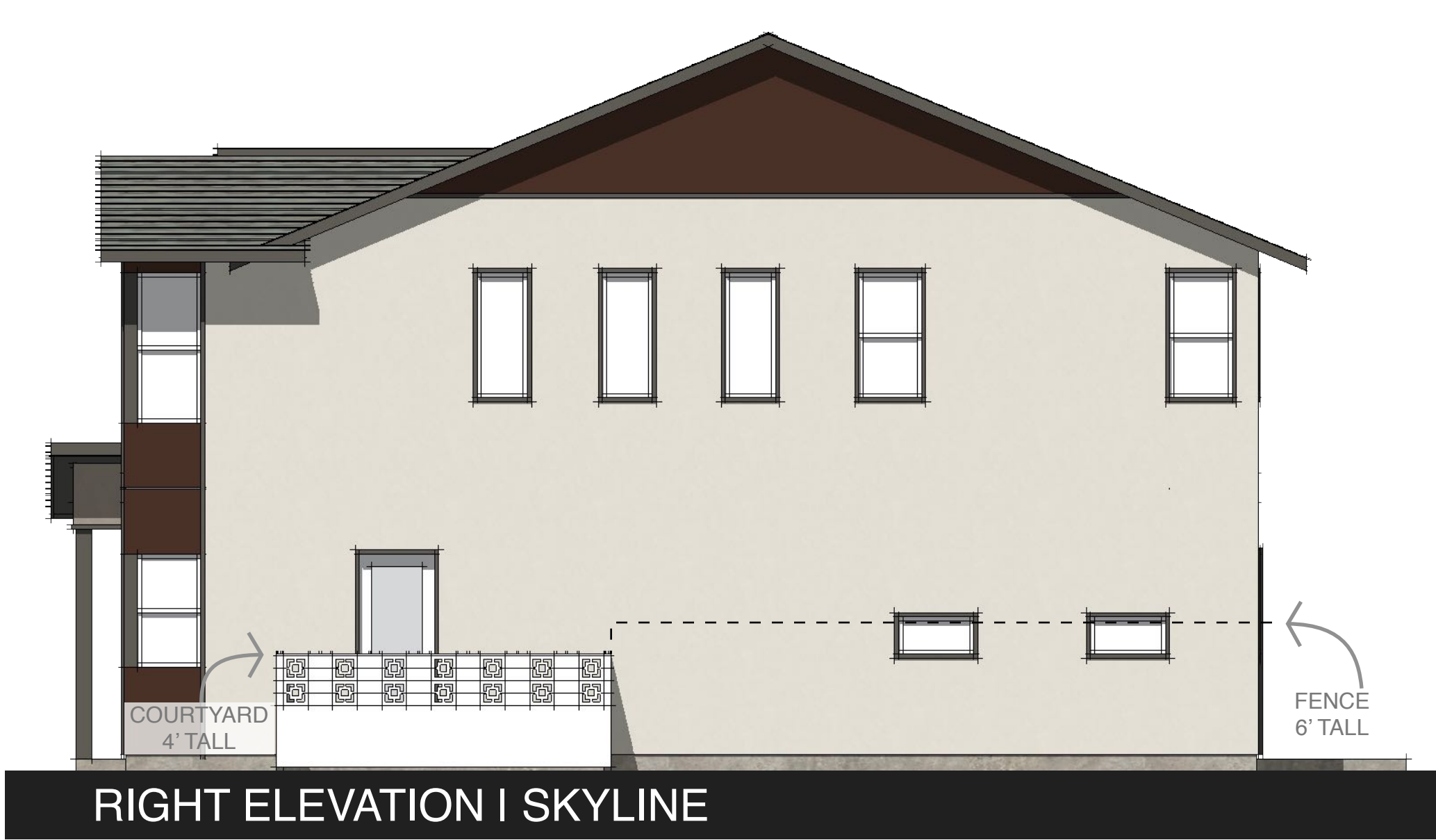
TRIM AND VERTICAL SIDING ON SIDE AND REAR ONLY AT ENHANCED LOTS

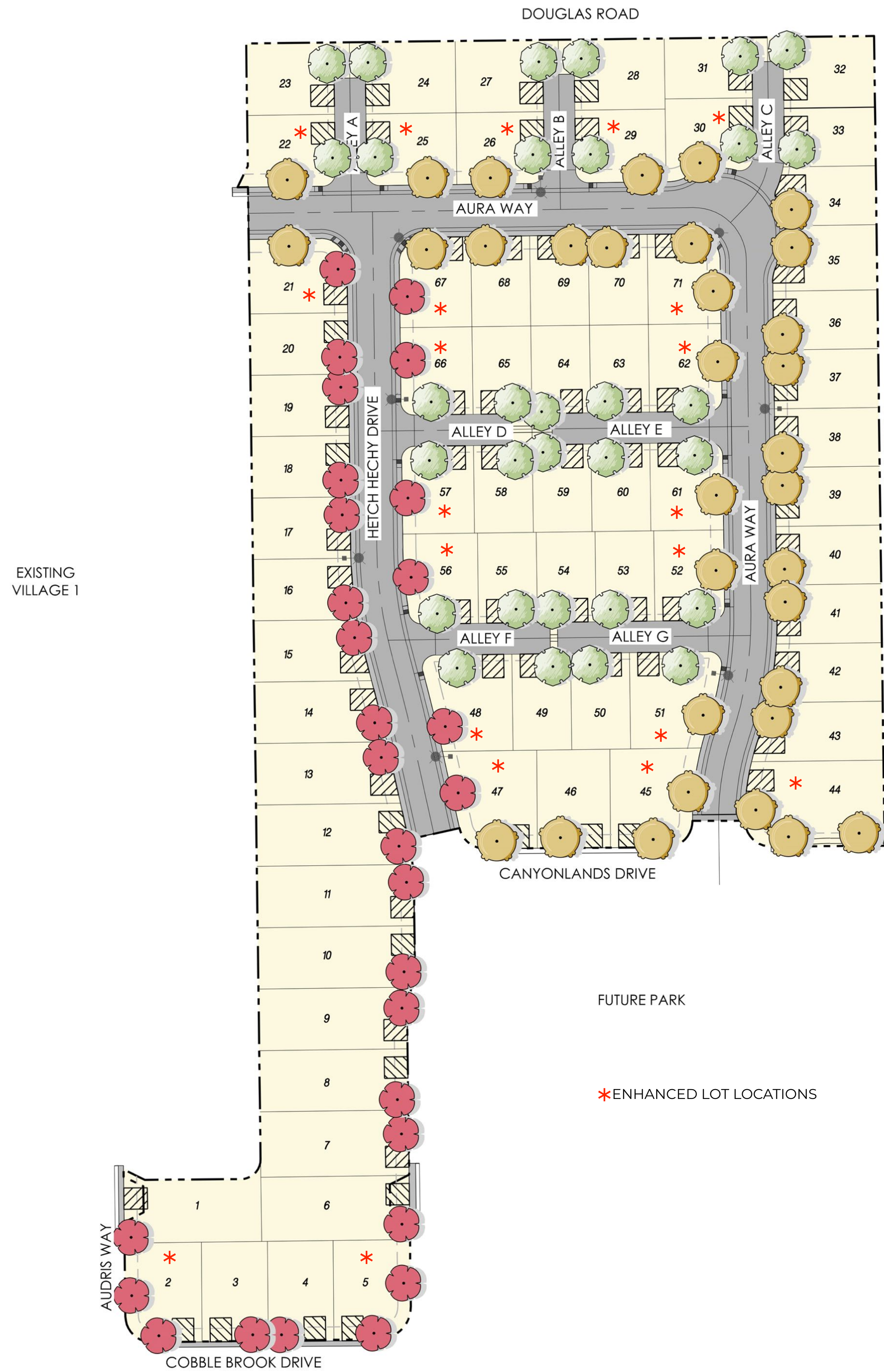
PLAN 3 | SCHEMATIC ELEVATIONS - "PARK MANOR"



JD+A JOB NUMBER: 20086
DATE: 06.17.2022

A3.8





SHEET NOTES

COLOR DETAILS

PAINT: Sherwin Williams
ACCENT SIDING: James Hardie

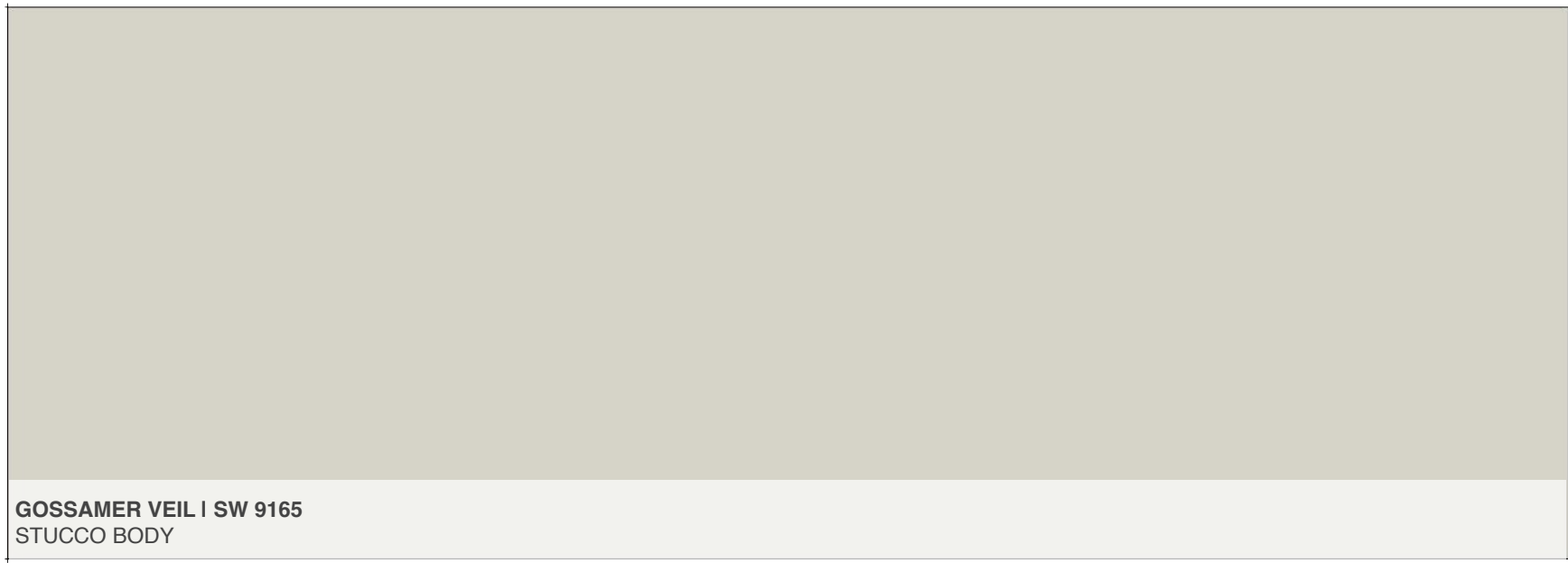
SCHEME 1



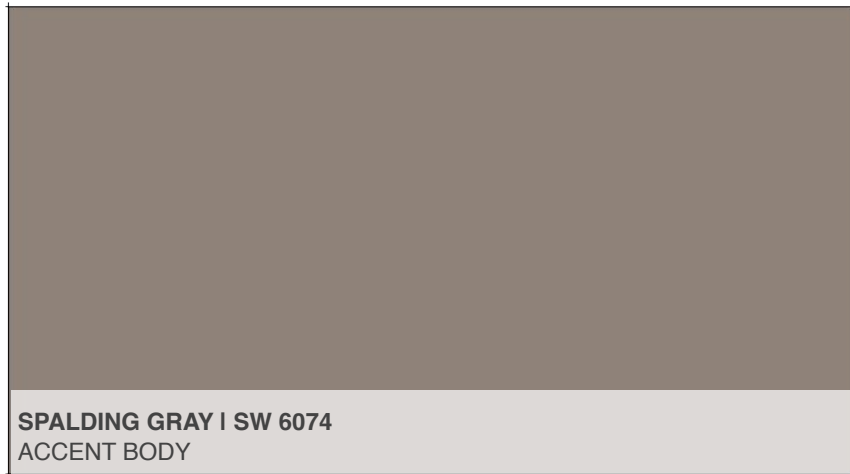
MOJAVE TAN | LANDMARK SOLARIS
ROOF SHINGLE BY CERTAINTEED



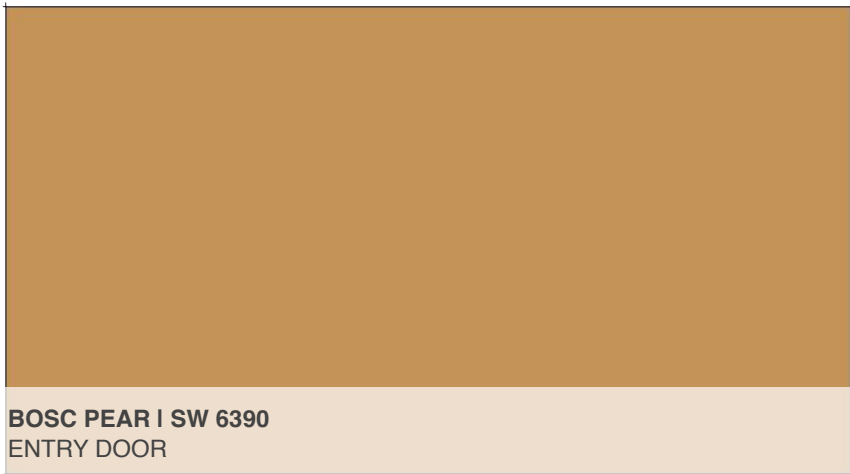
EXTRA WHITE | SW 7006
FASCIA, GARAGE, TRIM



GOSSAMER VEIL | SW 9165
STUCCO BODY



SPALDING GRAY | SW 6074
ACCENT BODY



BOSC PEAR | SW 6390
ENTRY DOOR



BLACKBERRY | SW 7577
STUCCO WITH CHANNEL

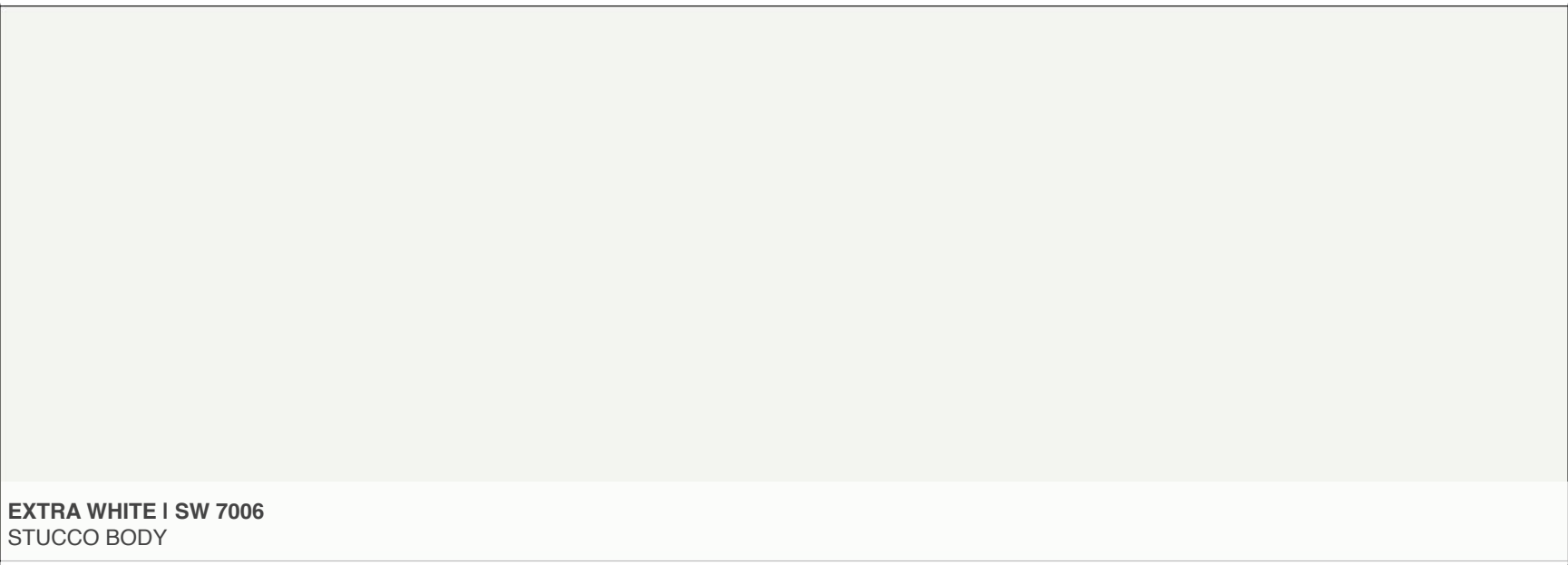
SCHEME 2



GEORGETOWN GRAY | LANDMARK SOLARIS
ROOF SHINGLE BY CERTAINTEED



CYBERSPACE | SW 7076
FASCIA, GARAGE, TRIM



EXTRA WHITE | SW 7006
STUCCO BODY



SKYLINE STEEL | SW 1015
ACCENT BODY



WATERLOO | SW 9141
ENTRY DOOR



COPPER WIRE | SW 7707
STUCCO WITH CHANNEL

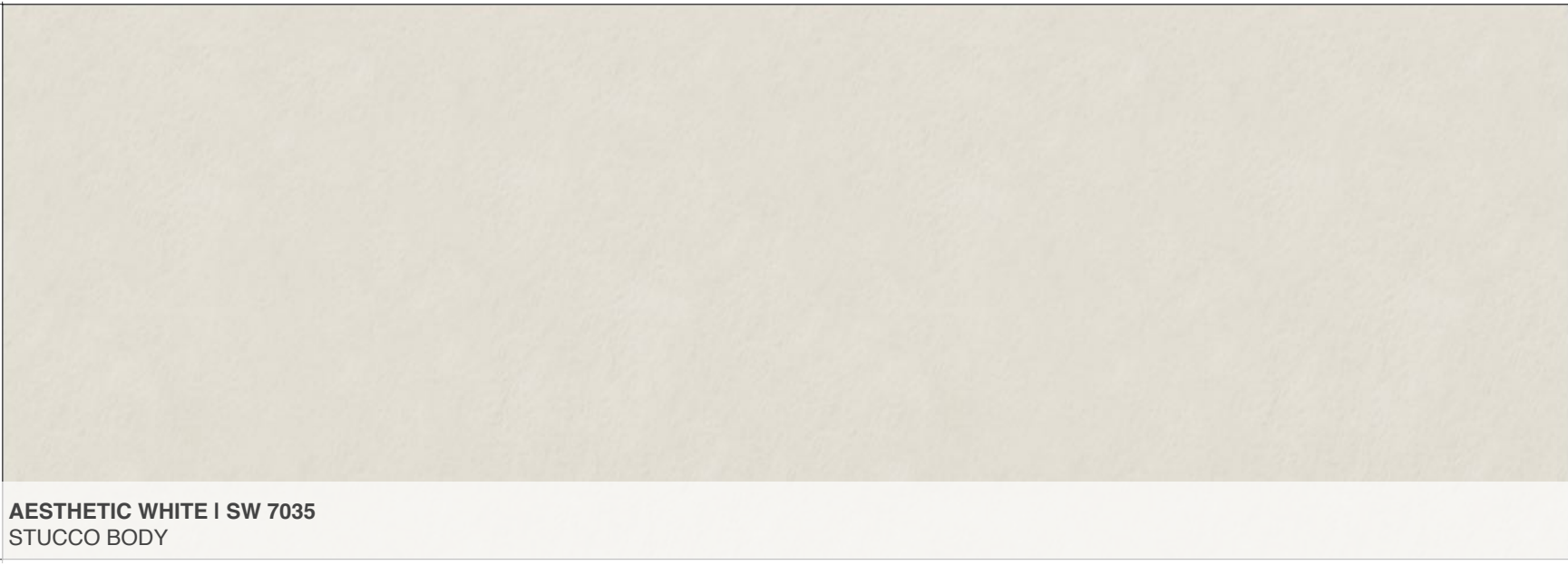
SCHEME 3



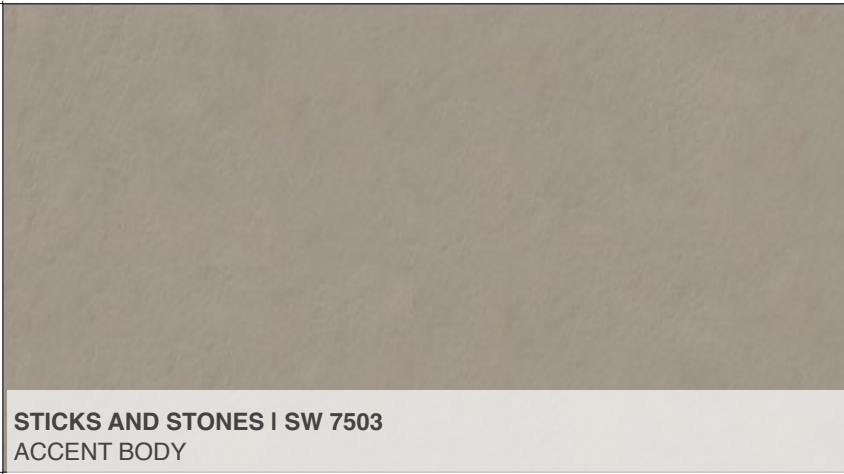
AGED CEDAR | LANDMARK SOLARIS
ROOF SHINGLE BY CERTAINTEED



URBAN BRONZE | SW 7043
FASCIA, GARAGE, TRIM



AESTHETIC WHITE | SW 7035
STUCCO BODY



STICKS AND STONES | SW 7503
ACCENT BODY



FIRED BRICK | SW 6335
ENTRY DOOR



ROJO MARRON | SW 9182
STUCCO WITH CHANNEL

COLOR PALETTES | SKYLINE

SHEET NOTES

COLOR DETAILS

PAINT: Sherwin Williams
ACCENT SIDING: James Hardie

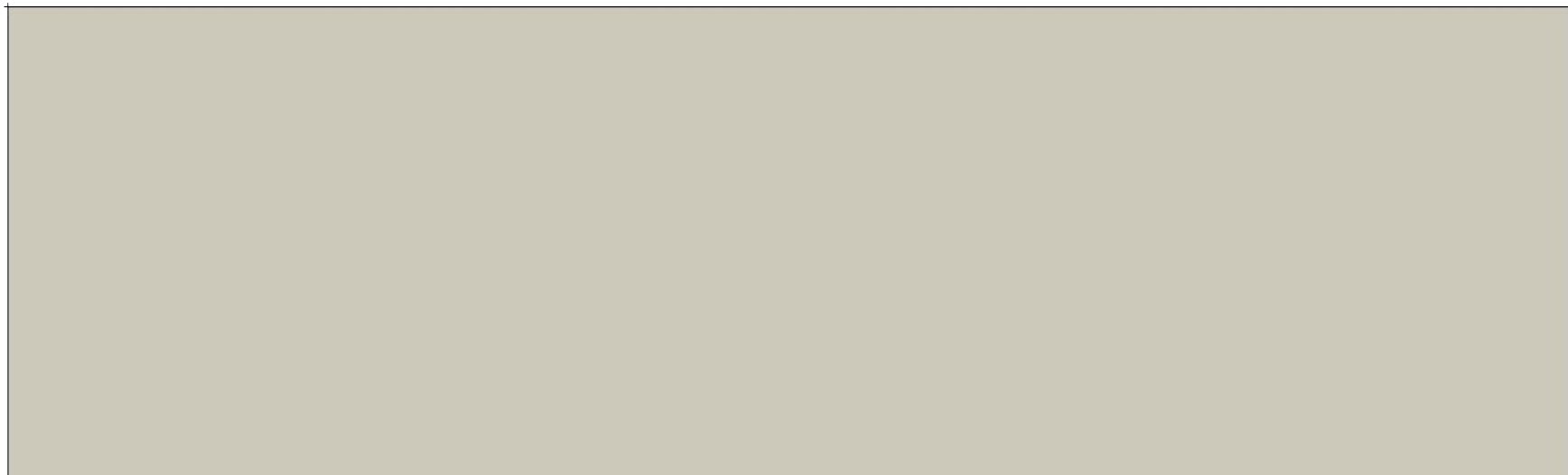
SCHEME 4



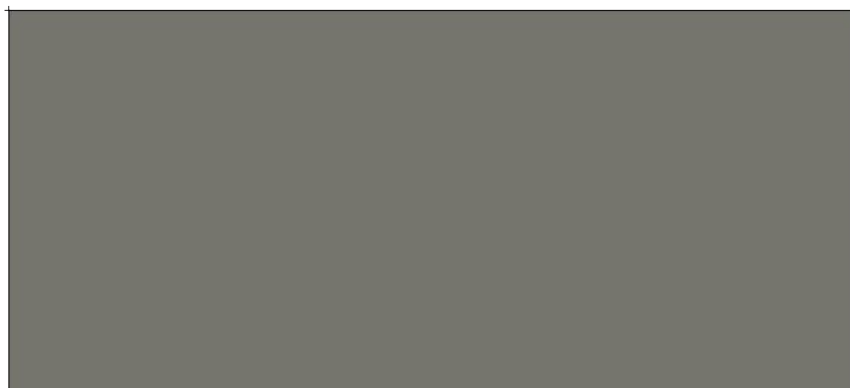
WEATHERED WOOD | LANDMARK SOLARIS
ROOF SHINGLE BY CERTAINTEED



CHATEAU BROWN | SW 7510
FASCIA, GARAGE, TRIM



WORLDLY GRAY | SW 7043
STUCCO BODY



GAUNTLET GRAY | SW 7019
ACCENT BODY



DEEP SEA DIVE | SW 7618
ENTRY DOOR

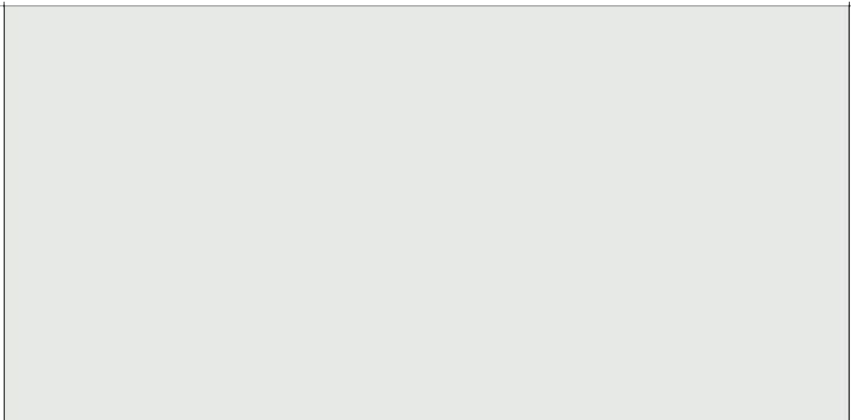


BLACKBERRY | SW 7577
HORIZONTAL SIDING

SCHEME 5



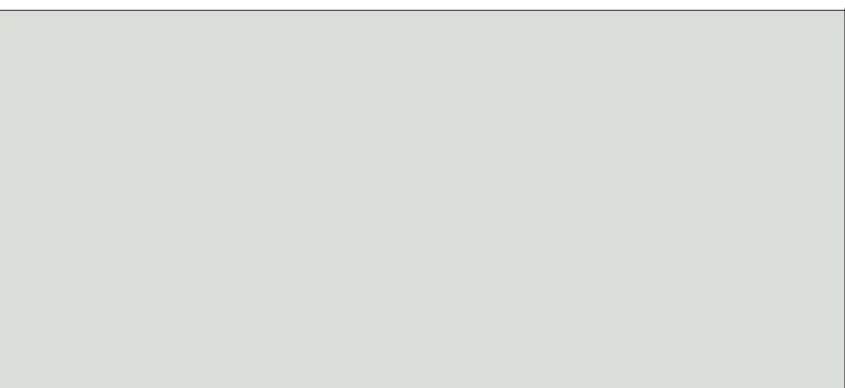
CRYSTAL GRAY | LANDMARK SOLARIS
ROOF SHINGLE BY CERTAINTEED



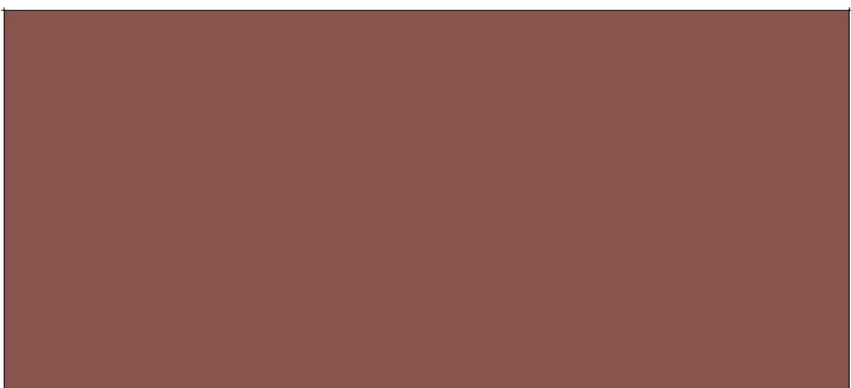
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FASCIA, GARAGE, TRIM



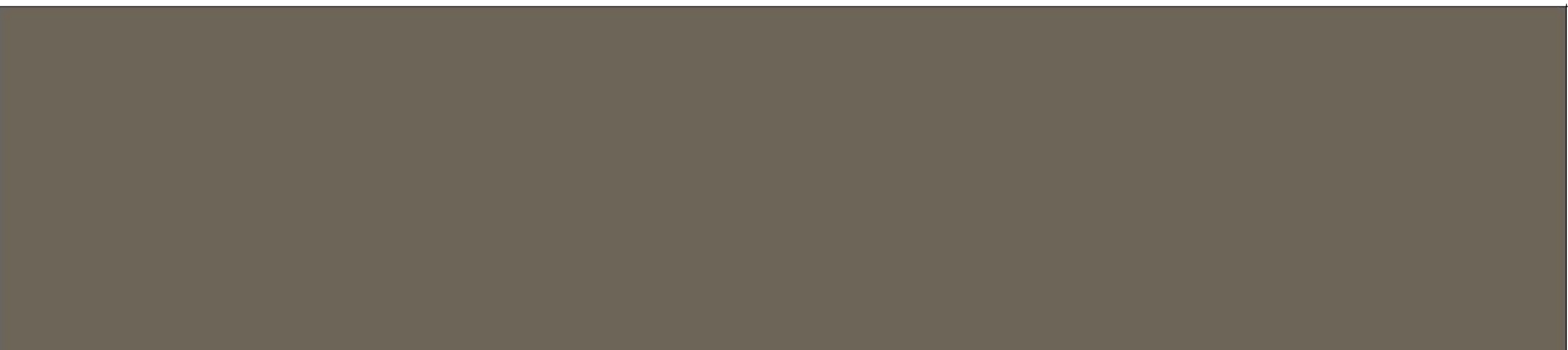
FUNCTIONAL GRAY | SW 7024
STUCCO BODY



SHOJI WHITE | SW 7042
ACCENT BODY



TOILE RED | SW 0006
ENTRY DOOR

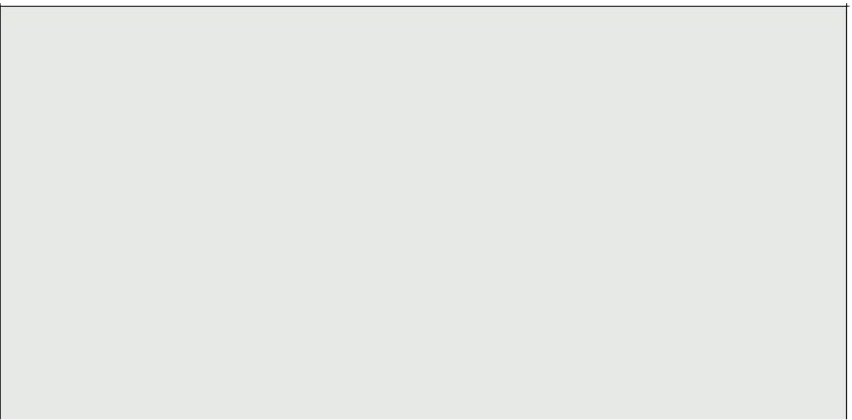


GRIFFIN | SW 7026
HORIZONTAL SIDING

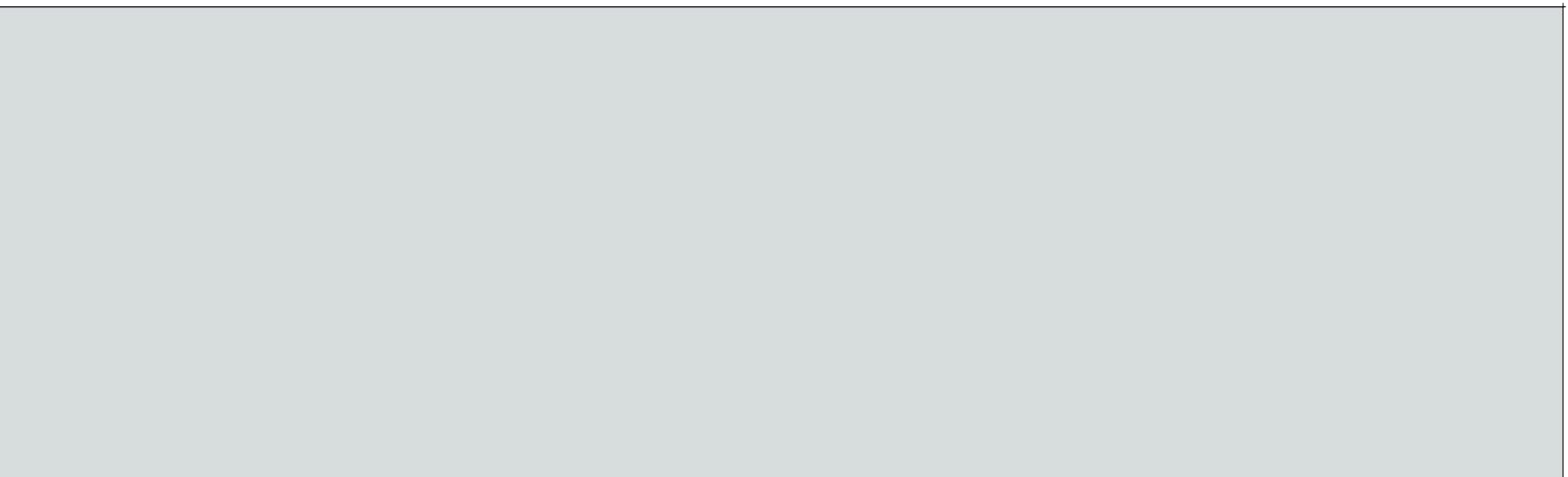
SCHEME 6



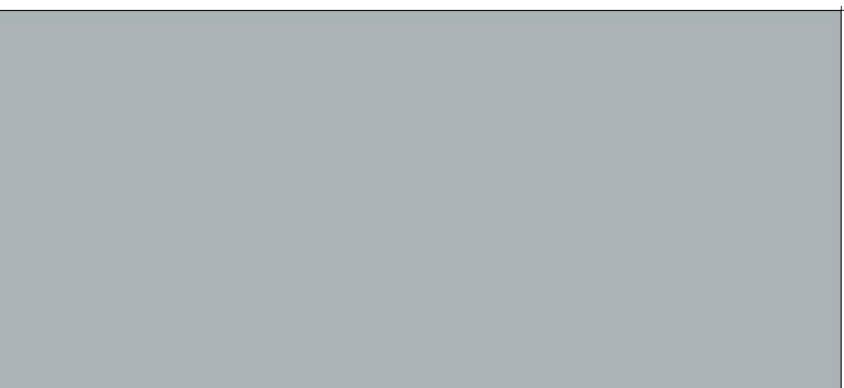
AGED CEDAR | LANDMARK SOLARIS
ROOF SHINGLE BY CERTAINTEED



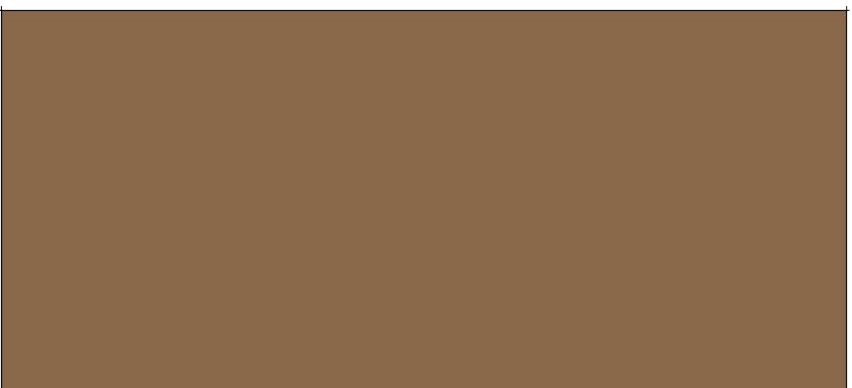
ICE BLUE | SW 6252
FASCIA, GARAGE, TRIM



OLYMPUS WHITE | SW 6253
STUCCO BODY



MORNING FOG | SW 7503
ACCENT BODY



BAKED COOKIE | SW 9098
ENTRY DOOR



SEA SERPENT | SW 7615
HORIZONTAL SIDING

SHEET NOTES

COLOR DETAILS

PAINT: Sherwin Williams
ACCENT SIDING: James Hardie

SCHEME 7



ADOBE | LANDMARK SOLARIS
ROOF SHINGLE BY CERTAINTEED



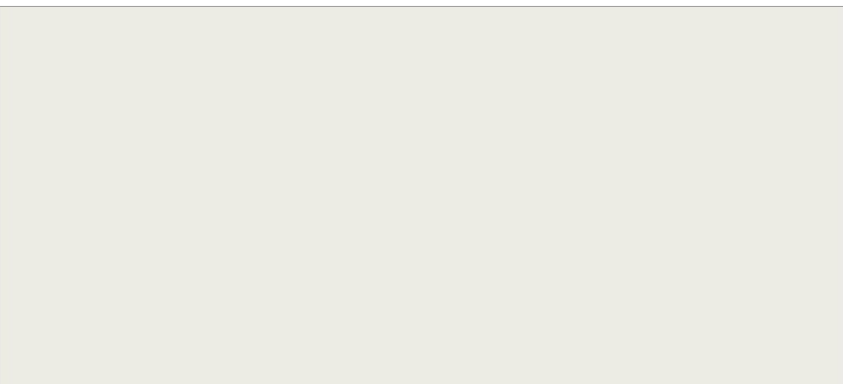
SEAL SKIN | SW 7675
FASCIA



RENWICK BEIGE | SW 2805
STUCCO BODY



GRIFFIN | SW 7026
ACCENT BODY



SNOWBOUND | SW 7004
GARAGE, TRIM



DEEPEST MAUVE | SW 6060
ENTRY DOOR



MOROCCAN BROWN | SW 0005
VERTICAL SIDING

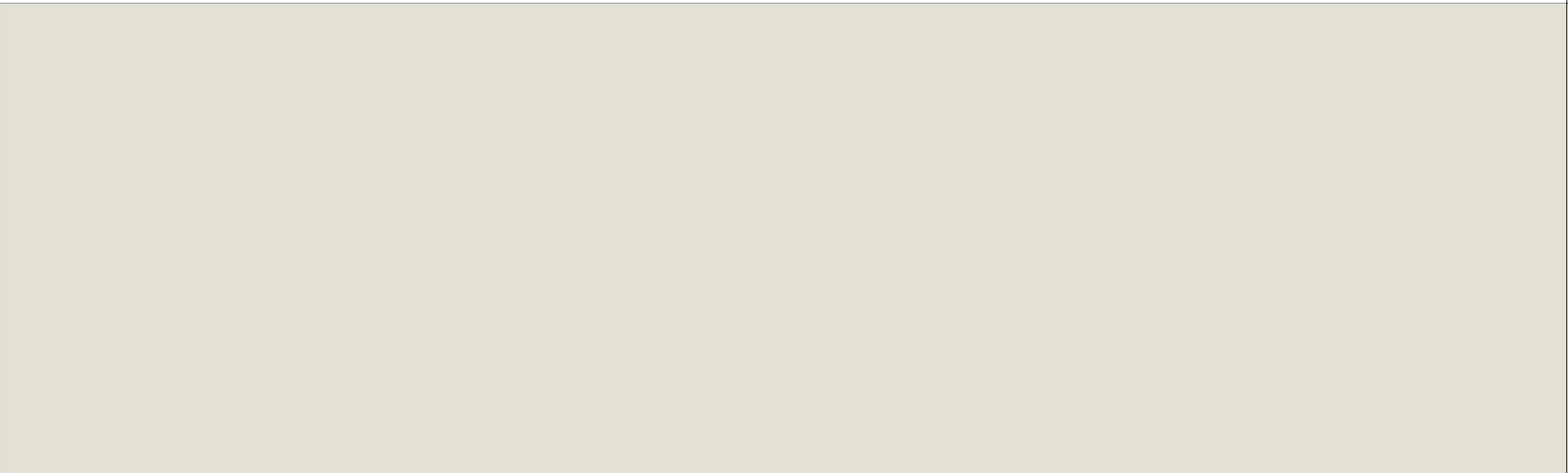
SCHEME 8



WEATHERED WOOD | LANDMARK SOLARIS
ROOF SHINGLE BY CERTAINTEED



ANDIRON | SW 6174
FASCIA, GARAGE, TRIM



SHOJI WHITE | SW 7042
STUCCO BODY



FELTED WOOL | SW 9171
ACCENT BODY



GRANITE PEAK | SW 6250
ENTRY DOOR



RAISEN | SW 7630
VERTICAL SIDING

SCHEME 9



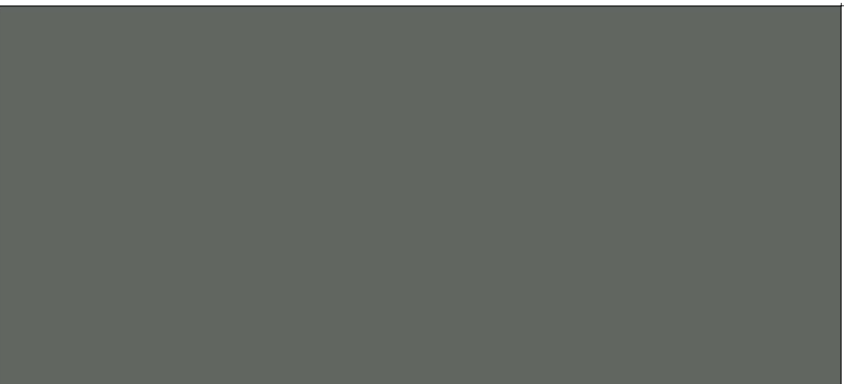
GEORGETOWN GRAY | LANDMARK SOLARIS
ROOF SHINGLE BY CERTAINTEED



TRICORN BLACK | SW 6258
FASCIA, GARAGE, TRIM



ROYCROFT MIST GRAY | SW 2844
STUCCO BODY



GRIZZLE GRAY | SW 7068
ACCENT BODY



ARTIFACT | SW 6138
ENTRY DOOR



MOUNT ETNA | SW 7625
VERTICAL SIDING

COLOR PALETTES | PARK MANOR

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<u>Conditions of Approval</u>		<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>
Ongoing				
1.	The approved entitlement is for a Small Lot Tentative Subdivision Map (SLTSM) and Special Development Permit for the Sunridge Lot J Village 4, APN: 067-1060-004-0000, as described in the City Council staff report dated September 6, 2022 and subject to the conditions of approval herein, for project number DD10028. These master conditions of approval are applicable to this entitlement for a Small Lot Tentative Subdivision Lot and Special Development Permit.	Project Description	On-Going	Planning
2.	The Applicant shall hold harmless the City, its Council Members, its officers, agents, employees, and representatives from liability for any award, damages, costs and fees incurred by the City and/or awarded to any plaintiff in an action challenging the validity of this permit or any environmental or other documentation related to approval of this permit. Applicant further agrees to provide a defense for the City in any such action.	General	On-Going	Planning
3.	The applicant shall comply with the Sunridge Specific Plan Mitigation Monitoring Reporting Plan (MMRP) and the 2006 approved Sunridge Lot J Mitigated Negative Declaration.	Environmental	On-Going	Planning
4.	The SLTSM and Special Development Permit approval is valid for three years from the date of City approval, unless an extension of time is subsequently approved per Government Code Section (66452.6e), or as otherwise stated in the Project Development Agreement.	Time/Expiration	On-Going	Planning
5.	Conditions of approval for Sunridge Lot J dated 4/17/2006 remain in effect and are incorporated herein by reference.	Original Conditions	On-Going	Public Works/ Planning
6.	Applicant/Developer shall not carry a negative account balance with the City for the processing of the project. If a negative account balance occurs, it	General	On-Going	Planning

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	will be the developer's responsibility to pay the balance due, in order to avoid delays in the processing of future permits or recordation of maps. Please e-mail the Finance Dept at billings@cityofranchocordova.org for the status of your account with the City.			
7.	Applicant shall be responsible for all damage to City streets associated with construction of the project and shall repair any damage as soon as possible.	Infrastructure	On-Going	Public Works
8.	All storm drain facilities within private roads shall be privately maintained and shall be clearly labeled as "private" in the improvement plans.	Storm Drainage	On-Going	Public Works
9.	Applicant shall coordinate with the City's Planning & Public Works Department to address the existing homeowner's timber fencing along the eastern project boundary. Applicant will remove and replace existing fencing and coordinate with homeowners for scheduling and addressing any potential issues. Applicant will not install double timber fencing along the eastern project boundary that will create a space or gap between the two adjacent properties.	Fencing	On-Going, Prior to approval of Improvement Plans	Public Works and Planning
Prior to Recordation of the Final Map or Small Lot Map				
10.	DRAINAGE STUDY: Applicant shall prepare and submit <u>a project specific drainage study</u> that includes, but not limited to: a pre- and post-project drainage analysis of the project and project impacts, identification of off-site project impacts or required offsite improvements, delineation of existing and expected post project 100-year floodplain, and identification of proposed connections to the City's storm drain system with adequate supporting calculations. The study shall conform to the requirements of the Sacramento City/County Drainage Manual (Volume 2), County of Sacramento Improvement Standards (Section 9), and all other	Drainage Study	Prior to Recordation of the Subdivision Map	Public Works

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	applicable standards. Study must be completed and stamped by a Professional Engineer and determined by the City to be accurate, and adequate.			
11.	Enter into a Subdivision Improvement Agreement and provide a performance bond and labor and material bond.	Funding	Prior to Recordation of the Subdivision Map	Public Works
12.	Prior to recordation of a final map or certificate of compliance, dedicate land or pay in lieu fees, or both, for park purposes, as required by and in accordance with the procedures and standards set forth in Chapter 22.40, Title 22 of the City of Rancho Cordova Zoning Code	Fees	Prior to Recordation of the Subdivision Map	Public Works
13.	Dedicate public utility easements, for the installation and maintenance of water, gas, sewer, drainage facilities, traffic control devices and dry utilities as shown on the tentative map.	Easements	Prior to recordation of the applicable small lot final map	Public Works
14.	The final map shall show easements or other mapped provisions for the placement of centralized mail delivery units.	Easements	Prior to Recordation of the Subdivision Map	Public Works
15.	Dedicate to the City all the right-of-ways as shown on the Tentative Map and install or bond for public street improvements, consistent with the City adopted cross sections to the satisfaction of the City Engineer.	Dedication	Prior to Recordation of the Subdivision Map	Public Works
16.	Dedicate a standard 12.5-foot public utility easement, or smaller to the satisfaction of SMUD, for underground facilities and appurtenances adjacent to all public street rights of ways for all units that take front access. Alley loaded homes shall locate water and sewer facilities to the satisfaction of CSD-1, Zone 40 and the City. Dry utilities shall be located to the satisfaction of SMUD, the other dry utility providers and the City. Developer shall work with all utilities and the City to determine the best locations for all utilities,	Infrastructure	Prior to Recordation of the Subdivision Map	Public Works

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	to the satisfaction of the Public Works Director.			
Prior to Approval of Improvement Plans				
17.	Number, size, and location of driveways are subject to approval by the Public Works Department.	Infrastructure	Prior to approval of improvement plans	Public Works
18.	Applicant shall photo-document the condition of adjacent streets, sidewalks and infrastructure to the satisfaction of the Public Works Department.	Infrastructure	Prior to approval of improvement plans	Public Works
19.	In cases where the roadway cross-sections are phased, extend all utilities beyond edge of pavement to future roadway build out.	Infrastructure	Prior to approval of improvement plans	Public Works
20.	Enter into a frontage agreement and bond for construction of public improvements per the approved Public Works plans to the satisfaction of the Public Works Department.	Infrastructure	Prior to approval of improvement plans	Public Works
21.	A final landscape plan shall be submitted in conjunction with improvement plan and or building permit submittal and approved by the planning and public works departments prior to issuance of permits and/or any installation of landscape materials RCMC 23.716.020. The final landscape planting and irrigation plan shall be prepared by a registered licensed landscape architect and include the following items per RCMC 22.180.060: • Planting plan to scale that indicate slope • Irrigation Plan • Soils Test • Water Use Calculations • Irrigation Schedule • Permeability test for LID facilities' locations • Soil media specifications (LID features)	Landscape	Prior to approval of improvement plans	Public Works
22.	Traffic control devices shall be designed where needed to the satisfaction of the City Engineer. Traffic control locations will be determined at time of improvement plan submittal.	Traffic	Prior to approval of improvement plans	Public Works

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23.	All landscape strips, medians, etc. that contain trees shall be designed to include continuous root barriers.	Infrastructure	Prior to approval of improvement plans	Public Works
24.	All landscape corridor walls shall be designed of masonry construction using graffiti resistant materials. Wall design and materials shall be subject to City's approval and according to the design standards in the Sunridge Specific Plan.	Infrastructure Walls	Prior to approval of improvement plans	Public Works
25.	All new structures shall be protected from the 100-year (1 percent) flood event. Certified pad elevations (certified by a registered Civil Engineer or licensed Land Surveyor) shall be set at least one and two tenths foot (1.2') above all sources of 100-year flooding.	Flood	Prior to approval of improvement plans	Public Works
26.	Stormwater Quality- Post Construction The improvement plans shall incorporate all applicable post construction stormwater quality measures; including source control (loading docks, waste management areas), treatment control, hydromodification management, low impact development, and full capture trash control measures into the site improvement plans in conformance with the most recent version of the <i>Stormwater Quality Design Manual for the Sacramento Region</i> . The applicant shall prepare and submit a Post-Construction Stormwater Quality Control Plan that includes details and sizing calculations of all the proposed post construction stormwater quality measures. In addition, a maintenance covenant is required for all proposed post construction stormwater quality measures, as detailed in Appendix B of the <i>Stormwater Quality Design Manual for the Sacramento Region</i> .	Stormwater	Prior to approval of improvement plans	Public Works
27.	Stormwater Quality– During Construction:	Stormwater	Prior to approval of	Public Works

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	SWPPP- the applicant shall prepare a Storm Water Pollution Prevention Plan (SWPPP) to be executed through all phases of grading and project construction. These measures shall be consistent with the City's Improvement Standards and Land Grading and Erosion Control Ordinance. General Construction Permit – The project applicant shall file a Notice of Intent (NOI) to obtain coverage under the Statewide Construction General Permit. Permits are issued by the State Water Resources Control Board.		improvement plans	
28.	Fees: Pay any fees required by the City's Drainage Impact Fee Program.	Fees	Prior to approval of improvement plans	Public Works
29.	If applicable- the improvement plans shall provide fencing around basins as required by City of Rancho Cordova Drainage Maintenance and Planning staff.	Basin Fencing	Prior to approval of improvement plans	Public Works
30.	Provide a permanent concrete stamp, or other permanently applied message to the satisfaction of the City not including paint, which reads "No Dumping-Flows to Creek" or other approved message at each storm drain inlet.	Infrastructure	Prior to approval of improvement plans	Public Works
31.	The Stormwater Pollution Prevention Plan in place for the site shall include a contingency plan for the implementation of a process to remove fine clay sediments prior to discharge to The City of Rancho Cordova's storm drain system and/or Waters of the State (e.g., creeks, rivers) to the satisfaction of the City of Rancho Cordova. A polymer treatment system or comparable process shall be designed in the erosion and sediment control plan of the improvement plans. This system shall be implemented by qualified professionals with training and proven experience in this field. Such treatment shall be accomplished in a manner that does not	Stormwater	Prior to approval of improvement plans	Public Works

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	pose a toxic threat to fish and other aquatic organisms in receiving waters.			
32.	If applicable- all stormwater basins shall be designed with a natural appearance including meandering non-linear side slopes and include amenities such as trails and landscaping in accordance with the City's Open Space Guidelines. The basin side slopes shall be 3:1 max.	Stormwater	Prior to approval of improvement plans	Public Works
33.	Drainage System Design: The drainage system shall be designed in accordance with the approved Drainage Study to accommodate runoff from the ultimate development and shall meet the City of Rancho Cordova's Improvement Standards, Construction Specifications, and Floodplain Management Ordinances in effect at the time of improvement plans approval.	Drainage	Prior to approval of improvement plans	Public Works
34.	The applicant shall coordinate with Sacramento Area Sewer District: a. To obtain sewer service, construction of SASD sewer infrastructure will be required. Current SASD Standards and Specifications apply to any offsite or onsite public sewer construction or modification. These improvements must be shown on the plans. Field modifications to new or existing precast manhole bases are not allowed. b. SASD requires each building on each lot with a sewage source to have a separate connection to SASD's sewer system. If there is more than one building in any single parcel and the parcel is not proposed for split, then each building on that parcel must have a separate connection to a private onsite sewer	Sewer	Prior to approval of improvement plans	SASD

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	line or a separate connection to the SASD public sewer line. These improvements must be shown on the plans. c. Alignment of all main lines and structures must provide a minimum of 1-foot vertical clearance and 5 feet horizontal clearance from all other utilities and improvements. Sewer is to be located a minimum of 10 feet (measured horizontally) from any structure or footing. Show public sanitary sewer and water supply facilities in accordance with the Health and Safety Code. d. The project has an approved Level 3 sewer study. Any changes to the study may require an addendum.			
35.	The applicant/developer shall coordinate with SMUD regarding easements and shall meet all applicable SMUD requirements: • Structural setbacks less than 14-feet shall require the applicant to conduct a pre-engineering meeting with all utilities to ensure property clearances are maintained. • Any necessary future SMUD facilities located on the applicant's property shall require a dedicated SMUD easement. This will be determined prior to SMUD performing work on the applicant's property. • In the event the applicant requires the relocation or removal of existing SMUD	Utilities	Prior to approval of Improvement Plans and On-Going	SMUD

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facilities on or adjacent to the subject property, the applicant shall coordinate with SMUD. The applicant shall be responsible for the cost of relocation or removal. • SMUD reserves the right to use any portion of its easements on or adjacent to the subject property that it reasonably needs and shall not be responsible for any damages to the developed property within said easement that unreasonably interferes with those needs. • The applicant shall not place any building foundations within 5 feet of any SMUD trench to maintain adequate trench integrity. The applicant shall verify specific clearance requirements for other utilities. • In the event the City requires an Irrevocable Offer for future roadway improvements, the Applicant shall dedicate a 12.5-foot public utility easement (PUE) for overhead and/or underground facilities and appurtenances adjacent to the City's IOD. • The applicant shall comply with SMUD siting requirements (e.g., panel size/location, clearances from SMUD equipment, transformer location, service conductors). Information regarding SMUD siting requirements can be found at: https://www.smud.org/en/Business-Solutions-and-Rebates/Design-and-Construction-Services			

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	• The Applicant shall dedicate a 12.5-foot public utility easement for overhead and/or underground facilities and appurtenances adjacent to all public street rights-of-ways. • The Applicant shall dedicate any private drive, ingress and egress easement, (and 10-feet adjacent thereto) as a public utility easement for (overhead and) underground facilities and appurtenances. All access roads shall meet minimum SMUD requirements for access roads. • The Applicant shall dedicate and provide all-weather vehicular access for service vehicles that are up to 26,000 pounds. At a minimum: (a) the drivable surface shall be 20-feet wide; and (b) all SMUD underground equipment and appurtenances shall be within 15-feet from the drivable surface. • The Applicant shall disclose existing or proposed 69 kV electrical facilities to future and/or potential owners. • Applicant will include phasing of development and order of planned construction upon submitting a new service application to SMUD for the initial subdivision phase(s) and/or road improvement backbone project(s). • Development should be phased to start adjacent to existing electrical infrastructure to minimize temporary overhead and/or underground electrical facilities.			

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	Development phases submitted for new service should include all lots fronting streets			
36.	Water supply will be provided by the Sacramento County Water Agency: - Provide separate public water service to each parcel. All water lines shall be located within a public right-of-way or within easements dedicated to SCWA. Easements shall be reviewed and approved by Sacramento County Water Agency prior to Improvement Plan approval or Final Map approval. - Destroy all abandoned wells on the proposed project site in accordance with the requirements of the Sacramento County Environmental Health Division. Clearly show all abandoned/destroyed wells on the improvement plans for the project. Prior to abandoning any existing agricultural wells, applicant shall use water from agricultural wells for grading and construction. - No water supply mains shall be located under structures such as box culverts and bridges. If the project will build box culverts and bridges to the ultimate width, water mains shall cross above ground attached to the side of the structure. Structures shall be designed accordingly. If the ultimate width is not being built, water mains shall cross underground routed outside of and around the ultimate structure footprint. 15-foot wide water main easements shall be dedicated for the portion outside of ROW. The crossing shall be approved by the Agency Engineer.	Water	Prior to Approval of Improvement Plans or Final Map Approval.	Sacramento County Water Agency

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	Underground crossings and attachments to structures shall be included in the environmental impact analysis. Additional environmental permitting and other associated costs will be at applicant's expense.			
37.	The applicant shall comply with the Fire conditions as follows: a. Show the design for a fire access roadway of not less than 20-feet of unobstructed width, 13-feet, 6-inches of vertical clearance, and turning radii of 25 feet inside and 50 feet outside dimension on the improvement plans. The access roadway shall extend to within 150 feet of all portions of the exterior walls of the first story of any proposed building. The use of turf-block or grass-crete or similar alternate road surfaces is not approved for installation in fire apparatus access roadways. b. Show on the plans how Fire Lanes will be marked. Fire Lane identification shall be provided along the required fire access roadway. Fire Lane identification shall be in accordance with the Sacramento Metro Fire Districts Fire Prevention Standard #3 and the California Vehicle Code. c. Provide a note on the plan that reads, "Fire access roadways shall be built to bear a minimum of 80,000 pounds and meet the Sacramento County Public Works Standards for roadways. A report, prepared by a registered geotechnical engineer, verifying the	Fire	Prior to approval of Improvement Plans	Fire

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	ability of the road to bear the required minimum weight, shall be submitted with any plan indicating construction of roadway. Verification of constructed roadway shall be provided by a registered geotechnical engineer prior to final of the project. d. Show the location of the required fire hydrants for this project on the improvement plans. Approved fire hydrants capable of providing the required fire flow for the protection of any and all structures shall be located along the fire apparatus access roadway. The required fire hydrants shall be installed and operational prior to <u>any</u> construction, (including foundations) or on-site storage of combustible materials. The minimum required fire flow for the protection of residential developments with an area per building not exceeding 3,600 square feet is 1,000 gallons per minute (gpm) at a pressure of 20 pounds per square inch (psi) for a two-hour duration.			
Prior to Issuance of Building Permit				
38.	The alley and street corner lots shall incorporate the house front door/front elevation facing the street	Corner Lot Architecture	Prior to issuance of building permits	Planning
39.	Secure City of Rancho Cordova Public Works Department approval of final grading plans, as required by City Ordinance	Grading Plans	Prior to issuance of building permits	Public Works
40.	Install [public] improvements per the approved Public Works plans and to the satisfaction of the Public Works Department.	Infrastructure	Prior to issuance of building permits	Public Works
41.	Prior to issuance of the first building permit within the Tentative Map: All streets and improvements shown on the Tentative Map, all streets necessary for	Infrastructure	Prior to issuance of the first building permit within a TM phase.	Public Works

ITEM 10.3.
Sunridge Lot J Village 4 DD100

ATTACHMENT 3
Exhibit B to the Resolution

<u>Conditions of Approval</u>		<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>
	access to the proposed homes, associated improvements included in the approved improvement plans, and other infrastructure as necessary for adequate public access and use shall be substantially complete to the satisfaction of the Public Works Department. Prior to occupancy all streets and improvements shown on the Tentative Map shall be fully constructed and completed to the satisfaction of the City Engineer.			
42.	Residential fire sprinkler plans shall be submitted for review and approval to the SMFD for all new one- and two-family dwellings in accordance with California Residential Code	Fire Sprinkler Plans	Prior to issuance of Building Permits	Fire
43.	Residential roof coverings shall consist of materials having a minimum Class C rating	Roof	Prior to issuance of Building Permits	Fire
44.	Prior to the issuance of any building permits for the project, the project developer/owner shall pay Zone 40 development fees applicable at the time of building permit issuance in accordance with Title 4 of the Sacramento County Water Agency (SCWA) Code	Fees	Prior to Issuance of Building Permits	Sacramento County Water Agency
45.	The owner must contact Permit Services Unit at PermitServices@sacsewer.com or by phone at (916) 876-6100 to determine if sewer impact fees are due. Fees are to be paid prior to the issuance of building permit.	Fees	Prior to Issuance of Building Permits	Sacramento Area Sewer District
46.	Prior to the issuance of any building permits for the project, the project shall conform to the specific provisions of the City of Rancho Cordova Landscaping Ordinance (Municipal Code Title 23, Chapter 23.716).	Water Landscaping	Prior to Issuance of Building Permits	Sacramento County Water Agency
47.	Applicant shall submit improvement plans to the satisfaction of the Public Works Department.	Infrastructure	Prior to issuance of Building Permits	Public Works

ITEM 10.3.
Sunridge Lot J Village 4 DD100

ATTACHMENT 3
Exhibit B to the Resolution

Conditions of Approval		<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>
	Improvement plans shall include, but shall not be limited to, all streets, water, sewer, storm drain, lighting, signage and striping, and other associated facilities for all streets and other public areas depicted on the tentative map.			
Prior to Final Inspection				
48.	All roads providing access to the completed homes shall be fully constructed and accepted by the City Engineer.	Infrastructure	Prior to final inspection	Public Works
49.	During and upon completion of the installation of the landscaping for the project, the project landscape architect/designer shall certify that the installed landscape complies with the approved plans. Certification shall be accomplished by completion of site visits at key installation milestones. Key milestones at a minimum shall include: rough grade, soil amendment verification, Plant material inspection, irrigation coverage test, underdrain installation (as applicable) and final installation. Certification shall include signed site observation reports, photographs and documentation verifying implementation of soil report recommendations. Failure to submit complete and accurate documentation to the Planning Department will delay final approval/occupancy of the project.	Landscaping	Prior to final inspection	Public Works
50.	Upon completion of the installation of the landscaping, the designer shall certify that the landscape complies with all city water conserving landscape requirements. Certification shall be accomplished by completion of a certificate of compliance on a form approved by the director of the city public works department. Failure to submit a complete and accurate certificate of compliance will delay final approval of the project and/or discontinue	Landscaping Water Conservation	Prior to final inspection	Public Works

ITEM 10.3.
Sunridge Lot J Village 4 DD100

ATTACHMENT 3
Exhibit B to the Resolution

Conditions of Approval		<u>Category</u>	<u>Timing/Implementation</u>	<u>Enforcement/Monitoring</u>
	water service per RCMC 22.180.090. Upon receipt of the certificate of compliance and site inspection from City staff, the landscaping performance bond will be released.			
51.	Record drawings of grading and improvement plans (1 full size and 1 half size hard copy), as well as a compact disc containing said plans in AutoCAD and pdf format, and a GIS shape file, or equivalent to the satisfaction of the City Engineer shall be submitted and approved by the Public Works Department	Drawing Record	Prior to final inspection	Public Works
52.	Approved numbers or addresses shall be placed on all new or existing buildings in such a position as to be easily read from the street. Minimum size of the numbers shall not be less than 6 inches and shall be mounted immediately adjacent to a light source and shall also contrast with their background.	Address	Prior to Final Occupancy	Fire
Prior to Acceptance of Improvements				
53.	Grant the improved landscaped lots within the phase of construction to the City of Rancho Cordova as shown on the approved tentative map and tentative map phasing plan and provide a maintenance entity with an ongoing funding source. The maintenance entity shall be approved and found acceptable by City representatives. Annexation to a current Lighting and Landscape District or a Mello Roos Community Finance District may be possible and is the preferred course of action.	Maintenance	Prior to Acceptance of Improvements	Public Works
Advisory				
The installation of security gates across a fire apparatus access road shall be authorized by the Chief and meet the requirements of the County Emergency Access Gates and Barriers Standard. Plans shall be submitted prior to installation.		Advisory	Advisory	Fire

MEMORANDUM



ITEM 10.4.

DATE: September 6, 2022

TO: Honorable Mayor and Council Members

FROM: Elizabeth Sparkman, Community Development Director
Dalia Fadl, Principal Engineer

SUBJECT: **A RESOLUTION DECLARING A PROTEST HEARING AND
AUTHORIZING THE MAILING OF PROPERTY OWNER BALLOT
RELATING TO THE IMPOSITION OF AN ANNUAL STORMWATER
UTILITY FEE FOR A PORTION OF THE RANCH PROJECT**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would declare the results of the property owner protest and, if there exists less than a majority protest, authorize the mailing of a ballot to the property owner(s) to approve the levy of the fee to pay for maintenance of storm drainage and flood protection systems for the project. The action also sets 1:30 p.m. on September 8, 2022, in the office of the City Clerk, as the time and date for the ballot tabulation for the matter.

BACKGROUND

The Ranch project has a condition of approval which requires funding for operation and maintenance of the storm drainage system. This condition will be satisfied by the participation in the new Stormwater Utility Fee for storm drainage and flood protection services which is the subject of tonight's action.

The property owners of a portion of The Ranch project have requested the City annex the project to the City's Stormwater Utility Fee pursuant to the California Health and Safety Code Section 5471 et seq. to provide the method of financing for storm drainage and flood protection services required to meet the condition.

On November 15, 2021, Council adopted a Resolution which established Procedures for the Conduct of a Protest Hearing and Balloting Relating to a Stormwater Utility Fee (the "Procedures") and designated December 6, 2021, at 5:30 p.m. as the time and place for hearing protests in connection with the annual Stormwater Utility Fee for a portion of The Ranch project. The protest hearing was conducted and no protests were received, but because of errors with the parcel numbers previously listed in the Annexation Boundary Map, the protest hearing will be conducted again at this City Council meeting and authorizing of the re-mailing of

new property owner ballots.

DISCUSSION

The property owners have submitted a petition and waiver for the City to institute the proceedings to participate in the Stormwater Utility Fee. This annexation to the Stormwater Utility Fee will include the project generally known as The Ranch project, see [Attachment 2](#). The maintenance services to be funded include the furnishing of services and materials for the ordinary and usual operation, maintenance, and servicing of the storm drain and flood protection systems.

[Attachment 1](#) is the Resolution declaring the results of the property owner protest and authorizing the mailing of the property owner ballot, as required by Article XIII D of the California Constitution (also known as Proposition 218). The Resolution sets forth the tabulation of ballots on September 8, 2022, at 1:30 p.m. in the office of the City Clerk. The results of the mailed ballot election will be presented to City Council at their regularly scheduled meeting on September 19, 2022, and additional actions will be recommended based on the ballot results.

A "Rate Analysis Report" was approved by City Council on September 4, 2014, by Resolution 103-2014 setting Fiscal Year 2014/2015 maximum annual Stormwater Utility Fee amount for each parcel proportionate to the estimated stormwater runoff for each parcel, see [Attachment 3](#). The maximum annual fee will increase each subsequent Fiscal Year by the annual change in the Consumer Price Index (CPI), during the preceding year, for All Urban Consumers, for the San Francisco-Oakland-San Jose areas, published by the United States Department of Labor, Bureau of Labor Statistics. A sample of the Stormwater Utility Fees for Fiscal Year 2022-2023 are summarized in [Attachment 4](#).

FISCAL IMPACT AND FUNDING SOURCE

There is no impact to the City's General Fund.

ATTACHMENT(S)

1. Resolution
2. Annexation Boundary Map
3. Stormwater (SWU) Rate and Analysis Report
4. Stormwater Utility Fee- Rate Sheet FY22-23

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, DECLARING THE RESULTS OF THE PROPERTY OWNER PROTEST AND AUTHORIZING THE MAILING OF A PROPERTY OWNER BALLOT RELATING TO THE IMPOSITION OF AN ANNUAL STORMWATER UTILITY FEE FOR A PORTION OF THE RANCH PROJECT

WHEREAS, this Council has received petitions and waivers from the owners of not less than 100% of the area of land proposed to be annexed into the Stormwater Utility Fee; and

WHEREAS, on November 24, 2021, the City Clerk caused a notice of the time and place of the hearing thereon and on the proposed annexation to the Stormwater Utility Fee to be published and such public hearing was opened on December 6, 2021; and

WHEREAS, because of errors with the parcel numbers previously listed in the Annexation Boundary Map, the rescheduled protest hearing will be held at this City Council meeting; and

WHEREAS, the Council adopted Resolution 103-2014 approving a written report entitled, "Rate Analysis Report", dated September 4, 2014 (the "Written Report") prepared by Harris & Associates and filed with the City Clerk containing a description of each parcel of real property within the City to which the Stormwater Utility Fee is applicable (collectively, the "Identified Parcels") and the amount of the Stormwater Utility Fee for each such Identified Parcel for Fiscal Year 2014-15. The Written Report is on file in the office of the City Clerk and is available for public inspection; and

WHEREAS, this Council adopted a Resolution which established Procedures for the Conduct of a Protest Hearing and Balloting Relating to a Stormwater Utility Fee (the "Procedures") and set the date of public hearing; and

WHEREAS, this Council has conducted the public hearing and all interested persons have been afforded the opportunity to be heard, and the City Council has considered all protests against the annexation to the Stormwater Utility Fee; and

WHEREAS, there was no majority protest of the owners of the Identified Parcels subject to the Proposed Stormwater Utility Fee.

NOW, THEREFORE, HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA:

1. The foregoing recitals are true and correct.
2. The City Clerk is hereby authorized and directed to mail a property owner ballot in accordance with law and the Procedures.
3. The date of the ballot tabulation shall be September 8, 2022 at 1:30 pm.
4. The date of the Council Meeting to report the results of the mailed ballot election shall be September 19, 2022 at 5:30 or as soon thereafter as the matter may be heard.
5. The City Council hereby designates Elizabeth Sparkman, Community Development Director, telephone number, (916) 851-8714 to answer inquiries regarding the ballot

ITEM 10.4.

ATTACHMENT 1

proceedings and procedural or technical matters.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by the following vote:

AYES:

NOES:

ABSENT:

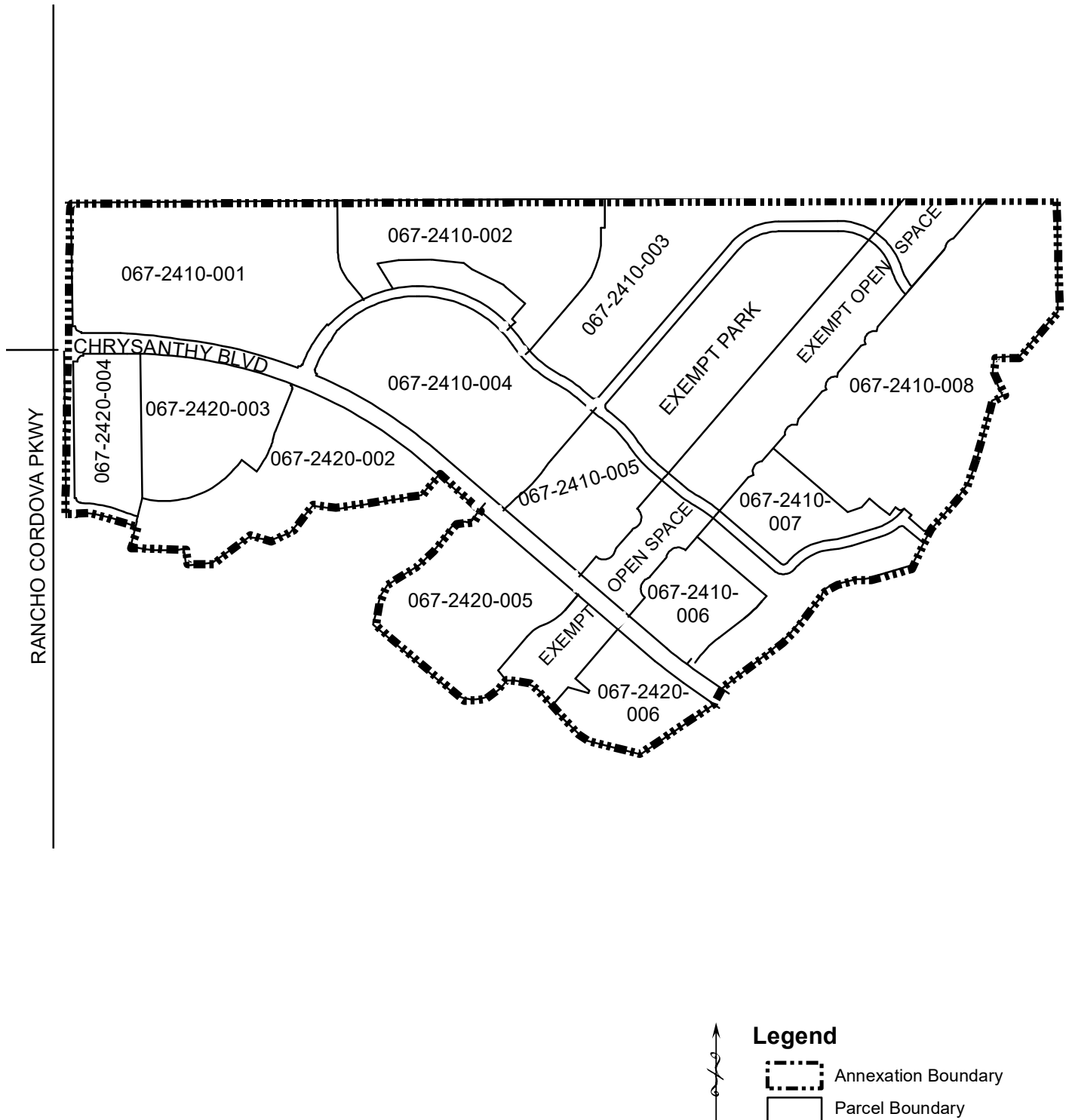
ABSTAIN:

ATTEST:

Donald Terry, Mayor

Stacy Leitner, CMC
City Clerk

(REVISED 8/2/22)

CITY OF RANCHO CORDOVA
STORMWATER UTILITY FEE AREA
ANNEXATION 29
(THE RANCH PROJECT)



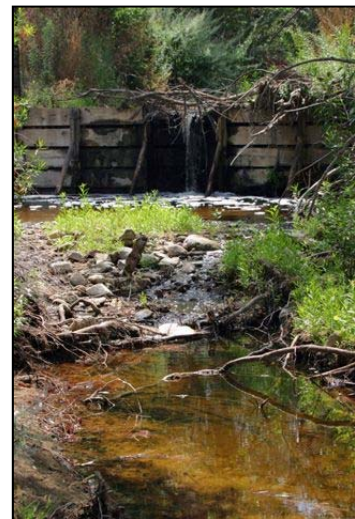
Rate Analysis Report

for the

Stormwater Utility Fee

For the

City of Rancho Cordova



August 7, 2014

Introduction

The City of Rancho Cordova (City) is detaching from the County of Sacramento fee and is creating their own Stormwater Utility Fee, which is being levied per the California Health and Safety Code Section 5471 et seq.

The purpose of this Rate Analysis Report is to:

- Review the Stormwater Utility Fee and improvements to be funded.
- Review the requirements of Article XIID of the State Constitution (Proposition 218) relating to requirements for apportioning the costs associated with the City's stormwater runoff system.
- Analyze and recommend an appropriate rate structure and provide estimated rates based on cost data information provided by the City.

Proposition 218 Requirements

This fee must comply with the provisions of Article XIID of the California Constitution (Proposition 218). Section 6 of Proposition 218 has the following requirements for all "new, extended, imposed or increased" fees and charges:

- 1) "Revenues derived from the fee or charge shall not exceed the funds required to provide the property-related service."
- 2) "Revenues derived from the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed."
- 3) "The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel."
- 4) "No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question. Fees or charges based on potential or future use of service are not permitted. Standby charges, whether characterized as charges or assessments, shall be classified as assessments and shall not be imposed without compliance with [the assessment section of this code]."
- 5) "No fee or charge may be imposed for general governmental services including, but not limited to, police, fire, ambulance or library services where the service is available to the public at large in substantially the same manner as it is to property owners."

Background Information

In accordance with the Federal Clean Water Act of 1972, the United States Environmental Protection Agency (EPA) is required to establish regulations setting forth National Pollution Discharge Elimination System (NPDES) permit standards. The enactment of 1987 amendments to the Federal Clean Water Act (Act) of 1972 imposes permit requirements for discharge of storm waters. The Act allows the EPA to delegate its NPDES permitting authority to states with an approved environmental regulatory program. The State of California is one of the delegated states.

The responsibility for implementing various NPDES permits in the State of California has been delegated to the State Water Resources Control Board (SWRCB). The SWRCB administers NPDES authority through its nine Regional Boards. As an NPDES permittee, the City is required to manage stormwater pollution within its jurisdiction.

In order to provide for the safety of the residents of the City and protect property in the City from the damage associated with flooding and to meet the requirements of the NPDES permit, it is necessary to design, construct, operate, maintain, improve and replace storm drainage facilities which collect storm and surface water runoff and convey and treat such runoff in a safe manner to an acceptable point of discharge. It is also necessary to inspect, monitor, and take enforcement action related to illegal dumping, and illicit discharges. In order to properly fund such facilities and activities, the City has determined that it is necessary to impose on all developing properties in Rancho Cordova a user charge for storm drainage service.

Based on the 2030 General Plan and current specific plan areas, Rancho Cordova is expected to develop as shown in Table 1 below. The proposed boundary for the stormwater utility is shown in Appendix A.

Table 1 – Land Use

	Land Use/ Zoning Description	Total Acres	Total Units
Residential:			
LDR	SF (2.1-6.0 DU/AC)	2,635	13,156
	MD (6.1-12 DU/AC)	322	2,524
MDR	MD (6.1-18.0 DU/AC)	1,852	13,231
	MD (14.0-29.9 DU/AC)	60	885
HDR	HD (18.1-40.0 DU/AC)	192	4,372
	HD (30+ DU/AC)	30	825
	Residential Total	5,090	34,993
Non-Residential:			
VC	Village Commercial	202	
LTC	Local Town Center	134	
RTC	Regional Town Center	172	
BP	Business Park	158	
MP	Industrial Park	283	
Education:			
HS/MS	High School/Middle School	356	
MS	Middle School	20	
ES	Elementary School	102	
Open Space & Public:			
CP	Community Park	313	
P/QP	Public/Quasi Public	37	
NP	Neighborhood Park	194	
SWD	Storm Water Detention	186	
WP	Wetland Preserve	745	
DP	Drainage Parkway	270	
PR	Private Recreation	63	
OS	Open Space	168	
OS/P	Open Space/Preserve	279	
LC	Landscape Corridors	123	
GB	Green Belts	54	
ROW	Right-of-way	596	
BR/WP	Reservoir / Wetland Preserve	528	
S	Sewer Lift Station / Utility Substa	14	
	Vacant (unknown dev plan)	595	
	Total Non-residential	5,590	
	Total Residential & Non-Res	10,680	

A more detailed land use table by development area is shown in Appendix D.

This development is expected to require significant stormwater drainage and flood control facilities. Based on the development area and improvements that were required in four (4) recent developments

within the County of Sacramento, Table 2 summarizes the improvements that are expected once development is complete.

Table 2 – Expected Improvements

Infrastructure Type	Quantity	
Inlets	6,400	LF
Manholes	4,460	LF
66" Pipe	3,950	LF
60" Pipe	10,280	LF
54" Pipe	11,140	LF
48" Pipe	10,210	LF
42" Pipe	28,620	LF
36" Pipe	42,420	LF
30" Pipe	51,050	LF
27" Pipe	540	LF
24" Pipe	91,960	LF
21" Pipe	2,230	LF
18" Pipe	100,300	LF
15" Pipe	101,300	LF
12" Pipe	529,890	0
10" Pipe	4,170	0
Creeks and Channels	80	AC
Basins	320	AC

Services Funded

Expenditures from the revenue generated from the Stormwater Utility Fee are intended to comply with the requirements set forth in the NPDES permit. The activities and services funded by this fee include, but are not limited to:

1. Administration and oversight of the requirements set forth in the NPDES permit to City departments, developments, and local agencies.
2. Respond to and investigate incidents of illicit discharges and illegal connections to the storm drain system.
3. Periodically inspect facilities for proper handling of materials, chemicals, pollutants, garbage, waste, and debris and prevent any discharges to the storm drain system.
4. Regularly clean and maintain catch basins, the flowline, and storm drainage facilities.
5. Installation and maintenance of water quality devices required to keep pollutants out of the storm drain system.
6. Discourage illegal dumping or discharge of pollutants into the storm drain system by stenciling all City-owned catch basins with a "No Dumping" message.
7. Augment public education and outreach programs in regards to the proper use and function of the storm drainage system and the receiving waters.

8. Develop programs to promote, publicize, and facilitate public reporting of illicit discharges to the storm drain system.
9. Encourage the proper disposal of household hazardous waste (HHW) to prevent the improper disposal to the storm drain system or to the sewer system.
10. Discourage the improper disposal of litter, garden clippings, leaves, and pet waste into the street or the storm drain system.
11. Capital replacement of storm drainage and flood control improvements at the end of the expected useful life for such improvements.

Rate Structure Analysis

Section 6.b of Article XIID of the State Constitution (Proposition 218) states that:

“The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.”

and

“No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question.”

By definition, all properties that shed stormwater into the City’s stormwater drainage system use, or are served by, the City’s stormwater drainage system. The amount of use attributed to each parcel is measurable by the amount of storm runoff contributed by the property, which is directly proportional to the amount of impervious area on a parcel (such as buildings and concrete). The more impervious area on a property, the more storm runoff the property generates, the more demand placed on the storm drain system.

The amount each parcel uses the stormwater drainage system is computed by the following formula:

$$(\text{Parcel Area}) \times (\text{Impervious Percentage}) = \text{Drainage Units}$$

The typical percent impervious (% Impervious) for land uses in the City, have been applied for the purposes of estimating the runoff generated by each property. These are shown in Appendix B.

The more Drainage Units a parcel has, the more storm run-off it generates, and the more it uses and impacts the stormwater drainage system.

It is standard practice to relate other land uses to a developed single family residential (SFR) parcel, instead of working exclusively with drainage units. The median size of a SFR parcel will be approximately 0.16 acre. Therefore, it makes sense to relate all parcels to this median residential property. The runoff from a 0.16-acre SFR parcel is set equal to one Drainage Measurement Unit (DMU) and this base DMU is calculated as follows:

$$(0.16 \text{ acres of area}) \times 50\% = 0.0800 \text{ Impervious Area} = 1 \text{ DMU}$$

Single Family Residential Parcels

As a SFR property increases in size over the median parcel size, the typical percentage of impervious area decreases, as shown in Appendix B. Conversely, as a SFR parcel decreases in size below the median parcel size, the typical percentage of impervious area increases, and such increase is typically proportional to the decrease in size. Therefore, SFR properties are separated into five (5) groups. The median parcel area for each group was used and their DMUs are calculated as follows:

<u>SFR Category</u>	<u>DMU/ Formula</u>
SFR1 – SFR parcels 0.16 acres or less	1.00 DMU
SFR2 – SFR parcels 0.17 - 0.25 acres	1.10 DMUs
SFR3 – SFR parcels 0.26 – 0.33 acres	1.175 DMUs
SFR4 – SFR parcels 0.34 – 0.50 acres	1.25 DMUs
SFR5 – SFR parcels greater than 0.50 acres	$1.25 + \frac{[(\text{acres} - 0.50) \times 5\%]}{0.0800} = \text{DMUs}$

Multi-Family Residential Parcels

Multi-Family Residential (MFR) units (including condominiums) are split into categories by the density, or number of dwelling units per acre (DU/Ac) as follows:

<u>MFR Category</u>	<u>Density</u>	<u>% Impervious</u>
MFR1 - High Density	Greater than 18 DU/Ac	75%
MFR 2 - Med Density	10 – 18 DU/Ac	70%

$$\frac{\text{Acreage} \times \% \text{Impervious}}{0.0800} = \text{DMUs}$$

Condominium unit parcel areas are calculated by dividing the total area of the condominium complex (which includes the common area) by the number of condominium units, and the total imperviousness of the entire complex is attributed to each individual condo parcel in the complex. (This divides the runoff of the entire complex to each of the individual units.) Because these condominium common areas are taken into consideration in this manner, they are exempt from the charge.

Non- Residential Parcels

All non-residential parcel DMUs will be based on the impervious area (runoff coefficient) table shown in Exhibit B, using the following formula:

$$\frac{\text{Acreage} \times \% \text{Impervious}}{0.0800} = \text{DMUs}$$

All parcels draining into Rancho Cordova Stormwater Utility Fee-maintained drainage infrastructure are proposed to be charged the same user fee rate per DMU for stormwater runoff treatment. The Rancho Cordova Stormwater Utility Fee is proposed in perpetuity.

For the purposes of this report, City-maintained drainage infrastructure includes streets, pipes, inlets, outlets, and natural drainage courses. Parcels related to these types of property uses are exempt from the runoff charge, as they are part of the infrastructure being funded. Also exempt from the runoff charge is Caltrans right-of-way, because Caltrans handles its own runoff under a separate NPDES permit.

Drainage units may be adjusted based on appeal from the property owner. See the Appeals Process below.

Table 3, below, provides a preliminary summary of DMUs for the various land uses in Rancho Cordova.

Table 3 – Drainage Measurement Unit Summary Table

Landuse Description	Number of Units	Total Area (acres)	Impervious Area (acres)	DMUs
SINGLE FAMILY RESIDENTIAL (SFR1)	15,107	2,028		15,107.00
SINGLE FAMILY RESIDENTIAL (SFR2)	13,790	2,776		15,169.00
SINGLE FAMILY RESIDENTIAL (SFR3)	14	4		16.45
SINGLE FAMILY RESIDENTIAL (SFR4)				-
SINGLE FAMILY RESIDENTIAL (SFR5)				-
MULTI-FAMILY RESIDENTIAL (MFR1)	6,082	282		2,639.06
COMMERCIAL		666	499	6,240.00
INDUSTRIAL		283	226	2,830.00
SCHOOLS		478	239	2,985.00
PRIVATE RECREATION		63	16	195.31
PARKS/GREENBELTS		561	140	1,752.47
PUBLIC		51	15	190.13
TOTAL	34,993	7,190		47,124

Cost Estimate

Table 4 below shows the estimated costs to maintain infrastructure in the developing areas. Unit costs for maintenance were derived using budget information provided by the County, since the County currently maintains the storm drainage system. The budget information is shown in Appendix C.

Table 4 – Estimated Costs

	Estimated Quantity	Unit	Cost (\$/unit)	Frequency	Total Cost/Year
Maintenance Costs:					
Trunk Lines (larger than 24") - TV Lines	158210	LF	\$ 7.50	25 years	\$ 47,463.00
Drainage Lines 10"-24" Cleaning	829850	LF	\$ 3.00	10 years	\$ 248,955.00
Drainage Lines 10"-24" TV	829850	LF	\$ 7.50	25 years	\$ 248,955.00
Creek and Channel Maintenance and Repair	65070	LF	\$ 0.75	1 year	\$ 49,009.83
Pipe Repairs	998920	LF	\$ 0.45	1 year	\$ 451,380.43
Creeks and Channels Mowing	80	AC	\$6,825	1 year	\$ 546,000.00
Creeks and Channels Herbicides	80	AC	\$680	1 year	\$ 54,400.00
HydroMod Basin Maintenance	320	AC	\$4,830	1 year	\$ 1,545,600.00
Basin De-silt	320	AC	\$1,000	25 years	\$ 12,800.00
Basins Herbicides	320	AC	\$761	1 year	\$ 243,360.00
Replacement Costs:					
Inlets	6400	EA	\$2,000	75 years	\$170,667
Manholes	4460	EA	\$3,500	75 years	\$208,133
66" Pipe	3950	LF	\$550	100 years	\$21,725
60" Pipe	10280	LF	\$475	100 years	\$48,830
54" Pipe	11140	LF	\$400	100 years	\$44,560
48" Pipe	10210	LF	\$325	100 years	\$33,183
42" Pipe	28620	LF	\$275	100 years	\$78,705
36" Pipe	42420	LF	\$225	100 years	\$95,445
30" Pipe	51050	LF	\$175	100 years	\$89,338
27" Pipe	540	LF	\$150	100 years	\$810
24" Pipe	91960	LF	\$125	100 years	\$114,950
21" Pipe	2230	LF	\$115	100 years	\$2,565
18" Pipe	100300	LF	\$105	100 years	\$105,315
15" Pipe	101300	LF	\$95	100 years	\$96,235
12" Pipe	529890	LF	\$85	100 years	\$450,407
10" Pipe	4170	LF	\$75	100 years	\$3,128

Total: \$5,011,917

Annual Fee Administration: \$45,000

Operating (Cash Flow) Reserve (10% of Maintenance Costs): \$344,792

Estimated Total: **\$5,401,709**

Fee Calculations

The estimated annual costs for the proposed storm drain improvements are \$5,401,709 as shown in Table 4 above. Dividing that by the total number of proposed DMU's in Rancho Cordova (47,124), the maximum estimated annual Stormwater Utility Fee rate is **\$114.63 per DMU**.

This would be the proposed maximum fee rate for fiscal year 2014-15. The maximum rate will be increased each subsequent Fiscal Year by the annual change in the Consumer Price Index (CPI), during the preceding year, for All Urban Consumers, for the San Francisco-Oakland-San Jose areas, published by the United States Department of Labor, Bureau of Labor Statistics (or a reasonably equivalent index should the stated index be discontinued, as determined by the Director of Public Works).

The actual rate to be levied each year will be as approved by the City at a public hearing, after they consider an Annual Fee Report outlining the estimated annual costs of the program for the ensuing fiscal year.

Table 5 provides sample fee calculations for various land uses and parcel sizes.

Table 5 – Sample Calculations

Land Use Description	Total Area (acres)	Impervious Area (acres)	DMUs	Sample Fee
SINGLE FAMILY RESIDENTIAL (SFR1)	0.16		1.000	\$ 114.63
SINGLE FAMILY RESIDENTIAL (SFR2)	0.22		1.100	\$ 126.09
SINGLE FAMILY RESIDENTIAL (SFR3)	0.30		1.175	\$ 134.69
SINGLE FAMILY RESIDENTIAL (SFR4)	0.40		1.250	\$ 143.28
SINGLE FAMILY RESIDENTIAL (SFR5)	1.00		1.563	\$ 179.10
MULTI-FAMILY RESIDENTIAL (MFR1)	5.00	3.75	46.875	\$ 5,373.12
COMMERCIAL ¹	1.00	0.75	9.375	\$ 1,074.62
INDUSTRIAL	1.00	0.80	10.000	\$ 1,146.27
SCHOOLS	5.00	2.50	31.250	\$ 3,582.08
PRIVATE RECREATION	1.00	0.25	3.125	\$ 358.21
PARKS/GREENBELTS	2.00	0.20	2.500	\$ 286.57
PUBLIC	2.00	0.60	7.500	\$ 859.70

¹ Average of Downtown and Neighborhood Commercial as shown in Appendix B

The Preliminary Charge Roll, which is a listing of each parcel to be charged a fee and its proposed maximum fee for FY 2014-15, is on file in the office of the City Clerk.

Appeals Process

If a property owner disagrees with the calculation of his or her fee, based on the parcel area and estimated impervious percentage assigned to the property, then the property owner may appeal the calculation as follows:

- Property owner must provide written documentation explaining the reason why the charge should be changed. This documentation must include:
 - The name, phone number, mailing address, and email address, if available, of the property owner.
 - The Assessor's Parcel Number (APN) of the property in question.
- If additional documentation is required or insufficient documentation was submitted, a representative of the Department of Public Works (Staff) will notify the property owner in writing.
- Once Staff has determined that sufficient documentation has been submitted, Staff will perform the initial review. Staff will notify the property owner in writing within four (4) weeks from the time sufficient documentation was submitted as to whether or not the fee amount will be changed.
 - If the determination is to change the fee amount, then the new fee amount will be documented within the City's fee database.

- b. If the determination is that the fee should not be changed, the property owner can appeal Staff's decision to the Director of Public Works. The appeal must be made in writing and returned no later than four (4) weeks from the date of mailing of Staff's initial review decision. The Director of Public Works will notify the property owner in writing within four (4) weeks from the date of receipt of the appeal as to whether or not the fee amount will be changed.

If the owner of any parcel shall have reason to feel that the computation of the DMU for his/her parcel is not correct, that person may file an appeal with the Director of Public Works in the manner prescribed by the Director of Public Works. The Director of Public Works will consider all data provided by the appellant and shall render a decision in writing. The decision of the Director of Public Works will be final with respect to City action on the appeal.

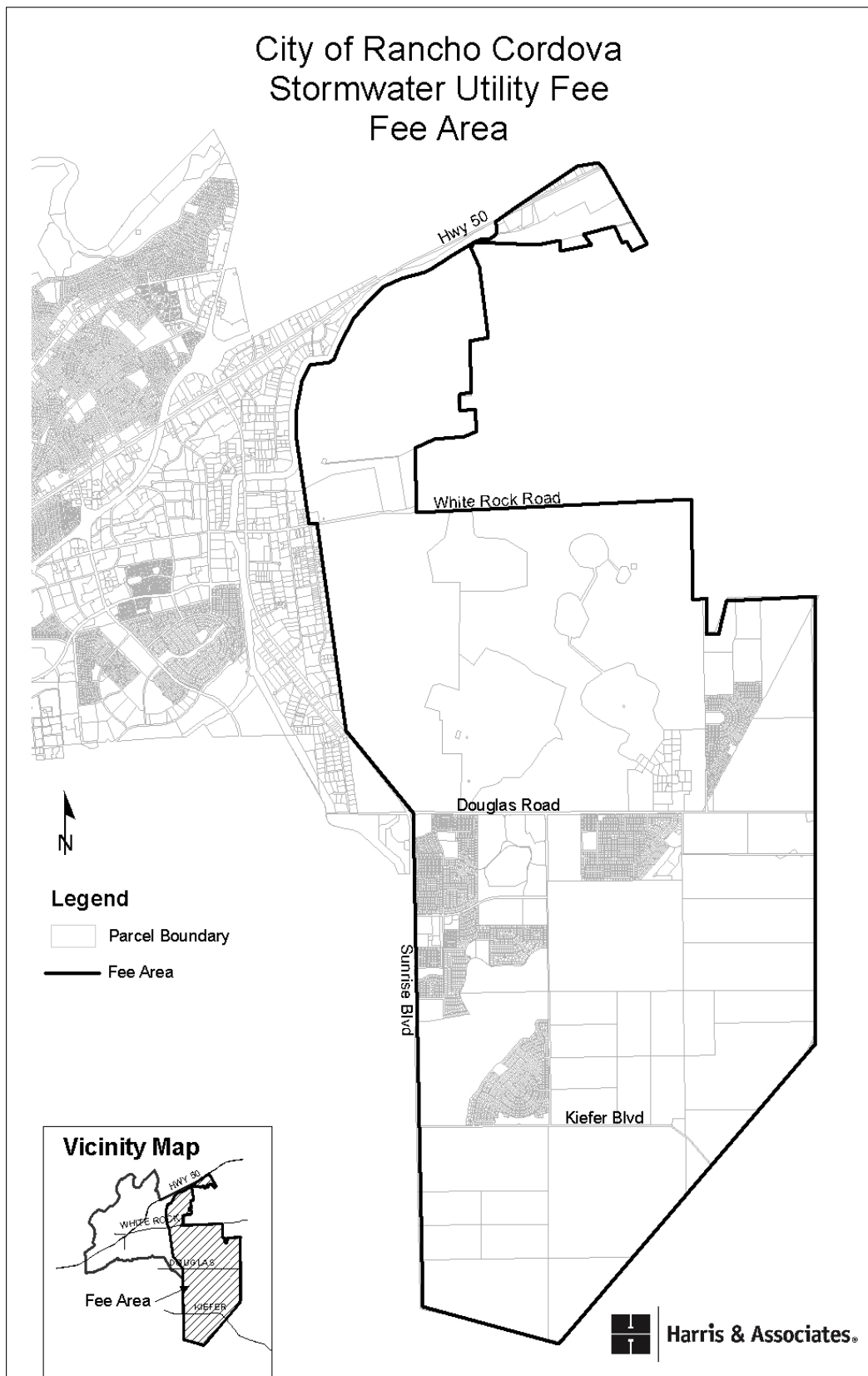
Appeals will be accepted annually up until June 30 for inclusion on the following fiscal year's property tax roll submittal. However, if an appeal is granted by Staff or the Director of Public Works that does not permit inclusion for the following fiscal year's property tax roll submittal, a reimbursement will be provided to the property owner by the City.

Respectfully submitted:

Harris & Associates

Dennis A. Anderson
Senior Project Manager

APPENDIX A



APPENDIX B

Runoff Coefficient

Land Use	Impervious
Single Family Residential less than 0.166 acres	50%
Single Family Residential 0.166 acres to 0.250 acres	40%
Single Family Residential 0.251 acres to 0.330 acres	30%
Single Family Residential 0.331 acres to 0.500 acres	25%
Single Family Residential Over 0.500 acres (excluding the first 0.500 acres)	5%
High-Density Residential (including Apartments and Mobile Home Parks)	75%
Condominiums	70%
Commercial Downtown Areas ¹	80%
Commercial Neighborhood Areas	70%
Industrial	80%
Schools	50%
Parks	25%
Greenbelts	10%

Footnotes:

¹ City of Rancho Cordova Municipal Code Chapter 15.

Sources:

1. Yolo County City/County Drainage Manual, February 2010.
2. Stormwater Quality Design Manual for the Sacramento and South Placer Regions, May 2007.

Appendix C

Cost Information

ITEM 10.4.

ATTACHMENT 3

County of Sacramento/City of Rancho Cordova Current Storm Drain Maintenance Costs

Pipe Repair Costs

Budget Classification		Repair Type	Actual Expenditures for FY 11/12	FY 13/14 Budget
County North	OCUO	Drain Line Upgrade or Repair	\$ 630,912.90	\$ 630,912.90
	OFFO	Fence Repair	\$ 19,343.41	\$ 19,343.41
	OHKO	Inlet Outfall Repair	\$ 455,724.02	\$ 455,724.02
	OMSO	Erosion Control	\$ 26,189.60	\$ 26,189.60
	OY8O	Manhole Repair	\$ 63,362.44	\$ 63,362.44
	RAMP	ADA Compliant Ramp	\$ -	\$ -
	Overhead	36.39%	\$ 435,026.56	\$ 435,026.56
	Total Budget=		\$ 1,630,558.93	\$ 1,630,558.93
County South	OCUO	Drain Line Upgrade or Repair	\$ 105,317.24	\$ 105,317.24
	OFFO	Fence Repair	\$ 35,802.01	\$ 35,802.01
	OHKO	Inlet Outfall Repair	\$ 214,660.90	\$ 214,660.90
	OMSO	Erosion Control	\$ -	\$ -
	OY8O	Manhole Repair	\$ 8,585.40	\$ 8,585.40
	RAMP	ADA Compliant Ramp	\$ -	\$ -
	Overhead	23.51%	\$ 85,667.45	\$ 85,667.45
	Total Budget=		\$ 450,033.00	\$ 450,033.00
Rancho Cordova	OCUO	Drain Line Upgrade or Repair	\$ 222,809.74	\$ 229,850.53
	OFFO	Fence Repair	\$ 26,326.14	\$ 27,158.05
	OHKO	Inlet Outfall Repair	\$ 224,877.26	\$ 231,983.38
	OMSO	Erosion Control	\$ -	\$ -
	OY8O	Manhole Repair	\$ 4,498.84	\$ 4,641.00
	RAMP	ADA Compliant Ramp	\$ -	\$ -
	Overhead	23.51%	\$ 112,504.88	\$ 116,060.03
	Total Budget=		\$ 591,016.86	\$ 609,692.99
Total LF of Pipes				
		County	7,865,755	7,865,755
		Rancho Cordova	1,349,271	1,349,271
Cost/LF of pipe for Repairs				
		County	\$ 0.26	\$ 0.26
		Rancho	\$ 0.44	\$ 0.45

* Costs were increased for 12/13 based on comparing actual expenditures in 11/12 with actual expenditures in 12/13.

County of Sacramento/City of Rancho Cordova
Current Storm Drain Maintenance Costs

Creek and Channel Cleaning

Budget Classification		Repair Type	Actual Expenditures FY 11/12	FY 13/14 Budget
County	OCCO	Inspect Channels	\$ 149,684.06	\$ 149,684.06
	ODSO	Clean, Inspect trach Racks and Box Culverts	\$ 203,337.83	\$ 203,337.83
	OF8O	Sandbag Distribution	\$ 5,184.60	\$ 5,184.60
	OFCO	Drainage Response	\$ 82,451.66	\$ 82,451.66
	OFDO	Concrete Channel Cleaning Bobcat	\$ 552,150.54	\$ 552,150.54
	OHWO	Vegetation Removal County Forces		
	OJZO	Clean and Inspect Outfall Structures	\$ 191,840.84	\$ 191,840.84
	OLCO	Access Road Maintenance	\$ -	\$ -
	OLDO	Mowing		
	OMPO	Expose Pipe End Mechanically	\$ 2,720.90	\$ 2,720.90
	OMRO	Channel Cleaning Mechanical	\$ 49,087.50	\$ 49,087.50
	OORC	Rodent Control	\$ 32,695.06	\$ 32,695.06
	OTVD	Tree Removal	\$ 79,463.44	\$ 79,463.44
	OVDO	Dry Spoil Dumping	\$ 8,137.34	\$ 8,137.34
	OWCO	Weed Control Chemical		
	Overhead	36.39%	\$ 493,691.29	\$ 493,691.29
	Total Budget=		\$ 1,850,445	\$ 1,850,445
County	OCCO	Inspect Channels	\$ 1,797.15	\$ 1,797.15
	ODSO	Clean, Inspect trach Racks and Box Culverts	\$ -	\$ -
	OF8O	Sandbag Distribution	\$ 2,464.80	\$ 2,464.80
	OFCO	Drainage Response	\$ 1,293.11	\$ 1,293.11
	OFDO	Concrete Channel Cleaning Bobcat	\$ 144,294.58	\$ 144,294.58
	OHWO	Vegetation Removal County Forces		
	OJZO	Clean and Inspect Outfall Structures	\$ -	\$ -
	OLCO	Access Road Maintenance	\$ 57,345.54	\$ 57,345.54
	OLDO	Mowing		
	OMPO	Expose Pipe End Mechanically	\$ -	\$ -
	OMRO	Channel Cleaning Mechanical	\$ 32,935.75	\$ 32,935.75
	OORC	Rodent Control	\$ -	\$ -
	OTVD	Tree Removal	\$ 214,736.46	\$ 214,736.46
	OVDO	Dry Spoil Dumping	\$ -	\$ -

ITEM 10.4.

ATTACHMENT 3

Budget Classification		Repair Type	Actual Expenditures FY 11/12	FY 13/14 Budget
	OWCO	Weed Control Chemical		
	Overhead	23.51%	\$ 106,945.71	\$ 106,945.71
		Total Budget=	\$ 561,813	\$ 561,813
Rancho Cordova	OCCO	Inspect Channels	\$ -	\$ -
	ODSO	Clean, Inspect trach Racks and Box Culverts	\$ 413.30	\$ 413.30
	OF8O	Sandbag Distribution	\$ -	\$ -
	OFCO	Drainage Response	\$ -	\$ -
	OFDO	Concrete Channel Cleaning Bobcat	\$ 65,905.39	\$ 65,905.39
	OHWO	Vegetation Removal County Forces		
	OJZO	Clean and Inspect Outfall Structures	\$ -	\$ -
	OLCO	Access Road Maintenance	\$ -	\$ -
	OLD0	Mowing		
	OMPO	Expose Pipe End Mechanically	\$ -	\$ -
	OMRO	Channel Cleaning Mechanical	\$ -	\$ -
	OORC	Rodent Control	\$ -	\$ -
	OTVD	Tree Removal	\$ -	\$ -
	OVDO	Dry Spoil Dumping	\$ -	\$ -
	OWCO	Weed Control Chemical		
	Overhead	23.51%	\$ 15,592.45	\$ 15,592.45
		Total Budget=	\$ 81,911	\$ 81,911
Total LF of Channels				
		Rancho Cordova (unlined)	74,628	74,628
		Rancho Cordova (lined)	37,562	37,562
		Total Rancho Cordova	112,189	112,189
		County (unlined)	1,677,768	1,677,768
		County (lined)	216,153	216,153
		Total County	1,893,920	1,893,920
Cost/LF of Channel for Cleaning:				
		County	\$ 1.27	\$ 1.27
		Rancho	\$ 0.73	\$ 0.75

* Costs were increased for 12/13 based on comparing actual expenditures in 11/12 with actual expenditures in 12/13.

ITEM 10.4.

ATTACHMENT 3

County of Sacramento/City of Rancho Cordova Current Storm Drain Maintenance Costs

Activity	Size/Location	Cost/LF	Frequency	Notes
Pipes/Channels				
Hydro Cleaning	6"-24"	\$ 3.00	10 years	
TV Lines	all	\$ 7.50	25 years	
Creek and Channel Cleaning	Rancho	\$ 0.75	each year	Within SWU Budget
	Sac County	\$ 1.27		
Pump Maintenance	Covered within budget			Per County Staff Assume no pumps in new areas.
Repairs	2 crews year round	SWU funds support this		
Hydromod Basin		cost/ac		
Maintenance		\$ 4,830.00	annul	see detailed estimate
Herbicides		\$ 325.00	2 x's/year	
Additional costs				
Pesticide Control Advisor		\$ 20,000.00	annually	
Engineering admin support with regulatory agencies		10%	of maint costs/year	
Supervisors and managers		5%	of maint costs/year	

Hydromod Basin Maintenance

Basin Maintenance Costs	Cost per Acre
Trash Clean-up and Disposal (4 x's/year)	\$ 1,200
Mowing (2 x's/year)	\$ 200
Inspection 4 x's/year	\$ 1,600
Erosion Repair	\$ 800
Vegetation and Landscape Maintenance	\$ 800
Sub-total	\$ 4,600
Over-head Mark-up (5%)	\$ 230
Total Cost	\$ 4,830

Inspection Includes: Examine gates, fences and access ramp for damage and overgrown vegetation, check basin slopes for erosion, excess vegetation, debris and animal burros, check flow line for excess vegetation and sediment, check for erosion at water line, large/floating debris, and excess vegetation. Check for debris, creacks and instructure, and erosion at inlets and outlets. Also check access control racks for debris and to snrue they are locked and secured. Check riprap at inlet weir

Appendix D

Detailed Land Use Data

		Arista Del Sol		Arboretum		Douglas 98		Douglas 103		Grantline 208		Montelena		Rio Del Oro		Suncreek		The Ranch (Sunridge)		Sunridge Lot J		Westborough		North Douglas II		Heritage Falls		Anatolia IV		Anatolia		Sunridge					
	Land Use/ Zoning Description	AC	Units	AC	Units	AC	Units	AC	Units	AC	Units	AC 2012	Units 2012	AC	Units	AC 2013	Units 2012		AC 2013	Units 2012		Est.	Units 2013	AC	Units	AC	Units	AC	Units	AC	Units	GIS AC	GIS Units	GIS AC	GIS Units	Total Acres	Total Units
Residential:																																					
LDR	SF (2.1-6.0 DU/AC)	35.3	176	144.8	698			3.7	14	44.7	276	71.4	388	1,518.5	7,593	179.4	899		142.3	694		35.8	179	347.2	1,580	17.70	153.00	72.20	303.00	21.60	203.00					2,635	13,156
	MD (6.1-12 DU/AC)															321.5	2,524																	322	2,524		
MDR	MD (6.1-18.0 DU/AC)	83.8	556	290.0	2,334 ^a	94.2	528	28.2	287	42.8	227	54.4	402	256.0	2,048	43.7	286 ^c		105.4	685		17.5	192	146.8	1,389			92.10	525.00			450.8	2,831	146.4	941	1,852	13,231
	MD (14.0-29.9 DU/AC)			60.4	885																														60	885	
HDR	HD (18.1-40.0 DU/AC)													98.0	1,960	44.2	980		12.2	378 [*]				30.4	922			6.80	132.00							192	4,372
	HD (30+ DU/AC)			29.5	825																														30	825	
	Residential Total	119.1	732	524.7	4,742	94.2	528	31.9	301	87.5	503	125.8	790	1,872.5	11,601	588.8	4,689		259.9	1,757		53.3	371	524.4	3,891	17.7	153	171	960	22	203	450.8	2,831	146.4	941	5,090	34,993
Non-Residential:																																					
VC	Village Commercial			16.9				19.5						20.0		22.0			13.5					93.3											202		
LTC	Local Town Center			30.4										20.0										83.5											134		
RTC	Regional Town Center			0.9										113.0		58.4																			172		
BP	Business Park	6.6		65.0										86.0																					158		
MP	Industrial Park													283.0																					283		
Education:																																					
HS/MS	High School/Middle School			72.6										78.0		110.9 ^b								94.0 ^b											356		
MS	Middle School													20.0																					20		
ES	Elementary School			21.2						10.6				54.0													5.50			10.8					102		
Open Space & Public:																																					
CP	Community Park	11.4		60.7						7.8				107.0		44.9		29.3						52.3											313		
P/QP	Public/Quasi Public			2.0								3.2		7.5		12.3								10.6								1.1			37		
NP	Neighborhood Park	3.1		3.8		8.2		5.2		3.4		20.8		67.5		17.0		8.6		6.4						0.71		17.20		3.70		21.2		7.0		194	
SWD	Storm Water Detention	4.0								15.0		9.6		39.0		53.5		24.3								4.00		17.40				9.5		9.6		186	
WP	Wetland Preserve	55.8						43.8		81.0		54.5		510.0																					745		
DP	Drainage Parkway													138.0		5.0								104.6				15.30					7.2		270		
PR	Private Recreation													54.0														4.20			4.3				63		
OS	Open Space			144.5										22.0												0.60		0.80							168		
OS/P	Open Space/Preserve													12.0		45.6		174.0						47.7										279			
LC	Landscape Corridors	1.1				2.8								82.0		19.2												2.70		1.30		13.4		0.7		123	
GB	Green Belts							2.6						51.0																					54		
ROW	Right-of-way	9.5		104.3				8.5		5.3		22.4		192.0		82.6		20.5			14.5			127.1			6.90		2.20						596		
BR/WP	Reservoir / Wetland Preserve			302.8												205.1										19.80									528		
S	Sewer Lift Station / Utility Substation			1.0																												6.6		6.4		14	
	Vacant (unknown dev plan)																														567.4		27.3			595	
	Total Non-residential	91.5		826.1		11.0		79.6		123.1		127.1		1,956.0		676.5		270.2			20.9			613.1		25.1	0.0	70.0	0.0	7.2	0.0	634.3		58.2		5,590	
	Total Residential & Non-Res	210.6	732.0	1,350.8	4,742.0	105.2	528.0	111.5	301.0	210.6	503.0	252.9	790.0	3,828.5	11,601.0	1,265.3	4,689.0		530.1	1,757.0		74.1	371.0	1,137.5	3,891.0	42.8	153.0	241.1	960.0	28.8	203.0	1,085.1	2,831.0	204.6	941.0	10,680	

Notes: All data is from recent plans received in Nov 2013 unless specified otherwise.
^a Arboretum has 2 MD residential classifications. The first line is for 6.1-13.9 DU/AC (instead of 6.1-18)
^b Acreage for all schools
^c Suncreek has 2 MD residential classifications. The second line is for 12.1-18 DU/AC (instead of 6.1-18)

Includes April 2012
Amendment

AC estimated

Stormwater Utility Fee

Sample of the Stormwater Utility Fees for Fiscal Year **2022-2023**:

Table 1

Land Use Description	Total Area (acres)	Sample Fee
Single Family Residential (SFR1)	0.16	\$143.40
Single Family Residential (SFR2)	0.22	\$157.73
Single Family Residential (SFR3)	0.30	\$168.51
Single Family Residential (SFR4)	0.40	\$179.24
Single Family Residential (SFR5)	1.00	\$179.24
Multi-Family Residential (MFR1)	5.00	\$1,254.93
Commercial	1.00	\$1,344.58
Industrial	1.00	\$1,434.24
Schools	5.00	\$896.39
Private Recreation	1.00	\$448.17
Parks/Greenbelts	2.00	\$179.24
Public Property (with structures)	2.00	\$537.81

MEMORANDUM



ITEM 10.5.

DATE: September 6, 2022
TO: Honorable Mayor and Council Members
FROM: Elizabeth Sparkman, Community Development Director
Dalia Fadl, Principal Engineer
SUBJECT: **A RESOLUTION CREATING SPECIAL TAX AREA ZONE 31 AND AN ORDINANCE ESTABLISHING A SPECIAL TAX FOR TRANSIT-RELATED SERVICES A PORTION OF THE RANCH PROJECT**

RECOMMENDATION

Adopt the Resolution creating Special Tax Area Zone 31; waive first reading and introduce the Ordinance establishing a special tax for transit-related services for a portion of The Ranch project.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution and the Ordinance will assist the City in meeting the costs of providing transit-related services by creating a Special Tax Area Zone 31 and establishing a special tax for transit-related services for a portion of The Ranch project.

BACKGROUND

The City Council adopted Resolution No. 141-2005 on November 7, 2005, providing for a special tax for transit-related services to be imposed upon new development within the City. Pursuant to that Resolution, a property owner approves a special tax on the parcels within a subdivision or project. The City Council then adopts a resolution creating a zone that encompasses the subdivision or project and an ordinance establishing the special tax.

The City Council, on January 6, 2020, adopted a Resolution approving The Ranch Special Planning Area, a 530 acre mixed-use community east of Rancho Cordova Parkway between Douglas Road and Kiefer Boulevard. This annexation consists of the non-age restricted portion on the western half of the project, currently owned by K. Hovnanian at Jeager Ranch, LLC and AG EHC II (HOV) CA 1, L.P. The provision of funding to provide transit-related services by approving a special tax was made a condition of approval for the project.

This item will establish tax area Zone 31, the boundaries of which will be contiguous to the boundaries of the western portion of The Ranch project. In addition to creating the special tax, the Ordinance will also set the date for the transit-related services tax election, which will be held on October 11, 2022, at which time the ballot(s) will be tabulated by the City Clerk, and the results be declared at the City Council meeting on November 7, 2022. These actions were

previously approved by City Council but because of errors in the parcel numbers in the previously approved Annexation Boundary Map, the annexation process is being redone.

FISCAL IMPACT AND FUNDING SOURCE

There is no fiscal impact to the General Fund.

ATTACHMENT(S)

1. Resolution
2. Exhibit A to the Resolution
3. Ordinance
4. Exhibit A to the Ordinance
5. Exhibit B to the Ordinance- Property Land Use Category

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA,
STATE OF CALIFORNIA, CREATING SPECIAL TAX AREA ZONE 31 FOR A PORTION OF
THE RANCH PROJECT**

WHEREAS, it is the intention of the City Council to create Zone 31 within the City of Rancho Cordova Transit-Related Services Special Tax Area and authorize an election; and

WHEREAS, it is the intention of the City Council to adopt an ordinance establishing a special tax for transit-related services within Zone 31; and

WHEREAS, the City recognizes the need for increased transit-related services in Zone 31 and the difficulty of funding the current or increased level of services with revenues now available; and

WHEREAS, it is the intention of the City Council to direct the City Clerk to conduct an election by mail ballot pursuant to Elections Code Section 4000 and to be held on the earliest date permitted by law; and

WHEREAS, the City Council, on January 6, 2020, adopted a Resolution approving The Ranch Special Planning Area, a 530-acre mixed-use community east of Rancho Cordova Parkway between Douglas Road and Kiefer Boulevard. This annexation consists of the non-age restricted portion on the western half of the project, currently owned by K. Hovnanian at Jeager Ranch, LLC and AG EHC II (HOV) CA 1, L.P. The provision of funding to provide transit-related services by approving a special tax was made a condition of approval for the project. This will be accomplished by the property owner(s) participation in the transit-related services special tax area.

WHEREAS, the transit-related services tax as inflated to Fiscal Year 2022-2023 is \$126.16 per low density residential dwelling unit or low density residential dwelling unit equivalent, \$100.93 per medium density residential dwelling unit or medium density residential dwelling unit equivalent, \$75.70 per high density residential dwelling unit or high density residential dwelling unit equivalent, \$3,234.74 per retail and service commercial acre, \$2,780.57 per commercial mixed use or office acre, and \$1,142.75 per light industrial acre, subject to an annual inflator formula based on the Consumer Price Index for the San Francisco-Oakland-San Jose Area, or six percent, whichever is less. Multi-family residential units on a single parcel shall be assessed on a proportionately equivalent basis (e.g., a two-unit attached housing structure, such as a duplex, would be deemed to consist of two residential parcels for purposes of the transportation tax); and

WHEREAS, for the purposes of this Resolution, a "voter" entitled to vote on the creation of Zone 31 is a person who owns real property within Zone 31, as shown on the last equalized assessment role prepared by the Sacramento County Assessor's Office, at the time that the City Council submits an ordinance authorizing the imposition of a transit-related services tax to the voters of Zone 31. At the time that the Council adopted this Resolution, there were zero (0) registered voters residing within Zone 31 and two property owners. Because the Transit-Related Services Special Tax will be imposed on property in Zone 31 and paid by the owners of

the property, the Council finds that restricting the vote on the Transit-Related Services Special Tax to property owners in Zone 31 is appropriate and consistent with the principles and requirements of California Constitution article XIII C (Proposition 218).

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA as follows:

1. That portion of the City of Rancho Cordova shown on the Map, Exhibit A hereto is established as Zone 31 of the Rancho Cordova Transit-Related Services Special Tax Area.
2. That Ordinance, reviewed and approved by the City Council on the same date as the resolution, is to be presented for approval of the voters of Zone 31 by a mail ballot election, to be held on October 11, 2022. The ballot proposition shall read as follows:

“Shall Ordinance No. XX-2022 of the City Council of the City of Rancho Cordova be approved so as to authorize a special tax on property located in Zone 31 of the Rancho Cordova Transit-Related Services Special Tax Area to maintain the present level of transit-related services and provide additional funding for increased transit-related services?”
3. The City Clerk is directed to take all steps necessary to conduct the election required by this order. Said election shall be conducted by mailed ballot pursuant to Elections Code Section 4000 and shall be held October 11, 2022.

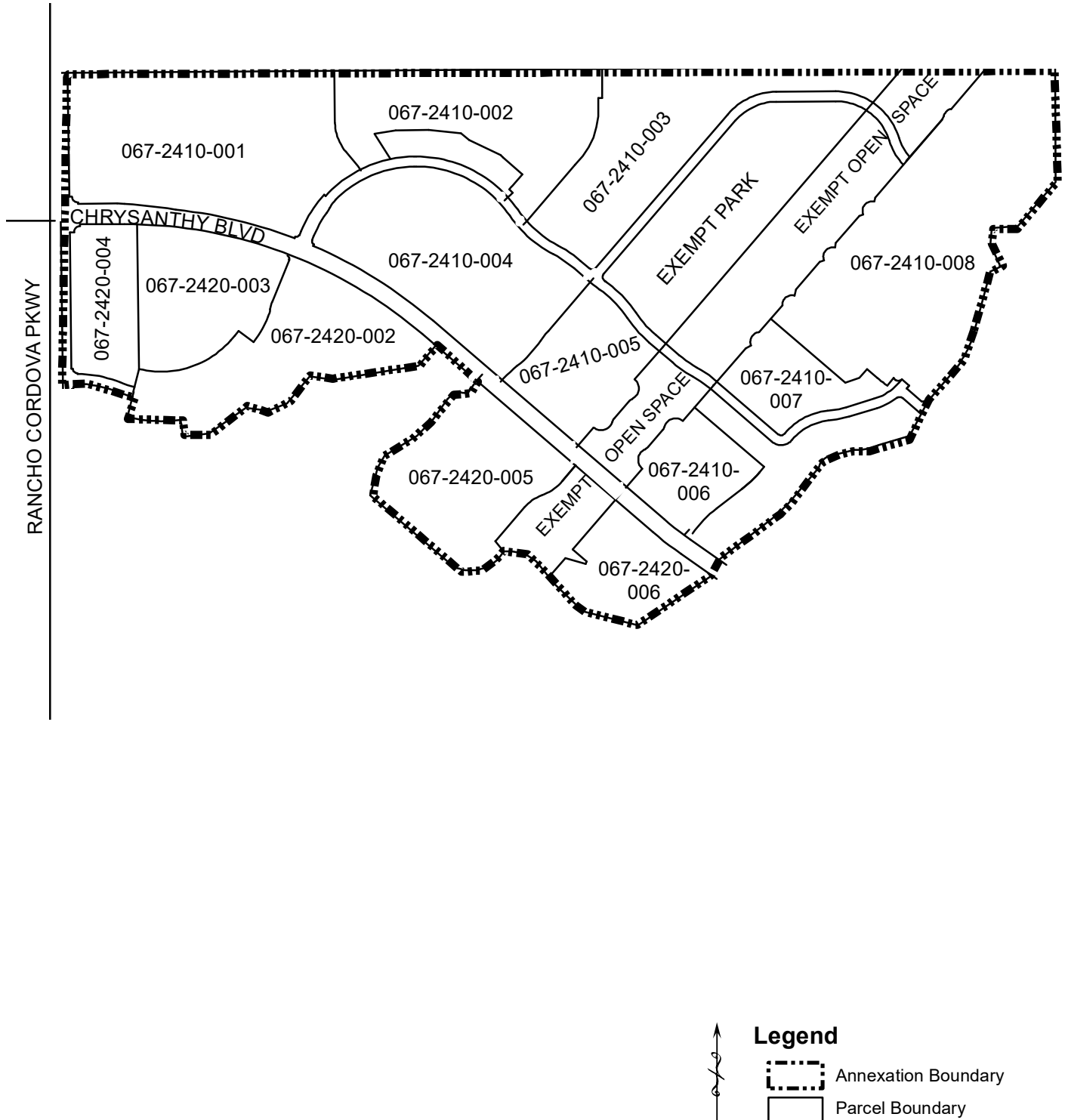
PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by following vote:

ATTEST:

Donald Terry, Mayor

Stacy Leitner, CMC
City Clerk

CITY OF RANCHO CORDOVA
TRANSIT RELATED SERVICES SPECIAL TAX AREA
ANNEXATION 31
(THE RANCH PROJECT)



CITY OF RANCHO CORDOVA

ORDINANCE NO. XX-2022

**AN ORDINANCE OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA,
ESTABLISHING A SPECIAL TAX FOR TRANSIT-RELATED SERVICES FOR A PORTION
OF THE RANCH PROJECT SUBJECT TO VOTER APPROVAL****THE CITY COUNCIL OF THE CITY OF THE RANCHO CORDOVA DOES ORDAIN AS
FOLLOWS:**Section 1. Purpose, Intent and Authority.

It is of critical importance to the City Council of the City of Rancho Cordova that residents of and employees working in the City receive high quality transit-related services. In carefully reviewing the City's budget and revenue projections, it is clear to City staff that the City budget does not contain adequate funding to ensure the continued delivery of adequate high-quality transit-related services unless additional revenues are obtained.

It is the purpose and intent of this non-codified Ordinance to generate additional funds to pay for transit-related services by authorizing the levy of a tax on improved parcels of real property on the secured property tax roll of Sacramento County that are within Zone 31 of the Rancho Cordova Transit-Related Services Special Tax Area (the "Zone").

This tax is a special tax within the meaning of Section 4 of the Article XIII A of the California Constitution. Because the burden of this tax falls upon property, this tax also is a property tax, but this tax is not determined according to nor in any manner based upon the value of property; this tax is levied on a parcel and use of property basis. Insofar as not inconsistent with this Ordinance or with legislation authorizing special taxes and insofar as applicable to a property tax that is not based on value, such provisions of the California Revenue and Taxation Code and of Article XIII of the California Constitution as relate to ad valorem property taxes are intended to apply to the collection and administration of this tax (Section 4 of this Ordinance), as authorized by law. This tax is not an ad valorem property tax; it is an excise tax on the use of property. Because the revenue from the tax may be used only to fund transit-related services, it is also a special tax.

The revenues raised by this tax are to be used solely for the purpose of providing transit-related services as are deemed necessary by the City Council for the benefit of the residents and/or employees of Zone 31.

At the time that the Council adopted this non-codified Ordinance, there were zero (0) registered voters residing in Zone 31 and two (2) property owners. Because the Transit-Related Services Special Tax will be imposed on property in Zone 31 and paid by the owners of the property, the Council finds that restricting the vote on the Transit-Related Services Special Tax to property owners in Zone 31 is appropriate and consistent with the principles and requirements of California Constitution article XIII C (Proposition 218).

Section 2. Definitions.

The following definitions shall apply throughout this Ordinance.

A. "Constant first year dollars" shall mean an actual dollar amount which, in years subsequent to the first fiscal year the tax is levied, shall have the same purchasing price as the base amount in first fiscal year dollars as measured by the Consumer Price Index. The base amount shall be the amount of tax per parcel as specified in Section 3(A) herein. The adjustments from actual to constant dollars shall be made by use of the Consumer Price Index, as specified in Section 3(B) herein.

B. "Consumer Price Index" means the Consumer Price Index for all Urban Consumers (CPI-U) for the San Francisco-Oakland-San Jose Area as published by the U.S. Department of Labor, Bureau of Labor Statistics. If the Consumer Price Index is discontinued or revised, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Consumer Price Index had not been discontinued or revised.

C. "Fiscal year" means the period of July 1 through the following June 30.

D. "Parcel" means the land and any improvements thereon, designated by an assessor's parcel map and parcel number and carried on the secured property tax roll of Sacramento County. For the purposes of this Ordinance, parcel does not include any land or improvements outside the boundaries of Zone 31, nor any land or improvements owned by any governmental entity.

E. "Rancho Cordova Transit-Related Services Special Tax Area" means all the properties within the jurisdictional limits of the City of Rancho Cordova.

F. "Rancho Cordova Transit-Related Services Special Tax Area Zone 31 (the "Zone") means that portion of the incorporated area of the City of Rancho Cordova located within the boundaries as shown on the map Exhibit A.

G. "Transit-Related Services" means providing, operating, maintaining and subsidizing transit services and all supporting facilities, infrastructure, programs and incentives that benefit the residents of the Rancho Cordova Transit-Related Services Special Tax Area, and shall be calculated and set according to the methodology described in Engineer's Report County Service Area No. 10 and Benefit Zone No. 2 County of Sacramento, November 18, 2004, which established the methodology for the original service charge for Benefit Zone No. 2.

H. "Voter" means a person who owns real property within Zone 31, as shown on the last equalized assessment role prepared by the Sacramento County Assessor's Office, at the time that the City Council adopts an ordinance authorizing the imposition of a transit-related services tax to the voters of Zone 31.

Section 3. Amount and Level of Taxes.

The tax per year on each parcel in the Zone shall not exceed the amount applicable to the parcel, as specified below.

A. For First Fiscal Year:

The tax per year for the first fiscal year (July 1, 2022 through June 30, 2023) shall be the amount of Tax per Parcel for a Land Use Code Category as set forth on Exhibit B hereto. The use code assigned to each parcel shall be reviewed and updated periodically. Rates in Exhibit B shall be calculated and set according to the methodology described in Engineer's Report County Service Area No. 10 and Benefit Zone No. 2 County of Sacramento, November 18, 2004, which established the methodology for the original service charge for Benefit Zone No. 2.

B. For Subsequent Fiscal Years:

In order to keep the tax on each parcel in constant first year dollars for each fiscal year subsequent to the first fiscal year, the tax per year shall be adjusted as set forth below to reflect any increase in the Consumer Price Index beyond the first fiscal year the tax is levied.

In June or July of each year, City Council shall determine the amount of taxes to be levied upon the parcels in Zone 31 for the then current fiscal year, as set forth below.

For each Land Use Category on Exhibit B, the tax per year on each parcel for each fiscal year subsequent to the first fiscal year shall be an amount determined as follows:

Tax Per Parcel For then Current Fiscal Year	=	Tax Per Parcel For Immediately Preceding X Fiscal Year	Consumer Price Index from April of immediately Preceding Fiscal Year to April of then Current Fiscal Year OR 6 percent, whichever is less
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Provided, however, that in no event shall the tax per parcel for any fiscal year be less than the amount established for the first fiscal year.

C. Nature of Tax Levy.

The taxes levied on each parcel pursuant to this Article shall be a charge upon the parcel and shall be due and collectible as set forth in Section 4, below.

Section 4. Collection and Administration.A. Taxes as Liens Against the Property.

The amount of taxes for each parcel each year shall constitute a lien on such property, in accordance with Revenue and Taxation Code Section 2187, and shall have the same effect as an ad valorem real property tax lien until fully paid.

B. Collection.

The taxes on each parcel shall be billed on the secured roll tax bills for ad valorem property taxes and are to be collected in the same manner in which Sacramento County collects secured roll ad valorem property taxes. Insofar as feasible and insofar as not inconsistent with this Ordinance, the times and procedures regarding exceptions, due dates,

installment payments, corrections, cancellations, refunds, late payments, penalties, liens, and collections for secured roll ad valorem property taxes (as established by Sacramento County) shall be applicable to the collection of this tax. Notwithstanding anything to the contrary in the foregoing, as to this tax:

1. The secured roll tax bills shall be the only notices required for this tax, and
2. The homeowners and veterans exemptions shall not be applicable because such exemptions are determined by dollar amount of value.

C. Costs of Administration by County.

The reasonable costs incurred by the County officers collecting and administering this tax shall be deducted from the collected taxes.

D. Use of Tax Revenue.

The revenue collected from the tax imposed by this ordinance shall be placed into a separate account and may be used only to fund transit-related services, including the costs of administering and collecting the tax and enforcing the provisions of this ordinance. Revenue from the tax may be used for transit-related services citywide.

E. Refunds.

1. Whenever the amount of any tax, interest or penalty has been overpaid or paid more than once or has been erroneously or illegally collected or received by the City pursuant to this ordinance, it may be refunded as provided in this Section.
2. No refund may be made except upon a written claim verified by the person who paid the tax or by his or her guardian or conservator or the executor or administrator of his or her will or estate and stating the grounds upon which the claim is made. All claims filed pursuant to this subsection must be presented within one year after payment of the amount for which the claimant is seeking a refund.
3. No order of a refund may be made until a written claim therefor has been presented in accordance with this subsection. No suit for money, damages or a refund may be brought against the City until a written claim therefor has been presented to the City and has been acted upon or has been deemed rejected by the City, in accordance with this subsection. Only the person who filed the claim may bring such a suit, and if another person should do so, judgment shall not be rendered for the plaintiff.

F. Initiatives to Affect Tax.

Consistent with the California Constitution (art. XIII C, § 3) the tax imposed by this ordinance may be affected by initiative. The procedures for qualification of such an initiative and the election on a qualified initiative shall be consistent with the California Constitution (art. 2, sec. 8), the California Elections Code (Chapter 3 of Division 9), and the Municipal Code. The minimum number of signatures necessary to qualify an initiative to affect the tax approved by this ordinance shall be equal to 5 percent of the votes in the City for all

candidates for Governor at the last gubernatorial election. The election on a qualified initiative to affect the tax shall be a regular citywide election. An initiative affecting the tax shall be approved only if at least two-thirds of the votes cast on the measure are in favor of its approval.

Section 5. Severability Clause.

If any article, section, subsection, sentence, phrase or clause of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion of this Ordinance. The voters of Zone 31 hereby declare that they would have adopted the remainder of this Ordinance, including each article, section, subsection, sentence, phrase or clause, irrespective of the invalidity of any other article, section, subsection, sentence, phrase or clause.

Section 6. Effective Date and Posting.

This Ordinance shall take effect immediately upon its approval by two-thirds of the voters voting within the Zone in an election to be held on October 11, 2022 so that taxes shall first be collected hereunder for the tax year beginning July 1, 2023.

PASSED AND ADOPTED, THIS ____ day of _____ by the following vote:

AYES:

NOES:

ABSENT:

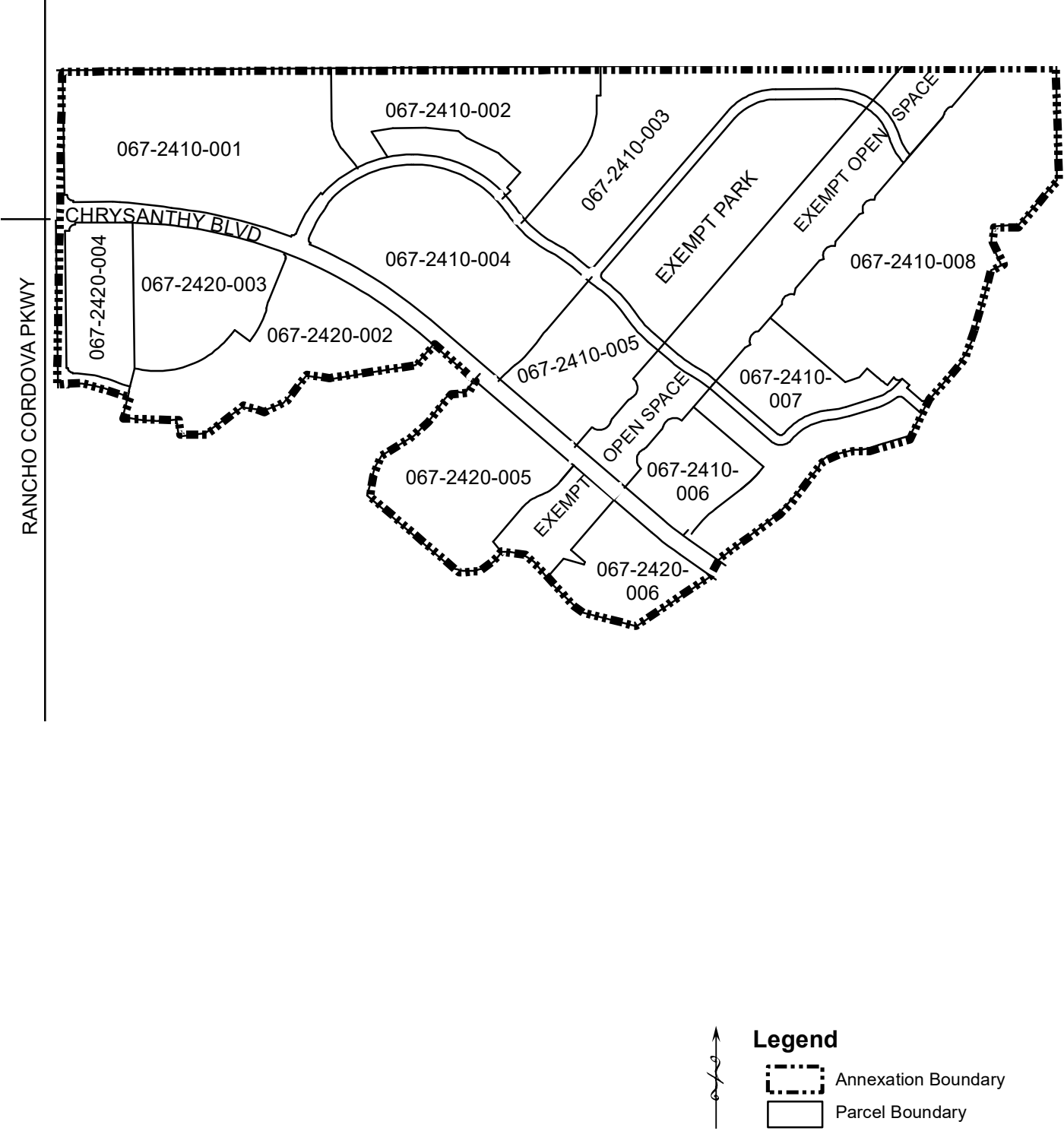
ABSTAIN:

Donald Terry, Mayor

ATTEST:

Stacy Leitner, CMC
City Clerk

CITY OF RANCHO CORDOVA
TRANSIT RELATED SERVICES SPECIAL TAX AREA
ANNEXATION 31
(THE RANCH PROJECT)



Amount of Tax per Parcel by Land Use Category**A. Residential Dwelling Units**

As adjusted for inflation from the original base year, the amount of Tax per Parcel for fiscal year 2022-2023 for Residential Land Use Categories shall be \$126.16 per low density residential dwelling unit or low density residential dwelling unit equivalent, \$100.93 per medium density residential dwelling unit or medium density residential dwelling unit equivalent, or \$75.70 per high density residential dwelling unit or high density residential dwelling unit equivalent (Multi-family residential units on a single parcel shall be assessed on a proportionately equivalent basis (e.g., a two-unit attached housing structure, such as a duplex, would be deemed to consist of two residential parcels for purposes of the Transit-Related Services Special Tax).

B. Non-Residential

As adjusted for inflation from the original base year, the amount of Tax per Parcel for fiscal year 2022-2023 for Non-Residential Land Use Categories (except Recreational and Agricultural) shall be \$3,234.74 per retail and service commercial acre, \$2,780.57 per commercial mixed use or office commercial acre, and \$1,142.75 per light industrial acre.

C. Inflator Formula

The tax is subject to an annual inflator formula based on the Consumer Price Index for all Urban Consumers (CPI-U) for the San Francisco-Oakland-San Jose Area, or six percent, whichever is less.

MEMORANDUM



ITEM 12.1.

DATE: September 6, 2022
TO: Honorable Mayor and Council Members
FROM: Michelle Mingay, Senior Finance Analyst
SUBJECT: **A RESOLUTION AUTHORIZING THE ISSUANCE OF SPECIAL TAX BONDS FOR AND ON BEHALF OF THE CITY OF RANCHO CORDOVA THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1, APPROVING AND DIRECTING THE EXECUTION OF A FISCAL AGENT AGREEMENT, APPROVING THE FORM OF PRELIMINARY OFFICIAL STATEMENT, APPROVING SALE OF SUCH BONDS, AND APPROVING OTHER RELATED DOCUMENTS AND ACTIONS**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would authorize the sale of Special Tax Bonds (the "Bonds") for and on behalf of the Ranch Community Facilities District No. 2021-1 for the purpose of providing money for the acquisition and construction of improvements, and the payment of certain development impact fees related to the project, within the Community Facilities District.

BACKGROUND

The Ranch Community Facilities District No. 2021-1 ("CFD 2021-1") or (the "District") was formed in 2021 to assist in the financing of the acquisition and construction of certain public facilities and payment of certain fees within a portion of the Ranch project. Through various City Council actions, the City Council has declared the necessity to incur bonded indebtedness in a maximum principal amount not to exceed \$86,470,000 and set an annual appropriations limit of \$20,350,000 for the territory within Improvement Area No. 1.

Based on the current status of the property within the District, the appraisal estimates the value of the property within the District at approximately \$59.6 million. This has created an opportunity for the District to issue special tax bonds. Based on the expected bond par amount, the property value compared to bonded debt lien would exceed the required 4:1 value to lien requirement, which is consistent with prior special tax bonds issued within the City.

The proposed financing-related resolution approves: (i) the sale of the Bonds in an amount not to exceed \$14 million; (ii) a Fiscal Agent Agreement; (iii) the Preliminary Official Statement; (iv)

Bond Purchase Agreement, and authorizes related documents on behalf of the District. Descriptions of these documents are as follows:

- **Fiscal Agent Agreement:** The Fiscal Agent Agreement allows U.S. Bank to act on behalf of the City to provide for the issuance of the Bonds, the disbursement of proceeds of the Bonds, the disposition of the special taxes securing the Bonds, and the administration and payment of the Bonds.
- **Bond Purchase Agreement:** The Bond Purchase Agreement is a legally binding document between the issuer (City on behalf of the District) and an underwriter (Piper Sandler & Co.) establishing the terms of the Bond sale. After the issuer delivers the Bonds to the underwriter, and the underwriter pays the issuer for them, the underwriter will put the Bonds on the market at the price and yield established during the Bond pricing call, currently scheduled for the week of September 19th, and investors will purchase the Bonds from the underwriter.
- **Preliminary Official Statement:** The preliminary Official Statement is a document that serves as the prospectus for the Bonds. It is the disclosure document relied on by Bond investors that details the underlying security for the Bonds and all associated investment risks. The Official Statement is the offering document used by the underwriter to market the Bonds and indicated how investors in the Bonds will be repaid.

Assuming the City Council approves this financing, staff will work with the Bond finance team to determine the final Bond sizing, and the preliminary Official Statement will be finalized and posted electronically for investors to review. Assuming the market remains stable, the City; NHA Advisors, LLC, the City's Municipal Advisor; and Piper Sandler & Co., the bond underwriter, will hold a pre-pricing call the week of September 19th to review bond market conditions and the preliminary interest rates, after which, the Bonds will be sold. An authorized officer will then execute, on behalf of the City, a Bond Purchase Agreement with Piper Sandler & Co., finalizing the bond interest rates and setting the delivery date, which is anticipated to occur the week of October 3rd.

FISCAL IMPACT AND FUNDING SOURCE

There is no fiscal impact. The Special Tax Bonds are secured solely by the Special Taxes levies within the District and are not a debt of the City's General Fund. Costs of issuance are payable solely from Bond proceeds.

In accordance with Government Code 5852.1, the following information consists of estimates of certain costs and charges for the Bonds that have been provided by NHA Advisors, LLC, the City's municipal advisor, which has been represented by such party to have been provided in good faith: (1) estimated true interest cost of the Bonds: 5.26%; (2) estimated finance charge of the Bonds (sum of all fees and charges paid to third parties): \$611,188; (3) estimated amount of proceeds of the Bonds received by the City (net of finance charges, reserves and capitalized interest, if any): \$10,798,000; and (4) estimated total payment amount (sum total of all payments to pay debt service on the Bonds plus the finance charge not paid with proceeds

of the Bonds) calculated to the final maturity of the Bonds: \$27,203,117.

ATTACHMENT(S)

1. Resolution
2. Fiscal Agent Agreement
3. BPA - City of Rancho Cordova The Ranch CFD 2021-1 IA 1 2022 Bonds
4. POS - The Ranch CFD 2021-1; 2022 Bonds

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

A RESOLUTION AUTHORIZING THE ISSUANCE OF SPECIAL TAX BONDS FOR AND ON BEHALF OF IMPROVEMENT AREA NO. 1 OF THE CITY OF RANCHO CORDOVA THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1, APPROVING AND DIRECTING THE EXECUTION OF A FISCAL AGENT AGREEMENT AND AN ACQUISITION AGREEMENT, APPROVING THE FORM OF PRELIMINARY OFFICIAL STATEMENT, APPROVING SALE OF SUCH BONDS, AND APPROVING OTHER RELATED DOCUMENTS AND ACTIONS

WHEREAS, the City Council has conducted proceedings under and pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), to (i) establish the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (the "CFD"), (ii) designate within the CFD, "Improvement Area No. 1 of the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1" ("Improvement Area No. 1"), and (iii) establish a "City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (Future Annexation Area)" for the CFD (the "Future Annexation Area"); and

WHEREAS, under the Act, the City Council is authorized to issue bonded indebtedness secured by special taxes levied within the CFD and improvement areas therein for the purpose of providing moneys for the construction and acquisition of improvements, and the payment of certain fees, authorized for the CFD; and

WHEREAS, on December 6, 2021, the City Council, as legislative body of the CFD and Improvement Area No. 1, established the bonded indebtedness limit for the CFD in the principal amount of not to exceed \$86,470,000 (excluding bonds described in Section 53364.2(e) of the Act) (the "Authorization"), initially allocated as follows: (i) for Improvement Area No. 1, \$20,350,000 and (ii) for land within the Future Annexation Area, \$66,120,000; and

WHEREAS, the City desires to issue the first series of special tax bonds for Improvement Area No. 1 of the CFD pursuant to the Authorization; and

WHEREAS, there has been submitted to the City Council a Fiscal Agent Agreement, between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent Agreement"), providing for the issuance of a first series of special tax bonds of the City for Improvement Area No. 1, designated as the "City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds Series 2022" (the "Bonds"), and the City Council, with the aid of City staff, has reviewed the Fiscal Agent Agreement and found it to be in proper order for the purpose intended, and now desires to approve the Fiscal Agent Agreement and the issuance of the Bonds; and

WHEREAS, the City proposes to sell the Bonds to Piper Sandler & Co., as underwriter (the "Underwriter"), pursuant to the terms of a Bond Purchase Agreement (the "Bond Purchase Agreement") by and between the City and the Underwriter, and the Underwriter proposes to offer the Bonds to the investing public by means of a Preliminary Official Statement (the "Preliminary Official Statement"); and

WHEREAS, there has been placed on file with the City Clerk a form of Funding, Construction and Acquisition Agreement (the "Acquisition Agreement") providing for certain CFD authorized facilities to be acquired by the City from K. Hovnanian at Jaeger Ranch, LLC, as the developer of the land within the District, or an affiliate or assignee, and the City Council, with the assistance of staff, has reviewed the Acquisition Agreement and found it to be in proper order, and now desires to approve such agreement; and

WHEREAS, there has been placed on file with the City Clerk a form of a Joint Community Facilities Agreement by and between the City, for and on behalf of the CFD, and the Cordova Recreation and Park District (CRPD) (the "Joint Community Facilities Agreement") providing for certain CFD authorized facilities to be acquired by CRPD pursuant to Section 53316.2 of the Act, and the City Council, with the assistance of staff, has reviewed the Joint Community Facilities Agreement and found it to be in proper order, and now desires to approve such agreement; and

WHEREAS, the information required to be obtained and disclosed with respect to the Bonds in accordance with Government Code Section 5852.1 is set forth in the staff report accompanying this Resolution; and

WHEREAS, all conditions, things and acts required to exist and to have been performed precedent to and with respect to the issuance of the Bonds and the levy of the special taxes securing the Bonds, as contemplated by this resolution and the Fiscal Agent Agreement, have happened and exist as required by the laws of the State of California, including the Act, and the actions to be performed in due time for the issuance of the Bonds conform in form and manner to the applicable laws of the State of California, including the Act.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA:

SECTION 1. Findings. This Council finds and determines that (i) it is prudent in the management and development of land in the City and the CFD to issue the Bonds to provide money for the construction and acquisition of improvements, and the payment of certain fees, authorized for the CFD, and (ii) the Bonds and the CFD are substantially in compliance with the City's Statement of Policies and Procedures for Special Assessment and Community Facilities District Debt Financing Programs.

SECTION 2. Law Applicable. For the purposes of these proceedings in and for the CFD, the Act shall be the authority for the issuance of the Bonds.

SECTION 3. Bonds Authorized. Pursuant to the Act, this Resolution and the Fiscal Agent Agreement, the Bonds, in an aggregate principal amount not to exceed \$14,000,000, are hereby authorized to be issued. The Bonds shall be executed in the form set forth in, and otherwise as provided in, the Fiscal Agent Agreement. The Bonds shall be dated and executed in the forms, be in the principal amounts, denominations, mature, be payable at the place and in the priorities and bear interest at the rates as set forth in and otherwise as provided in the Fiscal Agent Agreement.

The Bonds shall not be issued unless the value of the real property within Improvement Area No. 1 subject to the special tax to pay debt service on the Bonds, based on assessed values and/or an appraisal by an independent appraiser hired by the City for the purpose of determining such value, is at least four times the proposed principal amount of the Bonds

proposed to be issued and secured by a special tax levied pursuant to the Act on property within Improvement Area No. 1.

SECTION 4. Fiscal Agent Agreement. The Fiscal Agent Agreement is hereby approved. The date, manner of payment, interest rate or rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Bonds shall be as provided in the Fiscal Agent Agreement, as finally executed. The terms and provisions of the Fiscal Agent Agreement, as finally executed, are incorporated herein by reference as if fully set forth herein.

The City Manager, Deputy City Manager, Administrative Services Director or such other person or persons as any of them may designate (each an "Authorized Officer") are hereby separately authorized and directed to execute and deliver the Fiscal Agent Agreement in substantially the form on file with the City Clerk, with such additions thereto or changes therein as are approved by the Authorized Officer upon consultation with the City's bond counsel, and including but not limited to such additions or changes as are necessary or advisable to permit the timely issuance, sale and delivery of the Bonds; provided, however, that no additions or changes shall authorize the issuance of an aggregate principal amount of Bonds which would cause bonds issued for Improvement Area No. 1 to be in excess of the Authorization. The approval of such additions or changes shall be conclusively evidenced by the execution and delivery of the Fiscal Agent Agreement by an Authorized Officer.

SECTION 5. Bond Preparation and Delivery; Sale of the Bonds. The Bonds, when executed, shall be delivered to the fiscal agent for authentication. The fiscal agent is hereby requested and directed to authenticate the Bonds by executing the fiscal agent's certificate of authentication and registration appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the Underwriter in accordance with written instructions executed on behalf of the City by the Mayor and/or an Authorized Officer, which instructions are hereby authorized, for and in the name and on behalf of the City, to be delivered.

SECTION 6. Covenant to Foreclose. The City hereby covenants, for the benefit of the owners of the Bonds, to commence and diligently pursue to completion any foreclosure action regarding delinquent installments of any amount levied as a special tax for the payment of debt service on the Bonds, said foreclosure action to be commenced and pursued as more completely set forth in the Fiscal Agent Agreement.

SECTION 7. Approval of Preliminary Official Statement. The City Council hereby approves the Preliminary Official Statement in substantially the form presented to the City Council at this meeting. The Authorized Officers are each hereby authorized and directed to execute a final Official Statement (the "Official Statement"), for and in the name and on behalf of the City, in such form, together with any additions thereto or changes therein deemed necessary or advisable by the Authorized Officer executing such document upon consultation with the City's bond counsel. The City Council hereby authorizes and directs the Underwriter to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds and to deliver copies of the Official Statement to all actual purchasers of the Bonds. The City Council hereby authorizes the delivery of the Preliminary Official Statement and the Official Statement.

The City Council hereby authorizes and directs an Authorized Officer, on behalf of the City, to deem "final," pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934, the Preliminary Official Statement prior to its distribution to prospective purchasers of the Bonds.

SECTION 8. Approval of Purchase Agreement. The City Council hereby approves the Bond Purchase Agreement; provided, however, that the aggregate principal amount of Bonds shall not exceed \$14,000,000 or result in an Underwriter's discount in excess of 1.25%, or a true interest cost in excess of 6.25%. Subject to the foregoing parameters, an Authorized Officer is hereby authorized and directed to execute the Bond Purchase Agreement in substantially the form on file with the City Clerk, together with such changes and additions thereto deemed advisable by the Authorized Officer executing the same. The City Council hereby finds and determines that the sale of the Bonds at negotiated sale as contemplated by the Bond Purchase Agreement will result in a lower overall cost.

SECTION 9. Approval of Acquisition Agreement. The City Council hereby approves the Acquisition Agreement. An Authorized Officer is hereby authorized and directed to execute the Acquisition Agreement in substantially the form on file with the City Clerk, together with such changes and additions thereto deemed advisable by the Authorized Officer executing the same.

SECTION 10. Approval of Joint Facilities Agreement. The City Council hereby approves the Joint Community Facilities Agreement. An Authorized Officer is hereby authorized and directed to execute the Joint Community Facilities Agreement in substantially the form on file with the City Clerk, together with such changes and additions thereto deemed advisable by the Authorized Officer executing the same.

SECTION 11. Actions Authorized. All actions heretofore taken by the officers, employees and agents of the City with respect to the establishment of the CFD and the designation of Improvement Area No. 1 therein, and the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the Authorized Officers are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds in accordance with this Resolution, and any certificate, agreement, and other document described in the documents herein approved. All actions to be taken by an Authorized Officer as specified herein, may be taken by the Authorized Officer or any designee, with the same force and effect as if taken by such Authorized Officer.

SECTION 12. Effectiveness. This Resolution shall take effect immediately upon its adoption.

ITEM 12.1.

ATTACHMENT 1

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

ATTEST:

Stacy Leitner, CMC, City Clerk

FISCAL AGENT AGREEMENT

by and between

CITY OF RANCHO CORDOVA

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Fiscal Agent**

Dated as of _____ 1, 2022

Relating to:

**\$ _____
City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Improvement Area No. 1
Special Tax Bonds
Series 2022**

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EXHIBIT A FORM OF BOND

FISCAL AGENT AGREEMENT

THIS FISCAL AGENT AGREEMENT (the "Agreement") is made and entered into and dated as of _____ 1, 2022, by and between the City of Rancho Cordova, California, a municipal corporation and public body, corporate and politic, organized and existing under and by virtue of the Constitution and laws of the State of California (the "City") for and on behalf of the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (the "District"), and U.S. Bank Trust Company, National Association, a national banking association duly organized and existing under the laws of the United States of America with a corporate trust office located in Seattle, Washington, as fiscal agent (the "Fiscal Agent").

WITNESSETH:

WHEREAS, the City Council has conducted proceedings under and pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), to (i) establish the District (ii) designate within the District, "Improvement Area No. 1 of the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1" ("Improvement Area No. 1"), and (iii) establish a "City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (Future Annexation Area)" for the District (the "Future Annexation Area"); and

WHEREAS, the City Council, as the legislative body of the District and Improvement Area No. 1, is authorized under the Act to levy special taxes to pay for the costs of facilities authorized for the District and to issue bonds secured by said special taxes under the Act;

WHEREAS, under the provisions of the Act, on _____, 2022, the City Council of the City adopted its Resolution No. _____-2022 (the "Resolution"), which resolution authorized the issuance of the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds Series 2022 to provide moneys for the construction and acquisition of improvements for the District and provided that said issuance would be in accordance with the Act and this Agreement, and authorized the execution hereof;

WHEREAS, it is in the public interest and for the benefit of the City, the District, the persons responsible for the payment of special taxes and the Owners of the Bonds that the City enter into this Agreement to provide for the issuance of the Bonds, the disbursement of proceeds of the Bonds, the disposition of the special taxes securing the Bonds authorized to be issued hereunder and the administration and payment of the Bonds; and

WHEREAS, the City has determined that all things necessary to cause the Bonds, when authenticated by the City for the District and issued as in the Act, the Resolution and this Agreement provided to be legal, valid and binding and special obligations of the City for the District in accordance with their terms, and all things necessary to cause the creation, authorization, execution and delivery of this Agreement and the creation, authorization, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

AUTHORITY AND DEFINITIONS STATUTORY AUTHORITY AND
DEFINITIONS

Section 1.01. Authority for this Agreement. This Agreement is entered into pursuant to the provisions of the Act and the Resolution.

Section 1.02. Agreement for Benefit of Bondowners. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal benefit, protection and security of the Owners. All of the Bonds, without regard to the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by this Agreement. The Fiscal Agent may become the Owner of any of the Bonds in its own or any other capacity with the same rights it would have if it were not Fiscal Agent.

Section 1.03. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.03 shall, for all purposes of this Agreement, of any Supplemental Agreement, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof.

"Acquisition Agreement" means the Funding, Construction and Acquisition Agreement, dated as of _____, 2022, by and between the City and _____ [K. Hovnanian at Jaeger Ranch, LLC, a California limited liability company?], and any amendments thereto.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Sections 53311 *et seq.* of the California Government Code.

"Additional Bonds" means any series of bonds other than the 2022 Bonds issued pursuant to Section 5.17 hereof.

"Administrative Expense Priority" means (i) for fiscal year 2022-23, \$30,000, and (ii) for each subsequent year, an amount equal to the preceding fiscal year's Administrative Expense Priority plus an additional 2% of such amount.

"Administrative Expenses" means any or all of the following: the fees and expenses of the Fiscal Agent (including any fees or expenses of its counsel), the expenses of the City in carrying out its duties hereunder (including, but not limited to, the levying and collection of the Special Taxes, and the foreclosure of the liens of delinquent Special Taxes) including the fees and expenses of its counsel, an allocable share of the salaries of City staff directly related thereto and a proportionate amount of City general administrative overhead related thereto, any amounts paid by the City from its general funds pursuant to Section 6.02, and all other costs and expenses of the City or the Fiscal Agent incurred in connection with the issuance and administration of the Bonds and/or the discharge of their respective duties hereunder (including, but not limited to, the calculation of the levy of the Special Taxes, foreclosures with respect to delinquent taxes, and the calculation of amounts subject to rebate to the United States) and, in the case of the City, in any way related to the administration of the District and Improvement

Area No. 1. Administrative Expenses shall include any such expenses incurred in prior years but not yet paid, and any advances of funds by the City under Section 6.02 hereof.

“Administrative Services Director” means the Administrative Services Director, including any acting or interim Administrative Services Director, of the City, or person serving in a similar capacity, or a designee of such person.

“Agreement” means this Fiscal Agent Agreement, as it may be amended or supplemented from time to time by any Supplemental Agreement.

“Annual Debt Service” means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled, and (ii) the principal amount of the Outstanding Bonds, including any mandatory sinking fund payments, due in such Bond Year.

“Authorization” means a principal amount of Bonds for Improvement Area No. 1 not to exceed \$20,350,000 (excluding bonds described in Section 53364.2(e) of the Act).

“Authorized Officer” means the City Manager, Deputy City Manager, Administrative Services Director or any other officer or employee authorized by the City Council of the City or by an Authorized Officer to undertake the action referenced in this Agreement as required to be undertaken by an Authorized Officer.

“Bond Counsel” means any attorney or firm of attorneys acceptable to the City and nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

“Bond Fund” means the fund by that name established pursuant to Section 4.02(A) hereof.

“Bond Year” means each twelve-month period beginning on September 2 in any year and extending to the next succeeding September 1, both dates inclusive; except that the first Bond Year shall begin on the Closing Date and end on September 1, 2023.

“Bonds” means (i) the 2022 Bonds any (ii) Additional Bonds at any time Outstanding under this Agreement and any Supplemental Agreement.

“Business Day” means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in the state in which the Principal Office of the Fiscal Agent is located are authorized or obligated by law or executive order to be closed.

“CDIAC” means the California Debt and Investment Advisory Commission of the office of the State Treasurer of the State of California or any successor agency or bureau thereto.

“City” means the City of Rancho Cordova, California, and any successor thereto.

“Closing Date” means the date upon which there is a physical delivery of the Bonds in exchange for the amount representing the purchase price of the Bonds by the Original Purchaser.

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

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate, dated as of _____ 1, 2022, by and among the City and Goodwin Consulting Group, Inc., in its capacity as Dissemination Agent, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Cost of Issuance” means items of expense payable or reimbursable directly or indirectly by the City and related to the authorization, sale and issuance of the Bonds, which items of expense shall include, but not be limited to, printing costs, costs of reproducing and binding documents, closing costs, filing and recording fees, initial fees, expenses and charges of the Fiscal Agent including its first annual administration fee, expenses incurred by the City in connection with the issuance of the Bonds, financial advisor fees, Bond (underwriter’s) discount or underwriting fee, legal fees and charges, including bond counsel, charges for execution, transportation and safekeeping of the Bonds and other costs, charges and fees in connection with the foregoing.

“DTC” means the Depository Trust Company, and its successors and assigns.

“Debt Service” means the scheduled amount of interest and amortization of principal payable on the Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

“Debt Service Account” means the account of the Special Tax Fund by that name established by Section 3.03(A) hereof.

“Depository” means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.12.

“District” means the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1, established pursuant to the Resolution of Formation.

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

“Federal Securities” means any of the following which are non-callable and which at the time of investment are legal investments under the laws of the State of California for funds held by the Fiscal Agent (the Fiscal Agent entitled to rely upon investment direction from the City as a certification that such investment constitutes a legal investment).

(i) Direct general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the United States Department of the Treasury) and obligations, the payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America, including, without limitation, such of the foregoing which are commonly referred to as “stripped” obligations and coupons; or

(ii) Any of the following obligations of the following agencies of the United States of America: (i) direct obligations of the Export-Import Bank, (ii) certificates of beneficial ownership issued by the Farmers Home Administration, (iii) participation certificates issued by the General Services Administration, (iv) mortgage-backed bonds or pass-through obligations issued and guaranteed by the Government National Mortgage Association, (v) project notes issued by the United States Department of Housing and Urban Development, and (vi) public housing notes and bonds guaranteed by the United States of America.

“Fiscal Agent” means the Fiscal Agent appointed by the City and acting as an independent fiscal agent with the duties and powers herein provided, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 7.01.

“Fiscal Year” means the twelve-month period extending from July 1 in a calendar year to June 30 of the succeeding year, both dates inclusive.

“Improvement Area No. 1” means Improvement Area No. 1 of the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1, designated pursuant to the Resolution of Formation.

“Improvement Fund” means the fund by that name established pursuant to Section 3.04(A) hereof.

“Interest Payment Dates” means March 1 and September 1 of each year, commencing March 1, 2023.

“Maximum Annual Debt Service” means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds.

“Net Maximum Annual Special Taxes” means the largest amount of Special Taxes allowed to be levied for any Bond Year, net of the Administrative Expense Priority.

“Officer’s Certificate” means a written certificate of the City signed by an Authorized Officer of the City.

“Ordinance” means any ordinance of the City levying the Special Taxes.

“Original Purchaser” means the first purchaser of the Bonds from the City.

“Outstanding,” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 8.04) all Bonds except (i) Bonds theretofore canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation; (ii) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the City pursuant to the Agreement or any Supplemental Agreement.

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

“Participating Underwriter” shall have the meaning ascribed thereto in the Continuing Disclosure Certificate.

“Permitted Investments” means any of the following, to the extent that they are lawful investments for City funds at the time of investment, and are acquired at Fair Market Value (the Fiscal Agent entitled to rely upon investment direction from the City as a certification that such investment constitutes a legal investment):

(i) Federal Securities;

(ii) any of following obligations of federal agencies not guaranteed by the United States of America: (a) debentures issued by the Federal Housing Administration; (b) participation certificates or senior debt obligations of the Federal Home Loan Mortgage Corporation or Farm Credit Banks (consisting of Federal Land Banks, Federal Intermediate Credit Banks or Banks for Cooperatives); (c) bonds or debentures of the Federal Home Loan Bank Board established under the Federal Home Loan Bank Act, bonds of any federal home loan bank established under said act and stocks, bonds, debentures, participations and other obligations of or issued by the Federal National Mortgage Association, the Student Loan Marketing Association, the Government National Mortgage Association and the Federal Home Loan Mortgage Corporation; and bonds, notes or other obligations issued or assumed by the International Bank for Reconstruction and Development;

(iii) interest-bearing demand or time deposits (including certificates of deposit) in federal or State of California chartered banks (including the Fiscal Agent), provided that (a) in the case of a savings and loan association, such demand or time deposits shall be fully insured by the Federal Deposit Insurance Corporation, or the unsecured obligations of such savings and loan association shall be rated in one of the top two rating categories by a nationally recognized rating service, and (b) in the case of a bank, such demand or time deposits shall be fully insured by the Federal Deposit Insurance Corporation, or the unsecured obligations of such bank (or the unsecured obligations of the parent bank holding company of which such bank is the lead bank) shall be rated in one of the top two rating categories by a nationally recognized rating service;

(iv) repurchase agreements with a registered broker/dealer subject to the Securities Investors Protection Corporation Liquidation in the event of insolvency, or any commercial bank provided that: (a) the unsecured obligations of such bank shall be rated in one of the top two rating categories by a nationally recognized rating service, or such bank shall be the lead bank of a banking holding company whose unsecured obligations

are rated in one of the top two rating categories by a nationally recognized rating service; (b) the most recent reported combined capital, surplus and undivided profits of such bank shall be not less than \$100 million; (c) the repurchase obligation under any such repurchase obligation shall be required to be performed in not more than 30 days; (d) the entity holding such securities as described in clause (c) shall have a pledged first security interest therein for the benefit of the Fiscal Agent under the California Commercial Code or pursuant to the book-entry procedures described by 31 C.F.R. 306.1 *et seq.* or 31 C.F.R. 350.0 *et seq.* and are rated in one of the top two rating categories by a nationally recognized rating service;

(v) bankers acceptances endorsed and guaranteed by banks described in clause (iv) above;

(vi) obligations, the interest on which is exempt from federal income taxation under Section 103 of the Code and which are rated in one of the top two rating categories by a nationally recognized rating service;

(vii) money market funds which invest solely in Federal Securities or in obligations described in the preceding clause (ii) of this definition, or money market funds which are rated in the highest rating category by Standard & Poor's Ratings Services or Moody's Investor Service, including funds which are managed or maintained by the Fiscal Agent;

(viii) units of a taxable government money market portfolio comprised solely of obligations listed in (i) and (iv) above;

(ix) any investment which is a legal investment for proceeds of the Bonds at the time of the execution of such agreement, and which investment is made pursuant to an agreement between the City or the Fiscal Agent or any successor Fiscal Agent and a financial institution or governmental body whose long term debt obligations are rated in one of the top two rating categories by a nationally recognized rating service;

(x) commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, or Standard and Poor's Corporation, of issuing corporations that are organized and operating within the United States and having total assets in excess of \$500,000,000, and having a rating of at least "AA" (without regard to qualifier) for the issuer's debentures, other than commercial paper, as provided for by Moody's Investors Service or Standard and Poor's Corporation, and provided that purchases of eligible commercial paper may not exceed 180 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation;

(xi) any general obligation of a bank or insurance company whose long term debt obligations are rated in one of the two highest rating categories of a national rating service;

(xii) shares in a common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State which invests exclusively in investments permitted by Section 53635 of Title 5, Division 2, Chapter 4 of the Government Code of the State, as it may be amended;

(xiii) shares in the California Asset Management Program;

(xiv) the Local Agency Investment Fund established pursuant to Section 16429.1 of the Government Code of the State of California, provided, however, that the Fiscal Agent will be permitted to make investments and withdrawals in its own name and the Fiscal Agent may restrict investments in the such fund if necessary to keep moneys available for the purposes of this Fiscal Agent Agreement; or

(xv) any other lawful investment for City funds.

“Prepayment Account” means the account of the Bond Fund by that name established by Section 4.02(A) hereof.

“Principal Office” means the corporate trust office of the Fiscal Agent set forth in Section 9.06, or such other or additional offices as may be designated by the Fiscal Agent.

“Project” means the acquisitions and improvements described in the Resolution of Intention.

“Qualified Reserve Fund Credit Instrument” means an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company and deposited with the Fiscal Agent pursuant to Section 4.03, provided that all of the following requirements are met: (i) the long-term credit rating of such bank or insurance company is rated in at least the “AA” category (without regard to qualifier) by S&P or Moody’s; (ii) such letter of credit or surety bond has a term of at least twelve (12) months; (c) such letter of credit or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released pursuant to Section 4.03; and (d) the Fiscal Agent is authorized pursuant to the terms of such letter of credit or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Bond Fund for the purpose of making payments required pursuant to Section 4.03.

“Rate and Method” means the Rate and Method of Apportionment of Special Tax for Improvement Area No. 1, as initially approved and as may be amended.

“Record Date” means the 15th day of the month next preceding the month of the applicable Interest Payment Date whether or not such day is a Business Day.

“Regulations” means temporary and permanent regulations promulgated under the Code.

“Reserve Fund” means the fund by that name established pursuant to Section 4.03(A) hereof.

“Reserve Requirement” means, with respect to any Series of Bonds (unless otherwise specified in a Supplemental Agreement, including to create a single parity reserve fund for multiple Series of Bonds), the least of (i) 125% of the average Annual Debt Service with respect to the applicable Series of Bonds; (ii) Maximum Annual Debt Service with respect to the applicable Series of Bonds; and (iii) 10% of the original principal amount of the applicable Series of Bonds (or, if the applicable Series of Bonds has more than a de minimis amount of original issue discount or premium, 10% of the issue price of such Series of Bonds); provided, that—

(a) if a parity reserve fund for multiple Series of Bonds is established, references to the applicable Series of Bonds shall mean all Bonds covered by such parity reserve fund;

(b) in no event shall the City be obligated to deposit an amount in any reserve fund in excess of the amount permitted by the applicable provisions of the Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, if the amount of any such deposit is so limited, the Reserve Requirement shall be only the amount of such deposit as permitted by the Code; and

(c) the City may meet all or a portion of the Reserve Requirement with respect to any series of Bonds by depositing a Qualified Reserve Fund Credit Instrument in accordance with Section 4.03(A).

(d) the Reserve Requirement shall be set at the time of issuance of each Series of Bonds and shall not increase thereafter but may decrease as a result of prepayment of the Special Tax.

“Resolution” means Resolution No. ____-2022, adopted by the City Council of the City on _____, 2022, which resolution authorized the issuance of the Bonds.

“Resolution of Formation” means Resolution No. ____-2021, adopted by the City Council of the City on December 6, 2021, establishing the District and designating therein Improvement Area No. 1.

“Securities Depositories” means The Depository Trust Company, and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the City may designate in an Officer's Certificate delivered to the Fiscal Agent.

“Series” means any series of bonds authorized for Improvement Area No. 1 pursuant to this Fiscal Agent Agreement or any Supplemental Agreement.

“Special Tax Fund” means the fund by that name established by Section 3.03(A) hereof.

“Special Tax Revenues” means the proceeds of the Special Taxes annually received by the City, less an amount equal to the Administrative Expense Priority, including all scheduled payments and delinquent payments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes.

“Special Taxes” means the “Special Tax” as defined in the Rate and Method, levied within Improvement Area No. 1 pursuant to the Act, the Ordinance and this Agreement.

“Supplemental Agreement” means an agreement which is amendatory of or supplemental to this Agreement, but only if and to the extent that such agreement is specifically authorized hereunder.

“Surplus Account” means the account of the Special Tax Fund by that name established by Section 3.03(A) hereof.

“2022 Bonds” means the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds Series 2022.

“2022 Capitalized Interest Account” means the fund by that name established pursuant to Section 4.02(A) hereof.

“2022 Costs of Issuance Fund” means the fund by that name established pursuant to Section 3.05(A) hereof.

“2022 Reserve Account” means the account by that name established within the Reserve Fund pursuant to Section 4.03(A) hereof.

ARTICLE II

THE BONDS

Section 2.01. Principal Amount; Designation. 2022 Bonds in the aggregate principal amount of \$_____ are hereby authorized to be issued by the City for Improvement Area No. 1 under and subject to the terms of the Resolution and this Agreement, the Act and other applicable laws of the State of California. The 2022 Bonds shall be designated the "City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds Series 2022."

Section 2.02. Terms of 2022 Bonds.

(A) Form; Denominations. The 2022 Bonds shall be issued as fully registered Bonds without coupons in the denomination of \$5,000 or any integral multiple of \$5,000 in excess thereof. The 2022 Bonds shall be lettered and numbered in a customary manner as determined by the Fiscal Agent.

(B) Date of 2022 Bonds. The 2022 Bonds shall be dated the Closing Date for the 2022 Bonds.

(C) CUSIP Identification Numbers. "CUSIP" identification numbers shall be imprinted on the 2022 Bonds, but such numbers shall not constitute a part of the contract evidenced by the 2022 Bonds and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the 2022 Bonds. In addition, failure on the part of the City or the Fiscal Agent to use such CUSIP numbers in any notice to Owners shall not constitute an event of default or any violation of the City's contract with such Owners and shall not impair the effectiveness of any such notice.

(D) Maturities. The 2022 Bonds shall be issued as serial bonds and term bonds and shall mature and become payable as follows:

Maturity (September 1)	Principal Amount	Interest Rate	CUSIP (_____)
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(E) Interest. The 2022 Bonds shall bear interest at the rates set forth above payable on the Interest Payment Dates in each year. Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months. Each 2022 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such date of authentication, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from the Closing Date; provided, however, that if at the time of authentication of a 2022 Bond, interest is in default thereon, such 2022 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

(F) Method of Payment. Interest on the 2022 Bonds (including the final interest payment upon maturity or earlier redemption) is payable by check of the Fiscal Agent mailed on the Interest Payment Dates by first class mail to the registered Owner thereof at such registered Owner's address as it appears on the registration books maintained by the Fiscal Agent at the close of business on the Record Date preceding the Interest Payment Date, or by wire transfer made on such Interest Payment Date upon written instructions received by the Fiscal Agent on or before the Record Date preceding the Interest Payment Date of any Owner of \$1,000,000 or more in aggregate principal amount of 2022 Bonds; provided that so long as any 2022 Bonds are in book-entry form, payments with respect to such 2022 Bonds shall be made by wire transfer or such other method acceptable to the Fiscal Agent to the Depository. The principal of the 2022 Bonds and any premium on the 2022 Bonds are payable in lawful money of the United States of America upon surrender of the 2022 Bonds at the Principal Office of the Fiscal Agent. All 2022 Bonds paid by the Fiscal Agent pursuant to this Section shall be cancelled by the Fiscal Agent. The Fiscal Agent shall destroy the cancelled 2022 Bonds and issue a certificate of destruction thereof to the City.

Section 2.03. Redemption.

(A) Redemption Dates.

(i) Optional Redemption. The 2022 Bonds are subject to optional redemption from any source of available funds (other than prepayments of the Special Tax by property owners), in whole or in part among maturities as specified by the City and by lot within a maturity, on any date on and after September 1, 20__ at the following respective redemption prices (expressed as percentages of the principal amount of the 2022 Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
September 1, 20__ through August 31, 20__	103%
September 1, 20__ through August 31, 20__	102
September 1, 20__ through August 31, 20__	101
September 1, 20__ and any date thereafter	100

(ii) Mandatory Redemption From Prepayments. The 2022 Bonds shall be subject to mandatory redemption from prepayments of the Special Tax by property owners, in whole or in part among maturities as shall be specified by the City and by lot within a maturity, on any Interest Payment Date at the following respective redemption prices (expressed as percentages of the

principal amount of the 2022 Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
Interest Payment Dates through and including March 1, 20__	103%
September 1, 20__ and March 1, 20__	102
September 1, 20__ and March 1, 20__	101
September 1, 20__ and Interest Payment Dates thereafter	100

The proceeds of any such prepayment shall be deposited in the Prepayment Account of the Bond Fund and applied by the Fiscal Agent to pay the redemption price of the 2022 Bonds.

(iii) Mandatory Sinking Fund Redemption. The Term Bonds maturing September 1, 20__, September 1, 20__ and September 1, 20__ (the “**Term Bonds**”) are subject to mandatory sinking payment redemption in part on September 1, 20__, September 1, 20__ and September 1, 20__, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts as set forth in the following tables:

September 1, 20__ Term Bonds

Mandatory Redemption Date (September 1)	Sinking Fund Payment
--	---------------------------------

September 1, 20__ Term Bonds

Mandatory Redemption Date (September 1)	Sinking Fund Payment
--	---------------------------------

September 1, 20__ Term Bonds

**Mandatory
Redemption Date
(September 1)**

**Sinking Fund
Payment**

The amounts in the foregoing tables shall be reduced pro rata at the direction of the City in an Officer's Certificate, in order to maintain substantially uniform debt service, as a result of any prior partial redemption of the 2022 Bonds pursuant to Section 2.03(A)(i) or (ii) above.

In lieu of redemption under this Section 2.03, moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding 2022 Bonds, upon the filing with the Fiscal Agent of an Officer's Certificate requesting such purchase, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer's Certificate may provide, but in no event may 2022 Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase.

(B) Notice to Fiscal Agent. The City shall give the Fiscal Agent an Officer's Certificate containing notice of its intention to redeem 2022 Bonds pursuant to subsections (A)(i) and (A)(ii) not less than 60 days prior to the applicable redemption date.

(C) Redemption Procedure by Fiscal Agent. The Fiscal Agent shall cause notice of any redemption to be mailed by first class mail, postage prepaid, at least 20 days but not more than 60 days prior to the date fixed for redemption, to the Securities Depositories and to the Municipal Securities Rulemaking Board and to the Securities Depositories, and to the respective registered Owners of any Bonds designated for redemption, at their addresses appearing on the Bond registration books in the Principal Office of the Fiscal Agent; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of such Bonds.

Such notice shall state the redemption date and the redemption price and, if less than all of the then Outstanding Bonds are to be called for redemption, shall designate the CUSIP numbers and Bond numbers of the Bonds to be redeemed by giving the individual CUSIP number and Bond number of each Bond to be redeemed or shall state that all Bonds between two stated Bond numbers, both inclusive, are to be redeemed or that all of the Bonds of one or more maturities have been called for redemption, shall state as to any Bond called in part the principal amount thereof to be redeemed, and shall require that such Bonds be then surrendered at the Principal Office of the Fiscal Agent for redemption at the said redemption price, and shall state that further interest on such Bonds will not accrue from and after the redemption date.

The City has the right to rescind any notice of the redemption of Bonds under Section 2.03(A)(i) by written notice to the Fiscal Agent on or prior to two Business Days prior the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or 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. The City and the Fiscal Agent have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Fiscal Agent shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under this Section.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, of the Bonds being redeemed with the proceeds of such check or other transfer.

Whenever provision is made in this Agreement for the redemption of less than all of the Bonds of any maturity, the Fiscal Agent shall select the Bonds to be redeemed, from all Bonds or such given portion thereof of such maturity by lot in any manner which the Fiscal Agent in its sole discretion shall deem appropriate.

Upon surrender of Bonds redeemed in part only, the City shall execute and the Fiscal Agent shall authenticate and deliver to the registered Owner, at the expense of the City, a new Bond or Bonds, of the same series and maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond or Bonds.

(D) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the Bonds so called for redemption shall have been deposited in the Bond Fund, such Bonds so called shall cease to be entitled to any benefit under this Agreement other than the right to receive payment of the redemption price, and no interest shall accrue thereon on or after the redemption date specified in such notice.

All Bonds redeemed and purchased by the Fiscal Agent pursuant to this Section shall be canceled by the Fiscal Agent. The Fiscal Agent shall destroy the cancelled Bonds and issue a certificate of destruction thereof to the City.

Section 2.04. Form of Bonds. The Bonds, the form of Fiscal Agent's certificate of authentication and the form of assignment, to appear thereon, shall be substantially in the forms, respectively, set forth in Exhibit A attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Agreement, the Resolution and the Act.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the City by the Mayor and the City Clerk of the City who are in office on the date of adoption of this Agreement or at any time thereafter, and the seal of the City shall be impressed, imprinted or reproduced by facsimile signature thereon. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the Owner, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the Owner. Any Bond may be signed and attested on behalf of the City by such persons as at the actual date of the execution of such Bond shall be the proper officers of the City although at the nominal date of such Bond any such person shall not have been such officer of the City.

Only such Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, executed and dated by the Fiscal Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Agreement, and such certificate of authentication of the Fiscal Agent shall be conclusive evidence that the Bonds registered hereunder have been

duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Agreement.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon 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 Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form acceptable to the Fiscal Agent. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such transfer shall be paid by the City. The Fiscal Agent shall collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Fiscal Agent shall authenticate and deliver a new Bond or Bonds, for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity.

No transfers of Bonds shall be required to be made (i) within fifteen (15) days prior to the date established by the Fiscal Agent for selection of Bonds for redemption or (ii) with respect to a Bond after such Bond has been selected for redemption.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the Fiscal Agent for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such exchange shall be paid by the City. The Fiscal Agent shall collect from the Owner requesting such exchange any tax or other governmental charge required to be paid with respect to such exchange.

No exchanges of Bonds shall be required to be made (i) within fifteen (15) days prior to the date established by the Fiscal Agent for selection of Bonds for redemption or (ii) with respect to a Bond after such Bond has been selected for redemption.

Section 2.08. Bond Register. The Fiscal Agent will keep or cause to be kept, at its Principal Office, sufficient books for the registration and transfer of the Bonds (the "Bond Register"), which books shall show the series number, date, amount, rate of interest and Owner of each Bond and shall at all times be open to inspection by the City during regular business hours upon reasonable notice; and, upon presentation for such purpose, the Fiscal Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the ownership of the Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the City, and may contain such reference to any of the provisions of this Agreement as may be appropriate. Every temporary Bond shall be executed by the City upon the same conditions and in substantially the same manner as the definitive Bonds. If the City issues temporary Bonds it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange for the definitive Bonds at the Principal Office of the Fiscal Agent or at such other location as the Fiscal Agent shall designate, and the Fiscal Agent shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary bonds shall be

entitled to the same benefits under this Agreement as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the City shall execute, and the Fiscal Agent shall authenticate and deliver, a new Bond of like tenor and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Fiscal Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Fiscal Agent shall be canceled by it and destroyed by the Fiscal Agent who shall deliver a certificate of destruction thereof to the City. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Fiscal Agent and, if such evidence be satisfactory to it and indemnity for the Fiscal Agent and the City satisfactory to the Fiscal Agent shall be given, the City shall execute, and the Fiscal Agent shall authenticate and deliver, a new Bond of like tenor and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. The City may require payment of a sum not exceeding the actual cost of preparing each new Bond delivered under this Section and of the expenses which may be incurred by the City and the Fiscal Agent for the preparation, execution, authentication and delivery. Any Bond delivered under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the City whether or not the Bond so alleged to be lost, destroyed or stolen is at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Agreement with all other Bonds issued pursuant to this Agreement.

Section 2.11. Limited Obligation. All obligations of the City under this Agreement and the Bonds shall be special obligations of the City, payable solely from the Special Tax Revenues and the funds pledged therefore hereunder. Neither the full faith and credit nor the taxing power of the City (except to the limited extent set forth herein) or the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

Section 2.12. Book-Entry Only System. DTC shall act as the initial Depository for the Bonds. One Bond for each maturity of the Bonds shall be initially executed, authenticated, and delivered as set forth herein as a separate fully registered certificate (in printed or typewritten form). Upon initial execution, authentication, and delivery, the ownership of the Bonds shall be registered in the Bond Register kept by the Fiscal Agent for the Bonds in the name of Cede & Co, as nominee of DTC or such nominee as DTC shall appoint in writing.

The Authorized Officers and the Fiscal Agent are hereby authorized to take any and all actions as may be necessary and not inconsistent with this Agreement to qualify the Bonds for the Depository's book-entry system, including the execution of the Depository's required representation letter.

With respect to Bonds registered in the Bond Register in the name of Cede & Co, as nominee of DTC, the Fiscal Agent shall not have any responsibility or obligation to any broker-dealer, bank, or other financial institution for which DTC holds Bonds as Depository from time to time (the "DTC Participants") or to any person for which a DTC Participant acquires an interest in the Bonds (the "Beneficial Owners"). Without limiting the immediately preceding sentence, the Fiscal Agent shall not have any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co, or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant, any Beneficial Owner, or any other person, other than DTC, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed in the event the City elects to redeem the Bonds in part, (iv) the payment to any

DTC Participant, any Beneficial Owner, or any other person, other than DTC, of any amount with respect to the principal of or interest on the Bonds, or (v) any consent given or other action taken by the Depository as Owner of the Bonds.

The Fiscal Agent may treat as and deem DTC to be the absolute Owner of each Bond for which DTC is acting as Depository for the purpose of payment of the principal of and interest on such Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bonds, for the purpose of registering transfers with respect to such Bonds, and for all purposes whatsoever. The Fiscal Agent shall pay all principal of and interest on the Bonds only to the Owners as shown on the Registration Books, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid.

No person other than an Owner, as shown on the Bond Register, shall receive a physical Bond. Upon delivery by DTC to the Fiscal Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the transfer provisions in Section 2.06 hereof, references to "Cede & Co." in this Section 2.12 shall refer to such new nominee of DTC.

DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the Fiscal Agent and the City during any time that the Bonds are Outstanding, and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of DTC with respect to the Bonds if it determines that DTC is unable to discharge its responsibilities with respect to the Bonds or that continuation of the system of book-entry transfers through DTC is not in the best interest of the Beneficial Owners, and the City shall mail notice of such termination to the Fiscal Agent.

Upon the termination of the services of DTC as provided in the previous paragraph, and if no substitute Depository willing to undertake the functions hereunder can be found which is willing and able to undertake such functions upon reasonable or customary terms, or if the City determines that it is in the best interest of the Beneficial Owners of the Bonds that they be able to obtain certificated Bonds, the Bonds shall no longer be restricted to being registered in the Bond Register of the Fiscal Agent in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or name the Owners shall designate at that time, in accordance with Section 2.06.

To the extent that the Beneficial Owners are designated as the transferee by the Owners, in accordance with Section 2.06, the Bonds will be delivered to such Beneficial Owners as soon as practicable.

Section 2.13. No Acceleration. The principal of the Bonds shall not be subject to acceleration hereunder. Nothing in this Section 2.13 shall in any way prohibit the redemption of Bonds under Section 2.03 hereof, or the defeasance of the Bonds and discharge of this Agreement under Section 9.03 hereof.

ARTICLE III

ISSUANCE OF BONDS

Section 3.01. Issuance and Delivery of Bonds. At any time after the execution of this Agreement, the City may issue the Bonds in the aggregate principal amount set forth in Section 2.01 or as authorized in any supplemental agreement and deliver such Bonds to the Original Purchaser. The Authorized Officers of the City are hereby authorized and directed to deliver any and all documents and instruments necessary to cause the issuance of Bonds in accordance with the provisions of the Act, the Resolution and this Agreement, to authorize the payment of Costs of Issuance of the Bonds from the proceeds of the Bonds and to do and cause to be done any and all acts and things necessary or convenient for delivery of the Bonds to the Original Purchaser.

Section 3.02. Application of Proceeds of Sale of 2022 Bonds.

The proceeds of the purchase of the 2022 Bonds by the Original Purchaser in the amount of \$_____ (representing the principal of amount of the Bonds, less an underwriter's discount of \$_____, plus [net] original issue premium of \$_____), shall be paid to the Fiscal Agent, who shall forthwith deposit such proceeds on the Closing Date as follows:

- (i) Deposit in the Improvement Fund \$_____;
- (ii) Deposit in the 2022 Reserve Account of the Reserve Fund \$_____;
- (iii) Deposit \$_____ in the 2022 Capitalized Interest Account of Bond Fund to pay interest on the 2022 Bonds through September 1, 2023;
and
- (iv) Deposit in the 2022 Costs of Issuance Fund \$_____.

Section 3.03. Special Tax Fund.

(A) Establishment of Special Tax Fund. There is hereby established as a separate fund to be held by the Administrative Services Director, known as The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds, Series 2022, Special Tax Fund. Within the Special Tax Fund, the Administrative Services Director shall establish and maintain two accounts, (i) the Debt Service Account, to the credit of which the City shall deposit, immediately upon receipt, all Special Tax Revenues received by the City, and any amounts required by Section 3.05(B) to be deposited in the Special Tax Fund, and (ii) the Surplus Account, to the credit of which the City shall deposit surplus Special Tax Revenues described in Section 3.03(B) below. Moneys in the Special Tax Fund shall be held in trust by the City for the benefit of the City and the Owners of the Bonds, shall be disbursed as provided below and, pending any disbursement, shall be subject to a lien in favor of the Owners of the Bonds. Notwithstanding the foregoing, the City may semi-annually transfer from the Special Tax Fund so held an amount equal to one-half of the Administrative Expense Priority as necessary for the payment of Administrative Expense Priority.

(B) Disbursements. All Special Tax Revenues shall be deposited in the Debt Service Account upon receipt. No later than 10 Business Days prior to each Interest Payment Date, the City shall withdraw from the Debt Service Account of the Special Tax Fund and transfer (i) to the

Fiscal Agent for deposit in the Reserve Fund an amount such that the amount then on deposit therein is equal to the Reserve Requirement, and (ii) to the Fiscal Agent for deposit in the Bond Fund an amount, taking into account any amounts then on deposit in the Bond Fund such that the amount in the Bond Fund equals the principal, including any mandatory sinking fund payments, premium, if any, and interest due on the Bonds on the next Interest Payment Date. After the transfers under subsections (i) and (ii) have been made, the City may, on or after September 15th of each year transfer to the Surplus Account the amount remaining in the Debt Service Account.

From time to time, the City may withdraw from the Surplus Account of the Special Tax Fund amounts needed to pay costs of the Project or incidental expenses of the District authorized under the Act, including Administrative Expenses in excess of the Administrative Expense Priority. Moneys in the Surplus Account may, at the City's discretion, also be used to pay the principal of, premium, if any, and interest on the Bonds or to replenish the Reserve Fund to the amount of the Reserve Requirement.

(C) Investment. Moneys in the Special Tax Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from such investment and deposit shall be retained in the Special Tax Fund to be used for the purposes thereof.

Section 3.04. Improvement Fund.

(A) Establishment of Improvement Fund. There is hereby established as a separate fund to be held by the Fiscal Agent, known as The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds Improvement Fund to the credit of which a deposit shall be made as required by Section 3.02. Moneys in the Improvement Fund shall be held in trust by the Fiscal Agent and shall be disbursed as provided in subsection (B) of this Section for the payment or reimbursement of costs of the Project. Prior to disbursement, amounts on deposit in the Improvement Fund shall be subject to a lien in favor of the Owners of the Bonds.

(B) Procedure for Disbursement. Disbursements from the Improvement Fund shall be made as determined by an Authorized Officer for the payment or reimbursement of the costs of the Project, including for costs of acquisition of portions of the Project, which may include authorized administrative expenses of the City, in accordance with the Acquisition Agreement, by submission of an Officer's Certificate to the Fiscal Agent requesting disbursement of moneys. The Fiscal Agent need not make any such payment if it has received notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys to be so paid, that has not been released or will not be released simultaneously with such payment. The Fiscal Agent shall not incur any liability for any disbursement from the Improvement Fund made in reliance upon any Officer's Certificate.

(C) Investment. Moneys in the Improvement Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits from the investment of amounts in the Improvement Fund shall be retained in the Improvement Fund to be used for the purposes of the Improvement Fund.

(D) Closing of Fund. Upon the filing of an Officer's Certificate stating that the portion of the Project to be financed from the Improvement Fund has been completed and that all costs of such portion of the Project have been paid or are not required to be paid from the Improvement Fund, the Authorized Officer shall request the Fiscal Agent to transfer the amount, if any, remaining in the Improvement Fund to the Bond Fund for application to the payment of principal

of and interest on the Bonds in accordance with Section 4.02 and the Improvement Fund shall be closed.

Section 3.05. 2022 Costs of Issuance Fund.

(A) Establishment of 2022 Costs of Issuance Fund. There is hereby established as a separate fund to be held by the Fiscal Agent, known as The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds Series 2022 Costs of Issuance Fund, to the credit of which a deposit shall be made as required by Section 3.02. Moneys in the 2022 Costs of Issuance Fund shall be held in trust by the Fiscal Agent and shall be disbursed as provided in subsection (B) of this Section for the payment or reimbursement of Costs of Issuance of the 2022 Bonds.

(B) Disbursement. Amounts in the 2022 Costs of Issuance Fund shall be disbursed from time to time to pay Costs of Issuance, as set forth in an Officer's Certificate containing respective amounts to be paid to the designated payees, signed by the Administrative Services Director or a designee thereof and delivered to the Fiscal Agent. The Fiscal Agent shall pay all Costs of Issuance of the 2022 Bonds upon receipt of an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee in such Officer's Certificate, or upon receipt of an Officer's Certificate requesting payment of a Cost of Issuance not listed on the initial Officer's Certificate delivered to the Fiscal Agent on the Closing Date of the 2022 Bonds. The Fiscal Agent shall maintain the 2022 Costs of Issuance Fund for a period of 3 months, from the Closing Date of the 2022 Bonds and then shall transfer any moneys remaining therein, including any investment earnings thereon, to the Improvement Fund, and the 2022 Costs of Issuance Fund shall be closed. Thereafter, every invoice received by the Fiscal Agent shall be submitted to the Administrative Services Director for payment from amounts on deposit in the Special Tax Fund.

(C) Investment. Moneys in the 2022 Costs of Issuance Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from said investment shall be retained by the Fiscal Agent in the 2022 Costs of Issuance Fund to be used for the purposes of such fund.

ARTICLE IV**SPECIAL TAX REVENUES; BOND FUND AND RESERVE FUND**

Section 4.01. Pledge of Special Tax Revenues and Other Amounts. All of the Special Tax Revenues and all moneys deposited in the Bond Fund and, until disbursed as provided herein, the Improvement Fund and the Special Tax Fund are hereby pledged to secure the repayment of the Bonds. In addition, the 2022 Bonds shall be secured by a pledge of all amounts in the 2022 Reserve Account of the Reserve Fund, and a series of Additional Bonds may be secured by a reserve account within the Reserve Fund or a separate reserve fund, as provided in the applicable Supplemental Agreement for such Series. Such pledge shall constitute a first lien on the Special Tax Revenues and said amounts.

The Special Tax Revenues and all moneys deposited into such funds (except as otherwise provided herein) are hereby dedicated in their entirety to the payment of the principal of, including any mandatory sinking fund payments, and interest and any premium on, the Bonds as provided herein and in the Act until all of the Bonds have been paid and retired or until moneys or Federal Securities have been set aside irrevocably for that purpose in accordance with Section 9.03.

Amounts in the Costs of Issuance Fund for any Series of Bonds are not pledged to the repayment of the Bonds. The facilities acquired with the proceeds of the Bonds are not in any way pledged to the repayment of the Bonds. Any proceeds of condemnation, destruction or other disposition of any facilities financed with the proceeds of the Bonds are not pledged to the repayment of the Bonds and are free and clear of any lien or obligation imposed hereunder.

Section 4.02. Bond Fund.

(A) Establishment of Bond Fund. There is hereby established as a separate fund to be held by the Fiscal Agent, known as The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds Bond Fund, to the credit of which deposits shall be made as required by Section 3.03(B)(ii), Section 4.03 and any other amounts required to be deposited therein by this Agreement or the Act. Within the Bond Fund, the Fiscal Agent shall establish a Prepayment Account and deposit therein moneys received, if any, from prepayments of the Special Tax pursuant to Section 2.03(A)(ii). Moneys in the Bond Fund shall be held in trust by the Fiscal Agent for the benefit of the Owners of the Bonds, shall be disbursed for the payment of the principal of, and interest and any premium on, the Bonds as provided below, and, pending such disbursement, shall be subject to a lien in favor of the Owners of the Bonds.

There is also hereby created within the Bond Fund a "2022 Capitalized Interest Account" which account is hereby established for purposes of accounting for the disposition of 2022 Bonds, a portion of the proceeds of which will be deposited to such 2022 Capitalized Interest Account pursuant to Section 3.02(a). The amount deposited to the 2022 Capitalized Interest Account and any investment earnings thereon shall be used solely to make payments on the 2022 Bonds, and the amount deposited to the 2022 Capitalized Interest Account and any investment earnings thereon shall be applied solely to make payments on the 2022 Bonds on September 1, 2023. Any excess amounts therein on September 2, 2023 shall be transferred to the Special Tax Fund, and the 2022 Capitalized Interest Account shall thereupon be closed.

(B) Disbursements. On each Interest Payment Date, the Fiscal Agent shall withdraw from the Bond Fund and pay to the Owners of the Bonds the principal of, and interest and any premium, then due and payable on the Bonds, including any amounts due on the Bonds by reason of the sinking payments set forth in Section 2.03(A)(iii) or any redemption of the Bonds as provided under Section 2.03(A)(i). Moneys in the Prepayment Account shall be disbursed for redemption of Bonds as instructed by the City.

In the event that amounts in the Bond Fund are insufficient to pay regularly scheduled payments of principal of and interest on the Bonds, the Fiscal Agent shall withdraw from the Reserve Fund to the extent of any funds therein, the amount of such insufficiency, and the Fiscal Agent shall provide written notice to the Administrative Services Director of the amounts so withdrawn from the Reserve Fund. Amounts so withdrawn from the Reserve Fund shall be deposited in the Bond Fund.

If, after the foregoing transfer, there are insufficient funds in the Bond Fund to make the payments provided for to pay regularly scheduled payments of principal of and interest on the Bonds, the Fiscal Agent shall apply the available funds first to the payment of interest on the Bonds, then to the payment of principal due on the Bonds other than by reason of sinking payments, and then to payment of principal due on the Bonds by reason of sinking payments. Any sinking payment not made as scheduled shall be added to the sinking payment to be made on the next sinking payment date.

(C) Investment. Moneys in the Bond Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from such investment and deposit shall be retained in the Bond Fund to be used for the purposes of such fund.

(D) Deficiency. If ten days before any Interest Payment Date it appears to the Fiscal Agent that there is a danger of deficiency in the Bond Fund and that the Fiscal Agent may be unable to pay regularly scheduled debt service on the Bonds in a timely manner, the Fiscal Agent shall report to the Administrative Services Director such fact. The City covenants to increase the levy of the Special Taxes in the next Fiscal Year (subject to the maximum amount authorized by the Resolution of Formation) in accordance with the procedures set forth in the Act for the purpose of curing Bond Fund deficiencies.

If on any Interest Payment Date the Fiscal Agent is unable to pay principal, interest and premium, if any, due on any Interest Payment Date for the Bonds due to insufficient funds in the Bond Fund, or if funds are withdrawn from the Reserve Fund to pay principal and/or interest on the Bonds the Fiscal Agent shall notify the Administrative Services Director in writing of such fact, and the Administrative Services Director shall notify CDIAC of such fact within 10 days of such Interest Payment Date. The Fiscal Agent has no obligation under this Agreement to provide notice or disclosure to the Bondowners of insufficient funds or anticipation of deficiency in the Bond Fund.

Section 4.03. Reserve Fund.

(A) Establishment of Fund. There is hereby established as a separate fund to be held by the Fiscal Agent, known as The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds Reserve Fund, and within such fund the "2022 Reserve Account," to the credit of which a deposit shall be made as required by Section 3.02, and deposits shall be made as provided in Section 3.03(B). Moneys in the Reserve Fund shall be held in trust by the Fiscal Agent for the benefit of the Owners of the Bonds secured thereby

as a reserve for the payment of principal of, and interest on, the Bonds and shall be subject to a lien in favor of the Owners of the Bonds.

The City has the right at any time to cause the Fiscal Agent to release funds from the Reserve Fund, in whole or in part, by tendering to the Fiscal Agent: (1) a Qualified Reserve Fund Credit Instrument, and (2) an opinion of Bond Counsel stating that such release will not, of itself, cause the portion of the interest on the Bonds to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Fiscal Agent, the Fiscal Agent will transfer such funds from the Reserve Fund to the City.

(B) Use of Fund. Except as otherwise provided in this Section, all amounts deposited in the Reserve Fund shall be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Bond Fund in the event of any deficiency within five days prior to any Interest Payment Date in the Bond Fund of the amount required for payment of the principal of, and interest on, the Bonds secured by the Reserve Fund on such Interest Payment Date. Whenever transfer is made from the Reserve Fund to the Bond Fund due to a deficiency in the Bond Fund, the Fiscal Agent shall provide written notice thereof to the Administrative Services Director.

(C) Transfer of Excess of Reserve Requirement. Whenever, on the Business Day prior to any Interest Payment Date, the amount in the Reserve Fund (or any account therein) exceeds the then applicable Reserve Requirement, the Fiscal Agent shall provide written notice to the Administrative Services Director of the amount of the excess and, following any transfer required pursuant to Section 4.03(D) below, shall transfer an amount equal to the excess from the Reserve Fund to the Improvement Fund, if the Project has not been completed as of the date of such transfer, or if the Project has been completed, to the Bond Fund to be used for the payment of the principal of and interest on the Bonds in accordance with Section 4.02.

(D) Transfer for Rebate Purposes. Investment earnings on amounts in the Reserve Fund may be withdrawn from the Reserve Fund for purposes of making payment to the federal government to comply with Section 6.02.

(E) Transfer When Balance Exceeds Outstanding Bonds. Whenever the balance in the Reserve Fund exceeds the amount required to redeem or pay the Outstanding Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, and after making any transfer required under Section 4.03(D) above and upon receipt of an Officer's Certificate directing it to do so, the Fiscal Agent shall transfer the amount in the Reserve Fund to the Bond Fund to be applied, on the next succeeding Interest Payment Date to the payment and redemption, in accordance with Section 4.02 or 2.03 as applicable, of all of the Outstanding Bonds. In the event that the amount so transferred from the Reserve Fund to the Bond Fund exceeds the amount required to pay and redeem the Outstanding Bonds, the balance in the Reserve Fund shall be transferred to the City, after payment of any amounts due the Fiscal Agent hereunder, to be used for any lawful purpose of the City.

Notwithstanding the foregoing, no amounts shall be transferred from the Reserve Fund pursuant to this Section 4.03(E) until after the calculation, pursuant to Section 6.02, of any amounts due to the federal government following payment of the Bonds and withdrawal of any such amount under Section 4.03(D) for purposes of making such payment to the federal government, and payment of any fees and expenses due to the Fiscal Agent.

(F) Investment. Moneys in the Reserve Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from the investment of moneys in the Reserve Fund and other moneys in the Reserve Fund will remain therein until the balance exceeds the Reserve Requirement; any amounts in excess of the Reserve Requirement will be transferred to the Improvement Fund, if the Facilities have not been completed, or if the Facilities have been completed, to the Bond Fund to be used for the payment of the principal of and interest on the Bonds secured by the Reserve Fund.

ARTICLE V

OTHER COVENANTS OF THE CITY

Section 5.01. Punctual Payment. The City will punctually pay or cause to be paid the principal of, and interest and any premium on, the Bonds when and as due in strict conformity with the terms of this Agreement, and it will faithfully observe and perform all of the conditions covenants and requirements of this Agreement and all Supplemental Agreements and of the Bonds.

Section 5.02. Limited Obligation. The Bonds are limited obligations of the City on behalf of Improvement Area No. 1 of the District and are payable solely from and secured solely by the Special Tax Revenues and the amounts in the Bond Fund, the Reserve Fund and the Special Tax Fund created hereunder.

Section 5.03. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the City shall not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Bonds and shall not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the City, such claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this 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 which shall not have been so extended or funded.

Section 5.04. Against Encumbrances. The City will not encumber, pledge or place any charge or lien upon any of the Special Tax Revenues or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien herein created for the benefit of the Bonds, except as permitted by this Agreement.

Section 5.05. Books and Accounts. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the expenditure of amounts disbursed from the Special Tax Fund and to the Special Tax Revenues. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Owners of not less than ten percent (10%) of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

The Fiscal Agent will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Fiscal Agent, in which complete and correct entries shall be made of all transactions of the Fiscal Agent relating to the expenditure of amounts disbursed from funds and accounts held by the Fiscal Agent hereunder. Such books of record and accounts shall at all times during business hours and upon reasonable prior notice, be subject to the inspection of the City and the Owners of not less than ten percent (10%) of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Section 5.06. Protection of Security and Rights of Owners. The City will preserve and protect the security of the Bonds and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the delivery of any of the Bonds by the City, the Bonds shall be incontestable by the City.

Section 5.07. Compliance with Law; Completion of Project. The City will comply with all applicable provisions of the Act and the law in completing the acquisition and construction of the Project; provided that the City shall have no obligation to advance any funds to complete the Project in excess of the amounts available therefor in the Improvement Fund.

Section 5.08. Private Activity Bond Limitation. The City shall assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

Section 5.09. Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 5.10. Collection of Special Tax Revenues. The City shall comply with all requirements of the Act so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of delinquent Special Taxes.

On or within five Business Days of each June 1, the Fiscal Agent shall provide the Administrative Services Director with a notice stating the amount then on deposit in the Bond Fund and the Reserve Fund. The receipt of such notice by the Administrative Services Director shall in no way affect the obligations of the Administrative Services Director under the following two paragraphs. Upon receipt of such notice, the Administrative Services Director shall ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits during the preceding and then current year.

The City shall effect the levy of the Special Taxes each Fiscal Year in accordance with the Ordinance such that the computation of the levy is complete before the final date on which the County Auditor will accept the transmission of the Special Tax amounts for the parcels within Improvement Area No. 1 for inclusion on the next secured real property tax roll. Upon the completion of the computation of the amounts of the levy, the City shall prepare or cause to be prepared, and shall transmit to the Administrative Services Director, such data as the County Auditor requires to include the levy of the Special Taxes on the next secured real property tax roll.

The City shall fix and levy the amount of Special Taxes within Improvement Area No. 1 required for the payment of principal of and interest on any Outstanding Bonds becoming due and payable during the ensuing year, including any necessary replenishment or expenditure of the Reserve Fund for the Bonds and an amount estimated to be sufficient to pay the Administrative Expenses during such year, all in accordance with the Rate and Method and the Ordinance.

The Special Taxes shall be payable and be collected in the same manner and at the same time and in the same installment as the general taxes on real property are payable, and have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property. Notwithstanding the foregoing, the Special Taxes may be collected in such other manner as the City shall prescribe if necessary to pay the debt service on the Bonds.

Section 5.11. Further Assurances. The City will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Agreement, and for the better assuring and confirming unto the Owners of the rights and benefits provided in this Agreement.

Section 5.12. No Arbitrage. The City shall not take, or permit or suffer to be taken by the Fiscal Agent or otherwise, any action with respect to the gross proceeds of the Bonds which if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and Regulations.

Section 5.13. Maintenance of Tax-Exemption. The City shall take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Bonds.

Section 5.14. Annual State Reports. The following requirements shall apply to the Bonds:

(A) Annual Reporting. Not later than October 30 of each calendar year, beginning with the October 30 first succeeding the date of the Bonds, and in each calendar year thereafter until the October 30 following the final maturity of the Bonds, the Administrative Services Director shall prepare and supply the California Debt and Investment Advisory Commission, by mail, postage prepaid, with the information required under Section 53359.5(c) of the Act. The annual reporting shall be made using such form or forms as may be prescribed by CDIAC.

(B) Other Reporting. If within 10 days prior to any Interest Payment Date it appears to the Fiscal Agent that there is a danger of deficiency in the Bond Fund and that the Fiscal Agent may be unable to pay regularly scheduled debt service on the Bonds in a timely manner or if the Fiscal Agent is unable to pay principal, interest and premium, if any, due on any Interest Payment Date for the Bonds due to insufficient funds in the Bond Fund, or if funds are withdrawn from the Reserve Fund to pay principal and/or interest on the Bonds, the Administrative Services Director shall make the reports required under Section 4.02(D) hereof.

(C) Amendment. The reporting requirements of this Section 5.14 shall be amended from time to time, without action by the City or the Fiscal Agent, to reflect any amendments to Section 53359.5(b) or Section 53359.5(c) of the Act.

(D) No Liability. None of the City and its officers, agents and employees, the Administrative Services Director or the Fiscal Agent shall be liable for any inadvertent error in reporting the information required by this Section 5.14.

Section 5.15. Covenant to Foreclose. The City hereby covenants with and for the benefit of the Owners of the Bonds that it will annually on or before September 1 of each year review the public records of the County of Sacramento relating to the collection of the Special Tax in order to determine the amount of the Special Tax collected in the prior Fiscal Year, and if the City determines on the basis of such review that the amount so collected is deficient by more than 5% of the total amount of the Special Tax levied in such Fiscal Year, it will within 30 days thereafter, institute foreclosure proceedings as authorized by the Act in order to enforce the lien of the delinquent installment of the Special Tax against each separate lot or parcel of land in Improvement Area No. 1 for which such installment of the Special Tax is delinquent, and will diligently prosecute and pursue such foreclosure proceedings to judgment and sale; *provided*, that if the City determines on the basis of such review that

(a) the amount so collected is deficient by less than 5% of the total amount of the Special Tax levied in Improvement Area No. 1 in such Fiscal Year, but that property owned by any single property owner in Improvement Area No. 1 is delinquent by more than \$5,000 with respect to the Special Tax due and payable by such property owner in such Fiscal Year, or

(b) that property owned by any single property owner in Improvement Area No. 1 is delinquent cumulatively by more than \$3,000 with respect to the current and past Special Tax due (irrespective of the total delinquencies in Improvement Area No. 1),

then the City will institute, prosecute and pursue such foreclosure proceedings in the time and manner provided herein against each such property owner.

The Administrative Services Director shall notify the City Attorney of any such delinquency of which it is aware, and the City Attorney shall commence, or cause to be commenced, such proceedings.

Section 5.16. Continuing Disclosure to Owners. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Agreement, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered a default hereunder; however, any Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance by the City of its obligations thereunder, including seeking mandate or specific performance by court order.

Section 5.17. Additional Bonds. The City covenants that it will not issue Additional Bonds secured on parity with the 2022 Bonds, except for refunding bonds issued under the Act.

Section 5.18. Yield of the Bonds. In determining the yield of the Bonds to comply with Section 5.13 and 6.02 hereof, the City will take into account optional and mandatory prepayment redemption (including premium, if any) in advance of maturity based on the reasonable expectations of the City, as of the Closing, without regard to whether or not redemption moneys are received or Bonds are redeemed.

ARTICLE VI**INVESTMENTS; DISPOSITION OF INVESTMENT PROCEEDS;
LIABILITY OF THE CITY**

Section 6.01. Deposit and Investment of Moneys in Funds. Subject in all respects to the provisions of Section 6.02, moneys in any fund or account created or established by this Agreement and held by the Fiscal Agent, shall be invested by the Fiscal Agent in Permitted Investments, as directed pursuant to an Officer's Certificate filed with the Fiscal Agent at least two (2) Business Days in advance of the making of such investments. In the absence of any such Officer's Certificate, the Fiscal Agent shall invest any such moneys in Permitted Investments described in clause (vii) of the definition thereof which by their terms mature prior to the date on which such moneys are required to be paid out hereunder. Subject in all respects to the provisions of Section 6.02, moneys in any fund or account created or established by this Agreement and held by the Administrative Services Director shall be invested by the Administrative Services Director in any lawful investments that the City may make, which by their terms mature prior to the date on which such moneys are required to be paid out hereunder. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account, subject, however, to the requirements of this Agreement for transfer of interest earnings and profits resulting from investment of amounts in funds and accounts.

The Fiscal Agent or Administrative Services Director may act as principal or agent in the acquisition or disposition of any investment. Neither the Fiscal Agent nor the Administrative Services Director shall incur any liability for losses arising from any investments made pursuant to this Section. Any losses arising from any investments made pursuant to this Section shall be offset against interest earnings and profits retained in the same fund.

Except as otherwise provided in the next sentence, all investments of amounts deposited in any fund or account created by or pursuant to this Agreement, or otherwise containing gross proceeds of the Bonds (within the meaning of Section 148 of the Code), shall be acquired, disposed of, and valued (as of the date that valuation is required by this Agreement or the Code) at Fair Market Value. For purposes of any Fair Market Value determination hereunder, the Fiscal Agent shall be entitled to conclusively rely on an Officer's Certificate of the City and shall be fully protected in relying thereon. Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code and (unless valuation is undertaken at least annually) investments in the Reserve Fund shall be valued at their present value (within the meaning of Section 148 of the Code).

Investments in any and all funds and accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Fiscal Agent or the Administrative Services Director hereunder, provided that the Fiscal Agent or the Administrative Services Director, as applicable, shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in this Agreement.

The Fiscal Agent or the Administrative Services Director, as applicable, shall sell or present for redemption, any investment security whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited and neither the Fiscal Agent nor the

Administrative Services Director shall be liable or responsible for any loss resulting from the acquisition or disposition of such investment security in accordance herewith.

The City acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive brokerage confirmations of security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law. The Fiscal Agent will furnish the City periodic cash transaction statements which include detail for all investment transactions made by the Fiscal Agent hereunder.

Section 6.02. Rebate of Excess Investment Earnings to the United States. The City covenants to calculate and rebate to the federal government, in accordance with the Regulations, excess investment earnings to the extent required by Section 148(f) of the Code.

The City shall notify the Fiscal Agent of any amounts determined to be due to the federal government, and the Fiscal Agent shall, upon receipt of an Officer's Certificate of the City, withdraw such amounts from the Reserve Fund pursuant to Section 4.03(D), and pay such amounts to the federal government as required by the Code and the Regulations. In the event of any shortfall in amounts available to make such payments under Section 4.03(D), the Fiscal Agent shall notify the Administrative Services Director in writing of the amount of the shortfall and the Administrative Services Director shall make such payment from any amounts available in the Special Tax Fund. Any fees or expenses incurred by the Fiscal Agent or the City under or pursuant to this Section 6.02 shall be Administrative Expenses.

In order to provide for the administration of this Section 6.02, the City may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the City may deem appropriate.

Section 6.03. Limited Obligation. The City's obligations hereunder are limited obligations of the City on behalf of Improvement Area No. 1 of the District and are payable solely from and secured solely by the Special Tax Revenues and the amounts in the Special Tax Fund, the Bond Fund and the Reserve Fund created hereunder.

ARTICLE VII**THE FISCAL AGENT**

Section 7.01. Appointment of Fiscal Agent. U.S. Bank Trust Company, National Association, at its Principal Office, is hereby appointed Fiscal Agent for the Bonds. The Fiscal Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Fiscal Agent.

Any company into which the Fiscal Agent 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 Fiscal Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under the following paragraph of this Section, shall be the successor to such Fiscal Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

The City may remove the Fiscal Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least \$50,000,000, including, for such purpose, the combined capital and surplus of any parent holding company, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 7.01, combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Fiscal Agent may at any time resign by giving written notice to the City and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, the City shall promptly appoint a successor Fiscal Agent by an instrument in writing. Any resignation or removal of the Fiscal Agent shall become effective upon acceptance of appointment by the successor Fiscal Agent.

If no appointment of a successor Fiscal Agent shall be made pursuant to the foregoing provisions of this Section within 30 days after the Fiscal Agent shall have given to the City written notice or after a vacancy in the office of the Fiscal Agent shall have occurred by reason of its inability to act, the Fiscal Agent or any Bondowner may apply to any court of competent jurisdiction to appoint a successor Fiscal Agent. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Fiscal Agent.

Section 7.02. Liability of Fiscal Agent. The recitals of facts, covenants and agreements herein and in the Bonds contained shall be taken as statements, covenants and agreements of the City, and the Fiscal Agent assumes no responsibility for the correctness of the same, or makes any representations as to the validity or sufficiency of this Agreement or of the Bonds, or shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Fiscal Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default. The Fiscal Agent assumes no responsibility or liability for any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with

respect to the issuance of the Bonds. The Fiscal Agent has no liability regarding the use of the proceeds from the purchase of the Bonds deposited in funds held by the City.

In the absence of bad faith, the Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Fiscal Agent and conforming to the requirements of this Agreement, including all Officer's Certificates of the City meeting such requirements; but in the case of any such certificates or opinions by which any provision hereof are specifically required to be furnished to the Fiscal Agent, the Fiscal Agent shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement. Except as provided above in this paragraph, the Fiscal Agent shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Agreement, upon any resolution, order, notice, request, consent or waiver, certificate, statement, affidavit, or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of this Agreement, and the Fiscal Agent shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

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

No provision of this Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Fiscal Agent shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement at the request or direction of any of the Owners pursuant to this Agreement unless such Owners shall have offered to the Fiscal Agent reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

The Fiscal Agent may become the owner of the Bonds with the same rights it would have if it were not the Fiscal Agent.

Section 7.03. Information. The Fiscal Agent shall provide to the City such information relating to the Bonds and the funds and accounts maintained by the Fiscal Agent hereunder as the City shall reasonably request, including but not limited to quarterly statements reporting funds held and transactions by the Fiscal Agent.

Section 7.04. Notice to Fiscal Agent. The Fiscal Agent may rely and shall be protected in acting or refraining from acting upon any Officer's Certificate, notice, resolution, request, consent, order, certificate, report, warrant, Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties and given in accordance with the requirements hereof. The Fiscal Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Fiscal Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder. The Fiscal Agent may consult with

counsel, who may be counsel 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.

The Fiscal Agent 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 his title thereto satisfactorily established, if disputed.

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

Section 7.05. Compensation, Indemnification. The City shall pay to the Fiscal Agent from time to time reasonable compensation for all services rendered as Fiscal Agent under this Agreement, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Agreement, but the Fiscal Agent shall not have a lien therefor on any funds at any time held by it under this Agreement. The City further agrees, to the extent permitted by applicable law, to indemnify and save the Fiscal Agent, its officers, employees, directors and agents harmless against any costs, claims, expenses or liabilities, including, without limitation, fees and expenses of its attorneys which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or willful misconduct. The obligation of the City under this Section shall survive resignation or removal of the Fiscal Agent under this Agreement and payment of the Bonds and discharge of this Agreement.

ARTICLE VIII

MODIFICATION OR AMENDMENT OF THIS AGREEMENT

Section 8.01. Amendments Permitted. This Agreement and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Agreement pursuant to the affirmative vote at a meeting of Owners, or with the written consent without a meeting, of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 8.04. No such modification or amendment shall (i) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation by the City of any pledge or lien upon the Special Taxes superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by the Act, the laws of the State of California or this Agreement), or reduce the percentage of Bonds required for the amendment hereof. No such amendment may modify any of the rights or obligations of the Fiscal Agent without its written consent.

This Agreement and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Agreement, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(A) to add to the covenants and agreements of the City in this Agreement contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(B) to make modifications not adversely affecting any outstanding series of Bonds of the City in any material respect;

(C) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Agreement, or in regard to questions arising under this Agreement, as the City and the Fiscal Agent may deem necessary or desirable, and which shall not adversely affect the rights of the Owners of the Bonds; or

(D) to make such additions, deletions or modifications as may be necessary or desirable to assure compliance with Section 148 of the Code relating to required rebate of excess investment earnings to the United States or otherwise as may be necessary to assure exclusion from gross income for federal income tax purposes of interest on the Bonds or to conform with the Regulations.

Section 8.02. Owners' Meetings. The City may at any time call a meeting of the Owners. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof and to fix and adopt rules and regulations for the conduct of said meeting.

Section 8.03. Procedure for Amendment with Written Consent of Owners. The City and the Fiscal Agent may at any time enter into a Supplemental Agreement amending the provisions of the Bonds or of this Agreement or any Supplemental Agreement, to the extent that such amendment is permitted by Section 8.01, to take effect when and as provided in this Section. A

copy of such Supplemental Agreement, together with a request to Owners for their consent thereto, if such consent is required under Section 8.01, shall be mailed by first class mail, by the Fiscal Agent to each Owner of Bonds Outstanding, but failure to mail copies of such Supplemental Agreement and request shall not affect the validity of the Supplemental Agreement when assented to as in this Section provided.

If consent of the Owners is required under Section 8.01, such Supplemental Agreement shall not become effective unless there shall be filed with the Fiscal Agent the written consents of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding (exclusive of Bonds disqualified as provided in Section 8.04) and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 9.04. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Fiscal Agent prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Agreement, stating in substance that the Supplemental Agreement has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Agreement or consents thereto). Proof of the mailing of such notice shall be filed with the Fiscal Agent. A record, consisting of the papers required by this Section 8.03 to be filed with the Fiscal Agent, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Agreement shall become effective upon the filing with the Fiscal Agent of the proof of mailing of such notice, and the Supplemental Agreement shall be deemed conclusively binding (except as otherwise herein above specifically provided in this Article) upon the City and the Owners of all Bonds at the expiration of 60 days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such 60-day period.

Section 8.04. Disqualified Bonds. Bonds owned or held for the account of the City, excepting any pension or retirement fund, shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of Outstanding Bonds provided for in this Article VIII, and shall not be entitled to vote upon, consent to, or take any other action provided for in this Article VIII. Upon request, the City shall provide an Officer's Certificate to the Fiscal Agent listing those Bonds which are disqualified pursuant to this Section 8.04.

Section 8.05. Effect of Supplemental Agreement. From and after the time any Supplemental Agreement becomes effective pursuant to this Article VIII, this Agreement shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations under this Agreement of the City and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Agreement shall be deemed to be part of the terms and conditions of this Agreement for any and all purposes.

Section 8.06. Endorsement or Replacement of Bonds Issued After Amendments. The City may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article VIII shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for that purpose at the Principal Office of the Fiscal Agent or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the Principal Office of the Fiscal Agent without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 8.07. Amendatory Endorsement of Bonds. The provisions of this Article VIII 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 8.08. Opinion of Counsel Regarding Supplemental Agreement. The Fiscal Agent shall be furnished an opinion of counsel that any Supplemental Agreement entered into by the City and the Fiscal Agent complies with the provisions of this Article VIII, and the Fiscal Agent may conclusively rely upon such opinion.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits of Agreement Limited to Parties. Nothing in this Agreement expressed or implied, is intended to give to any person other than the City, the Fiscal Agent and the Owners, any right, remedy, claim under or by reason of this Agreement. Any covenants, stipulations, promises or agreements in this Agreement contained by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Fiscal Agent.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Agreement or any Supplemental Agreement either the City or the Fiscal Agent is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Agreement contained by or on behalf of the City or the Fiscal Agent shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Agreement. If the City shall pay and discharge the entire indebtedness on all or any portion of the Bonds Outstanding in any one or more of the following ways:

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

(B) by depositing with the Fiscal Agent or other fiduciary, at or before maturity, money which, together with (in the event that all of the Bonds are to be defeased) the amounts then on deposit in the funds and accounts provided for in Sections 4.02 and 4.03, is fully sufficient to pay such Bonds Outstanding, including all principal, interest and redemption premiums; or

(C) by irrevocably depositing with the Fiscal Agent or other fiduciary, cash and Federal Securities in such amount as the City shall determine as confirmed by an independent certified public accountant will, together with the interest to accrue thereon and (in the event that all of the Bonds are to be defeased) moneys then on deposit in the fund and accounts provided for in Sections 4.02 and 4.03, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates;

and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption shall have been given as in this Agreement provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice, then, at the election of the City, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Special Taxes and other funds provided for in this Agreement and all other obligations of the City under this Agreement with respect to such Bonds Outstanding shall cease and terminate, except only the obligations of the City under Section 5.13 and to pay or cause to be paid to the Owners of the Bonds not so surrendered and paid all sums due thereon and all amounts owing to the Fiscal Agent pursuant to Section 7.05; and thereafter Special Taxes shall not be payable to the Fiscal Agent. Notice of such election shall be filed with the Fiscal Agent.

Any funds thereafter held by the Fiscal Agent upon payments of all fees and expenses of the Fiscal Agent, which are not required for said purpose, shall be paid over to the City.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which this Agreement may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, consent, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration 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.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number and date of holding the same shall be proved by the registry books.

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

Section 9.05. Waiver of Personal Liability. No member, officer, agent or employee of the City shall be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.06. Notices to and Demands on City and Fiscal Agent. Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the Fiscal Agent to or on the City may be given or served by being deposited postage prepaid in a post office letter box, by overnight courier or by facsimile (with receipt confirmed by telephone) addressed (until another address is filed by the City with the Fiscal Agent) as follows:

City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, California 95670
Attention: Administrative Services Director

Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the City to or on the Fiscal Agent may be given or served by being deposited postage prepaid in a post office letter box, by overnight courier or by facsimile (with receipt confirmed by telephone) addressed (until another address is filed by the Fiscal Agent with the City) as follows:

U.S. Bank Trust Company, National Association
1420 Fifth Avenue, 7th Floor
Mail Stop PD-WA-T7CT
Seattle, Washington 98101
Attention: Global Corporate Trust Services
Fax: (206) 344-4630

Section 9.07. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Agreement shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Agreement. The City hereby declares that it would have adopted this Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Agreement may be held illegal, invalid or unenforceable.

Section 9.08. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Fiscal Agent in trust for the payment and discharge of the principal of, and the interest and any premium on, the Bonds which remains unclaimed for two (2) years after the date when the payments of such principal, interest and premium have become payable, if such moneys was held by the Fiscal Agent at such date, shall be repaid by the Fiscal Agent to the City as its absolute property free from any trust, and the Fiscal Agent shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the City for the payment of the principal of, and interest and any premium on, such Bonds.

Section 9.09. Applicable Law. This Agreement shall be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 9.10. Conflict with Act. In the event of a conflict between any provision of this Agreement with any provision of the Act as in effect on the Closing Date, the provision of the Act shall prevail over the conflicting provision of this Agreement.

Section 9.11. Conclusive Evidence of Regularity. Bonds issued pursuant to this Agreement shall constitute conclusive evidence of the regularity of all proceedings under the Act relative to their issuance and the levy of the Special Taxes.

Section 9.12. Payment on Business Day. In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to this Agreement is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 9.13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the City has caused this Agreement to be executed in its name and the Fiscal Agent has caused this Agreement to be executed in its name, all as of _____ 1, 2022.

CITY OF RANCHO CORDOVA, for itself and
on behalf of CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES
DISTRICT NO. 2021-1

By: _____
Administrative Services Director

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Fiscal Agent

By: _____
Authorized Officer

EXHIBIT A

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

No. _____

\$_____

CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 1
SPECIAL TAX BONDS SERIES 2022

INTEREST RATE:
%

MATURITY DATE:
September 1, 20__

BOND DATE:
_____, 2022

CUSIP:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: *** _____ DOLLARS***

The City of Rancho Cordova (the "City") for and on behalf of the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (the "District") for Improvement Area No. 1 of the District, for value received, hereby promises to pay solely from the Special Tax (as hereinafter defined) or amounts in certain funds and accounts held under the Agreement (as hereinafter defined), to the Registered Owner named above, or registered assigns (the "Owner"), on the Maturity Date set forth above, unless redeemed prior thereto as hereinafter provided, the Principal Amount set forth above, and to pay interest on such principal amount from the Bond Date shown above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, semiannually on March 1 and September 1, commencing March 1, 2023 (the "Interest Payment Dates"), at the Interest Rate set forth above, until the principal amount hereof is paid or made available for payment. The principal of this Bond is payable to the Owner hereof in lawful money of the United States of America upon presentation and surrender of this Bond at the principal corporate trust office of U.S. Bank Trust Company, National Association in St. Paul, Minnesota (the "Fiscal Agent"). Interest on this Bond shall be paid by check of the Fiscal Agent mailed by first class mail on each Interest Payment Date to the Owner hereof as of the close of business on the 15th day of the month preceding the month in which the Interest Payment Date occurs (the "Record Date") at such Owner's address as it appears on the registration books maintained by the Fiscal Agent, or by wire transfer made on such Interest Payment Date upon written instructions delivered to the Fiscal Agent by the applicable Record Date of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds.

This Bond is one of a duly authorized issue of bonds approved by resolution of the City Council of the City on _____, 2022 (the "Resolution"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Sections 53311, *et seq.*, of the California

Government Code (the "Mello-Roos Act") for the purpose of providing moneys for the construction and acquisition of improvements for the District, and is one of the bonds designated "City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds Series 2022" (the "Bonds"). The issuance of the Bonds and the terms and conditions thereof are provided for by a Fiscal Agent Agreement, dated as of _____ 1, 2022, by and between the City and the Fiscal Agent (the "Agreement") and this reference incorporates the Agreement herein, and by acceptance hereof the Owner of this Bond assents to said terms and conditions. The Agreement is authorized under, this Bond is issued under and both are to be construed in accordance with, the laws of the State of California. Capitalized terms used but not defined herein are defined in the Agreement.

Pursuant to the Mello-Roos Act, the Agreement and the Resolution, the principal of and interest on this Bond are payable solely from the "Special Tax Revenues," being the proceeds of the special taxes annually received by the City for Improvement Area No. 1 (the "Special Taxes"), less an amount equal to the Administrative Expense Priority, including all scheduled payments and delinquent payments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes, and certain funds held under the Agreement.

Interest on this Bond shall be payable from the Interest Payment Date next preceding the date of authentication hereof, unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) such date of authentication is after a Record Date but on or prior to an Interest Payment Date, in which event interest will be payable from such Interest Payment Date, or (iii) such date of authentication is prior to the first Record Date, in which event interest will be payable from the Bond Date shown above; provided however, that if at the time of authentication of this Bond, interest is in default hereon, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment hereon.

Any tax for the payment hereof shall be limited to the Special Tax, except to the extent that provision for payment has been made by the City as may be permitted by law. The Bonds do not constitute obligations of the City for which the City is obligated to levy or pledge, or has levied or pledged, general or special taxation other than described herein above.

The Bonds are subject to optional redemption from any source of available funds (other than prepayments of the Special Tax by property owners), in whole or in part among maturities as specified by the City and by lot within a maturity, on any date on and after September 1, 20____ at the following respective redemption prices (expressed as percentages of the principal amount of the Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
September 1, 20____ through August 31, 20____	103%
September 1, 20____ through August 31, 20____	102
September 1, 20____ through August 31, 20____	101
September 1, 20____ and any date thereafter	100

The Bonds shall be subject to mandatory redemption from prepayments of the Special Tax by property owners, in whole or in part among maturities as shall be specified by the City and by lot within a maturity, on any Interest Payment Date at the following respective redemption prices (expressed as percentages of the principal amount of the Bonds to be redeemed), plus accrued interest thereon the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
Interest Payment Dates through and including March 1, 20__	103%
September 1, 20__ and March 1, 20__	102
September 1, 20__ and March 1, 20__	101
September 1, 20__ and any Interest Payment Date thereafter	100

The proceeds of any such prepayment shall be deposited in the Prepayment Account of the Bond Fund and applied by the Fiscal Agent to pay the redemption price of the Bonds.

The Term Bonds maturing September 1, 20__, September 1, 20__ and September 1, 20__ are subject to mandatory sinking payment redemption in part on September 1, 20__, September 1, 20__ and September 1, 20__, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts as set forth in the following tables:

September 1, 20__ Term Bonds

Mandatory Redemption Date (September 1)	Sinking Fund Payment
--	---------------------------------

September 1, 20__ Term Bonds

Mandatory Redemption Date (September 1)	Sinking Fund Payment
--	---------------------------------

September 1, 20__ Term Bonds

Mandatory Redemption Date (September 1)	Sinking Fund Payment
--	---------------------------------

The amounts in the foregoing tables shall be reduced pro rata at the direction of the City in an Officer's Certificate, in order to maintain substantially uniform debt service, as a result of any prior partial redemption of the Bonds.

Notice of redemption with respect to the Bonds to be redeemed shall be given to the Owners thereof, in the manner, to the extent and subject to the provisions of the Agreement.

This Bond shall be registered in the name of the Owner hereof, as to both principal and interest. Each registration and transfer of registration of this Bond shall be entered by the Fiscal Agent in books kept by it for this purpose and authenticated by its manual signature upon the certificate of authentication endorsed hereon.

No transfer or exchange hereof shall be valid for any purpose unless made by the registered owner, by execution of the form of assignment endorsed hereon, and authenticated as herein provided, and the principal hereof, interest hereon and any redemption premium shall be payable only to the registered owner or to such Owner's order. The Fiscal Agent shall require the Owner requesting transfer or exchange to pay any tax or other governmental charge required to be paid with respect to such transfer or exchange. No transfer or exchange hereof shall be required to be made (i) within 15 days prior to the date established by the Fiscal Agent for selection of Bonds for redemption or (ii) with respect to a Bond after such Bond has been selected for redemption.

The Agreement and the rights and obligations of the City thereunder may be modified or amended as set forth therein. The principal of the Bonds is not subject to acceleration upon a default under the Agreement or any other document.

This Bond shall not become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been dated and manually signed by the Fiscal Agent.

It is hereby certified, recited and declared that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond have existed, happened and been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the City, does not exceed any debt limit prescribed by the laws or Constitution of the State of California.

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the Fiscal 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.

IN WITNESS WHEREOF, the City of Rancho Cordova has caused this Bond to be executed in its name by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk.

CITY RANCHO CORDOVA

By: _____
Mayor

Attested:

By: _____
City Clerk

FISCAL AGENT'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the Resolution and the Agreement.

Dated: _____, 2022

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Fiscal Agent

By: _____
Authorized Officer

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer unto

(Name, address and Tax Identification Number of Assignee)

the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the registration books of the Fiscal Agent with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTE: Signature(s) must be guaranteed by an eligible guarantor institution with membership in an approved signature guarantee medallion program pursuant to Securities and Exchange Commission Rule 17A(d)15.

NOTE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

§ _____
CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 1
SPECIAL TAX BONDS
SERIES 2022

BOND PURCHASE AGREEMENT

_____, 2022

City of Rancho Cordova
 The Ranch Community Facilities District No. 2021-1
 2729 Prospect Park Drive
 Rancho Cordova, California 95670

Ladies and Gentlemen:

The undersigned, Piper Sandler & Co., as underwriter (the “Underwriter”), acting not as a fiduciary or agent for you, but on behalf of itself, offers to enter into this Bond Purchase Agreement (this “Purchase Agreement”) with the City of Rancho Cordova (the “City”) for its The Ranch Community Facilities District No. 2021-1 (the “Community Facilities District”), which upon acceptance will be binding upon the Underwriter and the City. The agreement of the Underwriter to purchase the Bonds (as hereinafter defined) is contingent upon the City satisfying all of the obligations imposed upon it under this Purchase Agreement. This offer is made subject to the City’s acceptance by the execution of this Purchase Agreement and its delivery to the Underwriter at or before 11:59 p.m., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the City at any time prior to the acceptance hereof by the City. All capitalized terms used herein, which are not otherwise defined, shall have the meaning provided for such terms in the Fiscal Agent Agreement, dated as of October 1, 2022 (the “Fiscal Agent Agreement”) by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the “Fiscal Agent”).

1. Purchase, Sale and Delivery of the Bonds.

A. Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein: the Underwriter hereby agrees to purchase from the City and the City hereby agrees to sell to the Underwriter all (but not less than all) of the \$_____ aggregate principal amount of the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds, Series 2022 (the “Bonds”), dated the Closing Date (as hereinafter defined), bearing interest at the rates and maturing on the dates and in the principal amounts set forth in Appendix A hereto. The purchase price for the Bonds shall be \$_____ (being 100% of the aggregate principal amount thereof, plus an original issue premium of \$_____, less an Underwriter’s discount of \$_____).

The Underwriter agrees to make a bona fide initial public offering of all of the Bonds in compliance with federal and state securities laws, at a price not in excess of the initial offering prices (or yields) set forth in Appendix A attached hereto and incorporated herein by reference. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the offering of the Bonds, without any

requirement of prior notice, provided that the Underwriter shall not change the interest rates set forth in Appendix A. The Bonds may be offered and sold to certain dealers at prices lower than such initial offering prices.

The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from the Special Taxes and certain other amounts as provided in the Fiscal Agent Agreement, the Preliminary Official Statement (as hereinafter defined), and the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Community Facilities District Act”). The issuance of the Bonds has been duly authorized by the City pursuant to a resolution (the “Resolution”), adopted by its City Council (the “City Council”) on behalf of the Community Facilities District, on _____, 2022. The proceeds of the Bonds shall be used to (i) construct and acquire certain public facilities, including payment of fees related to public facilities, authorized for the District and Improvement Area No. 1 of the Community Facilities District (“Improvement Area No. 1”); (ii) make a deposit into the debt service reserve fund for the Bonds; and (iii) pay the costs of issuance of the Bonds.

B. The City hereby acknowledges that the Underwriter is entering into this Purchase Agreement in reliance on the representations, warranties and agreements made by the City on behalf of itself and on behalf of the Community Facilities District herein, and the City shall take all action necessary to enforce its rights hereunder for the benefit of the Underwriter and shall immediately notify the Underwriter if it becomes aware that any representation, warranty or agreement made by the City, on behalf of itself or on behalf of the Community Facilities District, herein is incorrect in any material respect.

C. The City acknowledges and agrees that: (i) the primary role of the Underwriter, as an underwriter, is to purchase securities for resale to investors in an arm’s-length commercial transaction between the City and the Underwriter and that the Underwriter has financial and other interests that differ from those of the City and the Community Facilities District; (ii) the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the City, the Community Facilities District, or any other person or entity and has not assumed any advisory or fiduciary responsibility to the City or the Community Facilities District with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City or the Community Facilities District on other matters); (iii) the only obligations the Underwriter has to the City or the Community Facilities District with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement, except as otherwise provided by applicable rules and regulations of the Securities and Exchange Commission or the rules of the Municipal Securities Rulemaking Board (the “MSRB”); and (iv) the City has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein. The City acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the MSRB and acknowledges that it has engaged NHA Advisors, LLC, as its municipal advisor (as defined in Securities and Exchange Commission Rule 15Ba1) and will rely solely on NHA Advisors, LLC for financial advice with respect to the Bonds.

D. Pursuant to the authorization of the City, the Underwriter has distributed copies of the Preliminary Official Statement dated _____, 2022, relating to the Bonds, which, together with the cover page, inside cover page and appendices thereto is herein called the “Preliminary Official Statement.” By its acceptance of this Purchase Agreement, the City hereby consents to and ratifies the use and distribution by the Underwriter of the Preliminary Official

Statement, and the City agrees to execute a final official statement relating to the Bonds (the “Official Statement”) which will consist of the Preliminary Official Statement with such changes as may be made thereto, with the approval of Jones Hall, a Professional Corporation, Bond Counsel and Disclosure Counsel (herein called “Bond Counsel”), and the Underwriter, and to provide copies thereof to the Underwriter as set forth in Section 2(S) hereof. The City hereby authorizes and requires the Underwriter to use and promptly distribute, in connection with the offer and sale of the Bonds, the Preliminary Official Statement, the Official Statement and any supplement or amendment thereto. The City further authorizes the Underwriter to use and distribute, in connection with the offer and sale of the Bonds, the Fiscal Agent Agreement, this Purchase Agreement and all information contained herein, and all other documents, certificates and statements furnished by or on behalf of the City or the Community Facilities District to the Underwriter in connection with the transactions contemplated by this Purchase Agreement. The Preliminary Official Statement and/or the Official Statement may be delivered and printed in a “designated electronic format” as defined in the MSRB’s Rule G-32 and as may be agreed to by the City and the Underwriter. The City confirms that it does not object to distribution of the Preliminary Official Statement or the Official Statement in electronic form. A copy of the most recent Preliminary Official Statement sent to a potential purchaser shall be sent by first class mail or electronically (or other equally prompt means) not later than the first business day following the day upon which each such request is received.

E. To assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”), the City will undertake pursuant to the City Continuing Disclosure Certificate, in the form attached to the Official Statement under Appendix F (the “City Continuing Disclosure Certificate”), to provide annual reports and notices of certain enumerated events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

F. Except as the Underwriter and the City may otherwise agree, the City will deliver to the Underwriter, at the offices of Bond Counsel in San Francisco, California, or at such other location as may be mutually agreed upon by the Underwriter and the City, the documents hereinafter mentioned; and the City will deliver to the Underwriter through The Depository Trust Company’s (“DTC”) FAST delivery system, the Bonds, in definitive form (all Bonds bearing CUSIP® numbers printed thereon), duly executed by the City and authenticated by the Fiscal Agent in the manner provided for in the Fiscal Agent Agreement and the Community Facilities District Act at 8:00 a.m. California time, on _____, 2022 (the “Closing Date”), and the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in paragraph (A) of this Section by wire transfer, payable in federal or other immediately available funds (such delivery and payment being herein referred to as the “Closing”). The Bonds shall be in fully registered book-entry form (which may be typewritten) and shall be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds, and the specimen Bonds will be made available for checking by the Underwriter not less than 5 days prior to the Closing.

G. Except as the City and the Underwriter may otherwise agree, the City will deliver to the Underwriter, at the offices of Bond Counsel in San Francisco, California, or at such other location as may be mutually agreed upon by the Underwriter and the City, the documents hereinafter mentioned on the Closing Date.

2. Representations, Warranties and Covenants of the Community Facilities District. The City represents, warrants and covenants to the Underwriter, on behalf of itself and the Communities Facilities District, as the case may be, that:

A. The City is a municipal corporation duly organized and validly existing pursuant to the Constitution and laws of the State of California (the “State”), and has duly authorized the formation of the Community Facilities District pursuant to resolutions duly adopted by the City Council (the “Community Facilities District Formation Resolution” and, together with the Resolution, the “Community Facilities District Resolutions”) and the Community Facilities District Act. The City Council, as the legislative body of the Community Facilities District, has duly adopted the Community Facilities District Formation Resolution, has duly adopted a Resolution and Ordinance levying the Special Taxes (for all purposes herein, as such are defined in the Fiscal Agent Agreement) within Improvement Area No. 1 (the “Ordinance”), and has caused to be recorded in the real property records of Sacramento County, a notice of special tax lien (the “Notice of Special Tax Lien”) (the Community Facilities District Formation Resolution, the Ordinance, and the Notice of Special Tax Lien being collectively referred to herein as the “Formation Documents”), and the City Council has duly adopted the Resolution. Each of the Formation Documents remains in full force and effect as of the date hereof and has not been amended. The Community Facilities District is duly organized and validly existing as a community facilities district under the laws of the State. The City has, and at the Closing Date will have, as the case may be, full legal right, power and authority: (i) to execute, deliver and perform its obligations under this Purchase Agreement and the Fiscal Agent Agreement and to carry out all transactions contemplated by each of such agreements; (ii) to enter into the City Continuing Disclosure Certificate; and (iii) to carry out, give effect to and consummate the transactions contemplated by the Formation Documents, the Fiscal Agent Agreement, this Purchase Agreement and the Official Statement.

This Purchase Agreement, the Fiscal Agent Agreement, and the City Continuing Disclosure Certificate are collectively referred to herein as the “City Documents.”

B. By all necessary official action of the City, the City has duly authorized and approved the execution and delivery by the City of, and the performance by City of, the obligations on its part contained in, the City Documents and has approved the use and distribution by the Underwriter of the Preliminary Official Statement and the execution, use and distribution by the Underwriter of the Official Statement, and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered by the parties thereto, the City Documents will constitute the legally valid and binding obligations of the City, on its own behalf and on behalf of the Communities Facilities District, enforceable upon the City and the Community Facilities District in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally. To the best of the City’s knowledge, the City has complied, and will at the Closing Date be in compliance in all respects, with the terms of the City Documents that are applicable to the City, and the Community Facilities District has complied, and will at the Closing Date be in compliance in all respects, with the terms of the City Documents that are applicable to the Community Facilities District.

C. The information in the Preliminary Official Statement (other than statements pertaining to the book-entry system and under the headings “IMPROVEMENT AREA NO. 1 – Development in the District,” as to which no view is expressed) as of its date was and as of the date hereof is, and in the Official Statement (other than statements pertaining to the book-entry system and under the headings “IMPROVEMENT AREA NO. 1 – Development in the District,” as to which no view is expressed) as of its date is, true and correct in all material respects and does not contain

any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and, upon delivery and up to and including 25 days after the End of the Underwriting Period (as defined in paragraph (D) below), the Official Statement will be amended and supplemented so as to contain no misstatement of any material fact or material omission of any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading.

D. Up to and including 25 days after the End of the Underwriting Period (as defined below), the City will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The City will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise materially affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds. As used herein, the term “End of the Underwriting Period” means the later of such time as: (i) the Bonds are delivered to the Underwriter; or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the End of the Underwriting Period shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be written notice delivered to the City at or prior to the Closing Date and shall specify a date (other than the Closing Date) to be deemed the “End of the Underwriting Period.” If in the opinion of the Underwriter any such event or proceedings requires the preparation and distribution of a supplement or amendment to the Official Statement, the City shall prepare and furnish to the Underwriter, at the City’s expense, such number of copies of the supplement or amendment to the Official Statement, in (i) a “designated electronic format” consistent with the requirements of the MSRB’s Rule G-32 and (ii) a printed format form in substance mutually agreed upon by the City and the Underwriter as the Underwriter may reasonably request. If such amendment or supplement to the Official Statement shall be made subsequent to the Closing Date, the City also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

E. As of the time of acceptance hereof and as of the Closing Date, the City and the Community Facilities District, as applicable, have each complied, and will at the Closing Date be in compliance in all material respects, with the Formation Documents and the City Documents, and any immaterial noncompliance by the City or the Community Facilities District, if any, will not impair the ability of the City or the Community Facilities District, as applicable, to carry out, give effect to or consummate the transactions contemplated by the foregoing. From and after the date of issuance of its Bonds, the City will continue to comply with the covenants of the City contained in the City Documents and it shall cause the Community Facilities District to continue to comply with the covenants of the Community Facilities District contained in the City Documents.

F. Except as described in the Preliminary Official Statement, neither the City nor the Community Facilities District is, and as of the Closing Date, neither will be, in any respect material to the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City or the Community Facilities District, as the case may be, is a party or is otherwise subject or bound; and, to the City’s knowledge, no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would

constitute a default or event of default under any such instrument which breach, default or event could have an adverse effect on the City's ability or the Community Facilities District's ability to perform their respective obligations under the City Documents; and as of such times, except as disclosed in the Official Statement, the authorization, execution and delivery of the City Documents and compliance with the provisions of each thereof, or the performance of the conditions precedent to be performed by the City pursuant to this Purchase Agreement, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City is a party or is otherwise subject or bound, in any manner which would materially and adversely affect the performance by the City or the Community Facilities District of their respective obligations under the City Documents or the performance of the conditions precedent to be performed by the City pursuant to this Purchase Agreement. The City has received all licenses, permits or other regulatory approvals required, if any, for the pledge, collection and/or application by the Community Facilities District of the Special Taxes (as defined in the Fiscal Agent Agreement) and other moneys pledged to the payment of the principal of and interest on the Bonds under the Fiscal Agent Agreement.

G. Except as may be required under the "blue sky" or other securities laws of any jurisdiction, all approvals, consents, authorizations, elections and orders of, or filings or registrations with, any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the City or the Community Facilities District of their respective obligations under the City Documents, and the performance of the conditions precedent to be performed by the City pursuant to this Purchase Agreement, have been or will be obtained at the Closing Date and are or will be in full force and effect at the Closing Date.

H. At the time of acceptance hereof there is and as of the Closing there will be no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "Action") pending (notice of which has been served on the City or the Community Facilities District) or to the best knowledge of the City or the Community Facilities District threatened, in which any such Action: (i) in any way questions the powers of the City Council or the existence of the Community Facilities District or the titles of the officers of the City and/or the Community Facilities District to their respective offices; (ii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of the Bonds or the payment or collection of Special Taxes or any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City or the Community Facilities District contemplated thereby; (iii) contests the exclusion of interest on the Bonds from federal or State income taxation or contests the powers of the City or the Community Facilities District which may result in any material adverse change relating to the financial condition of the City or the Community Facilities District; (iv) except as disclosed in the Official Statement, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the City or the Community Facilities District or would result in any material adverse change in the ability of the City to pledge or apply the Special Taxes (as defined in the Fiscal Agent Agreement) or to pay debt service on the Bonds; or (v) contests the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserts that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were

made, not misleading; and as of the time of acceptance hereof there is and, as of the Closing Date, there will be no known basis for any Action of the nature described in clauses (i) through (v) of this sentence.

I. The City will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter and at the expense of the Underwriter as the Underwriter may reasonably request in order: (i) to qualify the Bonds for offer and sale under the “blue sky” or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Underwriter may designate; and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds, provided; however, that the City will not be required to execute a special or general consent to service of process or qualify as a foreign corporation in connection with any such qualification in any jurisdiction.

J. The City Documents conform as to form and tenor to the descriptions thereof contained in the Preliminary Official Statement. The City represents that the Bonds, when issued, executed and delivered in accordance with the Fiscal Agent Agreement and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the City, entitled to the benefits of the Fiscal Agent Agreement. The City and the Community Facilities District will each comply with the covenant in the Fiscal Agent Agreement to cause the Special Taxes to be levied and collected at the same time and in the same manner as ordinary *ad valorem* property taxes. The Fiscal Agent Agreement creates a valid pledge of, first lien upon and security interest in, the Special Taxes, and in the moneys in the Special Tax Fund established pursuant to the Fiscal Agent Agreement, on the terms and conditions set forth in the Fiscal Agent Agreement. The Fiscal Agent Agreement creates a valid pledge of the moneys in certain funds and accounts established pursuant to the Fiscal Agent Agreement, subject in all cases to the provisions of the Fiscal Agent Agreement permitting the application thereof for the purposes and on the terms and conditions set forth therein.

K. Except as disclosed in the Preliminary Official Statement, there are, to the best of the City’s knowledge, no entities with outstanding assessment liens against any of the properties within Improvement Area No. 1 which are senior to or on a parity with the Special Taxes.

L. The issuance and sale of the Bonds is not subject to any transfer or other documentary stamp taxes of the State or any political subdivision thereof.

M. The City shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from State of California personal income tax, of the interest on the Bonds. The City has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the City is a bond issuer whose arbitrage certifications may not be relied upon.

N. Any certificate signed on behalf of the Community Facilities District by any officer or employee of the City authorized to do so and delivered to the Underwriter in connection with the issuance and sale of the Bonds shall be deemed to be a representation and covenant by the Community Facilities District to the Underwriter as to the statements made therein.

O. The City will apply the proceeds of the Bonds in accordance with the Fiscal Agent Agreement and as described in the Official Statement.

P. At or prior to the Closing, the City will have duly authorized, executed and delivered the City Continuing Disclosure Certificate in substantially the form under Appendix F to the Official Statement. Based on a review of previous undertakings, the Preliminary Official Statement and the Official Statement describe the instances in which the City has failed to comply with any previous undertakings with regard to the Rule to provide annual reports or notices of material events in the last five years.

Q. Between the date of this Purchase Agreement and the date of Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money not previously disclosed to the Underwriter and the City shall not create, assume or guarantee any indebtedness payable from, or pledge or otherwise encumber, the Special Taxes or other assets, properties, funds or interests that will be pledged as security for the Bonds pursuant to the City Documents.

R. Until such time as moneys have been set aside in an amount sufficient to pay all then outstanding Bonds at maturity or to the date of redemption if redeemed prior to maturity, plus unpaid interest thereon and premium, if any, to maturity or to the date of redemption if redeemed prior to maturity, the City will faithfully perform and abide by all of the covenants, undertakings and provisions contained in the Fiscal Agent Agreement.

S. The Preliminary Official Statement was deemed final by a duly authorized officer of the City prior to its delivery to the Underwriter, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of the Rule. The City hereby covenants and agrees that, within seven (7) business days from the date hereof, or upon reasonable written notice from the Underwriter within sufficient time to accompany any confirmation requesting payment from any customers of the Underwriter, the City shall cause a final electronic and/or printed form of the Official Statement as set forth in Section 1 above to be delivered to the Underwriter in sufficient quantity to comply with paragraph (b)(4) of the Rule and Rules G-12, G-15, G-32 and G-36 of the Municipal Securities Rulemaking Board.

T. The City hereby approves the preparation and distribution of the Official Statement, consisting of the Preliminary Official Statement with such changes as are noted thereon and as may be made thereto, with the approval of Bond Counsel and the Underwriter from time to time prior to the Closing Date.

U. The City hereby ratifies any prior use of and authorizes the future use by the Underwriter, in connection with the offering and sale of the Bonds, of the Preliminary Official Statement, the Official Statement, this Purchase Agreement and all information contained herein, and all other documents, certificates and written statements furnished by the City to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

The execution and delivery of this Purchase Agreement by the City shall constitute a representation by the City to the Underwriter that the representations and warranties contained in this Section 2 with respect to the City and the Community Facilities District are true as of the date hereof.

3. Conditions to the Obligations of the Underwriter. The obligation of the Underwriter to accept delivery of and pay for the Bonds on the Closing Date shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations and warranties on the part of the City, on its own behalf and on behalf of the Community Facilities District, contained herein, to the accuracy in all material respects of the statements of the officers and other officials of the city and the Community Facilities District made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by the City and the Community Facilities District of

their obligations to be performed hereunder at or prior to the Closing Date and, to the following additional conditions:

A. At the Closing Date, the Community Facilities District Resolutions, the Formation Documents, and the City Documents shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and there shall have been taken in connection therewith, with the issuance of the Bonds, and with the transactions contemplated thereby, and by this Purchase Agreement, all such actions as, in the opinion of Bond Counsel, shall be necessary and appropriate.

B. At the Closing Date, except as was described in the Preliminary Official Statement, neither the City nor the Community Facilities District shall be, in any respect material to the Bonds, the City Documents or the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City or the Community Facilities District, respectively, is a party or is otherwise subject or bound, and the performance by the City or the Community Facilities District, respectively, of its obligations under the Bonds, the City Documents, the Community Facilities District Resolutions, this Purchase Agreement and any other instruments contemplated by any of such documents, and compliance with the provisions of each thereof, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State, the United States of America or of any department, division, agency or instrumentality of either thereof or under any applicable court or administrative decree or order or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City or the Community Facilities District, respectively, is a party or is otherwise subject or bound, in any manner which would materially and adversely affect the performance by the City or the Community Facilities District, respectively, of its obligations under the City Documents, the Bonds or the Community Facilities District Resolutions.

C. The information contained in the Official Statement is, as of the Closing Date and as of the date of any supplement or amendment thereto pursuant hereto, true and correct in all material respects and does not, as of the Closing Date or as of the date of any supplement or amendment thereto, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

D. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Purchase Agreement by written notice to the City if, between the date of this Purchase Agreement and the Closing Date, in the Underwriter's sole and reasonable judgment any of the following events shall occur (each a "Termination Event"):

1. Between the date hereof and the Closing Date, the market price or marketability, at the initial offering prices set forth on the cover page of the Official Statement, of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall have been materially adversely affected, in the judgment of the Underwriter (evidenced by a written notice to the City terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds), by reason of any of the following:

a. Legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America or the legislature of the State or recommended to the

Congress by the President of the United States of America or a member of the President's Cabinet, the Department of the Treasury, the Internal Revenue Service or any member of Congress or favorably reported for passage to either House of Congress by any committee of such House to which such legislation had been referred for consideration, or a decision rendered by a court established under Article III of the Constitution of the United States of America or by the Tax Court of the United States of America, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Treasury Department of the United States of America, the Internal Revenue Service or other federal or State authority with appropriate jurisdiction, with the purpose or effect, directly or indirectly, of imposing federal or State income taxation upon such interest as would be received by any owners of the Bonds beyond the extent to which such interest is subject to taxation as of the date hereof;

b. Legislation introduced in or enacted (or resolution passed) by the Congress, or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States of America or a member of the President's Cabinet, or an order, decree, injunction or decision issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, the Resolution or the City Documents, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Fiscal Agent Agreement is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds, as contemplated hereby or by the Official Statement or otherwise is or would be in violation of the federal securities laws as amended and then in effect;

c. A general suspension of trading in securities on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction;

d. there shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis;

e. Except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the City or the Community Facilities District shall have occurred;

2. The introduction, proposal or enactment of any amendment to the federal or California Constitution or any action by any federal or State court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the City or the Community Facilities District, their property, income, securities (or interest thereon), the validity or enforceability of Special Taxes;

3. Any event occurring or information becoming known which, in the judgment of the Underwriter, makes untrue or incorrect in any material respect any statement or

information contained in the Preliminary Official Statement or in the Official Statement or has the effect that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

4. A general banking moratorium shall have been declared by federal, State of New York or State of California officials authorized to do so or a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred;

5. Any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation in interest rates) or the extension of credit by, or a charge to the net capital requirements of, underwriters shall have been established by the New York Stock Exchange, the Comptroller of the Currency, the Securities and Exchange Commission or any other federal or State agency or the Congress of the United States of America, or by Executive Order;

6. A decision by a court of the United States of America shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds as contemplated by this Purchase Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act of 1933, the Securities Exchange Act of 1934 and the Trust Indenture Act of 1939;

7. Any proceeding shall have been commenced or be threatened in writing by the Securities and Exchange Commission against the City or the Community Facilities District.

8. The commencement of an Action described in Section 2(H).

Upon the occurrence of a Termination Event and the termination of this Purchase Agreement by the Underwriter, all obligations of the City, the Community Facilities District, and the Underwriter under this Agreement shall terminate, without further liability, except that the City and the Underwriter shall pay their respective expenses as set forth in Section 6 below.

E. At or prior to the Closing Date, the Underwriter shall have received a counterpart original or certified copy of the following documents, in each case satisfactory in form and substance to the Underwriter:

1. Official Statement. The Official Statement and each supplement or amendment, if any thereto, executed by an authorized officer of the City;

2. Fiscal Agent Agreement. The Fiscal Agent Agreement, duly executed and delivered by the City and the Fiscal Agent;

3. Resolutions. Certifications by the City Clerk with respect to each resolution and ordinance of the City Council, for the City or as the legislative body of the Community Facilities District, relating to the City Documents, the transactions contemplated thereby, formation of the Community Facilities District and issuance of the Bonds;

4. City Continuing Disclosure Certificate. The City Continuing Disclosure Certificate executed and delivered by the City;

5. Bond Counsel Opinion. An unqualified approving opinion for the Bonds, dated the Closing Date and addressed to the City, of Bond Counsel, to the effect that the Bonds are the valid, legal and binding obligations of the City and that the interest thereon is excluded from gross income for federal income tax purposes and exempt from personal income taxes of the State, in substantially the form included as Appendix E to the Official Statement, together with a letter of Bond Counsel, dated the Closing Date and addressed to the Underwriter, to the effect that such opinion addressed to the City may be relied upon by the Underwriter to the same extent as if such opinion was addressed to it;

6. Supplemental Opinion. A supplemental opinion or opinions, dated the Closing Date and addressed to the Underwriter, of Bond Counsel, to the effect that:

(i) this Purchase Agreement has been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery by the other parties thereto, constitutes the legal, valid and binding agreement of the City and is enforceable in accordance with its terms, except to the extent that enforceability may be limited by moratorium, bankruptcy, reorganization, insolvency or other similar laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance with general principles of equity or otherwise in appropriate cases and by limitations on legal remedies against public agencies in the State;

(ii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Fiscal Agent Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended;

(iii) the information contained in the Official Statement on the cover and under the captions "THE 2022 BONDS" (other than by reference Appendix G – DTC and the Book-Entry Only System), "SECURITY FOR THE 2022 BONDS," "LEGAL MATTERS" and in Appendices C and E to the Official Statement (excluding any financial, statistical and economic data, forecasts, numbers, charts, graphs, estimates, projections, and assumptions and any information regarding The Depository Trust Company and the book-entry system as to which Bond Counsel need express no opinion or view, and further, excluding any material that may be treated as included under such captions by cross-reference), are accurate insofar as such statements purport to summarize certain provisions of the Bonds, the Fiscal Agent Agreement, Bond Counsel's final approving opinion and the Community Facilities District Act; and

(iv) the Community Facilities District has been duly formed, and the Special Taxes have been duly and validly levied in accordance with the provisions of the Community Facilities District Act and, except to the extent prohibited by moratorium, bankruptcy, reorganization, fraudulent conveyance or transfer, insolvency or other similar laws affecting creditors' rights generally, a lien to secure payment of the Special Taxes has been imposed on taxable property in Improvement Area No. 1 of the Community Facilities District;

7. Special Counsel Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of Jones Hall, a Professional Corporation, acting as special counsel to the City and the Community Facilities District, substantially in the form of Appendix B hereto;

8. Closing Certificate of the City. A certificate, dated the Closing Date, and signed by an authorized officer of the City substantially in the form of Appendix C hereto, together with such additional certifications as Bond Counsel may require;

9. Bank Incumbency Certificate. Certified copies of the general resolution of the Fiscal Agent authorizing the execution and delivery of certain documents by certain officers of the Fiscal Agent, which resolution authorizes the execution of the Fiscal Agent Agreement and the authentication of the Bonds;

10. Fiscal Agent's Certificate. A certificate of the Fiscal Agent, dated the Closing Date, in form and substance acceptable to the Underwriter and its counsel, substantially in the form of Appendix D hereto;

11. Fiscal Agent's Counsel Opinion. An opinion of counsel to the Fiscal Agent, dated the Closing Date, addressed to the Underwriter and the City, substantially in the form of Appendix E hereto;

12. Disclosure Counsel Opinion. An opinion, dated the Closing Date and addressed to the Underwriter and to the City, of Jones Hall, a Professional Corporation, as disclosure counsel ("Disclosure Counsel"), in form and substance acceptable to the Underwriter;

13. Opinion of Underwriter's Counsel. An opinion of counsel to the Underwriter, dated the date of the Closing, addressed to the Underwriter, in form and substance acceptable to the Underwriter;

14. Special Tax Consultant Certificate. A certificate, dated the Closing Date from Goodwin Consulting Group substantially in the form attached as Appendix F hereto;

15. Certificate Regarding Continuing Disclosure Compliance. A Continuing Disclosure Compliance Certificate, dated the Closing Date, duly executed and delivered by Goodwin Consulting Group, Inc. in form and substance acceptable to the Underwriter and Disclosure Counsel;

16. Transcript. A transcript of all proceedings relating to the authorization, issuance, sale and delivery of the Bonds, including certified copies of the Fiscal Agent Agreement and all resolutions of the City and the Community Facilities District relating thereto;

17. Nonarbitrage Certificate. A certificate of the City, dated the Closing Date, in a form acceptable to Bond Counsel and the Underwriter, that the Bonds are not arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended;

18. Specimen Bonds. Copies of the Specimen Bonds;

19. Issue Price Certificate. An issue price certificate of the Underwriter in the form attached as Appendix J hereto;

20. Certificate of Underwriter. A certificate from the Underwriter to the City, in form satisfactory to the City and signed by an authorized officer of the Underwriter, accepting delivery of the Bonds to the Underwriter and receipt of all documents required by the Underwriter, and the satisfaction or waiver of all conditions and terms of this Purchase Agreement by

the City, and confirming to the City that as of the Closing Date, all of the representations of the Underwriter contained in this Purchase Agreement are true, complete and correct in all material respects;

21. Form 8038-G. An Information Return for Tax-Exempt Bond Issues (Internal Revenue Service Form 8038-G), in a form satisfactory to Bond Counsel for filing, executed by a duly authorized officer of the City, together with evidence that such Form 8038-G has been mailed;

22. CDIAC Statements. Copies of filings with the California Debt and Investment Advisory Commission relating to the issuance of the Bonds;

23. Letter of Representations. A copy of the Blanket Letter of Representations to DTC relating to the Bonds signed by the City;

24. Certificate Regarding Preliminary Official Statement. Prior to and in connection with printing and distribution of the Preliminary Official Statement, (i) an executed certificate of the City and (ii) an executed certificate of K. Hovnanian at Jaeger Ranch, LLC (the "Property Owner") in the form under Appendix G hereto.

25. Property Owner Continuing Disclosure Certificate. Executed copies of the Property Owner Continuing Disclosure Certificate from the Property Owner in the form set forth under Appendix F of the Official Statement.

26. Property Owner Closing Certificate. An executed bring-down certificate from the Property Owner, dated as of the Closing Date, in form and substance as set forth in Appendix H hereto.

27. Property Owner Counsel Opinion. The opinion of counsel to the Property Owner, dated the Closing Date and addressed to the City and the Underwriter, in form and substance acceptable to the Underwriter and Bond Counsel.

28. Appraiser Closing Certificate. A certificate in form and substance as set forth in Appendix I hereto of Integra Realty Resources , the appraiser of the property within Improvement Area No. 1, dated as of the Closing Date.

29. Additional Documents. Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the material representations and warranties of the City, on its own behalf and on behalf of the Community Facilities District, contained herein, and of the statements and information contained in the Official Statement and the due performance or satisfaction by the City at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the City and the Community Facilities District in connection with the transactions contemplated hereby and by the Fiscal Agent Agreement and the Official Statement.

If the City shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds contained in this Purchase Agreement, or if the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall

terminate and neither the City nor the Underwriter shall be under any further obligation hereunder, except that the respective obligations of the Underwriter and the City set forth in Section 6 hereof shall continue in full force and effect.

4. Representations and Agreements of the Underwriter. The Underwriter represents to and agrees with the City that, as of the date hereof and as of the date of the Closing:

A. The Underwriter is duly authorized to execute and deliver this Purchase Agreement and to take any action under the Purchase Agreement required to be taken by it.

B. The Underwriter is in compliance with MSRB Rule G-37 with respect to the City and the Community Facilities District, and is not prohibited thereby from acting as underwriter with respect to securities of the City and the Community Facilities District. The Underwriter is in compliance with MSRB Rule G-17 with respect to the City and the Community Facilities District.

C. The Underwriter has, and has had, no financial advisory relationship with the City or the Community Facilities District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship, within the meaning of California Government Code Section 53590, or otherwise.

D. The Underwriter has not paid or agreed to pay, nor will it pay or agree to pay, any entity, company, firm or person (including, but not limited to, the City's financial consultants, or any officer, agent or employee thereof), other than a bona fide officer, agent or employee working for the Underwriter, any compensation, fee, gift or other consideration contingent upon or resulting from the award of or entering into this Purchase Agreement.

E. The Underwriter has reasonably determined that the City's undertaking in the City Continuing Disclosure Certificate to provide continuing disclosure with respect to the Bonds is sufficient to effect compliance with the Rule.

5. Establishment of Issue Price.

A. The Underwriter agrees to assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix J, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

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

interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

C. The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Appendix A attached hereto, except as otherwise set forth therein. Appendix A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the Underwriter represents that (i) the 10% test has been satisfied (assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Agreement) and (ii) the 10% test has not been satisfied and for which the City and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the City to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- a. the close of the fifth (5th) business day after the sale date; or
- b. the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

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

D. The Underwriter confirms that:

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

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

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

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

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

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

F. The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

a. “public” means any person other than an underwriter or a related party;

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

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

capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

d. “sale date” means the date of execution of this Purchase Agreement by all parties.

6. Expenses.

A. Whether or not the Underwriter accepts delivery of and pays for the Bonds as set forth herein, it shall be under no obligation to pay, and the City shall pay out of the proceeds of the Bonds or any other legally available funds of the City, all expenses incidental to the performance of the City’s obligations hereunder, including but not limited to the cost of printing and delivering the Bonds to the Underwriter; the costs of printing and shipping the Preliminary Official Statement and the Official Statement; the fees and disbursements of the City, the Community Facilities District, the Fiscal Agent, Bond Counsel, Disclosure Counsel, accountants and any other experts or consultants retained by the City or the Community Facilities District in connection with the issuance and sale of the Bonds; and any other expenses not specifically enumerated in paragraph (B) of this Section incurred in connection with the issuance and sale of the Bonds.

B. Whether or not the Bonds are delivered to the Underwriter as set forth herein, the City shall be under no obligation to pay, and the Underwriter shall be responsible for and pay, CUSIP® and CDIAC fees and expenses to qualify the Bonds for sale under any “blue sky” laws; and all other expenses incurred by the Underwriter in connection with its public offering and distribution of the Bonds not specifically enumerated in paragraph (A) of this Section, including the fees and disbursements of its counsel.

7. Undertakings of the City. The City agrees: (a) to inform the Underwriter, from time to time, upon the reasonable request of the Underwriter, of the amount then on deposit in the Reserve Fund and all accounts thereunder; and (b) to make available to the Underwriter, upon reasonable request of the Underwriter, at the expense of the City, sufficient copies of its audited financial statements, if any, and any resolutions of its legislative body with respect to the Community Facilities District Resolutions, the Bonds, the Fiscal Agent Agreement, the Official Statement, any amendments or supplements thereto, and other documents relating to the Bonds and pertaining to the City or the Community Facilities District adopted or executed, as the case may be, after the Closing Date, to the extent that such documents are publicly available.

8. Notices. Any notice of other communication to be given to the City under this Purchase Agreement may be given by delivering the same in writing to the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, California 95670, Attention: Finance Director; any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Piper Sandler & Co., 2321 Rosecrans Ave., Suite 3200, El Segundo, California 90245 Attention: Public Finance. All such notices, requests or other communications may be made by telephone, personal or courier delivery, registered or certified mail, facsimile transmission or electronic communication, provided that delivery by facsimile transmission or electronic communication must be confirmed by the sender. The City and the Underwriter may, by notice given as aforesaid, specify a different address for any such notices, requests or other communications.

9. Parties In Interest. This Purchase Agreement is made solely for the benefit of the City and the Underwriter (including any successors or assignees of the Underwriter) and no other

person shall acquire or have any right hereunder or by virtue hereof. The City and the Underwriter may not assign this Agreement. The term “successor” shall not include any holder of any Bonds merely by virtue of such holding.

10. Survival of Representations and Warranties. The representations and warranties of the City under this Purchase Agreement shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing and regardless of any investigations made by or on behalf of the Underwriter (or statements as to the results of such investigations) concerning such representations and statements of the City or the Community Facilities District and regardless of delivery of and payment for the Bonds.

11. Severability. If any provision of this Purchase Agreement is, or is held or deemed to be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, because it conflicts with any provisions of any constitution, statute, rule of public policy or for any other reason, such circumstances shall not make the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or make any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.

12. Electronic Signature. Each of the parties hereto agrees that the transaction consisting of this Purchase Agreement may be conducted by electronic means. Each party agrees and acknowledges that it is such party’s intent, that if such party signs this Purchase Agreement using an electronic signature, it is signing, adopting and accepting this Purchase Agreement and that signing this Purchase Agreement using an electronic signature is the legal equivalent of having placed the undersigned officer’s handwritten signature on this Purchase Agreement on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Purchase Agreement in a usable format.

13. Execution in Counterparts. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

14. Effective. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the City and shall be valid and enforceable as of the time of such acceptance.

15. No Prior Agreements. This Purchase Agreement supersedes and replaces all prior negotiations, agreements and understanding between the parties hereto in relation to the sale of the Bonds by the City.

16. Governing Law. This Purchase Agreement shall be governed by the laws of the State.

17. Effective Date. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the City and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,
PIPER SANDLER & CO.

By: _____
Its: Authorized Officer

The foregoing is hereby agreed to and
accepted as of the date first above written:

CITY OF RANCHO CORDOVA

By: _____
Authorized Representative

Time of Execution: _____ p.m. California time

**[EXECUTION PAGE OF BOND PURCHASE AGREEMENT – CITY OF RANCHO
CORDOVA THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 1 SERIES 2022 BONDS]**

APPENDIX A

\$ _____
CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 1
SPECIAL TAX BONDS
SERIES 2022

MATURITY SCHEDULE

Maturity (September 1)	Principal Amount	Interest Rate	Yield	Price	10% Test Satisfied*	10% Test Not Satisfied	Subject to Hold-The- Offering-Price Rule (<i>marked if used</i>)
2023							
2024							
2025							
2026							
2027							
2028							
2029							
2030							
2031							
20__ ^(T)							
20__ ^(T)							
20__ ^(T)							
20__ ^(T)							

^(T) Term Bond.

^(C) Priced to optional call at [par] on September 1, 20__.

* At the time of execution of this Purchase Agreement and assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Agreement.

APPENDIX B

OPINION OF SPECIAL COUNSEL

[Closing Date]

VIA OVERNIGHT MAIL

Piper Sandler & Co.
 50 California Street, Suite 3100
 San Francisco, California 94111

City of Rancho Cordova
 The Ranch Community Facilities District No. 2021-1
 2729 Prospect Park Drive
 Rancho Cordova, California 95670

Re: City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds, Series 2022

Ladies and Gentlemen:

We have acted as counsel for the City of Rancho Cordova (the “City”) and the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (the “Community Facilities District”), in connection with the purchase and sale of the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds, Series 2022 (the “Bonds”). As such Counsel, we have reviewed the Bond Purchase Agreement, dated [BPA Date] (the “Purchase Agreement”), by and between Piper Sandler & Co. (the “Underwriter”) and the City, the Fiscal Agent Agreement, dated as of October 1, 2022 (the “Fiscal Agent Agreement”) by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the “Fiscal Agent”), the City Continuing Disclosure Certificate, dated [Closing Date], executed by the City (the “City Continuing Disclosure Certificate”), the Preliminary Official Statement, dated [POS Date], relating to the Bonds (the “Preliminary Official Statement”), the Official Statement, dated [BPA Date], relating to the Bonds (the “Official Statement”), Resolution No. _____ adopted by the City Council of the City on _____, 2022 (“Bond Resolution”), and such other documents, certificates, records and papers as we have deemed necessary to render the below opinions.

The Bonds, Fiscal Agent Agreement, Purchase Agreement, and the City Continuing Disclosure Certificate, are collectively referred to herein as the “Bond Documents.” Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Purchase Agreement.

With your permission we have assumed, without undertaking to verify the same by independent investigation, the following: (a) the authenticity of original documents and the genuineness of all signatures (other than those of the City and the Community Facilities District); (b) the conformity to the originals of all documents submitted to us as copies; (c) the truth, accuracy, and completeness of the information, representations, and warranties contained in these documents, certificates, records and papers we have reviewed; and (d) compliance with all covenants and agreements contained in such documents.

Based on the foregoing, and in reliance thereon, as of the date hereof, we are of the following

opinions:

1. The City is a municipal corporation duly organized and validly existing pursuant to the Constitution and laws of the State of California;

2. The Community Facilities District is duly organized and validly existing as a community facilities district under the Constitution and laws of the State;

3. The Bond Resolution was duly adopted at a meeting of the City Council, which meeting was duly called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;

4. The preparation and distribution of the Preliminary Official Statement and the Official Statement have been duly approved by the City Council, acting for itself or as the Legislative Body of the Community Facilities District;

5. The execution and delivery by the City of the Bond Documents, and the Bonds and the performance of its obligations thereunder have been duly authorized by all requisite action of the City Council, acting for itself or as the Legislative Body of the Community Facilities District, and the Bonds and the Bond Documents have been duly executed and delivered by the Community Facilities District, and constitute legal, valid and binding obligations of the Community Facilities District enforceable against the Community Facilities District, in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general and to the application of equitable principles if equitable remedies are sought;

6. To the best of our knowledge, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body is pending or to the best of such counsel's knowledge, threatened in any way affecting the existence of the City or the Community Facilities District or the titles of the officers of each to their respective offices, or seeking to restrain or to enjoin the execution and delivery of the Bond Documents, or the issuance, sale or delivery of the Bonds or the application of the proceeds thereof or the collection or application of the Special Taxes, or the exclusion from gross income for State personal income taxes of interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the Bond Documents or any action of the City or the Community Facilities District contemplated by any of said documents or in any way contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or the powers of the City or its authority with respect to the Purchase Agreement or any other applicable agreement, or any action on the part of the City or the Community Facilities District contemplated by any of said documents;

7. To the best of our knowledge, the City and the Community Facilities District are not in breach of or in default under any court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City or the Community Facilities District is a party or is otherwise subject or bound, including the Bond Documents, a consequence of which could be to materially and adversely affect the ability of the City or the Community Facilities District to perform their obligations under the Bonds, the Bond Documents or which, with the passage of time or the giving of notice or both, would constitute an event of default thereunder; and;

8. To the best of our knowledge, the adoption of the Bond Resolution and the execution and delivery of the Bonds and the Bond Documents, did not and will not conflict with or constitute a breach of or default under any applicable court or administrative decree or order, or under any loan agreement, note, ordinance, resolution, indenture, contract, agreement or other instrument to which the City or the Community Facilities District, as the case may be, is a party or is otherwise subject or bound, a consequence of which could be to materially and adversely affect the ability of City or the Community Facilities District to perform their obligations under the Bonds or any Bond Documents.

The opinions set forth above are subject to the following additional qualifications:

General principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law; and limitations imposed by bankruptcy, insolvency, fraudulent conveyance, receivership, conservatorship, reorganization, arrangement, liquidation, moratorium or other similar laws affecting the enforcement of creditors' rights in general heretofore or hereafter enacted, as such laws may be applied in the event of bankruptcy, insolvency, reorganization, arrangement, receivership, conservatorship, liquidation, readjustment of debt or other similar proceedings of, or moratorium or similar occurrence affecting municipal corporations in the State.

We express no opinion as to matters governing by laws other than the laws of the State and the federal laws of the United States of America, or the enforceability of any choice of law provision in the documents described herein.

This opinion is solely for your benefit in connection with the transactions covered by the first paragraph of this letter and may not be relied upon or used by, circulated, quoted or referred to, nor may copies hereof be delivered to, any other person or for any other purpose without our prior written approval; provided, however, copies of this opinion may be included in the closing transcripts for the transactions connected with the issuance of the Bonds. We disclaim any obligation to update this opinion letter for events occurring or coming to our attention after the date hereof.

Respectfully submitted,

JONES HALL, A PROFESSIONAL CORPORATION

APPENDIX C

**CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 1
SPECIAL TAX BONDS
SERIES 2022**

CLOSING CERTIFICATE OF THE CITY

I, the undersigned, hereby certify that I am the _____ of the City of Rancho Cordova (the “City”), the City Council (the “City Council”) of which is the Legislative Body for The Ranch Community Facilities District No. 2021-1 (the “Community Facilities District”), a community facilities district duly organized and existing under the laws of the State of California (the “State”) and I am authorized to execute this Certificate on behalf of the City in connection with the issuance of the above-captioned bonds (the “Bonds”). All capitalized terms herein not otherwise defined shall have the meanings given such terms in the Bond Purchase Agreement (the “Bond Purchase Agreement”), dated [BPA Date], by and between the City and Piper Sandler & Co.

I further certify on behalf of the City that:

(i) The representations, warranties and covenants of the City contained in the Bond Purchase Agreement, made on behalf of the City and the Community Facilities District, are true and correct in all material respects on and as of the date hereof as if made on the date hereof;

(ii) The Community Facilities District Resolutions, Formation Documents and the City Documents are in full force and effect and have not been amended, modified or supplemented;

(iii) Except as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity, or by any court or regulatory agency, public board or body pending, with respect to which the City or the Community Facilities District has been served with process, or to the best knowledge of the City or the Community Facilities District, threatened wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence or powers of the City or the Community Facilities District, or the titles of their officers to their respective offices, (b) enjoin or restrain the issuance, sale and delivery of the Bonds, the levy or collection of the Special Taxes or any other moneys or property pledged or to be pledged under the Fiscal Agent Agreement, or the pledge thereof, (c) in any way question or affect any of the rights, powers, duties or obligations of the City or the Community Facilities District with respect to the Special Taxes or moneys and assets pledged or to be pledged to pay the principal of, premium, if any, or interest on the Bonds, (d) in any way question or affect any authority for the issuance of the Bonds, or the validity or enforceability of the Bonds or the proceedings relating to the issuance of the Bonds, or (e) in any way question or affect the Bond Purchase Agreement or the transactions contemplated thereby, the Official Statement or the City Documents;

(iv) The information in the Preliminary Official Statement (other than statements pertaining to the book-entry system and under the headings “IMPROVEMENT AREA NO. 1 – Development in the District,” as to which no view is expressed) as of its date was and as of the date hereof is, and in the Official Statement (other than statements pertaining to the book-entry system and under the headings “IMPROVEMENT AREA NO. 1 – Development in the District,” as to which no view is expressed) as of its date was and as of the date hereof is, true and correct in all material

respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(v) The City has complied with all agreements and covenants, and satisfied all conditions, on its part to be complied with or satisfied under the Bond Purchase Agreement and under the Community Facilities District Resolutions, the Formation Documents, the City Documents and the Official Statement at or prior to the date hereof;

(vi) No event has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the date hereof any statement or information contained in the Preliminary Official Statement or the Official Statement (other than statements pertaining to the book-entry system and under the headings "IMPROVEMENT AREA NO. 1 – Development in the District," as to which no view is expressed) or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading in any material respect;

(vii) The use of and distribution by the Underwriter of the Preliminary Official Statement and the Official Statement in connection with the offer and sale of the Bonds is hereby ratified; and

(viii) The City and the Community Facilities District are each in compliance with all covenants set forth in the Fiscal Agent Agreement.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date set forth below.

Dated: [Closing Date]

CITY OF RANCHO CORDOVA

By: _____

Its: _____

APPENDIX D

**CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 1
SPECIAL TAX BONDS
SERIES 2022**

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION CERTIFICATE

The undersigned is an authorized officer of U.S. Bank Trust Company, National Association (the “Bank”), and as such, is familiar with the facts herein certified and is authorized and qualified to state and certify the following:

(i) The Bank is duly organized and existing as a national banking association under the laws of the United States of America, having the full power and authority to accept and perform its duties under the Fiscal Agent Agreement, dated as of October 1, 2022 (the “Fiscal Agent Agreement”) by and between the City and the Bank, as fiscal agent. Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Bond Purchase Agreement, dated [BPA Date], by and between the City and Piper Sandler & Co.;

(ii) Pursuant to the Fiscal Agent Agreement, the Bank will apply the proceeds from the Bonds to the purposes specified in the Fiscal Agent Agreement;

(iii) The Bank is duly authorized to accept the obligations created by the Fiscal Agent Agreement and to authenticate the Bonds pursuant to the terms of the Fiscal Agent Agreement;

(iv) The Fiscal Agent Agreement has been duly authorized, executed and delivered by the Bank and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitutes a valid and binding agreement of the Bank enforceable against the Bank in accordance with its terms;

(v) The Bonds have been validly authenticated and delivered by the Bank pursuant to the Fiscal Agent Agreement;

(vi) No consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Bank that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Bank of the other transactions contemplated to be performed by the Bank in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Fiscal Agent Agreement;

(vii) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body that has been served on the Bank or, to the best of its knowledge, threatened in any way affecting the existence of the Bank, or seeking to restrain or to enjoin the execution and delivery of the Fiscal Agent Agreement or the authentication of the Bonds, by the Bank, or in any way contesting or affecting the validity or

enforceability, as against the Bank, of the Fiscal Agent Agreement or any action of the Bank contemplated by any of said documents, or in which an adverse outcome would materially and adversely affect the ability of the Bank to perform its obligations under the Fiscal Agent Agreement;

(viii) The Bank is not in breach of or in default under any applicable law or administrative rule or regulation of the State of California (the “State”) or the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Bank is a party or is otherwise subject or bound, a consequence of which could be to materially and adversely affect the ability of the Bank to perform its obligations under the Fiscal Agent Agreement (*provided, however*, that the Bank does not certify as to compliance with State or federal securities laws); and

(ix) The authentication of the Bonds, and the execution and delivery of the Fiscal Agent Agreement by the Bank, and compliance with the provisions of each, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State or the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, ordinance, resolution, Fiscal Agent Agreement, contract, agreement or other instrument to which the Bank is a party or is otherwise subject or bound, a consequence of which could be to materially and adversely affect the ability of the Bank to perform its obligations under the Fiscal Agent Agreement.

Dated: [Closing Date]

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,
as Fiscal Agent

By: _____
Authorized Officer

APPENDIX E

FISCAL AGENT'S COUNSEL OPINION

[Closing Date]

City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Rancho Cordova, California

Piper Sandler & Co.
El Segundo, California

Re: City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds, Series 2022

Ladies and Gentlemen:

We have acted as counsel for U.S. Bank Trust Company, National Association, a national banking association (the "Bank") in connection with the execution by the Bank of the Fiscal Agent Agreement, dated as of October 1, 2022 (the "Fiscal Agent Agreement") by and between the City and the Bank, as fiscal agent. We are generally familiar with the Articles of Association and the Bylaws of the Bank and are also familiar with the corporate proceedings of the Bank with regard to its authorization, execution and delivery of the Fiscal Agent Agreement. Capitalized terms used herein shall have the respective meanings ascribed to them in the Fiscal Agent Agreement, except as otherwise defined herein.

We have examined such documents and have reviewed such questions of law as we have considered necessary and appropriate for the purposes of this opinion. In such review, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity with originals of all documents submitted to us as copies. Where questions of fact material to our opinions expressed below were not established independently, we have relied upon statements of officers of the Bank as contained in their certificates.

Based upon the foregoing, we are of the opinion that:

1. The Bank is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America.
2. The Bank has all requisite corporate power, authority and legal right to execute and deliver the Fiscal Agent Agreement and to perform its duties and obligations under the Fiscal Agent Agreement, and has taken all necessary corporate action to authorize the execution and delivery thereof and the performance of its obligations thereunder, including the authentication and delivery of the Bonds in its capacity as Fiscal Agent under the Fiscal Agent Agreement.

3. The Bank has duly authorized, executed and delivered the Fiscal Agent Agreement. Assuming the due authorization, execution and delivery thereof by the other parties thereto, the Fiscal Agent Agreement is a legal, valid and binding agreement of the Bank, enforceable in accordance with its terms against the Bank.

4. To our knowledge, no authorization, approval, consent, or order of any governmental agency or regulatory authority having jurisdiction over the Bank that has not been obtained by the Bank is required for the authorization, execution and delivery by the Bank of the Fiscal Agent Agreement or the authentication and delivery of the Bonds by the Bank under the Fiscal Agent Agreement.

The opinions set forth above are subject to the following qualifications and exceptions:

(a) the opinions are subject to the effect of any applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other similar laws of general application affecting creditors' rights; and

(b) the opinions are subject to the effect of general principles of equity, including (without limitation) concepts of materiality, reasonableness, good faith and fair dealing, and other similar doctrines affecting the enforceability of agreements generally (regardless of whether considered in a proceeding in equity or at law).

Our opinions expressed above are limited to the laws of the State of California and the federal laws of the United States of America.

The foregoing opinions are being furnished to you solely for your benefit and may not be relied upon by, nor may copies be delivered to, any other person without our prior written consent.

Very truly yours,

APPENDIX F

**CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
SPECIAL TAX BONDS
SERIES 2022**

CERTIFICATE OF SPECIAL TAX CONSULTANT

The undersigned hereby states and certifies:

1. That he is an authorized officer of Goodwin Consulting Group, Inc. (the “Special Tax Consultant”) and as such is familiar with the facts herein certified and is authorized and qualified to certify the same.

2. That the Special Tax Consultant has prepared the Rate and Method of Apportionment of Special Tax (the “Rate and Method”) as set forth in Appendix A to the Official Statement dated [BPA Date], for the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (the “Community Facilities District”) Special Tax Bonds, Series 2022 (the “Bonds”). Capitalized terms not otherwise defined herein shall be defined as provided in the Rate and Method or the Fiscal Agent Agreement, dated as of October 1, 2022 (the “Fiscal Agent Agreement”) by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent.

3. That the Special Taxes, if levied in accordance with the Rate and Method and collected will annually yield sufficient revenue to make timely payments of the annual debt service on the Bonds, and annual Administrative Expenses related to the levy and collection of the Special Taxes and the expenses of the Fiscal Agent for the Bonds (no representation is made as to the actual amounts that will be collected in future years).

4. That the Annual Special Tax, if collected in the maximum amounts permitted pursuant to the Rate and Method on the Closing Date (net of estimated Administrative Expenses equal to a maximum of \$_____ for Fiscal Year 2022-23 (subject to inflation at 2.00% per Fiscal Year effective for Fiscal Year 2023-24)), would generate at least 110% of the Annual Debt Service payable with respect to the Bonds payable from such Special Taxes, assuming the debt service schedule shown in the Official Statement is true and correct.

5. That all information supplied by the Special Tax Consultant for use in the Official Statement is true and correct, as of the date of the Official Statement and as of the date hereof.

6. That, as of the dates of the Preliminary Official Statement and the Official Statement and as of the date hereof, the information contained in those portions of the Official Statement entitled “SECURITY FOR THE 2022 BONDS – Special Taxes and – Special Tax Formula,” “IMPROVEMENT AREA NO. 1,” “CONTINUING DISCLOSURE,” “APPENDIX A,” including the tables sourced to the Special Tax Consultant, and the other data provided by the Special Tax Consultant and included in the Official Statement, do not, to our knowledge, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

7. The Community Facilities District, the City, the Underwriter, Piper Sandler & Co., and all the professionals involved in the financing are entitled to rely on this Certificate.

Dated: [Closing Date]

GOODWIN CONSULTING GROUP

By: _____

Title: _____

APPENDIX G

**CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 1
SPECIAL TAX BONDS
SERIES 2022**

CERTIFICATE OF PROPERTY OWNER

[POS Date]

The undersigned party certifies and represents that it is duly authorized on behalf of K. HOVNANIAN AT JAEGER RANCH, LLC, a California limited liability company (the “Property Owner”), to execute and deliver this certificate (this “Certificate”) in connection with the issuance, sale and delivery by City of Rancho Cordova of the Bonds captioned above (the “Bonds”).

Capitalized terms used but not defined in this Certificate have the same meaning as is set forth in the Bond Purchase Agreement with respect to the Bonds between Piper Sandler & Co., as underwriter (the “Underwriter”), and the City.

As used in this Certificate, the phrase “Actual Knowledge of the Undersigned” means the actual knowledge (as opposed to constructive) that the undersigned currently has as of the date of this Certificate or has obtained through (i) interviews with such current officers and responsible employees of the Property Owner as the undersigned has reasonably determined are likely, in the ordinary course of his or her respective duties, to have knowledge of the matters set forth in this Certificate, and (ii) review of documents reasonably available to the undersigned and which the undersigned reasonably deemed necessary for the undersigned to obtain knowledge of the matters set forth in this Certificate. The undersigned has not conducted any extraordinary inspection or inquiry other than such inspections or inquiries as are prudent and customary in connection with the ordinary course of the Property Owner’s current business and operations. The undersigned has not contacted individuals who are no longer employed by the Property Owner.

As used in this Certificate, the term “Relevant Entity” of the Property Owner means any Person presently directly or indirectly through one or more intermediaries controlling, controlled by or under common control with the Property Owner, and about whom information could be material to potential investors in their investment decision regarding the Bonds (including without limitation information relevant to Property Owner’s proposed development of the Property (defined herein), or to the Property Owner’s ability to pay the Special Taxes prior to delinquency). As used in this Certificate, the term “Person” means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof. For purposes hereof, the term “control” (including the terms “controlling,” “controlled by” or “under common control with”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

As used in this Certificate, the term “Property” means the real property currently owned by the Property Owner within Improvement Area No. 1 of the City of Rancho Cordova The Ranch

Community Facilities District No. 2021-1 (the “Community Facilities District”), as further described in the Preliminary Official Statement.

The undersigned certifies that he or she is familiar with the facts set forth in this Certificate, and further hereby certifies as follows, as an authorized offer or representative of Property Owner:

(1) The Property Owner has been duly organized and validly exists in good standing under the laws of the State of California and has or will have prior to the Closing, as required, all requisite right, power and authority:

(i) to execute and deliver this Certificate,

(ii) to execute and deliver the Property Owner Continuing Disclosure Certificate at Closing,

(iii) to acquire, own, develop and sell the Property, as described in the Preliminary Official Statement,

(iv) to carry on its business as described in the Preliminary Official Statement, and

(v) to perform its obligations under the Property Owner Continuing Disclosure Certificate.

(2) The Property Owner agrees to execute at Closing the Property Owner Continuing Disclosure Certificate substantially in the form attached to the Preliminary Official Statement under Appendix F, with such additional changes as may be agreed upon by the Underwriter, Bond Counsel and the Property Owner.

(3) Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, Property Owner is not aware of any material failures by it or any entity under managerial control of Property Owner to comply in all material respects with previous continuing disclosure undertakings in a written certificate or agreement executed by it or its Relevant Entities to provide periodic continuing disclosure reports or notices of material events respecting securities offerings in California within the past five (5) years.

(4) To the Actual Knowledge of the Undersigned, execution and delivery of the Property Owner Continuing Disclosure Certificate, and the performance by the Property Owner of its obligations under the Property Owner Continuing Disclosure Certificate, will not conflict with or constitute a breach of or default under any loans, lines of credit, agreements, or other contractual or financial obligations of the Property Owner, or any applicable law, regulation, judgment or decree.

(5) To the Actual Knowledge of the Undersigned, neither the Property Owner nor any of its Relevant Entities is currently in material default on any loans, lines of credit, credit agreements, or other material contractual or financial obligations, or in breach of any applicable law, regulation, judgment or decree, and no event has occurred and is continuing that would constitute such a default or breach, the result of which could reasonably be expected to materially and adversely affect the ability of the Property Owner:

(i) to acquire, own, develop and sell the Property, as described in the Preliminary Official Statement,

(ii) to pay Special Taxes on the Property (to the extent the responsibility of the Property Owner) prior to delinquency,

(iii) to carry on its business as described in the Preliminary Official Statement, or

(iv) to perform its obligations under the Property Owner Continuing Disclosure Certificate.

(6) Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, the Property Owner has not assumed any obligations under any loans, lines of credit, credit agreements, or other material contractual or financial obligations, or any applicable judgment or decree, which could reasonably be expected to materially and adversely affect the ability of the Property Owner:

(i) to acquire, own, develop and sell the Property, as described in the Preliminary Official Statement,

(ii) to pay Special Taxes on the Property (to the extent the responsibility of the Property Owner) prior to delinquency,

(iii) to carry on its business as described in the Preliminary Official Statement, or

(iv) to perform its obligations under the Property Owner Continuing Disclosure Certificate.

(7) Except as described in the Preliminary Official Statement, the Property Owner does not have any loans outstanding and unpaid and no lines of credit that are secured by the Property.

(8) Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, neither the Property Owner nor any of its Relevant Entities is currently in default in, or, in the last five (5) years, has ever defaulted to any material extent in, the payment of special taxes or assessments in connection with the Community Facilities District or any other community facilities districts or assessment districts in California that was not cured prior to the institution of any enforcement action with a court of law.

(9) Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, there is no litigation, inquiry, investigation or administrative proceeding of any nature pending against the Property Owner (with service of process to the Property Owner having been accomplished), or to the Actual Knowledge of the Undersigned, overtly threatened in writing against the Property Owner, or to the Actual Knowledge of the Undersigned, pending (with service of process to such Relevant Entity having been accomplished) or overtly threatened in writing against any Relevant Entity of the Property Owner, in each case which, if successful, could reasonably be expected to:

(i) materially and adversely affect the ability of the Property Owner to acquire, own, develop and sell the Property, as described in the Preliminary Official Statement,

(ii) materially and adversely affect the ability of the Property Owner to pay Special Taxes on the Property (to the extent the responsibility of the Property Owner) prior to delinquency,

(iii) materially and adversely affect the ability of the Property Owner to carry on its business as described in the Preliminary Official Statement,

(iv) materially adversely affect the ability of the Property Owner to perform its obligations under the Property Owner Continuing Disclosure Certificate,

(v) challenge, question the validity or enforceability of, or restrain or enjoin the performance of, the Special Taxes, the Bonds, the Resolution, the Fiscal Agent Agreement, the Property Owner Continuing Disclosure Certificate or the Bond Purchase Agreement, or

(vi) restrain or enjoin collection of Special Taxes or other sums to be pledged to pay the principal of and interest on the Bonds.

(10) Except as disclosed in the Preliminary Official Statement or in this Certificate:

(i) the Property Owner and, to the Actual Knowledge of the Undersigned, its Relevant Entities, are solvent;

(ii) neither the Property Owner nor, to the Actual Knowledge of the Undersigned, any of its Relevant Entities, has filed for bankruptcy or been declared bankrupt in the last 10 years; and

(iii) to the Actual Knowledge of the Undersigned, there are no proceedings pending (with service of process to the Property Owner having been accomplished) or overtly threatened in writing in which the Property Owner or any of its Relevant Entities may be adjudicated as bankrupt, become the debtor in a bankruptcy proceeding, be discharged from any or all of its respective debts or obligations, be granted an extension of time to pay its respective debts or obligations, or be granted a reorganization or readjustment of its respective debts or obligations.

(11) As of the date hereof, the information in the sections of the Preliminary Official Statement entitled “IMPROVEMENT AREA NO. 1 – Development in the District,” “OWNERSHIP OF PROPERTY WITHIN IMPROVEMENT AREA NO. 1,” and “CONTINUING DISCLOSURE,” concerning the Property Owner and its Relevant Entities, the Property, the Property Owner’s development and financing plans, and the Property Owner’s contractual arrangements (but excluding any information cited as coming from a source other than the Property Owner) is true and correct in all material respects, and contains no untrue statement of a material fact and does not omit any material fact necessary

in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(12) Except as disclosed in the Preliminary Official Statement, the Property Owner has not submitted an application for, nor received actual notice of,

(i) the formation or authorization of any other assessment district or community facilities district that would include any portion of the Property, or

(ii) the authorization or issuance of any debt secured by an assessment or another special tax to be levied on any portion of the Property, other than the Special Tax.

(13) Except as set forth in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, there are no claims, disputes, lawsuits, actions or contingent liabilities of or against the Property Owner or its Relevant Entities, or among, by or between the Property Owner and any contractors working on the development of the Property, which could reasonably be expected to materially and adversely affect:

(i) the ability of the Property Owner to acquire, own, develop and sell the Property, as described in the Preliminary Official Statement,

(ii) the ability of the Property Owner to pay Special Taxes on the Property (to the extent the responsibility of the Property Owner) prior to delinquency,

(iii) the ability of the Property Owner to carry on its business as described in the Preliminary Official Statement, or

(iv) the ability of the Property Owner to perform its obligations under the Property Owner Continuing Disclosure Certificate.

(14) To the Actual Knowledge of the Undersigned, all information submitted by, or on behalf of, the Property Owner to (i) the Appraiser, as such information is set forth in the Appraisal, was, at the time of submission, and, except as modified by later information submitted by such Property Owner, is, as of the date of this Certificate, true and correct in all material respects, and (ii) the City, the Community Facilities District, Bond Counsel, Disclosure Counsel, or the Underwriter in connection with the issuance of the Bonds was, at the time of submission and, except as modified by later information submitted by such Property Owner, is as of the date of this Certificate, true and correct in all material respects.

(15) The Property Owner covenants that, while the Bonds or any refunding obligations related thereto are outstanding, the Property Owner will not bring any action, suit, proceeding, inquiry or investigation at law or in equity, before any court, regulatory agency, public board or body, that in any way:

(i) seeks to challenge or overturn the formation of the Community Facilities District,

(ii) seeks to challenge the adoption of the ordinance levying Special Taxes within Improvement Area No. 1 of the Community Facilities District,

(iii) seeks to invalidate the Community Facilities District or any of the Bonds or any refunding obligations, or

(iv) seeks to invalidate the special tax liens imposed under Section 3115.5 of the Streets and Highways Code based on recordation of the notices of special tax lien relating thereto.

The foregoing covenant shall not prevent the Property Owner in any way from bringing any other action, suit, proceeding, inquiry or investigation at law or in equity relating to the following:

(a) a claim that the Special Tax has not been levied in accordance with the Rate and Method,

(b) the application or use of the Special Taxes levied and collected, or

(c) the enforcement of the obligations of the City or the Community Facilities District under the Fiscal Agent Agreement or any agreements between the Property Owner and the City or the Community Facilities District or under which the Property Owner is a beneficiary.

(16) The Property Owner has received a copy of the Rate and Method containing the prepayment formula. The Property Owner acknowledges that any prepayment of the Special Taxes may only be made in accordance with the Rate and Method.

(17) The Property Owner shall comply with the provision of the Mello-Roos Community Facilities Act of 1982, as amended, relating to the Notice of Special Tax described in California Government Code Section 53341.5 in connection with the sale of the Property.

(18) Based upon its current development plans, including, without limitation, its current budget and subject to economic conditions and risks generally inherent in the development of real property, the Property Owner anticipates that it will have sufficient funds to (i) carry on its business as described in the Preliminary Official Statement, (ii) acquire, own, develop and sell the Property as described in the Preliminary Official Statement, and (iii) pay Special Taxes on the Property (to the extent the responsibility of the Property Owner) prior to delinquency.

However, no assurance can be given that sources of financing available to the Property Owner will be sufficient to complete the property development and home construction as currently anticipated and as described in the Preliminary Official Statement. While the Property Owner has made such internal financing available in the past, there can be no assurance whatsoever of its willingness or ability to do so in the future. Neither the Property Owner nor any of its Relevant Entities has any legal obligation of any kind to make any such funds available or to obtain loans. Other than pointing out the willingness of the Property Owner to provide internal financing in the past, the Property Owner has not represented in any way that it will do so in the future. If and to the extent that internal financing and home sales revenues are inadequate to pay the costs to complete the Property Owner's planned development in Improvement Area No. 1 of the Community Facilities

District and other financing by the Property Owner is not put into place, there could be a shortfall in the funds required to complete the proposed development by the Property Owner and portions of the Property may not be developed.

(19) The Property Owner consents to the issuance of the Bonds. The Property Owner acknowledges and agrees that the proceeds of such Bonds will be used for the acquisition and construction of the improvements described in the Preliminary Official Statement. The Property Owner acknowledges that the costs to acquire and construct such improvements are estimates, and that any increase in costs in excess of the estimated costs relating to improvements will reduce the improvements which may be financed by the City, and neither the City, nor the Community Facilities District has any obligation to provide moneys to pay for any such costs.

(20) During the period between the date of this Certificate and the Closing Date, if the Property Owner has actual knowledge of any event relating to or affecting such Property Owner, its Relevant Entities, or the acquisition, ownership, development or sale of the Property which could cause the information under the captions of the Preliminary Official Statement indicated in Section 11 of this Certificate (and subject to the limitations and exclusions contained in Section 11 of this Certificate) to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, such Property Owner shall notify the City and the Underwriter and if, in the opinion of counsel to the City or the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Preliminary Official Statement, such Property Owner shall reasonably cooperate with the City in the preparation of an amendment or supplement to the Preliminary Official Statement in form and substance satisfactory to counsel to the City and to the Underwriter.

(21) As a condition to the issuance of the Bonds, the Property Owner agrees to deliver a bring-down certificate, dated the Closing Date, in substantially the form attached as Appendix H to the Bond Purchase Agreement, to affirm and restate the Property Owner's certifications, representations and covenants made in this Certificate. If any event related to or affecting the Property Owner, its Relevant Entities or the acquisition, ownership, development or sale of the Property occurs, as a result of which it is necessary to modify the bring-down certificate, the Property Owner agrees to deliver a new bring-down certificate revised to reflect such event.

(22) The Property Owner acknowledges and agrees that:

(i) in connection with the purchase and sale of the Bonds under the Bond Purchase Agreement, and with the discussions, undertakings and procedures leading up to the consummation of the purchase and sale of the Bonds under the Bond Purchase Agreement, the Underwriter is and has been acting solely as principal and is not acting as the agent or fiduciary of the Property Owner,

(iii) the Underwriter has not assumed a fiduciary responsibility in favor of the Property Owner with respect to (a) the offering of the Bonds contemplated hereby or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Property Owner on other

matters), or (b) any other obligation to the Property Owner with respect to the offering contemplated by the Bond Purchase Agreement, and

(iii) the Property Owner has consulted its own legal, financial and other advisors to the extent it has deemed appropriate in connection with the offering contemplated by the Bond Purchase Agreement.

On behalf of the Property Owner, I have reviewed the contents of this Certificate and the Property Owner has consulted with counsel regarding the meaning of its contents. The Property Owner acknowledges and understands that a variety of state and federal laws, including but not limited to the Securities Act of 1933, as amended, and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, as amended, may apply to the Property Owner, and that under some circumstances certification as to the matters set forth in this Certificate, without additional disclosures or other action, may not fully discharge all duties and obligations of the Property Owner under such laws.

K. HOVNANIAN AT JAEGER RANCH, LLC,
a California limited liability company

By:_____

Name:_____

Title:_____

APPENDIX H

\$ _____
CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 1
SPECIAL TAX BONDS
SERIES 2022

BRING-DOWN CERTIFICATE OF PROPERTY OWNER

The undersigned party certifies and represents he, she or it is duly authorized on behalf of K. HOVNANIAN AT JAEGER RANCH, LLC, a California limited liability company (the “Property Owner”) to execute and deliver this certificate (this “Bring-Down Certificate”) in connection with the issuance, sale and delivery by City of Rancho Cordova of the Bonds captioned above (the “Bonds”).

This Bring-Down Certificate is delivered pursuant to the Bond Purchase Agreement with respect to the Bonds dated [BPA Date], between Piper Sandler & Co., as underwriter, and the City (the “Purchase Agreement”).

In connection with the distribution of the Preliminary Official Statement relating to the Bonds, the Property Owner executed a Certificate of Property Owner dated [POS Date] (the “Certificate”).

Capitalized terms used but not defined in this Bring-Down Certificate have the same meanings as set forth in the Purchase Agreement and the Certificate.

The undersigned, on behalf of the Property Owner, further certifies as follows:

(1) The undersigned is familiar with the facts certified in the Certificate and this Bring-Down Certificate, and is authorized and qualified to certify the same as an authorized officer or representative of the Property Owner.

(2) The undersigned has received the final Official Statement relating to the Bonds (the “Final Official Statement”).

(3) Each statement made in the Certificate is affirmed and restated as if made on the date hereof; provided that each statement made in the Certificate referring to the Preliminary Official Statement is affirmed as it relates to the Final Official Statement.

(4) To the Actual Knowledge of the Undersigned (as defined in the Certificate), no event has occurred since the date of the Preliminary Official Statement that has, in any material way, adversely affected the statements and information described in Paragraph 11 of the Certificate (and subject to the limitations and exclusions contained in Paragraph 11 of the Certificate) relating to the Property Owner and its Relevant Entities, the Property, the Property Owner’s development and financing plans, and the Property Owner’s contractual arrangements (but excluding any information cited as coming from a source other than the Property Owner), which should be disclosed in the Final Official Statement for the purposes for which it is to be used in order to make such statements and information contained in the Final Official Statement not misleading in any material respect.

(5) For a period of 90 days after the Closing Date, if the Property Owner has actual knowledge of any event relating to or affecting the Property Owner, its Relevant Entities, or the acquisition, ownership development or sale of the Property which could cause the information under the captions of the Final Official Statement indicated in Section 11 of the Certificate (and subject to the limitations and exclusions contained in Section 11 of the Certificate) to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Property Owner shall notify the City and the Underwriter and if, in the opinion of counsel to the City or the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Final Official Statement, the Property Owner shall reasonably cooperate with the City in the preparation of an amendment or supplement to the Final Official Statement in form and substance satisfactory to counsel to the City and to the Underwriter.

(6) The Property Owner has duly executed and delivered the Property Owner Continuing Disclosure Certificate, and the Property Owner Continuing Disclosure Certificate constitutes the legal, valid and binding obligation of the Property Owner, enforceable against the Property Owner in accordance with its terms, except as such enforcement is limited by bankruptcy, insolvency, reorganization, arrangement, moratorium, fraudulent conveyance, and other similar laws relating to or affecting the rights of creditors and certain equitable, legal, or statutory principles affecting the enforcement of contractual rights generally, regardless of whether such enforcement is considered in a proceeding in equity or at law.

Dated: [Closing Date]

K. HOVNANIAN AT JAEGER RANCH, LLC,
a California limited liability company

By: _____

Name: _____

Title: _____

APPENDIX I

**CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 1
SPECIAL TAX BONDS
SERIES 2022**

CERTIFICATE OF APPRAISER

Integra Realty Resources (the “Appraiser”), Rocklin, California prepared an appraisal of the properties within the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (the “Community Facilities District”) dated _____, 2022 (the “Appraisal”). The Appraisal is described and summarized in the Preliminary Official Statement dated [POS Date] (the “Preliminary Official Statement”) and the Official Statement dated [BPA Date] (the “Official Statement”), including as Appendix B thereto, relating to the bonds captioned above.

The Appraiser hereby certifies that, to the best of his knowledge and belief, all information with respect to the Appraisal in the Preliminary Official Statement and in the Official Statement was true and correct as of the date of the Appraisal and that the Appraiser is aware that acts and events may have occurred since the date of the Appraisal which could result in both positive and negative effects on market value; however, an updated Appraisal has not been completed as of this date.

The Appraiser hereby consents to the use of the Appraisal in connection with the distribution and use of the Preliminary Official Statement and Official Statement.

Dated: [Closing Date]

INTEGRA REALTY RESOURCES

By:_____

APPENDIX J

\$ _____
CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 1
SPECIAL TAX BONDS
SERIES 2022

FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Piper Sandler & Co. (“Piper”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

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

2. ***Defined Terms.***

(a) *Issuer* means the City of Rancho Cordova.

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

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

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

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

Dated: [Closing Date]

PIPER SANDLER & CO.

By: _____
Managing Director

SCHEDULE A
SALE PRICES

(Attached)

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER _____, 2022

NEW ISSUE-FULL – BOOK ENTRY

NOT RATED

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the 2022 Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. For tax years beginning after December 31, 2022, interest on the Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS" herein.

\$ _____ *

CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 1
SPECIAL TAX BONDS
SERIES 2022

Dated: Date of Delivery

Due: September 1, as shown on inside cover

Authority for Issuance. The above-captioned bonds (the "2022 Bonds"), are being issued by the City of Rancho Cordova (the "City") by and through Improvement Area No. 1 (the "Improvement Area No. 1") of the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (the "District"). The 2022 Bonds are special tax obligations of the City, authorized pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being California Government Code Section 53311, et seq. (the "Mello-Roos Act"), and are issued pursuant to a Fiscal Agent Agreement, dated as of October 1, 2022 (the "Fiscal Agent Agreement") by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"). See "THE 2022 BONDS – Authority for Issuance."

Security and Sources of Payment. The 2022 Bonds are secured by and payable from a pledge of Special Tax Revenues (as defined herein) levied on property within Improvement Area No. 1 according to a rate and method of apportionment of special tax, including from the proceeds of any foreclosure actions brought following a delinquency in the payment of the Special Taxes (as defined herein), and from amounts held in certain funds under the Fiscal Agent Agreement, all as more fully described herein. The taxable real property within Improvement Area No. 1 consists of mostly undeveloped land planned primarily for single family residential development. **Unpaid Special Taxes do not constitute a personal indebtedness of the owners of the parcels within Improvement Area No. 1. In the event of delinquency, proceedings may be conducted only against the parcel of real property securing the delinquent Special Tax. There is no assurance the owners will be able to pay the Special Tax or that they will pay such Special Tax even though financially able to do so.** To provide funds for payment of the 2022 Bonds and the interest thereon as a result of any delinquent installments, the City will establish a Reserve Fund from Bond proceeds, as described herein. See "SECURITY FOR THE 2022 BONDS."

Property in Improvement Area No. 1 subject to the Special Tax is comprised of land in the City of Rancho Cordova, Sacramento County, California, entitled for development of 467 single-family homes in six villages, as well as public and quasi-public uses, parks and open space not subject to the Special Tax. It is part of a larger development being undertaken by K. Hovnanian at Jaeger Ranch, LLC, a California limited liability company ("K. Hovnanian"), that is anticipated to consist of a total of 1,437 single-family homes, as well as multifamily and commercial uses, at build-out. See "IMPROVEMENT AREA NO. 1" and "OWNERSHIP OF PROPERTY WITHIN IMPROVEMENT AREA NO. 1."

Use of Proceeds. The 2022 Bonds are being issued to (i) construct and acquire certain public facilities, including payment of fees related to public facilities, authorized for the District and Improvement Area No. 1; (ii) make a deposit into the debt service reserve fund for the 2022 Bonds; (iii) pay capitalized interest on a portion of the 2022 Bonds through and including September 1, 2023; and (iv) pay the costs of issuance of the 2022 Bonds. See "FINANCING PLAN."

Bond Terms. Interest on the 2022 Bonds is payable semiannually on March 1 and September 1 of each year, commencing March 1, 2023. The 2022 Bonds will be issued in the denomination of \$5,000 or integral multiples of \$5,000 in excess thereof. The 2022 Bonds, when delivered, will be initially registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the 2022 Bonds. See "THE 2022 BONDS – Description of the 2022 Bonds" and "APPENDIX G – DTC and the Book-Entry Only System."

Redemption. The 2022 Bonds are subject to optional redemption, mandatory sinking fund redemption, and special mandatory redemption from prepaid Special Taxes. See "THE 2022 BONDS – Redemption."

THE 2022 BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE CITY, PAYABLE SOLELY FROM THE SPECIAL TAX REVENUES AND CERTAIN OTHER FUNDS AND AMOUNTS HELD BY THE FISCAL AGENT UNDER THE FISCAL AGENT AGREEMENT. THE INFORMATION SET FORTH IN THIS OFFICIAL STATEMENT, INCLUDING INFORMATION UNDER THE HEADING "BOND OWNERS' RISKS," SHOULD BE READ IN ITS ENTIRETY.

MATURITY SCHEDULE

(see inside cover)

This cover page contains certain information for quick reference only. It is not a summary of essential information about the 2022 Bonds. Potential investors should read this entire Official Statement to obtain information essential for making an informed investment decision. Investment in the 2022 Bonds involves risks that may not be appropriate for some investors. See "BOND OWNERS' RISKS" for a discussion of special risk factors that should be considered in evaluating the investment quality of the 2022 Bonds.

The 2022 Bonds are offered when, as and if issued by the City and accepted by the Underwriter, subject to approval as to their legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, and subject to certain other conditions. Jones Hall, A Professional Law Corporation, also serves as disclosure counsel to the City. Certain matters will be passed upon for the City by Meyers Nave, A Professional Law Corporation, Sacramento, California, as City Attorney. Certain legal matters will be passed upon for the Underwriter by its counsel, Kutak Rock LLP, Irvine, California. It is anticipated that the 2022 Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about October ____, 2022.

[PIPER LOGO]

The date of this Official Statement is: _____, 2022.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

ITEM 12.1.

* Preliminary; subject to change.

ATTACHMENT 4

MATURITY SCHEDULE

\$ _____ Serial Bonds
(Base CUSIP†: _____)

<u>Maturity</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP†</u> <u>()</u>
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\$ _____ % Term Bond due September 1, _____, Yield: _____%, Price: _____%;
CUSIP† _____

† Copyright 2022, American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed by FactSet Research Systems Inc., and are provided for convenience of reference only. Neither the City nor the Underwriter assumes any responsibility for the accuracy of these CUSIP data.

CITY OF RANCHO CORDOVA

City Council

Donald Terry, Mayor
Linda Budge, Vice Mayor
Garrett Gatewood, Councilmember
Siri Pulipati, Councilmember
David M. Sander, Ph.D., Councilmember

Staff

Cyrus Abhar, City Manager
Kim Juran-Karageorgiou, Administrative Services Director
Stacy Leitner, City Clerk
Adam Lindgren of Meyers Nave, A Professional Law Corporation, City Attorney

SPECIAL SERVICES

Bond Counsel and Disclosure Counsel

Jones Hall, A Professional Law Corporation
San Francisco, California

Municipal Advisor

NHA Advisors, LLC
San Rafael, California

Special Tax Consultant

Goodwin Consulting Group, Inc.
Sacramento, California

Appraiser

Integra Realty Resources
Sacramento, California

Fiscal Agent

U.S. Bank Trust Company, National Association
Seattle, Washington

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OFFICIAL STATEMENT

\$ _____ *

CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 1
SPECIAL TAX BONDS
SERIES 2022

This Official Statement, including the cover page and all appendices hereto, is provided to furnish certain information in connection with the issuance by the City of Rancho Cordova (the “City”) of the above-captioned bonds (the “**2022 Bonds**”), for and on behalf of its Improvement Area No. 1 (“**Improvement Area No. 1**”) of the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (the “**District**”).

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Definitions of certain terms used herein and not defined herein shall have the meaning set forth in the Fiscal Agent Agreement. See APPENDIX C.

INTRODUCTION

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page and attached appendices, and the documents summarized or described in this Official Statement. A full review should be made of the entire Official Statement. The offering of the 2022 Bonds to potential investors is made only by means of the entire Official Statement.

The District, Improvement Area No. 1 and Future Annexation Area. The District was established, Improvement Area No. 1 was designated as an improvement area within the District, and a future annexation area was created for the District (the “**Future Annexation Area**”), pursuant to proceedings conducted by the City under the Mello-Roos Community Facilities Act of 1982, as amended (Sections 53311, *et seq.*, of the Government Code of the State of California) (the “**Mello-Roos Act**”). The 2022 Bonds represent the first series of special tax bonds authorized and issued by the City for Improvement Area No. 1 and the District.

The 2022 Bonds. The 2022 Bonds are issued pursuant to the provisions of the Mello-Roos Act, a Fiscal Agent Agreement, dated as of October 1, 2022 (the “**Fiscal Agent Agreement**”) between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the “**Fiscal Agent**”), and a resolution adopted on _____, 2022 by the City Council of the City, which authorized the issuance of the 2022 Bonds (the “**Resolution**”).

* Preliminary; subject to change.

Registration of Ownership of the 2022 Bonds. The 2022 Bonds are issued only as fully registered bonds in book-entry form, registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), without coupons, in the denomination of \$5,000 or any integral multiple thereof and shall be dated as of and bear interest from the date of delivery thereof at the rate or rates set forth on the cover page hereof. Interest on the 2022 Bonds is payable on March 1 and September 1 of each year (each an “**Interest Payment Date**”), commencing March 1, 2023. Ultimate purchasers of 2022 Bonds will not receive physical certificates representing their interest in the 2022 Bonds. So long as the 2022 Bonds are registered in the name of Cede & Co., as nominee of DTC, references herein to the Owners shall mean Cede & Co., and shall not mean the ultimate purchasers of the 2022 Bonds. Payments of the principal, premium, if any, and interest on the 2022 Bonds will be made directly to DTC, or its nominee, Cede & Co. so long as DTC or Cede & Co. is the registered owner of the 2022 Bonds. Disbursements of such payments to DTC’s Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of DTC’s Participants and Indirect Participants, as more fully described herein. See “APPENDIX G – DTC and the Book-Entry Only System.”

Use of Proceeds. Proceeds of the 2022 Bonds will primarily be used to finance a portion of the costs of acquiring and constructing certain public infrastructure improvements necessary for development in the District, including payment of fees related thereto (the “**Facilities**,” as described herein). The Facilities consist generally of road and related improvements, including drainage, water, sanitary sewer, joint trench utilities, concrete curbs, gutters and sidewalks, maintenance holes, street lighting, landscaping, masonry walls, traffic signals, park improvements (and/or fees to finance such improvements) and other miscellaneous infrastructure improvements necessary for development of property within the District. Proceeds of the 2022 Bonds will also be used to make a deposit in the Reserve Fund (defined herein), pay capitalized interest on a portion of the 2022 Bonds through and including September 1, 2023, and pay the cost of issuance of the 2022 Bonds.

Security and Sources of Payment of the 2022 Bonds. The 2022 Bonds are secured by, and payable from, “**Special Tax Revenues**,” which are defined as the proceeds of the Special Taxes annually received by the City, less an amount equal to the Administrative Expense Priority, including all scheduled payments and delinquent payments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes. “**Special Taxes**” means the special tax levied on taxable real property within the boundaries of Improvement Area No. 1 under the Rate and Method of Apportionment of Special Tax for Improvement Area No. 1 (the “**Special Tax Formula**”), and “**Administrative Expense Priority**” means (i) for Fiscal Year 2022-23, \$30,000, and (ii) for each subsequent year, an amount equal to the preceding fiscal year’s Administrative Expense Priority plus an additional 2% of such amount.

The 2022 Bonds are also payable from amounts held in certain funds and accounts pursuant to the City, including the 2022 Reserve Account of the Reserve Fund, all as more fully described herein. The Special Tax applicable to each taxable parcel in Improvement Area No. 1 will be levied and collected according to the tax liability determined by the application of the Special Tax Formula, which is set forth in APPENDIX A hereto. The Special Taxes represent fixed liens on the parcels of land subject to a Special Tax in Improvement Area No. 1 and failure to pay the Special Taxes could result in proceedings to foreclose title to the delinquent property. The Special Taxes do not constitute the personal indebtedness of the owners of taxed parcels and no proceedings to collect directly from an owner is permitted. See “SECURITY FOR THE

2022 BONDS – Special Tax Formula” and “APPENDIX A – Rate and Method of Apportionment of Special Tax.”

Pursuant to the Mello-Roos Act, the Resolution of Formation (as defined herein), and the Fiscal Agent Agreement, so long as any 2022 Bonds are outstanding, the City will annually levy the Special Tax against all taxable land within Improvement Area No. 1 in accordance with the proceedings for the authorization and issuance of the 2022 Bonds and to make provision for the collection of the Special Tax in amounts which will be sufficient to pay interest on, principal of and redemption premium (if any) on the 2022 Bonds as such becomes due and payable and to replenish the Reserve Fund (as defined herein) as necessary. See “SECURITY FOR THE 2022 BONDS – Special Taxes” herein.

On December 6, 2021, the City Council, as legislative body of the CFD and Improvement Area No. 1, established the bonded indebtedness limit for the District in the principal amount of not to exceed \$86,470,000 (excluding bonds described in Section 53364.2(e) of the Mello-Roos Act) (the “**Authorization**”), initially allocated as follows: (i) for Improvement Area No. 1, \$20,350,000 and (ii) for land within the Future Annexation Area, \$66,120,000. The 2022 Bonds are the first series of bonds being issued by the City for Improvement Area No. 1, and Additional Bonds are expected to be issued in the future in accordance with the conditions set forth in the Fiscal Agent Agreement (the 2022 Bonds and any such Additional Bonds are collectively referred to herein as the “**Bonds**”). See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Additional Bonds.”

In connection with the issuance of the 2022 Bonds, the City will direct the Fiscal Agent to establish a “**Reserve Fund**,” and within the Reserve Fund, the “**2022 Reserve Account**,” which will be funded in an amount equal to the Reserve Requirement (described herein) with respect to the 2022 Bonds. Amounts in the 2022 Reserve Account of the Reserve Fund are available for payment of the 2022 Bonds in the event of delinquencies in the payment of the Special Taxes to the extent of such delinquencies. See “SECURITY FOR THE 2022 BONDS – Reserve Fund.” If there are additional delinquencies after depletion of funds in the Reserve Fund, the City is not obligated to pay the 2022 Bonds, or supplement the Reserve Fund.

Property Subject to the Special Tax. Improvement Area No. 1 is located within The Ranch Special Planning Area (“**TRSPA**”), which is within the Sunrise Douglas Community Plan area of the City. The TRSPA encompasses approximately 530 gross acres within the southeastern portion of the City of Rancho Cordova, primarily south of Douglas Road, east of Rancho Cordova Parkway, and west and north of Grant Line Road. The specific plan will include approximately 1,690 dwelling units (single and multi-family) at build out. Improvement Area No. 1 consists of land developing into 467 single-family homes. The following table shows the status of development in Improvement Area No. 1 as of August 1, 2022. See “IMPROVEMENT AREA NO. 1” and “OWNERSHIP OF PROPERTY WITHIN IMPROVEMENT AREA NO. 1” for additional details.

**The Ranch Community Facilities District No. 2021-1
Improvement Area No. 1
Special Tax Bonds Series 2022
Status of Development – As of August 1, 2022**

Project	No. Lots	Building Permits Pulled	Units Completed and Closed to Individuals	Units Completed and owned by Developer	Units under Construction	Finished Lots	Undeveloped Lots ⁽⁵⁾
Sagebrush Unit 1 ⁽¹⁾	53	16	0	2	14	37	0
Montrose (Village 5 and 6) ⁽²⁾	85	11	0	0	11	74	0
Springs (Village 9) ⁽³⁾	71	71	2	2	67	0	0
Paseo (Village 8) ⁽⁴⁾	130	2	0	0	2	0	128
Canyon (Village 3) ⁽⁶⁾	65	0	0	0	0	0	65
Sagebrush (Village 4, Unit 2) ⁽⁶⁾	36	0	0	0	0	0	63
Total	467	100	2	4	94	111	253

(1) 35 units owned by K Hovnanian and 18 planned units owned by AG.

(2) 28 units owned by K Hovnanian and 57 planned units owned by AG.

(3) 35 units owned by K Hovnanian and 57 planned units owned by AG.

(4) 7 units owned by K Hovnanian and 123 planned units owned by AG.

(5) Paseo lots are 90% complete and will be paved in October 2022.

(6) All lots are 90% complete and will be paved in October 2022.

Source: K. Hovnanian.

Value of Property. Property in Improvement Area No. 1 is security for the Special Tax. The City ordered preparation of an appraisal report (the “**Appraisal**”), of the estimated value of the taxable land within Improvement Area No. 1 as of a July 27, 2022 date of value, prepared by Integra Realty Resources, Sacramento, California (the “**Appraiser**”). The Appraiser indicated a value estimate of \$59,640,000 as of the date of value, and subject to the conditions and qualifications set forth therein. The Appraisal is set forth in its entirety as APPENDIX B hereto. The description herein of the Appraisal is intended for limited purposes only; the Appraisal should be read in its entirety. In considering the estimates of value evidenced by the Appraisal, it should be noted that the Appraisal is based upon a number of standard and special assumptions that affected the estimates as to value, in addition to the assumption of completion of the Facilities expected to be funded with the proceeds of the 2022 Bonds (but not any Additional Bonds). See “VALUE OF PROPERTY WITHIN IMPROVEMENT AREA NO. 1.”

The principal amount of the direct and overlapping debt in Improvement Area No. 1 is \$12,616,974*, which consists of the estimated amount of 2022 Bonds (\$12,060,000*) and \$556,974 of overlapping general obligation and CFD bond debt. Consequently, the estimated value of property in Improvement Area No. 1 subject to the Special Tax lien (\$59,640,000), is approximately 4.7 times the principal amount of the direct and overlapping debt in Improvement Area No. 1. This is an average, and individual parcels may have value-to-lien ratios that are substantially different. See “VALUE OF PROPERTY WITHIN IMPROVEMENT AREA NO. 1 – Value to Special Tax Burden Ratios.”

Land may annex into Improvement Area No. 1 or a separate improvement area established for the District from the Future Annexation Area upon the unanimous approval of the owner(s) thereof, without any further proceedings of the City Council. Currently, no annexations into Improvement Area No. 1 are contemplated.

* Preliminary; subject to change.

Risks of Investment. Investment in the 2022 Bonds involves risks that may not be appropriate for some investors. See “BOND OWNERS’ RISKS” for a discussion of special factors that should be considered, in addition to the other matters set forth herein, in considering the investment quality of the 2022 Bonds.

Limited Obligation of the City. The general fund of the City is not liable and the full faith and credit of the City is not pledged for the payment of the interest on, or principal of or redemption premiums, if any, on the 2022 Bonds. The 2022 Bonds are not secured by a legal or equitable pledge of or charge, lien or encumbrance upon any property of the City or any of its income or receipts, except the Special Tax Revenues and amounts in certain funds established under the Fiscal Agent Agreement as described herein. The 2022 Bonds are special limited obligations of the City, and neither the City Council, the City nor any officer or employee thereof shall be liable for the payment of the interest on or principal of or redemption premiums, if any, on the 2022 Bonds other than from the Special Tax Revenues and amounts in certain funds established under the Fiscal Agent Agreement as described herein.

Summary of Information. Brief descriptions of certain provisions of the Fiscal Agent Agreement and certain other documents are included herein. The descriptions and summaries of documents herein do not purport to be comprehensive or definitive, and reference is made to each such document for the complete details of all its respective terms and conditions, copies of which are available for inspection at the office of the City. All statements herein with respect to certain rights and remedies are qualified by reference to laws and principles of equity relating to or affecting creditors’ rights generally. Capitalized terms used in this Official Statement and not otherwise defined herein have the meanings ascribed to such terms in the Fiscal Agent Agreement. See “APPENDIX C – Summary of Certain Provisions of the Fiscal Agent Agreement.” The information and expressions of opinion herein speak only as of the date of this Official Statement and are subject to change without notice. Neither delivery of this Official Statement, any sale made hereunder, nor any future use of this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the City or Improvement Area No. 1 since the date hereof.

FINANCING PLAN

The 2022 Bonds are being issued to (i) construct and acquire certain public facilities, including payment of fees related to public facilities, authorized for the District and Improvement Area No. 1 (referred to herein as the Facilities); (ii) make a deposit into the 2022 Reserve Account of the Reserve Fund equal to the Reserve Requirement with the 2022 Bonds; (iii) fund capitalized interest on a portion of the 2022 Bonds through and including September 1, 2023; and (iv) pay the costs of issuance of the 2022 Bonds.

A summary of the estimated sources and uses of funds associated with the sale of the 2022 Bonds follows:

Estimated Sources of Funds:

Principal Amount of the 2022 Bonds	\$
Plus/less: [Net] Original Issue Premium/Discount	
Total	\$

Estimated Uses of Funds:

Deposit to Improvement Fund	\$
Deposit to 2022 Reserve Account of Reserve Fund ⁽¹⁾	
Deposit to Capitalized Interest Account of Bond Fund ⁽²⁾	
Costs of Issuance ⁽³⁾	
Total	\$

(1) Equal to the Reserve Requirement with respect to the 2022 Bonds.

(2) Used to pay capitalized interest on a portion of the 2022 Bonds through and including September 1, 2023.

(3) Used to pay costs of issuance of the 2022 Bonds, including initial fees, expenses and charges of the Fiscal Agent, costs of printing the preliminary and final Official Statements, administrative fees of the City, Underwriter's discount, fees of Bond Counsel and Disclosure Counsel, and other costs of issuance.

THE 2022 BONDS

Authority for Issuance

The 2022 Bonds are issued pursuant to the Fiscal Agent Agreement, the Resolution adopted by the City Council on _____, 2022, and the Mello-Roos Act.

On December 6, 2021, the City Council, as legislative body of the CFD and Improvement Area No. 1, established the bonded indebtedness limit for the CFD in the principal amount of not to exceed \$86,470,000 (excluding bonds described in Section 53364.2(e) of the Act) (the "Authorization"), initially allocated as follows: (i) for Improvement Area No. 1, \$20,350,000 and (ii) for land within the Future Annexation Area, \$66,120,000. Under the provisions of the Mello-Roos Act, since there were fewer than 12 registered voters residing within Improvement Area No. 1 at any point during the 90-day period preceding the adoption of the City's resolution forming the District on December 6, 2021 (the "**Resolution of Formation**"), the sole qualified elector was the developer/landowner who was entitled to cast one vote for each acre or portion of an acre of land owned within Improvement Area No. 1. The landowner voted to incur the indebtedness and to approve the annual levy of Special Taxes to be collected within Improvement Area No. 1, for the purpose of paying for the Facilities, including repaying any indebtedness of Improvement Area No. 1, replenishing reserve funds and paying administrative expenses.

The 2022 Bonds are the first series of bonds being issued by the City for Improvement Area No. 1 and the District; after issuance of the 2022 Bonds, the City expects to issue one or more Additional Bonds for Improvement Area No. 1 as development progresses, subject to the conditions set forth in the Fiscal Agent Agreement. See "SECURITY FOR THE 2022 BONDS – Additional Bonds."

Description of the 2022 Bonds

The 2022 Bonds are being issued as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company ("**DTC**"), and will be available to ultimate purchasers in the denomination of \$5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. Ultimate purchasers of 2022 Bonds will not receive physical certificates representing their interest in the 2022 Bonds. So long as the 2022 Bonds are registered in the name of Cede & Co., as nominee of DTC, references herein to the Owners shall mean Cede & Co., and shall not mean the ultimate purchasers of the 2022 Bonds. Payments of the principal, premium, if any, and interest on the 2022 Bonds will be made directly to DTC, or its nominee, Cede & Co., by U.S. Bank Trust Company, National Association, as the fiscal agent, registrar and transfer agent (the "**Fiscal Agent**") for the 2022 Bonds, so long as DTC or Cede & Co. is the registered owner of the 2022 Bonds. Disbursements of such payments to DTC's Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of DTC's Participants and Indirect Participants, as more fully described herein. See "APPENDIX G – DTC and the Book-Entry Only System."

The 2022 Bonds will be dated as of and bear interest from the date of delivery thereof at the rates and mature in the amounts and years, as set forth on the cover page hereof. The principal of the 2022 Bonds and premiums due upon the redemption thereof, if any, will be payable in lawful money of the United States of America at the principal corporate trust office of

the Fiscal Agent in Seattle, Washington, or such other place as designated by the Fiscal Agent, upon presentation and surrender of the 2022 Bonds.

Interest on the 2022 Bonds, computed on the basis of a 360-day year consisting of twelve 30-day months, will be paid in lawful money of the United States of America semiannually on March 1 and September 1 of each year (each an “**Interest Payment Date**”), commencing March 1, 2023. Interest on the 2022 Bonds (including the final interest payment upon maturity or earlier redemption) is payable by check of the Fiscal Agent mailed on each Interest Payment Date by first class mail to the registered Owner thereof at such registered Owner’s address as it appears on the registration books maintained by the Fiscal Agent at the close of business on the 15th day of the calendar month preceding the Interest Payment Date (the “**Record Date**”), or by wire transfer made on such Interest Payment Date upon written instructions received by the Fiscal Agent on or before the Record Date preceding the Interest Payment Date, of any Owner of \$1,000,000 or more in aggregate principal amount of 2022 Bonds; provided that so long as any 2022 Bonds are in book-entry form, payments with respect to such 2022 Bonds shall be made by wire transfer, or such other method acceptable by the Fiscal Agent, to DTC. See “APPENDIX G – DTC and the Book-Entry Only System.”

Each 2022 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such date of authentication, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from the dated date; provided, however, that if at the time of authentication of a 2022 Bond, interest is in default thereon, such 2022 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon. So long as the 2022 Bonds are registered in the name of Cede & Co., as nominee of DTC, payments of the principal, premium, if any, and interest on the 2022 Bonds will be made directly to DTC, or its nominee, Cede & Co. Disbursements of such payments to DTC’s Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of DTC’s Participants and Indirect Participants, as more fully described herein. See “APPENDIX G - DTC and the Book-Entry Only System.”

Redemption*

Optional Redemption. The 2022 Bonds are subject to optional redemption from any source of available funds (other than prepayments of the Special Tax by property owners), in whole or in part among maturities as specified by the City and by lot within a maturity, on any date on and after September 1, 20__ at the following respective redemption prices (expressed as percentages of the principal amount of the 2022 Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
September 1, 20__ through August 31, 20__	103%
September 1, 20__ through August 31, 20__	102
September 1, 20__ through August 31, 20__	101
September 1, 20__ and any date thereafter	100

* Preliminary; subject to change.

Mandatory Redemption from Prepayments. The 2022 Bonds are subject to mandatory redemption from prepayments of the Special Tax by property owners, in whole or in part among maturities as shall be specified by the City and by lot within a maturity, on any Interest Payment Date at the following respective redemption prices (expressed as percentages of the principal amount of the 2022 Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
Interest Payment Dates through and including March 1, 20__	103%
September 1, 20__ and March 1, 20__	102
September 1, 20__ and March 1, 20__	101
September 1, 20__ and any Interest Payment Date thereafter	100

See "BOND OWNERS' RISKS – Potential Early Redemption of Bonds from Prepayments" for a discussion of the potential for the 2022 Bonds to be priced with original issue premium and then be redeemed from Special Tax prepayments prior to maturity.

Mandatory Sinking Fund Redemption. The 2022 Bonds maturing September 1, 20__ and September 1, 20__ (the "**Term Bonds**") are subject to mandatory sinking payment redemption in part on September 1, 20__ and September 1, 20__, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts as set forth in the following tables:

September 1, 20__ Term Bonds

<u>Mandatory Redemption Date (September 1)</u>	<u>Sinking Fund Payment</u>
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September 1, 20__ Term Bonds

<u>Mandatory Redemption Date (September 1)</u>	<u>Sinking Fund Payment</u>
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The amounts in the foregoing table shall be reduced pro rata, in order to maintain substantially uniform debt service, as a result of any prior partial optional redemption or mandatory redemption of the 2022 Bonds.

In lieu of redemption, moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding 2022 Bonds, upon the filing with the Fiscal Agent of an Officer's Certificate requesting such purchase, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer's Certificate may provide,

but in no event may 2022 Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase.

Redemption Procedure by Fiscal Agent. The Fiscal Agent shall cause notice of any redemption to be mailed by first class mail, postage prepaid, at least 20 days but not more than 60 days prior to the date fixed for redemption, to the Securities Depositories and to one or more Information Services, and to the respective registered Owners of any 2022 Bonds designated for redemption, at their addresses appearing on the 2022 Bond registration books in the Principal Office of the Fiscal Agent; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of such 2022 Bonds.

Such notice shall state the redemption date and the redemption price and, if less than all of the then Outstanding 2022 Bonds are to be called for redemption, shall designate the CUSIP numbers and bond numbers of the 2022 Bonds to be redeemed by giving the individual CUSIP number and number of each 2022 Bond to be redeemed or shall state that all 2022 Bonds between two stated numbers, both inclusive, are to be redeemed or that all of the 2022 Bonds of one or more maturities have been called for redemption, shall state as to any 2022 Bond called in part the principal amount thereof to be redeemed, and shall require that such 2022 Bonds be then surrendered at the Principal Office of the Fiscal Agent for redemption at the said redemption price, and shall state that further interest on such 2022 Bonds will not accrue from and after the redemption date.

The City has the right to rescind any notice of the optional redemption of 2022 Bonds. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the 2022 Bonds then called for redemption, and such cancellation shall not constitute an event of default.

Upon the payment of the redemption price of 2022 Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the 2022 Bonds being redeemed with the proceeds of such check or other transfer.

Whenever provision is made in the Fiscal Agent Agreement for the redemption of less than all of the 2022 Bonds of any maturity, the Fiscal Agent shall select the 2022 Bonds to be redeemed, from all 2022 Bonds or such given portion thereof of such maturity by lot in any manner which the Fiscal Agent in its sole discretion shall deem appropriate. Upon surrender of 2022 Bonds redeemed in part only, the City shall execute and the Fiscal Agent shall authenticate and deliver to the registered Owner, at the expense of the City, a new 2022 Bond or 2022 Bonds, of the same series and maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the 2022 Bond or 2022 Bonds.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the 2022 Bonds so called for redemption shall have been deposited in the Bond Fund, such 2022 Bonds so called shall cease to be entitled to any benefit under the Fiscal Agent Agreement other than the right to receive payment of the redemption price, and no interest shall accrue thereon on or after the redemption date specified in such notice.

Transfer or Exchange of 2022 Bonds

So long as the 2022 Bonds are registered in the name of Cede & Co., as nominee of DTC, transfers and exchanges of 2022 Bonds shall be made in accordance with DTC procedures. See APPENDIX G. Any 2022 Bond may, in accordance with its terms, be transferred or exchanged by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such 2022 Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form approved by the Fiscal Agent. Whenever any 2022 Bond or 2022 Bonds shall be surrendered for transfer or exchange, the City shall execute and the Fiscal Agent shall authenticate and deliver a new 2022 Bond or 2022 Bonds, for a like aggregate principal amount of 2022 Bonds of authorized denominations and of the same maturity. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such transfer or exchange shall be paid by the City. The Fiscal Agent shall collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer or exchange.

No transfers or exchanges of 2022 Bonds shall be required to be made (i) within 15 days prior to the date established by the Fiscal Agent for selection of 2022 Bonds for redemption or (ii) with respect to a 2022 Bond after such 2022 Bond has been selected for redemption.

SECURITY FOR THE 2022 BONDS

The 2022 Bonds are secured, on a parity basis with any Additional Bonds issued in the future, by and payable from a first pledge of the proceeds of the **“Special Tax Revenues,”** defined in the Fiscal Agent Agreement as the proceeds of the Special Tax received by the City for Improvement Area No. 1, less an amount equal to the Administrative Expense Priority, including all scheduled payments and delinquent payments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes. **“Administrative Expense Priority”** means (i) for Fiscal Year 2022-23, \$30,000, and (ii) for each subsequent year, an amount equal to the preceding fiscal year’s Administrative Expense Priority plus an additional 2% of such amount.

All of the Special Tax Revenues and all moneys deposited in the Bond Fund and, until disbursed as provided in the Fiscal Agent Agreement, the Improvement Fund and the Special Tax Fund are pledged to secure the repayment of the Bonds. In addition, the 2022 Bonds are secured by a pledge of all amounts in the 2022 Reserve Account of the Reserve Fund, and each series of Additional Bonds may be secured by a reserve account within the Reserve Fund or a separate reserve fund, as provided in the applicable Supplemental Agreement for such Series. Such pledge shall constitute a first lien on the Special Tax Revenues and said amounts.

The Special Tax Revenues and all moneys deposited into said funds are pledged to the payment of the principal of, and interest and any premium on, the 2022 Bonds as provided in the Fiscal Agent Agreement and in the Mello-Roos Act until all of the 2022 Bonds have been paid and retired or until moneys or Federal Securities (as defined in the Fiscal Agent Agreement) have been set aside irrevocably for that purpose. The City may issue Additional Bonds secured on a parity with the 2022 Bonds, as described herein; see **“–Additional Bonds”** below.

Amounts in the Costs of Issuance Fund established under the Fiscal Agent Agreement are not pledged to the repayment of the 2022 Bonds. The Facilities are not in any way pledged to the repayment of the 2022 Bonds. Any proceeds of condemnation, destruction or other disposition of any Facilities are not pledged to the repayment of the 2022 Bonds and are free and clear of any lien or obligation imposed under the Fiscal Agent Agreement.

Special Taxes

A Special Tax applicable to each taxable parcel in Improvement Area No. 1 will be levied and collected according to the tax liability determined by the City through the application of the Special Tax Formula prepared by Goodwin Consulting Group, Inc., Sacramento, California (the **“Special Tax Consultant”**) and set forth in APPENDIX A hereto, for all taxable properties in Improvement Area No. 1. Interest and principal on the 2022 Bonds is payable from the annual Special Taxes to be levied and collected on such property within Improvement Area No. 1, from amounts held in certain funds and accounts established under the Fiscal Agent Agreement and from the proceeds, if any, from the sale of such property for delinquency of such Special Taxes.

The Special Taxes are exempt from the property tax limitation of Article XIII A of the California Constitution, pursuant to Section 4 thereof as a “special tax” authorized by a two-thirds vote of the qualified electors. The levy of the Special Taxes was authorized by the City pursuant to the Mello-Roos Act in a maximum amount determined according to the Special Tax Formula approved by the City. See **“Special Tax Formula”** below and **“APPENDIX A – Rate and Method of Apportionment of Special Tax.”**

The amount of Special Taxes that the City may levy in any year on taxable property in Improvement Area No. 1, from which principal and interest on the 2022 Bonds is to be paid, is limited by the maximum rates approved by the qualified electors within Improvement Area No. 1 which are set forth as the “**Maximum Special Tax**” in the Special Tax Formula. Under the Special Tax Formula, Special Taxes will be levied annually in an amount not in excess of the Maximum Special Tax for the purpose of making payments on the 2022 Bonds. The Special Taxes and any interest earned on the Special Taxes shall constitute a trust fund for the principal of and interest on the 2022 Bonds pursuant to the Fiscal Agent Agreement and, so long as the amount levied for principal of and interest on these obligations remains unpaid, the Special Taxes and investment earnings thereon shall not be used for any other purpose, except as permitted by the Fiscal Agent Agreement, and shall be held in trust for the benefit of the owners thereof and shall be applied pursuant to the Fiscal Agent Agreement. The Special Tax Formula apportions the Special Tax Requirement (as defined in the Special Tax Formula and described below) among the taxable parcels of real property within Improvement Area No. 1 according to the rate and methodology set forth in the Special Tax Formula. See “– Special Tax Formula” below. See also “APPENDIX A – Rate and Method of Apportionment of Special Tax.”

The City may levy the Special Tax at the Maximum Special Tax rate authorized by the qualified electors within Improvement Area No. 1 as set forth in the Special Tax Formula if conditions so require and the City has covenanted to annually levy the Special Taxes in an amount at least sufficient to pay the Special Tax Requirement (as defined below). Because each Special Tax levy for payment of the 2022 Bonds is limited to the Maximum Special Tax rates authorized as set forth in the Special Tax Formula, no assurance can be given that, in the event of Special Tax delinquencies, the amount of the Special Tax Requirement will in fact be collected in any given year. See “BOND OWNERS’ RISKS – Levy and Collection of the Special Tax” herein. The Special Taxes are collected for the City by the County in the same manner and at the same time as *ad valorem* property taxes.

In addition to the Maximum Special Tax rate limitation in the Special Tax Formula, Section 53321(d) of the Mello-Roos Act provides that the special tax levied against any parcel for which an occupancy permit for private residential use has been issued may not be increased as a consequence of delinquency or default by the owner of any other parcel within a community facilities district by more than 10% above the amount that would have been levied in such fiscal year had there never been any such delinquencies or defaults.

Special Tax Formula

The Special Tax authorized under the Mello-Roos Act applicable to land within Improvement Area No. 1 will be levied and collected according to the tax liability determined by the City through the application of the appropriate amount or rate as described in the Special Tax Formula (defined terms set forth below in this section have the meanings set forth in the Special Tax Formula) set forth in “APPENDIX A – Rate and Method of Apportionment of Special Tax.” The Special Tax will be levied each year from parcels within Improvement Area No. 1 in an amount at least sufficient to pay debt service on outstanding Bonds and administrative expenses. The Special Tax is expected to be collected at the same time and in the same manner as *ad valorem* property taxes. The City reserves the right to collect the taxes in another manner if required to meet annual obligations of Improvement Area No. 1.

Each year, the City will determine the Special Tax Requirement for the upcoming fiscal year. The “**Special Tax Requirement**” is defined in the Special Tax Formula as the amount

necessary in any fiscal year (i) to pay principal and interest on Bonds which are due in the calendar year which begins in such fiscal year, (ii) to pay periodic costs for the Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments on the Bonds, (iii) to replenish reserve funds to the extent such replenishment was not included in the computation of the Special Tax Requirement in a previous fiscal year, (iv) to cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior fiscal year or, based on prior delinquencies, are expected to occur in the current fiscal year, (v) to pay Administrative Expenses, and (vi) to pay directly for Authorized Facilities, so long as such levy under this clause (vi) does not increase the Special Tax on Final Map Property or Undeveloped Property (as defined in the Special Tax Formula). The Special Tax Requirement components in clauses (i) and (ii) may be reduced in any fiscal year by (a) interest earnings on, or surplus balances in, funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against debt service pursuant to the Indenture, Bond resolution, or other legal document that set forth these terms, (b) in the sole and absolute discretion of the City, proceeds received by the City from the collection of penalties associated with delinquent Special Taxes; and (c) any other revenues available to pay such costs as determined by the City.

Parcels Subject to the Special Tax. The City will prepare a list of the parcels subject to the Special Tax using the records of the City and the County Assessor. The City has the authorization to tax all parcels within Improvement Area No. 1 except tax-exempt parcels as described in the Special Tax Formula.

Each Fiscal Year, the Administrator shall: (i) assign each Parcel of Taxable Property to the appropriate Development Class, (ii) for Developed Property, categorize each Parcel as Single Family Property or Other Property, (iii) for Single Family Property, determine within which Village each Parcel of Developed Property is located and the number of Residential Units on the Parcel; (iv) for Other Property, determine the Acreage of each Parcel; and (v) determine the Special Tax Requirement for the Fiscal Year. In addition, the Administrator shall, on an ongoing basis, monitor the Tentative Map, Final Maps, and Building Permits to determine if there are any proposed Land Use Changes that would change the Expected Maximum Special Tax Revenues.

If the Expected Maximum Special Tax Revenues will be revised pursuant to a proposed Land Use Change, the Administrator shall apply the steps set forth in Section D of the Special Tax Formula. In any Fiscal Year, if it is determined that: (i) a parcel map for property in Improvement Area No. 1 was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel map, and (iii) one or more of the newly-created Parcels is in a different Development Class and/or Land Use Category than other Parcels created by the subdivision, the Administrator shall calculate the Special Taxes for the property affected by recordation of the parcel map by determining the Special Taxes that apply separately to the property within each Development Class and/or Land Use Category, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map.

Assignment of Maximum Special Tax. The Special Tax Formula describes in detail the precise method for assigning the Maximum Special Tax to parcels within Improvement Area No. 1, which generally provides that each year the City will use the definitions contained in the Special Tax Formula to classify each parcel as tax-exempt or taxable. Changes to maximum

special tax rates due to Land Use Changes are handled per Section D of the Special Tax Formula. See APPENDIX A.

Maximum Special Tax Rates. The Maximum Special Tax for a Parcel of Developed Property or Final Map Property is the greater of (i) the Base Special Tax set forth in Table 1 to the Special Tax Formula which is reproduced below, or, (ii) the Maximum Special Tax determined pursuant to Section D of the Special Tax Formula. For additional details, see APPENDIX A.

Special Tax Category	Land Use	Fiscal Year 2023-24 Maximum Facilities Special Tax ⁽¹⁾⁽²⁾
Developed Property	Village 3	\$2,215.02 per Unit
	Village 4	1,743.72 per Unit
	Village 5	1,954.92 per Unit
	Village 6	1,954.92 per Unit
	Village 8	1,453.44 per Unit
	Village 9	1,680.24 per Unit
Final Map Property	Village 3	\$2,215.02 per Lot
	Village 4	\$1,743.72 per Lot
	Village 5	\$1,954.92 per Lot
	Village 6	\$1,954.92 per Lot
	Village 8	\$1,453.44 per Lot
	Village 9	\$1,680.24 per Lot
Undeveloped Property	N/A	\$21,886.89 per Acre

(1) On July 1, 2024 and each July 1 thereafter, the Maximum Special Taxes shall be increased by 2% of the amount in effect in the prior fiscal year.

(2) Represents the Maximum Special Tax rates based on currently-expected land uses in the CFD. Subject to change pursuant to Section D of the RMA.

Source: Goodwin Consulting Group, Inc.

In addition to the Maximum Special Tax rate limitation in the Special Tax Formula, Section 53321(d) of the Mello-Roos Act provides that the special tax levied against any parcel for which an occupancy permit for private residential use has been issued may not be increased as a consequence of delinquency or default by the owner of any other parcel within a community facilities district by more than 10% above the amount that would have been levied in such fiscal year had there never been any such delinquencies or defaults.

Levy of Special Tax. Once the Special Tax Requirement has been determined for a particular Fiscal Year, the Special Tax will be levied according to the following steps:

Step 1: The Special Tax shall be levied Proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax for each Parcel until the amount levied is equal to the Special Tax Requirement, prior to applying any Capitalized Interest that is available.

Step 2: If additional revenue is needed after Step 1 in order to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Final Map Property up to 100% of the Maximum Special Tax for each Parcel of Final Map Property.

Step 3: If additional revenue is needed after Step 2 in order to meet the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for each Parcel of Undeveloped Property.

Step 4: If additional revenue is needed after Step 3, the Special Tax shall be levied Proportionately on each Parcel of Taxable Welfare Exemption Property, up to 100% of the Maximum Special Tax for each Parcel of Taxable Welfare Exemption Property.

Step 5: If additional revenue is needed after Step 4, the Special Tax shall be levied Proportionately on each Parcel of Taxable Owners Association Property, up to 100% of the Maximum Special Tax for each Parcel of Taxable Owners Association Property.

Step 6: If additional revenue is needed after Step 5, the Special Tax shall be levied Proportionately on each Parcel of Taxable Public Property, up to 100% of the Maximum Special Tax for each Parcel.

Termination of the Special Tax. The Special Tax will be levied until all Bonds have been repaid and all authorized facilities have been funded; however, Special Taxes cannot be levied under any circumstance after fiscal year 2062-63.

Prepayment of the Special Tax. The Special Tax obligation assigned to a particular parcel within Improvement Area No. 1 can be prepaid, which will release the parcel making the prepayment from the Mello-Roos special tax lien. Section H of the Special Tax Formula sets forth a detailed formula by which the prepayment for a parcel can be calculated. Proceeds of such prepayment will be used to redeem a portion of the Bonds. See "THE 2022 BONDS – Redemption."

Projected Fiscal Year 2023-24 Special Tax Levy. The following table shows the projected Fiscal Year 2023-24 special tax levy by village for Improvement Area No. 1

**Projected Fiscal Year 2023-24
Special Tax Levy By Village ⁽¹⁾**

Village	Projected FY 2023-24 Maximum Special Tax	Projected FY 2023-24 Actual Special Tax ⁽²⁾
Village 3	\$143,976	\$131,221
Village 4-Unit 1	92,417	86,392
Village 4-Unit 2	109,854	100,122
Village 5	87,971	81,736
Village 6	78,197	71,615
Village 8	188,947	172,466
Village 9	119,297	119,297
Total	\$820,660	\$762,850

(1) Based on building permits issued by July 27, 2022 and final maps recorded by July 31, 2022.

(2) Includes debt service due in 2024 on the Series 2022 Special Tax Bonds and estimated administrative expenses.

Sources: Goodwin Consulting Group, Inc.

Special Tax Fund

When received, the Special Tax Revenues are required under the Fiscal Agent Agreement to be deposited into a Special Tax Fund to be held by the City in trust for the benefit of the City and the Owners of the Bonds. Within the Special Tax Fund, the City will establish and maintain two accounts, (i) the Debt Service Account, to the credit of which the City will deposit, immediately upon receipt, all Special Tax Revenues, and (ii) the Surplus Account, to the credit of which the City will deposit surplus Special Tax Revenue as described below. Moneys in the Special Tax Fund will be disbursed as provided below and, pending any disbursement, will be subject to a lien in favor of the Owners of the Bonds. Notwithstanding the foregoing, the City may semi-annually transfer from the Special Tax Fund so held an amount equal to one-half of the Administrative Expense Priority as necessary for the payment of Administrative Expenses up to the Administrative Expense Priority.

All Special Tax Revenue will be deposited in the Debt Service Account upon receipt. No later than 10 Business Days prior to each Interest Payment Date, the City will withdraw from the Debt Service Account of the Special Tax Fund and transfer (i) to the Fiscal Agent for deposit in the Reserve Fund, an amount which when added to the amount then on deposit therein, is equal to the Reserve Requirement, and (ii) to the Fiscal Agent for deposit in the Bond Fund an amount, taking into account any amounts then on deposit in the Bond Fund, such that the amount in the Bond Fund equals the principal, including any mandatory sinking fund payments, premium, if any, and interest due on the Bonds on the next Interest Payment Date. At such time as deposits to the Debt Service Account equal the principal, including any mandatory sinking fund payments, premium if any, and interest becoming due on the Bonds for the current Bond Year and the amount needed to restore the balance of the Reserve Fund to the Reserve Requirement, the amount in the Debt Service Account in excess of such

amount may, at the discretion of the City, be transferred to the Surplus Account, which will occur on or after September 15th of each year.

Moneys in the Surplus Account may, at the City's discretion, be transferred to the Improvement Fund to pay for costs of the Facilities, to pay the principal of, premium, if any, and interest on the Bonds or to replenish the Reserve Fund to the amount of the Reserve Requirement, but are not pledged to payment of the Bonds. See "–Assignment of Maximum Special Tax" above."

Deposit and Use of Proceeds of 2022 Bonds

The 2022 Bonds are additionally secured by certain amounts generated from proceeds of the 2022 Bonds, together with interest earnings thereon pledged under the Fiscal Agent Agreement. The proceeds of the initial purchase of the 2022 Bonds shall be paid to the Fiscal Agent, who shall deposit such proceeds in the 2022 Costs of Issuance Fund, the Improvement Fund, and the Reserve Fund established under the Fiscal Agent Agreement. See APPENDIX C for information on use of the moneys, including investment earnings thereon, in the various funds established under the Fiscal Agent Agreement. See also "– Reserve Fund" and "– Improvement Fund" below.

Delinquent Payments of Special Tax; Covenant for Foreclosure

The Special Tax will be collected in the same manner and the same time as *ad valorem* property taxes, except at the City's option, the Special Taxes may be billed directly to property owners. In the event of a delinquency in the payment of any installment of Special Taxes, the City is authorized by the Mello-Roos Act to order institution of an action in superior court to foreclose the lien therefore.

The City has covenanted in the Fiscal Agent Agreement with and for the benefit of the Owners of the 2022 Bonds that it will annually on or before September 1 of each year review the public records of the County relating to the collection of the Special Tax in order to determine the amount of the Special Tax collected in the prior fiscal year, and if the City determines on the basis of such review that the amount so collected is deficient by more than 5% of the total amount of the Special Tax levied in such fiscal year, it will within 30 days thereafter institute foreclosure proceedings as authorized by the Mello-Roos Act in order to enforce the lien of the delinquent installment of the Special Tax against each separate lot or parcel of land in Improvement Area No. 1 for which such installment of the Special Tax is delinquent, and will diligently prosecute and pursue such foreclosure proceedings to judgment and sale; *provided*, that if the City determines on the basis of such review that

(a) the amount so collected is deficient by less than 5% of the total amount of the Special Tax levied in Improvement Area No. 1 in such fiscal year, but that property owned by any single property owner in Improvement Area No. 1 is delinquent by more than \$5,000 with respect to the Special Tax due and payable by such property owner in such fiscal year, or

(b) that property owned by any single property owner in Improvement Area No. 1 is delinquent cumulatively by more than \$3,000 with respect to the current and past Special Tax due (irrespective of the total delinquencies in Improvement Area No. 1),

then the City will institute, prosecute and pursue such foreclosure proceedings in the time and manner provided in the Fiscal Agent Agreement against each such property owner.

Under the Mello-Roos Act, foreclosure proceedings are instituted by the bringing of an action in the superior court of the county in which the parcel lies, naming the owner and other interested persons as defendants. The action is prosecuted in the same manner as other civil actions. In such action, the real property subject to the special taxes may be sold at a judicial foreclosure sale for a minimum price which will be sufficient to pay or reimburse the delinquent Special Taxes.

The owners of the 2022 Bonds benefit from the Reserve Fund established pursuant to the Fiscal Agent Agreement; however, if delinquencies in the payment of the Special Taxes are significant enough to completely deplete the Reserve Fund, there could be a default or a delay in payments of principal and interest to the Owners of the 2022 Bonds pending prosecution of foreclosure proceedings and receipt by the City of the proceeds of foreclosure sales. Additionally, it is possible that no bids are received at a foreclosure sale. Provided that it is not levying the Special Tax at the Maximum Special Tax rates set forth in the Special Tax Formula, the City may adjust the Special Taxes levied on all property within Improvement Area No. 1 subject to the Special Tax to provide an amount required to pay debt service on the 2022 Bonds, and to replenish the Reserve Fund, provided however such adjustment may not exceed the Maximum Special Tax or include an increase as a consequence of delinquency or default by the owner of any other parcel within a community facilities district by more than 10% above the amount that would have been levied in such fiscal year had there never been any such delinquencies or defaults.

Under current law, a judgment debtor (property owner) has at least 140 days from the date of service of the notice of levy in which to redeem the property to be sold. If a judgment debtor fails to redeem and the property is sold, his or her only remedy is an action to set aside the sale, which must be brought within 90 days of the date of sale. If, as a result of such an action a foreclosure sale is set aside, the judgment is revived, and the judgment creditor is entitled to interest on the revived judgment as if the sale had not been made (California Code of Civil Procedure Section 701.680).

Foreclosure by court action is subject to normal litigation delays, the nature and extent of which are largely dependent upon the nature of the defense, if any, put forth by the debtor and the condition of the calendar of the superior court of the county. Such foreclosure actions can be stayed by the superior court on generally accepted equitable grounds or as the result of the debtor's filing for relief under the Federal bankruptcy laws. The Mello-Roos Act provides that, upon foreclosure, the Special Tax lien will have the same lien priority as is provided for *ad valorem* taxes and special assessments. See "VALUE OF PROPERTY WITHIN IMPROVEMENT AREA NO. 1 – Priority of Lien."

Teeter Plan. In 1949, the California Legislature enacted an alternative method for the distribution of property taxes to local agencies. This method, known as the "**Teeter Plan**," is found in Sections 4701-4717 of the California Revenue and Taxation Code. Upon adoption and implementation of this method by a county board of supervisors, local agencies for which the county collects property taxes and certain other public agencies and taxing areas located in the county receive annually the full amount of their shares of property taxes and other impositions collected on the secured roll, including delinquent property taxes which have yet to be collected. While the county bears the risk of loss on unpaid delinquent taxes, it retains the penalties

associated with delinquent taxes when they are paid. In turn, the Teeter Plan provides participating local agencies with stable cash flow and the elimination of collection risk.

The Board of Supervisors of Sacramento County has adopted the Teeter Plan, and the County elects to apply its Teeter Plan to the collection of the Special Taxes annually. As such, the Teeter Plan has been applicable since the initial year of a Special Tax levy, but no assurance can be given that it will continue in any or all of the years that the 2022 Bonds are outstanding. To the extent that the County's Teeter Plan continues in existence and is carried out as adopted, and to the extent the County does not discontinue the Teeter Plan with respect to the City or Improvement Area No. 1, the County's Teeter Plan may help protect owners of the 2022 Bonds from the risk of delinquencies in the payment of Special Taxes. *However, there can be no assurance that the County will not modify or eliminate its Teeter Plan, or choose to remove Improvement Area No. 1 from its Teeter Plan permanently in any year while the 2022 Bonds are outstanding.*

Once adopted, a county's Teeter Plan will remain in effect in perpetuity unless the board of supervisors orders its discontinuance or unless, prior to the commencement of a fiscal year, a petition for discontinuance is received and joined in by resolutions of the governing bodies of not less than two-thirds of the participating districts in the county. An electing county may, however, decide to discontinue the Teeter Plan with respect to any levying agency in the county if the board of supervisors, by action taken not later than July 15 of a fiscal year, elects to discontinue the procedure with respect to such levying agency and the rate of secured tax delinquencies in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll by that agency.

Reserve Fund

Under the Fiscal Agent Agreement, the Fiscal Agent established the Reserve Fund and the 2022 Reserve Account therein, which is available for payment of the 2022 Bonds in the event of delinquencies in the payment of the Special Taxes to the extent of such delinquencies.

The City is required to maintain on deposit in the 2022 Reserve Account of the Reserve Fund an amount that is equal to the Reserve Requirement with respect to the 2022 Bonds. The **"Reserve Requirement"** means, with respect to any Series of Bonds (unless otherwise specified in a Supplemental Agreement, including to create a single parity reserve fund for multiple Series of Bonds), the least of (i) 125% of the average Annual Debt Service with respect to the applicable Series of Bonds; (ii) Maximum Annual Debt Service with respect to the applicable Series of Bonds; and (iii) 10% of the original principal amount of the applicable Series of Bonds (or, if the applicable Series of Bonds has more than a de minimis amount of original issue discount or premium, 10% of the issue price of such Series of Bonds); provided, that—

(a) if a parity reserve fund for multiple Series of Bonds is established, references to the applicable Series of Bonds shall mean all Bonds covered by such parity reserve fund;

(b) in no event shall the City be obligated to deposit an amount in any reserve fund in excess of the amount permitted by the applicable provisions of the Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, if the amount of any such deposit is so limited, the Reserve Requirement shall be only the amount of such deposit as permitted by the Code;

(c) the City may meet all or a portion of the Reserve Requirement with respect to any series of Bonds by depositing a Qualified Reserve Fund Credit Instrument in accordance with the Fiscal Agent Agreement; and

(d) the Reserve Requirement shall be set at the time of issuance of a Series of Bonds and shall not increase thereafter but may decrease as a result of prepayment of the Special Tax.

Amounts deposited in the Reserve Fund will be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Bond Fund in the event of any deficiency at any time in the Bond Fund of the amount then required for payment of the principal of, and interest on, the Bonds secured by the Reserve Fund. Whenever a transfer is made from the Reserve Fund to the Bond Fund due to a deficiency in the Bond Fund, the Fiscal Agent will provide written notice thereof to the City. If there are additional delinquencies after depletion of funds in the Reserve Fund, the City is not obligated to pay the Bonds or supplement the Reserve Fund.

The City may elect that the Reserve Fund will be available on a parity basis among the 2022 Bonds and any other Additional Bonds.

Whenever, on the Business Day prior to any Interest Payment Date, the amount in the Reserve Fund exceeds the then applicable Reserve Requirement, the Fiscal Agent will transfer an amount equal to the excess from the Reserve Fund to the Bond Fund or the Improvement Fund as provided below, except that investment earnings on amounts in the Reserve Fund may be withdrawn from the Reserve Fund for purposes of making payment to the Federal government to comply with rebate requirements.

Moneys in the Reserve Fund will be invested and deposited in accordance with the Fiscal Agent Agreement. Interest earnings and profits resulting from the investment of moneys in the Reserve Fund and other moneys in the Reserve Fund will remain therein until the balance exceeds the Reserve Requirement; any amounts in excess of the Reserve Requirement will be transferred to the Improvement Fund, if the Facilities have not been completed, or if the Facilities have been completed, to the Bond Fund to be used for the payment of the principal of and interest on the Bonds in accordance with the Fiscal Agent Agreement.

The City has the right at any time to cause the Fiscal Agent to release funds from the Reserve Fund, in whole or in part, by tendering to the Fiscal Agent an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company (a **“Qualified Reserve Fund Credit Instrument”**), provided certain conditions are met, including that the long-term credit rating of such bank or insurance company is rated at least “AA” (without regard to qualifier) by S&P or Moody’s.

Whenever the balance in the Reserve Fund exceeds the amount required to redeem or pay the Outstanding Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, and making any other transfer required under the Fiscal Agent Agreement, the Fiscal Agent will transfer the amount in the Reserve Fund to the Bond Fund to be applied, on the next succeeding Interest Payment Date, to the payment and redemption of all of the Outstanding Bonds. If the amount so transferred from the Reserve Fund to the Bond Fund exceeds the amount required to pay and redeem the Outstanding Bonds, the balance in the Reserve Fund will be transferred to the City, after payment of any amounts due the Fiscal Agent, to be used for any lawful purpose of the City.

Improvement Fund

Under the Fiscal Agent Agreement, the Fiscal Agent established an “**Improvement Fund**,” which is held and used by the Fiscal Agent to pay the costs of the Facilities. Disbursements from the Improvement Fund will be made by the Fiscal Agent in accordance with written requests of the City.

Before any payment from the Improvement Fund shall be made, the City shall file or cause to be filed with the Fiscal Agent a written request of the City for disbursement of moneys from such fund. Such withdrawals shall be implemented by the City pursuant to the terms and requirements of the Acquisition Agreement (described below). The Fiscal Agent need not make any such payment if it has received notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys to be so paid, that has not been released or will not be released simultaneously with such payment. The Fiscal Agent shall not incur any liability for any disbursement from the Improvement Fund made in reliance upon any requisition. When the City determines that all of the costs of the Facilities to be financed with proceeds of the Bonds have been paid, the City shall provide written notification of such determination to the Fiscal Agent and direct the Fiscal Agent to transfer any remaining balance in any Improvement Fund into the Bond Fund. See “THE FACILITIES – Acquisition by the City.”

Additional Bonds

The City is authorized to issue up to \$20,350,000 of Bonds for Improvement Area No. 1, of which the 2022 Bonds represent the first series. In addition to the 2022 Bonds, the City expects that it will, by a Supplemental Agreement, authorize the issuance of one or more additional series of bonds (previously defined as the “**Additional Bonds**”) secured by the Special Tax Revenues on a parity basis with the 2022 Bonds, upon compliance by the City with the conditions set forth in the Fiscal Agent Agreement, which include the following:

(i) Unless otherwise set forth in the Supplemental Agreement providing for the issuance of such Additional Bonds, there shall be deposited into a reserve account of the Reserve Fund, or into a separate reserve fund, an amount at least equal to the Reserve Requirement with respect to such Additional Bonds.

(ii) For each Bond Year that the Additional Bonds will be Outstanding, projected Maximum Special Taxes (net of the Administrative Expense Priority) in each Fiscal Year are equal to or greater than 110% of Debt Service due in the Bond Year that begins in the corresponding Fiscal Year.

(iii) The aggregate value of all parcels in Improvement Area No. 1 subject to the Special Tax, including then existing improvements and any facilities to be constructed or acquired with the proceeds of the proposed series of Bonds, as determined by an MAI appraisal (including the value of improvements to be financed from proceeds of the Bonds proposed to be issued) or the assessed value of such parcels as shown on the then current County tax roll, or by a combination of both methods, is at least 4.00 times the sum of (i) the aggregate principal amount of all Bonds then outstanding plus (ii) the aggregate principal amount of the series of Bonds proposed to be issued, plus (iii) the aggregate principal amount of any bonds then outstanding and payable from assessments which are a lien against property in Improvement Area No. 1, plus (iv) a portion of the aggregate principal amount of all

bonds issued under the Act, other than Bonds then outstanding, and payable at least partially from special taxes to be levied on parcels of land subject to the Special Tax within Improvement Area No. 1 (the "**Other Mello-Roos Bonds**") equal to the aggregate principal amount of the Other Mello-Roos Bonds multiplied by a fraction, the numerator of which is the amount of special taxes levied for the Other Mello-Roos Bonds on parcels of land within Improvement Area No. 1 subject to the Special Tax, and the denominator of which is the total amount of special taxes levied for the Other Mello-Roos Bonds on all parcels of land subject to the Special Tax against which the special taxes are levied to pay the Other Mello-Roos Bonds (such fraction to be determined based upon the special taxes which could be levied the year in which the Additional Bonds are being issued), based upon information from the most recent available fiscal year.

The limitations contained in the foregoing paragraphs (ii) and (iii) above shall not be applicable to Additional Bonds which are refunding bonds if the annual debt service on the refunding bonds is less than the annual debt service on the bonds refunded for each year such refunding bonds are scheduled to be outstanding.

Additional Security; Subordinate Bonds. Nothing in the Agreement shall prevent or be construed to prevent the Supplemental Agreement providing for the issuance of Additional Bonds from pledging, or otherwise providing, additional security for the benefit of such Additional Bonds or any portion thereof, or the issuance of bonds, notes or other obligations secured by Special Taxes on a basis subordinate to the pledge securing the Bonds.

DEBT SERVICE SCHEDULES

Debt Service Schedule. The annual debt service on the 2022 Bonds based on the interest rates and maturity schedule set forth on the cover of this Official Statement is set forth below (assuming no early redemptions).

**City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Improvement Area No. 1
Special Tax Bonds Series 2022
Debt Service Schedule**

Period Ending Sept. 1	2022 Bonds Principal	2022 Bonds Interest ⁽¹⁾	2022 Bonds Total Debt Service
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Total

(1) A portion of the interest on the 2022 Bonds due through September 1, 2023 will be paid from capitalized interest.
Source: Underwriter.

Projected Debt Service Coverage. The projected debt service coverage for Fiscal Year 2023-24 is set forth below, and is based on the current status of development and only the 2022 Bonds outstanding. To the extent that development status changes and/or Additional Bonds are issued, the debt service coverage may be different than what is shown. The 2022 Bonds have been structured so there is at least 110% debt service coverage in every year.

**City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Improvement Area No. 1
Special Tax Bonds Series 2022
Projected Fiscal Year 2023-24 Debt Service Coverage⁽¹⁾⁽²⁾**

Maximum Special Tax Developed and Final Map Property ^{(1)(2)*}	Priority Administration ⁽⁴⁾	Estimated Series 2022 Debt Service*	Debt Service Coverage from Developed and Final Map Property *
\$820,660	(\$54,009)	\$709,900	107.99%

* Preliminary; subject to change.

(1) Pursuant to Section 53321(d) of the Government Code, the special tax levied against any assessor's parcel for which an occupancy permit for private residential use has been issued shall not be increased as a consequence of delinquency or default by the owner of any other assessor's parcel within the District by more than 10% above the amount that would have been levied in the fiscal year had there never been any such delinquencies or defaults.

(2) Based on currently-expected land uses in the CFD. Subject to change pursuant to Section D of the RMA.

(3) Includes projected Maximum Special Tax revenues based on the status of development as of July 31, 2022. Assumes no future development.

(4) As defined in the Fiscal Agent Agreement.

Sources: Piper Sandler & Co.; Goodwin Consulting Group, Inc.

IMPROVEMENT AREA NO. 1

Formation and Background

On October 18, 2021, the City Council adopted a Resolution of Intention to form the District, designate Improvement Area No. 1 as an improvement area therein, and establish the Future Annexation Area, to levy a special tax and to incur bonded indebtedness for the purpose of financing the Facilities and making contributions to certain public facilities. After conducting a noticed public hearing, on December 6, 2021, the City Council adopted the Resolution of Formation, which established the District, designated Improvement Area No. 1 therein, and created the Future Annexation Area, approved the Special Tax Formula for Improvement Area No. 1 and set forth the necessity to incur bonded indebtedness for the District and Improvement Area No. 1 in a total amount not to exceed \$86,470,000 (excluding bonds or notes described in Section 53364.2(e) of the Mello-Roos Act), initially allocated as follows: (i) for Improvement Area No. 1, \$20,350,000 and (ii) for the portion of the District that is not currently in Improvement Area No. 1, \$66,120,000. On the same day, an election was held within Improvement Area No. 1 in which K. Hovnanian and the land-bank, as the sole eligible landowner voters in the District, approved the proposed bonded indebtedness and the levy of the Special Tax within Improvement Area No. 1. See “OWNERSHIP OF PROPERTY WITHIN IMPROVEMENT AREA NO. 1” below.

Description and Location

General. The District is referred to by the City as the “The Ranch” project, which is located within The Ranch Special Planning Area (“**TRSPA**”), which lies within the Sunrise Douglas Community Plan area. The TRSPA encompasses approximately 530 gross acres within the southeastern portion of the City of Rancho Cordova, primarily south of Douglas Road, east of Rancho Cordova Parkway, and west and north of Grant Line Road. The specific plan will include approximately 1,690 dwelling units (single and multi-family) at build out.

Overall, “The Ranch” project is projected to develop into 1,690 residential units, which comprises 732 single-family homes, 705 age restricted single-family homes, 38 age-restricted rental units, and 215 high density residential affordable rental units. In addition to the residential units, the community will also have 5.73 acres of commercial land and a clubhouse to support the age restricted units. The clubhouse will feature a ballroom building, indoor and outdoor pool, gym, bocce court, horseshoe pits, tennis courts, pickleball courts and community garden. There are also public trails throughout the community and has approximately 198 acres of wetland preserve.

The greater Rancho Cordova area is a mature suburban area, which encompasses all types of land uses, including single-family and multifamily residential, retail, office and industrial, and has experienced continued growth since the mid 1980’s. This area currently is a substantial suburban office market within the Sacramento region, as well as a major employment center, most of which is located along U.S. Highway 50 which traverses the City. For certain demographic information relating to the City and the County, see “APPENDIX D – Sacramento County and City of Rancho Cordova Demographic Information.”

Maps. The following pages show the boundary map of the District (including Improvement Area No. 1 therein), and the development plan for the villages in Improvement Area No. 1.

[Insert CFD Boundary Map]

[Insert Site Plan Map]

Development in the District

K. Hovnanian has provided the following information with respect to development within the District. No assurance can be given that all information is complete. No assurance can be given that development of the property will be completed, or that it will be completed in a timely manner. Since the ownership of the parcels is subject to change, the development plans outlined below may not be continued by the subsequent owner if the parcels are sold, although development by any subsequent owner will be subject to the Development Agreement and the policies and requirements of the City. No assurance can be given that the plans or projections detailed below will actually occur.

The Ranch Project. K. Hovnanian at Jaeger Ranch, LLC, a California limited liability company (previously defined as “**K. Hovnanian**”), is the master developer of 530 acres of property located in the City of Rancho Cordova being developed as The Ranch (the “**Overall Project**”). The Overall Project is anticipated to consist of the following:

- Approximately 120 acres of property proposed to be developed as 732 single-family residential units (the “**Market Rate Project**”).
- Approximately 152.25 acres of property proposed to be developed as 705 active adult single family units (the “**Age Qualified Project**”).
- Approximately 7.14 acres of property proposed to be developed as 215 high density multifamily units (the “**Multifamily Project**”).
- Approximately 6.74 acres of property proposed to be developed with commercial improvements (the “**Commercial Project**”).
- Approximately 200 acres of parks, trails, open space, detention basins, landscaping, and public roadways.

The Market Rate Project. The Market Rate Project is being developed by K. Hovnanian in four phases, with Phase I consisting of 209 units, Phase II consisting of 258 units, Phase III consisting of 179 units, and Phase IV consisting of 86 units. The Market Rate project will feature an 11-acre community active park, a 2-acre neighborhood active park, a 1.2-acre passive park, miles of trails, and multiple acres of open space. The Market Rate Project is separated from the Age Qualified Project by open space preserves but is joined by a causeway.

The Age Qualified Project. The Age Qualified Project is being developed by K. Hovnanian under the 4 Seasons brand. K. Hovnanian's Four Seasons at the Ranch is proposed as a new 55+ age-qualified lifestyle community offering four distinctive collections for a wide variety of buyers. The Age Qualified Project is being developed in four phases, with Phase V consisting of 245 units, Phase VI consisting of 284 units, Phase VII consisting of 132 units, and Phase VIII consisting of 44 units.

The Age Qualified Project will offer a range of amenities, including a linear park, miles of nature trails, and a private dog park. The project will feature a resort-style clubhouse, an indoor and outdoor pool, fitness rooms, bocce ball courts, pickleball courts, and various indoor activities including a wine and beer bar and caffe.

The Multifamily Project. The Multifamily Project parcel will be dedicated to the City for the development of 215 multifamily units.

The Commercial Project. The Commercial Project site will be sold by K. Hovnanian to a commercial developer.

As discussed below in more detail herein, only the property in Improvement Area No. 1 serves as security for the Bonds. Improvement Area No. 1 comprises Phases I and II of the Market Rate Project. Information on the Phases III and IV of the Market Rate Project, as well as information on the Active Adult Project, the Multifamily Project, and the Commercial Project, is provided for background and contextual purposes only, and this property is not security for the Bonds.

Improvement Area No. 1. The property in Improvement Area No. 1 consists of Phases I and II of the Market Rate Project and is made up of 6 Villages:

- Village 3 – 65 single family units being marketed as “Canyon.”
- Village 4, Unit 1 – 53 single family units being marketed as “Sagebrush.”
- Village 4, Unit 2 – 63 single family units being marketed as “Sagebrush.”
- Village 5 – 45 single family units being marketed as “Montrose.”
- Village 6 – 40 single family units being marketed as “Montrose.”
- Village 8 – 130 single family units being marketed as “Paseo.”
- Village 9 – 71 single family units being marketed as “Springs.”

Improvement Area No. 1 is being developed by K. Hovnanian.

K. Hovnanian is land banking a portion of the Market Rate Project with AG EHC II (HOV) CA 1, L.P., a Delaware limited partnership (previously defined as “AG”). On August 27, 2021, K. Hovnanian sold to AG property to be developed as 209 single-family units located in Villages 4 (Unit 1), 5, 6, and 9 (the “**First Conveyed Property**”) and in January 2022, K. Hovnanian sold to AG property to be developed as 130 single-family units located in Village 8 (the “**Second Conveyed Property**”) and together with the First Conveyed Property, the “AG Property”). AG is serving as the owner and landbank of the 339 lots of the AG Property and for which K. Hovnanian has an option to acquire the lots over time pursuant to separate takedown schedules. The takedown schedules give K. Hovnanian the option (but not the obligation) to acquire between 3 and 14 lots every month commencing February 2022 and ending in August 2024.

For more information on K. Hovnanian and AG and ownership as of August 1, 2022, see “OWNERSHIP OF PROPERTY WITHIN IMPROVEMENT AREA NO. 1.”

Development Plan. A tentative map was approved for the entirety of the project. A large lot map was recorded in July 2022 subdividing the project into villages. Final Maps for Village 9, 4 Unit 1, 5, 6 are recorded and the final map for Village 8 is under review for recordation in March 2022. See the table below for the status of the mapping in Phases 1 and 2.

Village	Actual (Projected) Lots	Map Number	Actual (Anticipated) Recording Date
3	65	Subdivision Map 2021-002-06	Small Lot Final Map Recorded 8/1/22, Book 440, Page 3
4 (Unit 2)	63	Subdivision Map 2021-002-07	Small Lot Final Map Recorded 8/1/22, Book 440, Page 4
8	130	Subdivision Map 2021-002-05	Small Lot Final Map Recorded 3/25/22, Book 436, Page 1
4 (Unit 1)	53	Subdivision Map 2021-002-03	Small Lot Final Map Recorded 11/19/21, Book 433, Page 6
5	45	Subdivision Map 2021-002-03	Small Lot Final Map Recorded

			11/19/21, Book 433, Page 6
6	40	Subdivision Map 2021-002-03	Small Lot Final Map Recorded 11/19/21, Book 433, Page 6
9	71	Subdivision Map 2021-002-002	Small Lot Final Map Recorded 11/5/21, Book 433, Page 4
Totals	467		

Assuming that K. Hovnanian acquires the AG Property pursuant to the Option Agreements, K. Hovnanian is developing the property in Improvement Area No. 1 in five product lines: Canyon, Paseo, Sagebrush, Montrose, and Springs. Each home in each product line will be a single-family, detached home.

The Sagebrush (Village 4, Unit 1), Montrose, Paseo, and Springs product lines are the subject of the Option Agreements and are in active development. Canyon and Sagebrush (Village 4, Unit 2) are not the subject of the Option Agreements and are owned by K. Hovnanian. Each of these product lines is described and summarized below:

Sagebrush (Village 4, Unit 1). The Sagebrush product line is located in Village 4, but is being developed in two units. Sagebrush Unit 1 is being developed as 53 single-family residential units with 4 floor plans. The Sagebrush Unit 1 product line is subject to the First Option Agreement with AG. Each Sagebrush lot is approximately 45' x 105'. Sagebrush Unit 1 opened for sales in December 2021. K. Hovnanian anticipates exercising its option with AG in a timely manner under the First Option Agreement and developing the lots acquired to final build-out by Summer 2023. As of August 1, 2022, 36 Sagebrush Unit 1 units have been sold (but not closed) to homebuyers.

The following table provides the status of the proposed development of the 53 units of the Sagebrush Unit 1 neighborhood (assuming that all lots are acquired from AG under the First Option Agreement) as of August 1, 2022.

**K. Hovnanian – Sagebrush Unit 1
(as of August 1, 2022)**

Floor Plan	Approx. Square Footage	Total Number of Planned Units⁽¹⁾	Units Completed, Sold, and Closed	Units Completed and Unsold or in Escrow⁽²⁾	Finished Lots	Units Under Construction⁽³⁾	Est. Base Price⁽⁴⁾
Plan 1	1,785	9	0	0	5	4	\$593,000
Plan 2	1,869	13	0	1	8	4	601,000
Plan 3	1,974	11	0	0	9	2	606,000
Plan 4	2,014	20	0	1	15	4	614,000
Totals		53	0	2	37	14	

(1) K. Hovnanian owns 35 units as of August 5, 2022; the lots for the other 18 planned units are owned by AG. K. Hovnanian intends to acquire the remaining lots and construct residential units thereon according to the First Option Agreement (defined herein).

(2) Represents completed model homes.

(3) A unit is considered under construction when trenching begins on the lot, and a building permit has been received. A total of 16 building permits have been issued: 2 for the completed models; ___ for units for which vertical construction has started.

(4) Base sale prices are estimated as of August 1, 2022. Base sales prices are subject to change and exclude any lot premiums, options, upgrades, incentives and any selling concessions or price reductions which may be offered.

Source: K. Hovnanian.

Montrose (Villages 5 and 6). The Montrose product line is located in Villages 5 and 6. Montrose is being developed as 85 single-family residential units with 4 floor plans. The

Montrose product line is subject to the First Option Agreement with AG. Each Montrose lot is approximately 45' x 85'. Montrose opened for sales in December 2021. K. Hovnanian anticipates exercising its option with AG in a timely manner under the First Option Agreement and developing the lots acquired to final build-out by the fourth quarter of 2023. As of August 1, 2022, 30 Montrose units have been sold (but not closed) to homebuyers.

The following table provides the status of the proposed development of the 85 units of the Montrose neighborhood (assuming that all lots are acquired from AG under the First Option Agreement) as of August 1, 2022.

**K. Hovnanian – Montrose
(as of August 1, 2022)**

Floor Plan	Approx. Square Footage	Total Number of Planned Units⁽¹⁾	Units Completed, Sold, and Closed	Units Completed and Unsold or in Escrow⁽²⁾	Finished Lots	Units Under Construction⁽³⁾	Est. Base Price⁽⁴⁾
Plan 1	2,226	14	0	0	12	2	\$617,000
Plan 2	2,382	22	0	0	18	4	635,000
Plan 3	2,479	17	0	0	16	1	641,000
Plan 4	2,628	32	0	0	28	4	652,000
Totals		85	0	0	74	11	

(1) K. Hovnanian owns 28 units as of August 5, 2022; the lots for the other 57 planned units are owned by AG. K. Hovnanian intends to acquire the remaining lots and construct residential units thereon according to the First Option Agreement (defined herein).

(2) Includes 2 model homes.

(3) A unit is considered under construction when trenching begins on the lot, and a building permit has been received. A total of 11 building permits have been issued: 2 for the models; and 9 for units for which vertical construction has started.

(4) Base sale prices are estimated as of August 1, 2022. Base sales prices are subject to change and exclude any lot premiums, options, upgrades, incentives and any selling concessions or price reductions which may be offered.

Source: K. Hovnanian.

Springs (Village 9). The Springs product line is located in Village 9. Springs is being developed as 71 single-family residential units with 4 floor plans. The Springs product line is subject to the First Option Agreement with AG. Each Springs lot is approximately 35' x 78'. Springs opened for sales in December 2021. K. Hovnanian anticipates exercising its option with AG in a timely manner under the First Option Agreement and developing the lots acquired to final build-out by February 2023. As of August 1, 2022, 2 Springs units have sold and closed escrow with homebuyers and 61 Springs units have been sold (but not closed) to homebuyers.

The following table provides the status of the proposed development of the 71 units of the Springs neighborhood (assuming that all lots are acquired from AG under the First Option Agreement) as of August 1, 2022.

**K. Hovnanian – Springs
(as of August 1, 2022)**

Floor Plan	Approx. Square Footage	Total Number of Planned Units⁽¹⁾	Units Completed, Sold, and Closed	Units Completed and Unsold or in Escrow⁽²⁾	Finished Lots	Units Under Construction⁽³⁾	Est. Base Price⁽⁴⁾
Plan 1	1,868	13	0	0	0	13	\$552,000
Plan 2	1,958	18	0	0	0	18	566,000
Plan 3	2,007	22	1	1	0	20	567,000
Plan 4	2,150	18	1	1	0	16	585,000
Totals		71	2	2	0	67	

(1) K. Hovnanian owns 35 units as of August 5, 2022; the lots for the other 36 planned units are owned by AG. K. Hovnanian intends to acquire the remaining lots and construct residential units thereon according to the First Option Agreement (defined herein).

(2) Represents completed model homes.

(3) A unit is considered under construction when trenching begins on the lot, and a building permit has been received. All 71 building permits have been issued for Springs product line.

(4) Base sale prices are estimated as of August 1, 2022. Base sales prices are subject to change and exclude any lot premiums, options, upgrades, incentives and any selling concessions or price reductions which may be offered.

Source: K. Hovnanian.

Paseo (Village 8). The Paseo product line is located in Village 8. All of the property in the Paseo product line is currently owned by K. Hovnanian. The Paseo product line is subject to the Second Option Agreement with AG. Paseo is being developed as 130 single-family residential units with 4 floor plans. Each Paseo lot is approximately 30' x 78' alley lot. Paseo is anticipated to be opened for sales in April 2022. K. Hovnanian anticipates exercising its option with AG in a timely manner under the Second Option Agreement and developing the lots acquired to final buildout by June 2024. As of August 1, 2022, none of the Paseo units have been sold to homebuyers.

The following table provides the status of the proposed development of the 130 units of the Paseo neighborhood (assuming that all lots are acquired from AG under the Second Option Agreement) as of August 1, 2022.

**K. Hovnanian – Paseo
(as of August 1, 2022)**

Floor Plan	Approx. Square Footage	Total Number of Planned Units⁽¹⁾	Units Completed, Sold, and Closed	Units Completed and Unsold or in Escrow⁽¹⁾	Undeveloped Lots⁽²⁾	Unit Under Construction⁽³⁾⁽⁴⁾	Est. Base Price⁽⁵⁾
Plan 1	1,727	35	0	0	35	0	\$515,000
Plan 2	1,856	35	0	0	35	0	528,000
Plan 3	1,906	30	0	0	29	1	536,000
Plan 4	2,028	30	0	0	29	1	551,000
Totals		130	0	0	128	2	

(1) K. Hovnanian owns 7 units as of August 5, 2022; the lots for the other 123 planned units are owned by AG. K. Hovnanian intends to acquire the remaining lots and construct residential units thereon according to the Second Option Agreement (defined herein).

(2) The property in the Paseo product line is 90% completed towards finished lot status, with utilities in and paving scheduled for October.

(3) Represents two model homes under construction.

(4) A unit is considered under construction when trenching begins on the lot, and a building permit has been received. A total of 2 building permits have been issued for the 2 model homes.

(5) Base sale prices are estimated as of August 1, 2022. Base sales prices are subject to change and exclude any lot premiums, options, upgrades, incentives and any selling concessions or price reductions which may be offered.

Source: K. Hovnanian.

Canyon (Village 3). The Canyon product line is located in Village 3. All of the property in the Canyon product line is currently owned by K. Hovnanian. Canyon is being developed as 65 single-family residential units with 5 floor plans. Each Canyon lot is approximately 50' x 105'. Canyon is anticipated to be opened for sales in November 2022, with final build-out anticipated to be December 2024.

The following table provides the status of the proposed development of the 65 units of the Canyon neighborhood as of August 1, 2022.

**K. Hovnanian – Canyon
(as of August 1, 2022)**

<u>Floor Plan</u>	<u>Approx. Square Footage</u>	<u>Total Number of Planned Units</u>	<u>Units Completed, Sold, and Closed</u>	<u>Units Completed and Unsold or in Escrow</u>	<u>Undeveloped Lots</u>	<u>Units Under Construction</u>	<u>Est. Base Price⁽¹⁾</u>
Plan 1	1,947	17	0	0	17	0	TBD
Plan 2	2,080	17	0	0	17	0	TBD
Plan 3	2,094	17	0	0	17	0	TBD
Plan 4	2,349	<u>7</u>	<u>0</u>	<u>0</u>	<u>7</u>	<u>0</u>	TBD
Plan 5	2,752	<u>7</u>	<u>0</u>	<u>0</u>	<u>7</u>	<u>0</u>	TBD
Totals		65	0	0	65	0	

(1)

Base sale prices have not yet been determined for the Canyon product line. .

Source: K. Hovnanian.

Sagebrush (Village 4, Unit 2). The Sagebrush product line is located in Village 4, but is being developed in two units. Sagebrush Unit 2 is being developed as 63 single-family residential units with 4 floor plans. All of the property in the Sagebrush Unit 2 product line is currently owned by K. Hovnanian. Each Sagebrush lot is approximately 45' x 105'. Sagebrush Unit 2 is anticipated to be opened for sales in January 2023, with final build-out anticipated for July 2024.

The following table provides the status of the proposed development of the 63 units of the Sagebrush Unit 2 neighborhood as of August 1, 2022.

**K. Hovnanian – Sagebrush Unit 2
(as of August 1, 2022)**

<u>Floor Plan</u>	<u>Approx. Square Footage</u>	<u>Total Number of Planned Units</u>	<u>Units Completed, Sold, and Closed</u>	<u>Units Completed and Unsold or in Escrow</u>	<u>Undeveloped Lots</u>	<u>Units Under Construction⁽¹⁾</u>	<u>Est. Base Price⁽¹⁾</u>
Plan 1	1,785	20	0	0	20	0	\$593,000
Plan 2	1,869	16	0	0	16	0	601,000
Plan 3	1,974	18	0	0	18	0	606,000
Plan 4	2,014	<u>9</u>	<u>0</u>	<u>0</u>	<u>9</u>	<u>0</u>	614,000
Totals		63	0	0	63	0	

(1) Base sale prices are estimated as of August 1, 2022. Base sales prices are subject to change and exclude any lot premiums, options, upgrades, incentives and any selling concessions or price reductions which may be offered.

Source: K. Hovnanian.

Infrastructure. The conditions of development for the Overall Project require the construction of various improvements at various times. The following conditions impact the property in Improvement Area No. 1:

A. **Chrysanthy Blvd.:** K. Hovnanian is required to construct Chrysanthy Blvd. from the existing Chrysanthy Blvd. at Rancho Cordova Pkwy. at the west boundary of the Overall Project to the intersection with Wheatridge Drive. Status: substantially complete..

B. **Detention Basin 1:** Prior to the issuance of the first building permit in the property in Improvement Area No. 1, Detention Basin 1 must be substantially complete, and prior to the first occupancy permit in the property in Improvement Area No. 1, Detention Basin 1 must be complete to the satisfaction of the Public Works Department. Status: complete.

C. **Neighborhood Park in Village 8:** Pursuant to the Park Development Agreement dated June 17, 2020 by and between the Cordova Recreation and Park District and K. Hovnanian (the "**Park Agreement**"), the neighborhood park located in Village 8 must (i) start design prior to the first production building permit in Village 8, and (ii) start construction prior to the 65th production building permit in Village 8 or prior to the 234th market-rate production building permit in the Overall Project. Status: design was started prior to the first building permit in Village 8; construction will be started prior to the 65th production building permit in Village 8.

D. **Community Park:** Pursuant to the Park Agreement, the 11-acre community park located between Phase II and Phase IV must (i) start outreach and design prior to the 242nd market rate production building permit is issued and (ii) start construction prior to the 468th market rate production building permit is issued. Status: K. Hovnanian intends to comply with this requirement in a timely manner with work projected to start with the Phase III construction (i.e., Villages 2 and 7)..

E. **Onsite Infrastructure:** All of Improvement Area No. 1 is graded, with home pads. Street, landscaping, medians, and streetlights constructed with the applicable street improvements are being constructed on a Village-by-Village basis. For the Sagebrush (Village 4, Unit 1), Montrose (Village 5 and 6), and Springs (Village 9) product lines, work is completed. The completion of the work for Paseo (Village 8) is scheduled for December 2022. The work for Canyon (Village 3) and Sagebrush (Village 4, Unit 2) will be conducted as those Villages are developed, which is anticipated to be complete by the end of Q1 2023.

Option and Construction Agreements. On August 27, 2021, AG and K. Hovnanian entered into an Option Agreement regarding the 209 finished lots in Villages 4 (Unit 1), 5, 6, and 9 (the "**First Option Agreement**"), whereby K. Hovnanian has the option to purchase finished lots from AG pursuant to a takedown schedule. In addition to the First Option Agreement, on August 27, 2021, K. Hovnanian California Operations, Inc., a California corporation, a general contractor and affiliate of K. Hovnanian (the "**Contractor**"), entered into the Construction Agreement regarding the First Conveyed Property (the "**First Construction Agreement**"),

whereby AG engaged Contractor, at a fixed fee, to construct improvement to the First Conveyed Property necessary to bring the lots into a finished lot condition.

Under the terms of the First Option Agreement, AG agreed to provide K. Hovnanian the exclusive right and option to purchase the 209 lots in consideration for (a) an initial option payment, which payment has been made to AG; (b) the covenants of K. Hovnanian to timely pay the option payments under the First Option Agreement on a monthly basis in arrears; and (c) upon exercise of the option, the payment of the purchase price for each set of lots acquired.

In January 2022, AG and K. Hovnanian entered into an Option Agreement regarding the 130 finished lots in Villages 8 (the "**Second Option Agreement**" and together with the First Option Agreement, the "**Option Agreements**"), whereby K. Hovnanian has the option to purchase finished lots from AG pursuant to a takedown schedule. In addition to the Second Option Agreement, in January 2022, the Contractor entered into the Construction Agreement regarding the Second Conveyed Property (the "**Second Construction Agreement**" and together with the First Construction Agreement, the "**Construction Agreements**"), whereby AG engaged Contractor, at a fixed fee, to construct improvement to the Second Conveyed Property necessary to bring the lots into a finished lot condition.

Under the terms of the Second Option Agreement, AG agreed to provide K. Hovnanian the exclusive right and option to purchase the 130 lots in consideration for (a) an initial option payment, which payment has been made to AG; (b) the covenants of K. Hovnanian to timely pay the option payments under the Second Option Agreement on a monthly basis in arrears; and (c) upon exercise of the option, the payment of the purchase price for each set of lots acquired.

The lots must be purchased in certain groups and in a specified order, although K. Hovnanian may acquire more lots than scheduled and at earlier times so long as the identified lots are acquired by the applicable takedown date. In addition, pursuant to the Option Agreements and the Construction Agreements and with some limitations, AG has granted K. Hovnanian a license to enter upon the property to construct homes before it acquires the lots from AG. It is K. Hovnanian's intention to substantially complete all horizontal and vertical development on the lots it acquires prior to the applicable takedown. K. Hovnanian anticipates completion of the production homes in a Phase approximately 30 days prior to the takedown date for such a Phase.

The failure to acquire the lots in the specified order will result in the payment of a premium in addition to the purchase price.

Under the First Option Agreement, the lots must be acquired pursuant to the following schedules:

**Takedown Schedule
First Option Agreement with AG
as of August 5, 2022**

Cumulative Lot Absorption						Status
<u>Option Period</u>	<u>Acquisition Date</u>	<u>71 Village 9 Lots</u>	<u>85 Village 5/6 Lots</u>	<u>53 Village 4 Unit 1 Lots</u>	<u>Total Cumulative Lots to be Acquired</u>	
1	9-5-21	0	0	0	0	--
2	10-5-21	0	0	0	0	--
3	11-5-21	0	0	0	0	--
4	12-5-21	0	0	0	0	--
5	1-5-22	0	0	0	0	--
6	2-5-22	5	4	5	14	Acquired
7	3-5-22	10	8	10	28	Acquired
8	4-5-22	15	12	15	42	Acquired
9	5-5-22	20	16	20	56	Acquired
10	6-5-22	25	20	25	70	Acquired
11	7-5-22	30	24	30	84	Acquired
12	8-5-22	35	28	35	98	Acquired
13	9-5-22	40	32	40	112	
14	10-5-22	45	36	45	126	
15	11-5-22	50	40	50	140	
16	12-5-22	55	44	53	152	
17	1-5-23	60	48	53	161	
18	2-5-23	65	52	53	170	
19	3-5-23	71	56	53	180	
20	4-5-23	71	60	53	184	
21	5-5-23	71	64	53	188	
22	6-5-23	71	68	53	192	
23	7-5-23	71	72	53	196	
24	8-5-23	71	76	53	200	
25	9-5-23	71	80	53	204	
26	10-5-23	71	85	53	209	

Under the Second Option Agreement, the lots must be acquired pursuant to the following schedules:

**Takedown Schedule
First Option Agreement with AG
as of August 5, 2022**

<u>Option Period</u>	<u>Acquisition Date</u>	<u>Lots to be Acquired</u>	<u>Cumulative Lot Absorption</u>	<u>Status</u>
1	2-5-22	0	0	
2	3-5-22	0	0	
3	4-5-22	2	2	Acquired
4	5-5-22	0	2	N/A
5	6-5-22	0	2	N/A
6	7-5-22	0	2	N/A
7	8-5-22	5	7	Acquired
8	9-5-22	8	15	
9	10-5-22	5	20	
10	11-5-22	4	24	
11	12-5-22	5	29	
12	1-5-23	3	32	
13	2-5-23	4	36	
14	3-5-23	3	39	
15	4-5-23	6	45	
16	5-5-23	6	51	
17	6-5-23	6	57	
18	7-5-23	6	63	
19	8-5-23	6	69	
20	9-5-23	6	75	
21	10-5-23	5	80	
22	11-5-23	4	84	
23	12-5-23	5	89	
24	1-5-24	3	92	
25	2-5-24	4	96	
26	3-5-24	3	99	
27	4-5-24	6	105	
28	5-5-24	6	111	
29	6-5-24	6	117	
30	7-5-24	6	123	
31	8-5-24	7	130	
Total		130		

The option under each Option Agreement expires on the earlier of (i) the last date permitted for the final takedown specified on the takedown schedule and the expiration of any applicable cure period, or (ii) the date K. Hovnanian has acquired all of the Lots in accordance with the applicable Option Agreement. The failure to timely acquire lots could result in the termination of the option and K. Hovnanian will no longer have a right to purchase any of the remaining units under the applicable Option Agreement.

In the event that K. Hovnanian does not exercise its option or the right to purchase the lots expires or is terminated, AG being an investor only and not a homebuilder, would likely attempt to sell such lots to another merchant builder.

During the term of the Option Agreement and the Construction Agreement, K. Hovnanian is obligated to pay all taxes on the AG Property.

COVID-19. Except as described herein, K. Hovnanian has not experienced any material increases in costs, or any development or home sale delays resulting from decisions to reduce financing for the projects, inability to obtain financing, work stoppages, reduced attendance of workers, lack of or delays in the delivery of building materials or the ability to obtain necessary inspections and approvals, which K. Hovnanian attributes to the COVID-19 pandemic. To date, K. Hovnanian has continued to fund and implement its projects as described in this Official Statement and intends to do so to complete such projects. However, the development of Improvement Area No. 1 is subject to delays caused by the COVID-19 pandemic. As the impacts caused by the outbreak evolve, there could be an adverse impact on the timing and costs of the Sage neighborhood. See “BOND OWNERS’ RISKS – COVID-19 Pandemic.” K. Hovnanian cannot predict the ultimate effects of the COVID-19 outbreak or whether any such effects would have a material adverse effect on the ability to develop the project as planned.

Developer Financing Plan. To date, the Developer has financed its land acquisition and various site development and homebuilding costs related to its property in Improvement Area No. 1 through internally generated funds. As of August 1, 2022, the Developer has expended approximately \$____ million on land acquisition and land development and approximately \$____ on homebuilding, marketing and sales costs in Improvement Area No. 1. The Developer expects to incur approximately \$____ million on remaining land acquisition and development and approximately \$____ million on homebuilding, marketing, and sales costs in Improvement Area No. 1. The Developer expects to use internal funding to complete its development within Improvement Area No. 1, and believes that it will have sufficient funds available to complete its planned development as described in this Official Statement. **[To Come]**

Although the Developer expects to have sufficient funds available to complete its development in Improvement Area No. 1 as described in this Official Statement, there can be no assurance that amounts necessary to finance the development costs will be available from the Developer or any other source when needed. Neither the Developer, nor any of its related entities are under any legal obligation of any kind to expend funds for the development of and construction of homes on its property in Improvement Area No. 1. Any contributions by the Developer or any related parties to fund the costs of such development are entirely voluntary.

If and to the extent that internal funding are inadequate to pay the costs to complete the planned development by the Developer within Improvement Area No. 1 and other financing is not put into place, there could be a shortfall in the funds required to complete the planned development by the Developer in Improvement Area No. 1.

Except as described in this Official Statement and except for those consents, permits, authorizations, certifications and approvals of governmental entities required in the ordinary course of development, the Developer has no actual knowledge of any impediment to construction or obtaining land use entitlements which could be reasonably expected to have a material adverse effect on its ability to complete the planned development of its property within Improvement Area No. 1 as described in the Official Statement. *Although the information in this Official Statement reflects the current development expectations of the Developer, no assurance can be given that lot acquisition from AG or home construction and sales will be carried out on the schedule and according to the plans described herein, or that the lot acquisition from AG or home construction and sale plans or base prices set forth herein will not change after the date of this Official Statement. The Developer reserves the right to change its development at any time without notice. Additionally, homes under contract to be sold may not result in closed escrows as sales contracts are subject to cancellation.*

Environmental Matters

Water Supply; Contamination; Jet Fuel Plumes. A local water issue was the subject of consideration during the formation process undertaken for the Sunrise Douglas Community Plan, which is a broader land use plan covering 6,042 acres, including “The Ranch” project. **[Confirm]** The water issue began in 1999 when the State Department of Health Services indicated it would not allow permits for the construction of housing in the Sunrise-Douglas area, based on the wells proposed for the local project area. Five wells on the former Mather Air Force Base and other nearby areas were contaminated due to past rocket testing and chemical manufacturing by Aerojet and Boeing in the area. In July 2002, the North Vineyard Well Field plan was approved. The water supply plan included the construction of a well field to extract groundwater from the basin of an underlying Zone 40, at a location sufficiently down-gradient to significantly reduce or eliminate the possibility of contamination to the well field by known contaminant plumes. The Sacramento County Water Agency (“**SCWA**”) provides water supply to the Sunridge Specific Plan area and conditions of the Specific Plan rezoning require that the SCWA Board of Directors make certain findings regarding the availability of water prior to approval of any tentative map. The City reports that development in the District is not negatively impacted by the availability of water. However, no assurance can be given as to the impact of this contamination on development or home values in the District in the future.

Flood Hazard Map Information. Land in the District is located in Flood Zone X, described as areas outside of the 100 and 500-year flood plains (less than 0.2% annual chance flooding in any given year - flood insurance not required). This information is according to the Federal Emergency Management Agency Flood Map, Community Panel No. 06067C-0240J, revised July 19, 2018. Land in the District is not subject to the Central Valley Flood Protection Plan (SB 5).

Wetlands. The project has obtained an LOP (letter of permission) from U.S. Army Corp., a 401 Water Quality Certification from the Regional Water Control Board for the planned development of land within Improvement Area No. 1, and a 1602 Streambed Alteration Agreement from CDFW for the overall project. In addition, the project has a final authorization all required Section 1602 permits and approvals from the State.

Seismic Conditions. According to the California Seismic Safety Commission, the District is located within Zone 3, areas of moderate seismic activity. Zone 3 is considered to be the lowest risk zone in California. In addition, the District is not located within a Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone), as defined by Special Publication 42 of the California Department of Conservation, Division of Mines and Geology.

Wildfire Hazards. Land in Improvement Area No. 1 is not located in a High or Very High Fire Hazard Severity Zone (FHSZ), as defined by CAL FIRE.

THE FACILITIES

Eligible Facilities

The Facilities eligible to be financed by the District (including Improvement Area No. 1 therein) are set forth in the Resolution of Formation and consist of roadway and transportation improvements, including roadway design, project management, grading, and construction of roadways, including curbs, gutters, sidewalks, pavement, street lighting, dry utilities, soundwalls and landscaping, as well as drainage facilities, park improvements and other miscellaneous improvements. Authorized Facilities also include sanitary sewer facilities, water facilities and other capital improvements for which developer impact fees are payable to the City for development within the District (including Improvement Area No. 1 therein), as well as incidental expenses as authorized by the Mello-Roos Act.

The proceeds of the 2022 Bonds will be used for a portion of the cost of the public improvements (and/or development impact fees) eligible to be financed with the proceeds of the 2022 Bonds (the “**Facilities**,” as described below). See “FINANCING PLAN” for additional details. The following table estimates the cost of the Facilities needed for development of property in the District, of which Improvement Area No. 1 forms a part.

Table 2
City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Improvement Area No. 1
Special Tax Bonds Series 2022
Expected Cost of Facilities

<u>Facility Category</u>	<u>Estimated Cost</u>
Construction Costs	
(Streets, Drainage, Sewer, Water and Soft Costs)	\$113,400,000
Development impact fees	42,121,000
Total	\$155,521,000

Source: CFD Hearing Report.

Acquisition by the City and other Local Agencies

In connection with the issuance of the 2022 Bonds, the City and K. Hovnanian will enter into a Funding, Construction and Acquisition Agreement dated as of October 1, 2022 (the “**Acquisition Agreement**”) which provides that K. Hovnanian (or successors) will construct (or cause to be constructed or funded) the Facilities. As components of the Facilities are completed, proceeds of a portion of the 2022 Bonds will be used to pay all or a part of the purchase price of various Facilities pursuant to the terms of the Acquisition Agreement. The portion of the cost of construction of the Facilities, which will not be provided from 2022 Bond proceeds, will be the responsibility of K. Hovnanian.

It is also anticipated that the City will enter into joint community facilities agreements with the Cordova Recreation and Park District (CRPD) and/or the Sacramento Regional County Sanitation District (SRCSD) so that a portion of the proceeds of the Bonds and other special tax bonds issued for Improvement Area No. 1 may finance the development impact fees and/or Facilities to be acquired by those local agencies.

The Special Tax Formula provides that the funding of Improvement costs can also be made from collections of the Special Tax available as the “pay-as-you-go” component of Special Taxes. The pay-as-you-go funding component is expected to provide for funding of the cost of a portion of the Facilities (both improvements and fees) in excess of the amount provided from bond proceeds (if such proceeds are not sufficient) through annual Special Tax collections in excess of the amount needed to pay the debt service.

OWNERSHIP OF PROPERTY WITHIN IMPROVEMENT AREA NO. 1

Unpaid Special Taxes do not constitute a personal indebtedness of the owners of the parcels within Improvement Area No. 1. There is no assurance that an owner or any subsequent owners have the ability to pay the Special Taxes or that, even if they have the ability, they will choose to pay such taxes. An owner may elect to not pay the Special Taxes when due and cannot be legally compelled to do so. Neither the City nor any Bondowner will have the ability at any time to seek payment directly from the owners of property within Improvement Area No. 1 of the Special Tax or the principal or interest on the 2022 Bonds, or the ability to control who becomes a subsequent owner of any property within Improvement Area No. 1.

K. Hovnanian has provided the respective information set forth under the heading "OWNERSHIP OF PROPERTY WITHIN IMPROVEMENT AREA NO. 1" below. No assurance can be given that all information is complete. No assurance can be given that development of the property will be completed, or that it will be completed in a timely manner. The Special Taxes are not personal obligations of K. Hovnanian or of any subsequent landowners; the 2022 Bonds are secured only by the Special Taxes and moneys available under the Fiscal Agent Agreement. See "SECURITY FOR THE 2022 BONDS" and "BOND OWNERS' RISKS" herein.

Current Ownership. As noted above, K. Hovnanian is land banking a portion of the Market Rate Project with AG EHC II (HOV) CA 1, L.P., a Delaware limited partnership (previously defined as "**AG**"). AG is serving as the owner and landbank of the 339 lots of the AG Property and for which K. Hovnanian has an option to acquire the lots over time pursuant separate a takedown schedule. The takedown schedules give K. Hovnanian the option (but not the obligation) to acquire between 3 and 14 lots every month commencing February 2022 and ending in August 2024.

A summary of the ownership as of August 1, 2022 is set forth in the table below:

<u>Village</u>	<u>Name</u>	<u>No. of Projected Lots</u>	<u>Property Owner</u>	<u>Developer</u>
3	Canyon	65	K. Hovnanian	K. Hovnanian
4, Unit 2	Sagebrush	63	K. Hovnanian	K. Hovnanian
Subtotal		128		
4, Unit 1	Sagebrush	53	AG (23 lots) K. Hovnanian (30 lots) ⁽¹⁾	K. Hovnanian
5 & 6	Montrose	85	AG (61 lots)/ K. Hovnanian (24 lots) ⁽²⁾	K. Hovnanian
8	Paseo	130	AG (128 lots) K. Hovnanian (2 lots) ⁽³⁾	K. Hovnanian
9	Springs	71	AG (41 lots) K. Hovnanian (28 lots) ⁽⁴⁾	K. Hovnanian
Subtotal		339	Homeowners (2 lots)	
Grand Total		467		

(1) On August 5, 2022, K. Hovnanian acquired 5 additional Sagebrush lots from AG pursuant to its takedown schedule.

(2) On August 5, 2022, K. Hovnanian acquired 4 additional Montrose lots from AG pursuant to its takedown schedule.

(3) On August 5, 2022, K. Hovnanian acquired 5 additional Paseo lots from AG pursuant to its takedown schedule.

(4) On August 5, 2022, K. Hovnanian acquired 5 additional Springs lots from AG pursuant to its takedown schedule.

K. Hovnanian. K. Hovnanian is an indirect, wholly-owned subsidiary of Hovnanian Enterprises, Inc., a Delaware corporation ("**Hovnanian**"), which is based in Red Bank, New Jersey, and has been in the business of developing residential real estate communities in California since 1994. Hovnanian is subject to the informational requirements of the Securities Exchange Act of 1934 (the "**Exchange Act**") and in accordance therewith files reports, proxy statements, and other information, including financial statements, with the SEC. The SEC maintains an Internet website that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC, including Hovnanian. The address of such internet website is www.sec.gov. All documents subsequently filed by Hovnanian pursuant to the requirements of the Exchange Act after the date of this Official Statement will be available for inspection in such manner as the SEC prescribes.

Copies of Hovnanian's Annual Report and each of its other quarterly and current reports, including any amendments, are available from Hovnanian's website at www.khov.com. *The website address is given for reference and convenience only. The information on the website may be incomplete or inaccurate and has not been reviewed by the City or the Underwriter. Nothing on the website is a part of this Official Statement or incorporated into this Official Statement by reference.*

AG. AG provides financing for single-family homebuilding and residential land development. AG is not a developer or a merchant builder.

VALUE OF PROPERTY WITHIN IMPROVEMENT AREA NO. 1

Assessed Values and Building Permits

The following table shows the assessed valuation of taxable property within Improvement Area No. 1 for Fiscal Year 2022-23. Given the ongoing development of land within Improvement Area No. 1, the City has ordered an appraisal of such land, as described below under “Appraised Values.” The following table also provides the number of building permits issued.

Assessed Valuation

Fiscal Year	Land Assessed Value	Improvement Assessed Value	Total Assessed Value	Number of Permits Issued ⁽¹⁾
2022-23	\$12,811,140	\$0	\$12,811,140	83

(1) Represents the number of parcels for which a building permit for new construction was issued prior to June 1 of the prior fiscal year.

Sources: Sacramento County Assessor's Office; Goodwin Consulting Group, Inc.

Appraised Values

General. The value of taxable property within Improvement Area No. 1 is a critical factor in determining the investment quality of the 2022 Bonds. In order to obtain a more accurate estimate of the value of land in Improvement Area No. 1, the City ordered preparation of an appraisal report (the “**Appraisal**”), of the estimated value of the taxable land within Improvement Area No. 1 as of the July 27, 2022 date of value. The Appraisal was prepared by Integra Realty Resources, Sacramento, California (the “**Appraiser**”). The Appraisal is set forth in APPENDIX B hereto. The description herein of the Appraisal is intended for limited purposes only; the Appraisal should be read in its entirety. The conclusions reached in the Appraisal are subject to certain assumptions, conditions and qualifications which are set forth in the Appraisal.

The Appraisal estimated the market value of all of the land in Improvement Area No. 1, which, as of the date of value, encompasses approximately 530 gross acres within the southeastern portion of the City, primarily south of Douglas Road, east of Rancho Cordova Parkway, and west and north of Grant Line Road. The specific plan will include approximately 1,690 dwelling units (single and multi-family) at build out. Specifically, the subject represents the taxable portion of Phases 1 and 2 of the specific plan, which encompasses approximately 73.31 acres of developable property approved for 467 dwelling units. For additional details, see APPENDIX B hereto.

Value Estimate. The appraised valuation excludes the value of all portions of the property in Improvement Area No. 1 designated for public and quasi-public purposes and assumes completion of infrastructure funded by the 2022 Bonds and accounts for the impact of the lien of the Special Tax. The following estimate represents the market value of the property to be subject to the Special Tax, based on the hypothetical condition certain impact fees to be financed by the 2022 Bonds have been paid.

The value estimate for the property as of the date of value, using the methodologies described in the Appraisal and subject to the limiting and hypothetical conditions and general and special assumptions set forth in the Appraisal is \$59,640,000.

The Appraiser's valuation process utilized both a land residual analysis, a discounted cash flow analysis that considers home prices and costs, leading to an estimate of residual land value, and a sales comparison approach. In the sales comparison approach, adjustments were applied to the prices of comparable bulk lot transactions, and a market value was concluded. The two approaches are then reconciled into an opinion of market value per improved lot. It should be noted that benchmarks are utilized for subject lot categories and adjustments to the benchmark lot values are considered, as applicable.

The final estimate of market value was estimated by employing a discounted cash flow analysis, whereby, the expected revenue, absorption period, expenses and discount rate associated with the sell-off of the 465 lots and 2 completed homes as of the date of value was taken into account. The analysis excluded a typical cost approach since the subject property represents land. However, costs associated with home construction were taken into consideration as part of the land residual analysis and determination of financial feasibility. Given the limited, if any, income producing potential of the land, an income approach was not utilized.

Hypothetical Condition. The market value estimated by the Appraiser is based on a hypothetical condition. A hypothetical condition is defined by USPAP as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of the analysis." It is a hypothetical condition of the Appraisal that the proceeds from the 2022 Bonds will be used to fund certain improvements. The estimate of market value accounts for the impact of the lien of the Special Taxes securing the Bonds.

Assumptions and Limiting Conditions. In considering the estimate of value evidenced by the Appraisal, the Appraisal is based upon a number of limiting conditions and standard and extraordinary assumptions which affect the estimates as to value, including, among others, the following.

- The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis. The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, The Appraiser reserves the right to modify the value conclusions.

- The valuation analysis did not include review of a current title report of all properties to determine any possible conditions of title affecting the properties appraised. The Appraiser accepts no responsibility for matters pertaining to title.

- The Appraiser has also assumed that there is no hazardous material on or in the property that would cause a loss in value. Should future conditions and events involving hazardous material reduce the level of permitted development or delay the completion of any projected development, the value of the undeveloped land would likely be reduced from that estimated by the Appraiser. See "BOND OWNERS' RISKS – Land Values" and "– Hazardous

Substances” below. See “APPENDIX B – The Appraisal” hereto for a description of certain assumptions made by the Appraiser.

Accordingly, because the Appraiser arrived at an estimate of current market value based upon certain conditions and assumptions which may or may not be fulfilled, no assurance can be given that should the parcels become delinquent due to unpaid Special Taxes, and be foreclosed upon and offered for sale for the amount of the delinquency, that any bid would be received for such property or, if a bid is received, that such bid would be sufficient to pay such delinquent Special Taxes.

Currently Changing Market Conditions. The Appraisal includes the following observations regarding current market conditions for homebuilding:

“The residential market conditions, in this region and beyond, were experiencing rapid value changes for new homes and near ready for construction lots to support new home expansion over the past 12 to 18 months. In the subject’s submarket the last completed sales transferred in late 2021 with contracts negotiated months prior. We are aware of more recent lot sales elsewhere in the region that illustrate a step-in price for lots in the first quarter of 2022. However, rising interest rates and slowing demand has put downward pressure on home and lot prices over the last few months. Market participants have noted they believe the top of the market occurred in the first quarter of 2022 and land values have since declined due to the rising interest rates and other economic conditions. While most national builders have not lowered their base prices over the last few months, many have been offering significant concessions, including buying down interest rates and discounts on options. Current market conditions indicate land values have returned to levels observed in late 2021.”

“Information from homebuilders over the last few weeks have noted more turmoil from pending buyers dropping out of contract because the rising interest rates. Homebuilders have also noted pace of sales have slowed from the historic highs. Further, homebuilders have begun to offer concessions in the form of buying down interest rates and discounted options, instead of decreasing their base prices. In the past several quarters, homebuilders were able to sell homes faster than they were able to construct the homes, but with the rising interest rates this has since moderated. Based on current information and survey responses, recent increases in interest rates have begun to impact the pace of sales as well as pricing in some markets.”

Limitations of Appraisal Valuation. Property values may not be evenly distributed throughout Improvement Area No. 1; thus, certain parcels may have a greater value than others. This disparity is significant because in the event of nonpayment of the Special Tax, the only remedy is to foreclose against the delinquent parcel.

No assurance can be given that the foregoing valuation can or will be maintained during the period of time that the Bonds are outstanding in that the City has no control over the market value of the property within Improvement Area No. 1 or the amount of additional indebtedness that may be issued in the future by other public agencies, the payment of which, through the levy of a tax or an assessment, may be on a parity with the Special Taxes. See “–Priority of Lien” below.

For a description of certain risks that might affect the assumptions made in the Appraisal, see “BOND OWNERS’ RISKS” herein.

Value to Special Tax Burden Ratios

The principal amount of the direct and overlapping debt in Improvement Area No. 1 is \$12,616,974*, which consists of the estimated amount of 2022 Bonds (\$12,060,000*) and \$556,974 of overlapping general obligation and CFD bond debt. Consequently, the estimated value of property in Improvement Area No. 1 subject to the Special Tax lien (\$59,640,000), is approximately 4.7 times the principal amount of the direct and overlapping debt in Improvement Area No. 1. This is an average and individual parcels may vary considerably from this average.

In comparing the value of the real property within Improvement Area No. 1 to the principal amount of the 2022 Bonds and other direct and overlapping debt for Improvement Area No. 1, it should be noted that only the real property upon which there is a delinquent Special Tax can be foreclosed upon, and the real property within Improvement Area No. 1 cannot be foreclosed upon as a whole to pay delinquent Special Taxes of the owners of such parcels within Improvement Area No. 1 unless all of the property is subject to a delinquent Special Tax. In any event, individual parcels may be foreclosed upon separately to pay delinquent Special Taxes levied against such parcels.

Other public agencies whose boundaries overlap those of Improvement Area No. 1 could, without the consent of the City and in certain cases without the consent of the owners of the land within Improvement Area No. 1, impose additional taxes or assessment liens on the land within Improvement Area No. 1. The purpose would be to finance additional regional or local public improvements or services. The lien created on the land within Improvement Area No. 1 through the levy of such additional taxes or assessments may be on a parity with the lien of the Special Tax. In addition, construction loans may be obtained by the developers of property in Improvement Area No. 1 or home loans may be obtained by ultimate homeowners. The deeds of trust securing such debt on property within Improvement Area No. 1, however, will be in a junior position to the lien of the Special Tax.

The land within Improvement Area No.1 is located within the boundary of an Elk Grove Unified School District community facility district, pursuant to which a special tax of \$200 per parcel will be levied following issuance of a building permit.

* Preliminary; subject to change.

Value-to-lien Ratios by Development Status. The following table shows the projected status of development and value-to-lien ratios by village in Improvement Area No. 1 for fiscal year 2023-24, based on the status of development as of July 31, 2022 and assuming no further development. Value-to-lien ratios on individual parcels may vary considerably from any average.

Table 3
City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Improvement Area No. 1
Special Tax Bonds Series 2022
Value-to-Lien Ratios by Development Status – Projected for Fiscal Year 2023-24

Development Status ⁽¹⁾	No. of Parcels	No. of Expected Units	Appraised Value ^{(2)*}	Projected FY 2023-24 Maximum Special Tax*	Projected FY 2023-24 Special Tax Levy ^{(3)*}	Percent of Projected Special Tax Levy*	CFD Bonds ^{(4)*}	Overlapping Debt ^{(5)*}	Total Debt*	Average Appraised Value-to- Lien*
Developed Property										
Village 4-Unit 1	14	14	\$2,659,851	\$24,412	\$24,412	3.2%	\$385,934	\$17,457	\$403,391	6.6:1
Village 5	9	9	1,649,078	17,594	17,594	2.3	278,151	11,169	289,320	5.7:1
Village 6	2	2	366,462	3,910	3,910	0.5	61,811	2,482	64,293	5.7:1
Village 8	2	2	265,835	2,907	2,907	0.4	45,955	2,394	48,350	5.5:1
Village 9	71	71	10,996,718	119,297	119,297	15.6	1,885,984	86,360	1,972,344	5.6:1
Subtotal	98	98	15,937,943	168,120	168,120	22.0	2,657,835	119,862	2,777,698	5.7:1
Final Map Property										
Village 3	1	65	\$9,274,184	\$143,976	\$131,221	17.2%	\$2,074,487	\$78,371	\$2,152,858	4.3:1
Village 4-Unit 1	39	39	5,418,076	68,005	61,980	8.1	979,856	46,895	1,026,751	5.3:1
Village 4-Unit 2	1	63	8,752,276	109,854	100,122	13.1	1,582,845	75,753	1,658,598	5.3:1
Village 5	36	36	4,757,994	70,377	64,142	8.4	1,014,029	43,076	1,057,105	4.5:1
Village 6	38	38	5,022,327	74,287	67,705	8.9	1,070,364	45,469	1,115,833	4.5:1
Village 8	128	128	10,477,199	186,040	169,559	22.2	2,680,583	147,548	2,828,131	3.7:1
Subtotal	243	369	\$43,702,057	\$652,540	\$594,730	78.0%	\$9,402,165	\$437,111	\$9,839,276	4.4:1
Total	341	467	\$59,640,000	\$820,660	\$762,850	100.0%	\$12,060,000	\$556,974	\$12,616,974	4.7:1

* Preliminary; subject to change.

(1) Based on status of development as of July 31, 2022, and assumes no further development.

(2) Appraised values were allocated to the individual parcels based on the expected development and lot status for each parcel, as reported in the Appraisal. The allocated appraised values are not indicative of the market values of the villages or the individual lots.

(3) Includes building permits issued prior to July 27, 2022, final maps recorded prior to July 31, 2022, and assumes no further development. Includes debt service due in 2024 on the Series 2022 Special Tax Bonds and estimated administrative expenses.

(4) Includes the \$12,060,000 par amount of the Series 2022 Special Tax Bonds. Allocated based on the Projected FY 2023-24 Special Tax Levy.

(5) Includes the overlapping debt liens listed under "Direct and Overlapping Tax and Assessment Debt" in the overlapping debt report prepared by California Municipal Statistics, Inc. The overlapping debt report is based on the parcels and assessed values as of FY 2021-22. Does not include any PACE liens secured by assessments or special taxes on the property.

Sources: Sacramento County Assessor's Office; Integra Realty Resources, Inc.; Piper Sandler & Co.; Goodwin Consulting Group, Inc.

Value-to-lien Ratios By Category. The following table sets forth the projected value-to-lien ratios by category for parcels in Improvement Area No. 1 for Fiscal Year 2023-24.

Table 4
City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Improvement Area No. 1
Special Tax Bonds Series 2022
Value-to-Lien Ratio Ranges – Projected for Fiscal Year 2023-24

Appraised Value-to-Lien Category	No. of Parcels*	No. of Expected Units*	Appraised Value (1)*	Projected FY 2023-24 Special Tax Levy (2)*	Percent of Projected Special Tax Levy*	CFD Bonds (3)*	Overlapping Debt (4)*	Total Debt*	Average Appraised Value-to-Lien*
15:1 to 20:1	2	2	\$1,100,000	\$3,360	0.4%	\$53,126	\$3,121	\$56,247	19.6:1
5:1 to 10:1	136	198	29,008,295	326,862	42.8	5,167,411	239,390	5,406,800	5.4:1
3:1 to 5:1	203	267	29,531,705	432,627	56.7	6,839,463	314,463	7,153,926	4.1:1
Totals	341	467	\$59,640,000	\$762,850	100.0%	\$12,060,000	\$556,974	\$12,616,974	4.7:1

* Preliminary; subject to change.

- (1) Appraised values were allocated to the individual parcels based on the expected development and lot status for each parcel, as reported in the Appraisal. The allocated appraised values are not indicative of the market values of the villages or the individual lots.
- (2) Includes building permits issued prior to July 27, 2022, final maps recorded prior to July 31, 2022, and assumes no further development. Includes debt service due in 2024 on the Series 2022 Special Tax Bonds and estimated administrative expenses.
- (3) Includes the \$12,060,000 par amount of the Series 2022 Special Tax Bonds. Allocated based on the Projected FY 2023-24 Special Tax Levy.
- (4) Includes the overlapping debt liens listed under "Direct and Overlapping Tax and Assessment Debt" in the overlapping debt report prepared by California Municipal Statistics, Inc. The overlapping debt report is based on the parcels and assessed values as of FY 2021-22. Does not include any PACE liens secured by assessments or special taxes on the property.

Sources: Integra Realty Resources, Inc.; Piper Sandler & Co.; Goodwin Consulting Group, Inc.

Priority of Lien

The principal of and interest on the 2022 Bonds are payable from the Special Tax authorized to be collected within Improvement Area No. 1, and payment of the Special Tax is secured by a lien on certain real property within Improvement Area No. 1. Such lien is co-equal to and independent of the lien for general taxes and any other liens imposed under the Mello-Roos Act, regardless of when they are imposed on the property in Improvement Area No. 1. The imposition of additional special taxes, assessments and general property taxes will increase the amount of independent and co-equal liens which must be satisfied in foreclosure. The City, the County and certain other public agencies are authorized by the Mello-Roos Act to form other community facilities districts and improvement areas and, under other provisions of State law, to form special assessment districts, either or both of which could include all or a portion of the land within Improvement Area No. 1. In addition, property owners can voluntarily agree to incur Property Assessed Clean Energy (PACE) liens on their properties.

There can be no assurance that the developers will not petition for the formation of other community facilities districts and improvement areas or for a special assessment district or districts and that parity special taxes or special assessments will not be levied by the County or some other public agency to finance additional public facilities, however no other special districts are currently contemplated by the City or the developers.

Private liens, such as deeds of trust securing loans obtained by developers of land in Improvement Area No. 1, may be placed upon property in Improvement Area No. 1 at any time. Under California law, the Special Taxes have priority over all existing and future private liens imposed on property subject to the lien of the Special Taxes.

Set forth below is a statement of direct and overlapping public bonded debt (the **“Overlapping Debt Report”**) prepared by California Municipal Statistics, Inc. as of March 1, 2022. The Overlapping Debt Report includes only such information as has been reported to California Municipal Statistics, Inc. by the issuers of the debt described therein and by others. The Overlapping Debt Report is included for general informational purposes only. Neither the City nor the Underwriter makes any representation as to its completeness or accuracy.

The first column in the table names each public agency which has outstanding bonded debt as of the date of the report and whose territory overlaps Improvement Area No. 1 in whole or in part. The second column shows the assessed value of the area common to Improvement Area No. 1 and the other public agency (overlapping territory), as a percentage of the total assessed value of the other public agency. This percentage, multiplied by the total outstanding bonded debt of each overlapping agency (which is not shown in the table) produces the amount shown in the third column, which is the apportionment of each overlapping agency’s outstanding debt to taxable property in Improvement Area No. 1. In addition to the bonded debt shown in the Overlapping Debt Report, various local agencies, including the City, levy additional parcels charges, assessments and special taxes on parcels in Improvement Area No. 1. See Table 8 for estimated amounts of these parcel charges, assessments and special taxes for Fiscal Year 2022-23.

The Overlapping Debt Report does not include PACE debt secured by assessments or special taxes on any property. Based on the Special Tax Consultant’s review for Fiscal Year 2021-22, and given that no individual homeowners yet own property in Improvement Area No. 1, none of the parcels within Improvement Area No. 1 had a PACE lien.

Table 5
City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Improvement Area No. 1
Special Tax Bonds Series 2022
Direct and Overlapping Indebtedness
As of March 1, 2022

2021-22 Local Secured Assessed Valuation: \$5,545,932⁽¹⁾

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt</u>
Los Rios Community College District General Obligation Bonds	0.002%	\$ 11,984
Elk Grove Unified School District General Obligation Bonds	0.013	39,971
Elk Grove Unified School District Community Facilities District No. 1	0.254	453,065
City of Rancho Cordova CFD No. 2021-1, IA No. 1	100.000	0⁽²⁾
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$505,020
 <u>OVERLAPPING GENERAL FUND DEBT:</u>		
Sacramento County General Fund Obligations	0.003%	\$ 3,717
Sacramento County Pension Obligation Bonds	0.003	18,118
Sacramento County Board of Education Certificates of Participation	0.003	76
Elk Grove Unified School District Certificates of Participation	0.013	1,464
City of Rancho Cordova Certificates of Participation	0.053	6,767
Sacramento Metropolitan Fire General Fund Obligations	0.007	598
Sacramento Metropolitan Fire Pension Obligation Bonds	0.007	2,172
Cordova Recreation and Park District General Fund Obligations	0.032	2,096
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		\$35,008
Less: Sacramento County supported obligations		398
TOTAL NET OVERLAPPING GENERAL FUND DEBT		\$34,610
 GROSS COMBINED TOTAL DEBT		 \$540,028 ⁽³⁾
NET COMBINED TOTAL DEBT		\$539,630

Ratios to 2021-22 Local Secured Assessed Valuation:

Direct Debt (\$0)	0.00%
Total Direct and Overlapping Tax and Assessment Debt ..	9.11%
Gross Combined Total Debt.....	9.74%
Net Combined Total Debt.....	9.73%

(1) Reflects the assessed valuation of the taxable portion of the parcel based on acreage. The total 2021-22 assessed valuation of APN 067-0040-008-000 is \$40,000,000. The portion of the parcel to be taxed is 73.32 acres. The total acreage of the parcel is 528.82.

(2) Excludes 2022 Bonds to be sold.

(3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

Estimated Tax Burden on a Single-Family Home

The following table sets forth the estimated total tax burden on a single-family home, based on projected tax rates for Fiscal Year 2022-23.

Table 6
City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Improvement Area No. 1
Special Tax Bonds Series 2022
Sample Tax Bill – Fiscal Year 2022-23

Net Taxable Value	Amount	
Estimated Average Sales Price ⁽¹⁾	\$584,000.00	
Less: Homeowner's Exemption	(7,000.00)	
Net Taxable Value	\$577,000.00	
Ad Valorem Property Taxes		
Base Property Tax	1.0000%	\$5,770.00
Los Rios College General Obligation Bond	0.0249%	\$143.67
Elk Grove Unified General Obligation Bond	0.0367%	\$211.76
Total Ad Valorem Property Taxes	1.0616%	\$6,125.43
Parcel Charges, Assessments, and Special Taxes ⁽²⁾		
Water and Drainage Studies - SCWA 13		\$6.92
Elk Grove USD CFD No. 1		\$200.00
Sunridge CFD No. 2014-1		\$436.34
Transit Services Tax		\$100.94
Rancho Cordova Lighting District 2012-1		\$2.56
Rancho Cordova CFD 2014-2		\$336.30
Rancho Cordova CFD No. 2013-2		\$624.44
Rancho Cordova CFD No. 2021-1 ⁽³⁾		\$1,709.52
Total Parcel Charges, Assessments, and Special Taxes		\$3,417.02
Total Taxes		\$9,542.45
Total Effective Tax Rate		1.63%

(1) Represents the estimated values for an average unit, as reported in the Appraisal.

(2) Does not include any PACE assessments or special taxes.

(3) Equal to the applicable Maximum Special Tax rate in FY 2022-23.

Sources: Integra Realty Resources, Inc.; Goodwin Consulting Group, Inc.

Special Tax Collections and Delinquencies

Fiscal Year 2022-23 is the first fiscal year during which the Special Tax will be levied, with the first payment due in December 2022. Accordingly, there is no history of collections and delinquencies. The levy of Special Taxes in Improvement Area No. 1 is currently covered by the Teeter Plan in the County. See “SECURITY FOR THE 2022 BONDS – Delinquent Payments of Special Tax; Covenant for Superior Court Foreclosure –Teeter Plan.”

BOND OWNERS’ RISKS

The purchase of the 2022 Bonds involves a degree of risk that may not be appropriate for some investors. The following includes a discussion of some of the risks that should be considered before making an investment decision. This discussion does not purport to be comprehensive or definitive or a complete statement of all factors that may be considered as risks in evaluating the credit quality of the 2022 Bonds.

Limited Obligation of the City to Pay Debt Service

The City has no obligation to pay principal of and interest on the 2022 Bonds if Special Tax collections are delinquent or insufficient, other than from amounts, if any, on deposit in the Reserve Fund or funds derived from the tax sale or foreclosure and sale of parcels for Special Tax delinquencies. The City is not obligated to advance funds to pay debt service on the 2022 Bonds.

Concentration of Ownership of Undeveloped Property

All of the land within Improvement Area No. 1 is currently owned and controlled, directly or indirectly, by K. Hovnanian. Although there will be transfers of ownership of this property as development progresses and home sales are closed, the timely payment of the 2022 Bonds depends upon the willingness and ability of all of the owners of taxable property within Improvement Area No. 1 to pay the Special Taxes when due. The only assets of the owners of property within Improvement Area No. 1 which constitute security for the 2022 Bonds are such owners’ real property holdings located within Improvement Area No. 1, and each parcel may only be foreclosed against for delinquent Special Taxes levied against such parcel. If the current landowners choose to pay some but not all of the Special Taxes, they may, as owners of parcels in Improvement Area No. 1, choose to default on payments of the Special Tax on parcels. Also see “– Bankruptcy Delays” below.

Development of undeveloped property within Improvement Area No. 1 may be subject to unexpected delays, disruptions and changes which may affect the willingness and ability of the homebuilder or other property owners to pay the Special Taxes when due. Certain infrastructure improvements remain to be completed in order for homes to be completed on the timeline currently expected by K. Hovnanian. No assurance can be given that the proposed residential development will be partially or fully completed, and for purposes of evaluating the investment quality of the 2022 Bonds, prospective purchasers should consider the possibility that such parcels will remain vacant and only partially improved. See the information set forth under the caption “IMPROVEMENT AREA NO. 1 – Development in the District.”

Levy and Collection of the Special Tax

General. The principal source of payment of principal of and interest on the 2022 Bonds is the proceeds of the annual levy and collection of the Special Tax against property within Improvement Area No. 1.

Limitation on Maximum Annual Special Tax Rate. The annual levy of the Special Tax is subject to the maximum annual Special Tax rate authorized in the Special Tax Formula. The levy cannot be made at a higher rate even if the failure to do so means that the estimated proceeds of the levy and collection of the Special Tax, together with other available funds, will not be sufficient to pay debt service on the 2022 Bonds.

In addition to the maximum annual Special Tax rate limitation in the Special Tax Formula, Section 53321(d) of the Mello-Roos Act provides that the special tax levied against any parcel for which an occupancy permit for private residential use has been issued may not be increased as a consequence of delinquency or default by the owner of any other parcel within a community facilities district by more than 10% above the amount that would have been levied in such fiscal year had there never been any such delinquencies or defaults. In cases of significant delinquency, these factors may result in defaults in the payment of principal of and interest on the 2022 Bonds.

No Relationship Between Property Value and Special Tax Levy. Because the Special Tax Formula is not based on property value, the levy of the Special Tax will rarely, if ever, result in a uniform relationship between the value of particular parcels in Improvement Area No. 1 subject to a Special Tax and the amount of the levy of the Special Tax against those parcels. Thus, there will rarely, if ever, be a uniform relationship between the value of the parcels in Improvement Area No. 1 subject to a Special Tax and their proportionate share of debt service on the 2022 Bonds, and certainly not a direct relationship.

Factors that Could Lead to Special Tax Deficiencies. The following are some of the factors that might cause the levy of the Special Tax on any particular parcel of Taxable Property to vary from the Special Tax that might otherwise be expected:

Transfers to Governmental Entities. The number of parcels in Improvement Area No. 1 subject to a Special Tax could be reduced through the acquisition of Taxable Property by a governmental entity and failure of the government to pay the Special Tax based upon a claim of exemption or, in the case of the federal government or an agency thereof, immunity from taxation, thereby resulting in an increased tax burden on the remaining taxed parcels.

Property Tax Delinquencies. Failure of the owners of Taxable Property to pay property taxes (and, consequently, the Special Tax), or delays in the collection of or inability to collect the Special Tax by tax sale or foreclosure and sale of the delinquent parcels, could result in a deficiency in the collection of Special Tax revenues. See “—Property Tax Delinquencies” below.

Delays Following Special Tax Delinquencies and Foreclosure Sales. The Fiscal Agent Agreement generally provides that the Special Tax is to be collected in the same manner as ordinary *ad valorem* property taxes are collected and, except as provided in the special covenant for foreclosure described in “SECURITY FOR THE 2022 BONDS – Delinquent Payments of Special Tax; Covenant for Superior Court Foreclosure” and in the Mello-Roos Act,

is subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as is provided for ordinary *ad valorem* property taxes. Under these procedures, if taxes are unpaid for a period of five years or more, the property is deeded to the State and then is subject to sale by the County.

If sales or foreclosures of property are necessary, there could be a delay in payments to owners of the 2022 Bonds pending such sales or the prosecution of foreclosure proceedings and receipt by the City of the proceeds of sale if the Reserve Fund is depleted. See “SECURITY FOR THE 2022 BONDS – Delinquent Payments of Special Tax; Covenant for Superior Court Foreclosure.”

The ability of the City to collect interest and penalties specified by State law and to foreclose against properties having delinquent Special Tax installments may be limited in certain respects with regard to properties in which the Federal Deposit Insurance Corporation (the “FDIC”) has or obtains an interest. The FDIC would obtain such an interest by taking over a financial institution that has made a loan that is secured by property within Improvement Area No. 1. See “– FDIC/Federal Government Interests in Properties” below.

Other laws generally affecting creditors’ rights or relating to judicial foreclosure may affect the ability to enforce payment of Special Taxes or the timing of enforcement of Special Taxes. For example, the Soldiers and Sailors Civil Relief Act of 1940 affords protections such as a stay in enforcement of the foreclosure covenant, a six-month period after termination of military service to redeem property sold to enforce the collection of a tax or assessment and a limitation on the interest rate on the delinquent tax or assessment to persons in military service if the court concludes the ability to pay such taxes or assessments is materially affected by reason of such service.

Overlapping Tax Districts. The land in Improvement Area No. 1 is also located within the boundaries of various local agencies that could issue debt in the future payable from special taxes or other amounts levied on the parcels in Improvement Area No. 1; this would decrease the value to lien ratios of parcels in Improvement Area No. 1.

Property Tax Delinquencies

General. Delinquencies in the payment of property taxes and, consequently, the Special Taxes, can occur because the owners of delinquent parcels may not have received property tax bills from the County in a timely manner, including situations in which the County initially sent property tax bills to the property developer or merchant builder at a time when the parcels in question had already been sold to individual homeowners. Delinquencies can also reflect economic difficulties and duress by the property owner.

Numerous future delinquencies by the owners of Taxable Property in Improvement Area No. 1 in the payment of property taxes (and, consequently, the Special Taxes, which are collected on the ordinary property tax bills) when due could result in a deficiency in Special Tax Revenues necessary to pay debt service on the 2022 Bonds, which could in turn result in the depletion of the Reserve Fund, prior to reimbursement from the resale of foreclosed property or payment of the delinquent Special Tax. In that event, there could be a delay or failure in payments of the principal of and interest on the 2022 Bonds. See “SECURITY FOR THE 2022 BONDS – Reserve Fund,” and “SECURITY FOR THE 2022 BONDS – Delinquent Payments of Special Tax; Covenant for Superior Court Foreclosure.”

The City intends to take certain actions designed to mitigate the impact of future delinquencies, including: enforcing the lien of the Special Taxes through collection procedures that will include foreclosure actions under certain circumstances (see “SECURITY FOR THE 2022 BONDS – Delinquent Payments of Special Tax; Covenant for Superior Court Foreclosure”); and increasing the levy of Special Taxes against non-delinquent property owners in Improvement Area No. 1, to the extent permitted under the Special Tax Formula and the Mello-Roos Act and to the extent the Special Taxes are not already being levied at the Maximum Annual Special Tax rate.

Any future decline in home values in Improvement Area No. 1 could result in property owner unwillingness or inability to pay mortgage payments, as well as *ad valorem* property taxes and Special Taxes, when due. Under such circumstances, bankruptcies are likely to increase. Bankruptcy by homeowners with delinquent Special Taxes would delay the commencement and completion of foreclosure proceedings to collect delinquent Special Taxes.

It is possible that laws could be enacted in the future to assist homeowners in default in the payment of mortgages and property taxes. It is further possible that federal laws could be enacted that would adversely impact the ability of the City to foreclose on parcels with delinquent Special Taxes. No assurance can be given that any such laws will be enacted, or if enacted will be effective in assisting affected homeowners.

Property Values and Risks Related to Development

The value of Taxable Property within Improvement Area No. 1 is a critical factor in determining the investment quality of the 2022 Bonds. If a property owner defaults in the payment of the Special Tax, the City's only remedy is to foreclose on the delinquent property in an attempt to obtain funds with which to pay the delinquent Special Tax. Land values could be adversely affected by economic and other factors beyond the City's control, such as a general economic downturn, relocation of employers out of the area, shortages of water, electricity, natural gas or other utilities, destruction of property caused by earthquake, flood, wildfires, or other natural disasters, environmental pollution or contamination, or unfavorable economic conditions.

The following is a discussion of specific risk factors that could affect the value of property in Improvement Area No. 1.

Current Challenges to the Homebuilding Industry. No assurances can be given that the timing of construction of homes and/or sale of homes to individual homeowners projected by K. Hovnanian in this Official Statement will be accomplished. Due to the current state of world affairs, the pace of homebuilding and sale of homes to individual homeowners in Improvement Area No. 1 may be adversely affected by a variety of factors, including rising interest rates, inflation and changes in economic conditions, increases in certain construction costs, droughts and water shortages and/or other similar environmental factors, and recently including workforce shortages and supply chain disruptions. For example, obtaining garage doors and window shortages have recently been challenging for homebuilders. Additionally, homebuilders are currently experiencing a known supply chain disruption with respect to obtaining electrical transformers needed for new development. Further, the recent increases in interest rates may slow the demand for new residential homes and a combination of historically high new home prices and rising interest rates may price some homebuyers out of entry-level homes. High inflation could force prospective homebuyers to account for other costs over purchasing a new home at a higher interest rate.

Although such factors are not currently having a significant impact on the overall development of homes in Improvement Area No. 1, the impacts caused by such factors are evolving and no prediction can be made with respect to the ultimate effects of these factors on K. Hovnanian's ability to sell and close homes in Improvement Area No. 1. These external factors, if and as they arise, could have a material adverse effect on (a) the ability to develop the homes in Improvement Area No. 1 as planned, and no assurance part, or within any particular time, its construction of homes within Improvement Area No. 1; (b) K. Hovnanian's ability to avoid additional material increases in development costs or delays resulting from work stoppages, reduced attendance of workers and shortages or delays in the delivery of building materials; or (c) K. Hovnanian's ability to sell homes, and close home sales or not experience purchase contract cancellations, due to an economic downturn driven by rising interest rates, inflation or other changes in economic conditions.

Natural Disasters. The value of the Taxable Property in the future can be adversely affected by a variety of natural occurrences, particularly those that may affect infrastructure and other public improvements and private improvements on the Taxable Property and the continued habitability and enjoyment of such private improvements.

The areas in and surrounding Improvement Area No. 1, like those in much of California, may be subject to unpredictable seismic activity, including earthquakes. See "IMPROVEMENT AREA NO. 1 – Description and Location."

Other natural disasters could include, without limitation, floods, wildfires, droughts or tornadoes. One or more natural disasters could occur and could result in damage to improvements of varying seriousness. Although land in Improvement Area No. 1 is not in a high-risk area (or a special fire hazard severity zone) for wildfires, landslides, floods, or tornadoes, natural disasters such as these are unpredictable and may occur anywhere throughout the State, with devastating consequences. In particular, large fires have impacted other parts of the City and County in recent years. The damage may entail significant repair or replacement costs and that repair or replacement may never occur either because of the cost, or because repair or replacement will not facilitate habitability or other use, or because other considerations preclude such repair or replacement. Under any of these circumstances there could be significant delinquencies in the payment of Special Taxes, and the value of the Taxable Property may well depreciate or disappear.

Droughts. The State is subject from time-to-time to drought conditions, which could have an impact on future development in Improvement Area No. 1. Drought conditions have been present in the State numerous times in the recent past. Although much of the State, including property in the City, is now out of the worst drought category, the City cannot predict when worsening drought conditions and concomitant water-reduction requirements will return, what effect drought conditions could have on property values, or whether or to what extent water reduction requirements may affect the development of Improvement Area No. 1.

Legal Requirements. Other events that may affect the value of Taxable Property include changes in the law or application of the law. Such changes may include, without limitation, local growth control initiatives, local utility connection moratoriums and local application of statewide tax and governmental spending limitation measures.

Hazardous Substances. One of the most serious risks in terms of the potential reduction in the value of Taxable Property is a claim with regard to a hazardous substance. In

general, the owners and operators of Taxable Property may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner or operator is obligated to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the Taxable Property be affected by a hazardous substance, is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition.

The property values set forth in this Official Statement do not take into account the possible reduction in marketability and value of any of the Taxable Property by reason of the possible liability of the owner or operator for the remedy of a hazardous substance condition of the parcel. Although the City is not aware that the owner or operator of any of the Taxable Property has such a current liability with respect to any of the Taxable Property, it is possible that such liabilities do currently exist and that the City is not aware of them.

Further, it is possible that liabilities may arise in the future with respect to any of the Taxable Property resulting from the existence, currently, on the parcel of a substance presently classified as hazardous but that has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently on the parcel of a substance not presently classified as hazardous but that may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the value of Taxable Property that is realizable upon a delinquency.

Endangered and Threatened Species. It is illegal to harm or disturb any plants or animals in their habitat that have been listed as endangered species by the United States Fish & Wildlife Service under the Federal Endangered Species Act or by the California Fish & Game Commission under the California Endangered Species Act without a permit. Although K. Hovnanian believes that no federally listed endangered or threatened species would be affected by the proposed development within Improvement Area No. 1, other than any that are permitted by the entitlements already received (which allow for the impact of development and specify the mitigation required), the discovery of an endangered plant or animal could delay development of vacant property in Improvement Area No. 1 or reduce the value of undeveloped property.

Future Property Development

Continuing development of the parcels in Improvement Area No. 1 may be adversely affected by changes in general or local economic conditions, fluctuations in or a deterioration of the real estate market, increased construction costs, development, financing and marketing capabilities of the developer, water or electricity shortages, discovery on the undeveloped property of any plants or animals in their habitat that have been listed as endangered species, changes in law, and other similar factors. Development in Improvement Area No. 1 may also be affected by development in surrounding areas, which may compete with the property in Improvement Area No. 1.

For example, H.R. 1 of the 115th U.S. Congress, known as the "Tax Cuts and Jobs Act," was enacted into law on December 22, 2017 (the "**Tax Act**"). The Tax Act made significant

changes to many aspects of the Code that could have an impact on future property development, although to-date none have been widespread.

Other Possible Claims Upon the Value of Taxable Property

While the Special Taxes are secured by the Taxable Property, the security only extends to the value of such Taxable Property that is not subject to priority and parity liens and similar claims.

The table in the section entitled “VALUE OF PROPERTY WITHIN IMPROVEMENT AREA NO. 1 –Priority of Lien” shows the presently outstanding amount of governmental obligations (with stated exclusions), the tax or assessment for which is or may become an obligation of one or more of the parcels in Improvement Area No. 1 subject to a Special Tax. The table also states the additional amount of general obligation bonds the tax for which, if and when issued, may become an obligation of one or more of the parcels in Improvement Area No. 1 subject to a Special Tax. The table does not specifically identify which of the governmental obligations are secured by liens on one or more of the parcels in Improvement Area No. 1 subject to a Special Tax.

In addition, other governmental obligations may be authorized and undertaken or issued in the future, the tax, assessment or charge for which may become an obligation of one or more of the parcels in Improvement Area No. 1 subject to a Special Tax and may be secured by a lien on a parity with the lien of the Special Tax securing the 2022 Bonds.

In general, as long as the Special Tax is collected on the County tax roll, the Special Tax and all other taxes, assessments and charges also collected on the tax roll are on a parity, that is, are of equal priority. Questions of priority become significant when collection of one or more of the taxes, assessments or charges is sought by some other procedure, such as foreclosure and sale. In the event of proceedings to foreclose for delinquency of Special Taxes securing the 2022 Bonds, the Special Tax will be subordinate only to existing prior governmental liens, if any. Otherwise, in the event of such foreclosure proceedings, the Special Taxes will generally be on a parity with the other taxes, assessments and charges, and will share the proceeds of such foreclosure proceedings on a pro rata basis. Although the Special Taxes will generally have priority over non-governmental liens on a parcel of Taxable Property, regardless of whether the non-governmental liens were in existence at the time of the levy of the Special Tax or not, this result may not apply in the case of bankruptcy. See “– Bankruptcy Delays” below.

Exempt Properties

Certain properties are exempt from the Special Tax in accordance with the Special Tax Formula and the Mello-Roos Act, which provides that properties or entities of the state, federal or local government are exempt from the Special Tax; provided, however, that property within Improvement Area No. 1 acquired by a public entity through a negotiated transaction or by gift or devise, which is not otherwise exempt from the Special Tax, will continue to be subject to the Special Tax. See “SECURITY FOR THE 2022 BONDS – Special Tax Formula.”

In addition, although the Mello- Roos Act provides that if property subject to the Special Tax is acquired by a public entity through eminent domain proceedings, the obligation to pay the Special Tax with respect to that property is to be treated as if it were a special assessment, the constitutionality and operation of these provisions of the Mello- Roos Act have not been tested, meaning that such property could become exempt from the Special Tax. The Mello- Roos Act

further provides that no other properties or entities are exempt from the Special Tax unless the properties or entities are expressly exempted in a resolution of consideration to levy a new special tax or to alter the rate or method of apportionment of an existing special tax.

FDIC/Federal Government Interests in Properties

General. The ability of the City to foreclose the lien of delinquent unpaid Special Tax installments may be limited with regard to properties in which the FDIC, the Drug Enforcement Agency, the Internal Revenue Service, or other federal agency has or obtains an interest.

Federal courts have held that, based on the supremacy clause of the United States Constitution, in the absence of Congressional intent to the contrary, a state or local agency cannot foreclose to collect delinquent taxes or assessments if foreclosure would impair the federal government interest.

The supremacy clause of the United States Constitution reads as follows: "This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the contrary notwithstanding."

This means that, unless Congress has otherwise provided, if a federal governmental entity owns a parcel that is subject to Special Taxes but does not pay taxes and assessments levied on the parcel (including Special Taxes), the applicable state and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

Moreover, unless Congress has otherwise provided, if the federal government has a mortgage interest in the parcel and the City wishes to foreclose on the parcel as a result of delinquent Special Taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to pay delinquent taxes and assessments on a parity with the Special Taxes and preserve the federal government's mortgage interest. In *Rust v. Johnson* (9th Circuit; 1979) 597 F.2d 174, the United States Court of Appeal, Ninth Circuit held that the Federal National Mortgage Association ("**FNMA**") is a federal instrumentality for purposes of this doctrine, and not a private entity, and that, as a result, an exercise of state power over a mortgage interest held by FNMA constitutes an exercise of state power over property of the United States.

The City has not undertaken to determine whether any federal governmental entity currently has, or is likely to acquire, any interest (including a mortgage interest) in any of the parcels subject to the Special Taxes, and therefore expresses no view concerning the likelihood that the risks described above will materialize while the 2022 Bonds are outstanding.

FDIC. In the event that any financial institution making any loan which is secured by real property within Improvement Area No. 1 is taken over by the FDIC, and prior thereto or thereafter the loan or loans go into default, resulting in ownership of the property by the FDIC, then the ability of the City to collect interest and penalties specified by State law and to foreclose the lien of delinquent unpaid Special Taxes may be limited.

The FDIC's policy statement regarding the payment of state and local real property taxes (the "**Policy Statement**") provides that property owned by the FDIC is subject to state and local real property taxes only if those taxes are assessed according to the property's value, and that

the FDIC is immune from real property taxes assessed on any basis other than property value. According to the Policy Statement, the FDIC will pay its property tax obligations when they become due and payable and will pay claims for delinquent property taxes as promptly as is consistent with sound business practice and the orderly administration of the institution's affairs, unless abandonment of the FDIC's interest in the property is appropriate. The FDIC will pay claims for interest on delinquent property taxes owed at the rate provided under state law, to the extent the interest payment obligation is secured by a valid lien. The FDIC will not pay any amounts in the nature of fines or penalties and will not pay nor recognize liens for such amounts. If any property taxes (including interest) on FDIC-owned property are secured by a valid lien (in effect before the property became owned by the FDIC), the FDIC will pay those claims. The Policy Statement further provides that no property of the FDIC is subject to levy, attachment, garnishment, foreclosure or sale without the FDIC's consent. In addition, the FDIC will not permit a lien or security interest held by the FDIC to be eliminated by foreclosure without the FDIC's consent.

The Policy Statement states that the FDIC generally will not pay non-*ad valorem* taxes, including special assessments, on property in which it has a fee interest unless the amount of tax is fixed at the time that the FDIC acquires its fee interest in the property, nor will it recognize the validity of any lien to the extent it purports to secure the payment of any such amounts. Special taxes imposed under the Mello-Roos Act and a special tax formula which determines the special tax due each year are specifically identified in the Policy Statement as being imposed each year and therefore covered by the FDIC's federal immunity. The Ninth Circuit issued a ruling on August 28, 2001, in which it determined that the FDIC, as a federal agency, is exempt from special taxes levied under the Act.

The City is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency in the payment of Special Taxes on a parcel within Improvement Area No. 1 in which the FDIC has or obtains an interest, although prohibiting the lien of the Special Taxes to be foreclosed out at a judicial foreclosure sale could reduce or eliminate the number of persons willing to purchase a parcel at a foreclosure sale. Such an outcome could cause a draw on the Reserve Fund and perhaps, ultimately, if enough property were to become owned by the FDIC, a default in payment on the 2022 Bonds.

Depletion of 2022 Reserve Account of the Reserve Fund

The 2022 Reserve Account of the Reserve Fund is to be maintained at an amount equal to the Reserve Requirement as defined in the Fiscal Agent Agreement. See "SECURITY FOR THE 2022 BONDS – Reserve Fund." The 2022 Reserve Account of the Reserve Fund will be used to pay principal of and interest on the 2022 Bonds if insufficient funds are available from the proceeds of the levy and collection of the Special Tax against property within Improvement Area No. 1. If the 2022 Reserve Account of the Reserve Fund is depleted, it can be replenished from the proceeds of the levy and collection of the Special Taxes that exceed the amounts to be paid to the owners of the 2022 Bonds under the Fiscal Agent Agreement. However, because the Special Tax levy is limited to the annual Maximum Annual Special Tax rates, it is possible that no replenishment would be achieved if the Special Tax proceeds, together with other available funds, remain insufficient to pay all such amounts. Thus, it is possible that the 2022 Reserve Account of the Reserve Fund will be depleted and not be replenished by the levy and collection of the Special Taxes.

Bankruptcy Delays

The payment of the Special Tax and the ability of the City to foreclose the lien of a delinquent unpaid Special Tax, as discussed in "SECURITY FOR THE 2022 BONDS," may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State of California relating to judicial foreclosure. The various legal opinions to be delivered concurrently with the delivery of the 2022 Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Although bankruptcy proceedings would not cause the Special Taxes to become extinguished, bankruptcy of a property owner or any other person claiming an interest in the property could result in a delay in superior court foreclosure proceedings and could result in the possibility of Special Tax installments not being paid in part or in full. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the 2022 Bonds.

In addition, the amount of any lien on property securing the payment of delinquent Special Taxes could be reduced if the value of the property were determined by the bankruptcy court to have become less than the amount of the lien, and the amount of the delinquent Special Taxes in excess of the reduced lien could then be treated as an unsecured claim by the court. Any such stay of the enforcement of the lien for the Special Tax, or any such delay or non-payment, would increase the likelihood of a delay or default in payment of the principal of and interest on the 2022 Bonds and the possibility of delinquent Special Taxes not being paid in full.

To the extent that property in Improvement Area No. 1 continues to be owned by a limited number of property owners, the chances are increased that the Reserve Fund could be fully depleted during any such delay in obtaining payment of delinquent Special Taxes. As a result, sufficient moneys would not be available in the Reserve Fund to make up shortfalls resulting from delinquent payments of the Special Tax and thereby to pay principal of and interest on the 2022 Bonds on a timely basis.

On July 30, 1992, the United States Court of Appeals for the Ninth Circuit issued its opinion in a bankruptcy case entitled *In re Glasply Marine Industries*. In that case, the court held that *ad valorem* property taxes levied by Snohomish County in the State of Washington after the date that the property owner filed a petition for bankruptcy were not entitled to priority over a secured creditor with a prior lien on that property. The court upheld the priority of unpaid *ad valorem* taxes imposed before the bankruptcy petition (the "pre-petition taxes"), but unpaid taxes imposed after the filing of the bankruptcy petition ("post-petition taxes") were declared to be unsecured "administrative expenses" of the bankruptcy estate, and were therefore held to be payable from the bankruptcy estate only after payment of all secured creditors. As a result, the secured creditor of the property was able to foreclose on the property and retain all of the proceeds of the sale except for the amount of the pre-petition taxes.

According to the court's ruling, as administrative expenses, post-petition taxes would have to be paid, but only if the debtor had sufficient assets not subject to other perfected security interests to do so. In certain circumstances, payment of such administrative expenses may also be allowed to be deferred. Once the property is transferred out of the bankruptcy

estate (through foreclosure or otherwise) it would at that time again become subject to and would secure liens for then current and future *ad valorem* taxes.

Glasply was controlling precedent on bankruptcy courts in the State of California for several years subsequent to the date of the Ninth Circuit's holding. Pursuant to state law, the lien date for general *ad valorem* property taxes levied in the State of California is the January 1 preceding the fiscal year for which the taxes are levied. Under the *Glasply* holding, a bankruptcy petition filing would have prevented the lien for general *ad valorem* property taxes levied in fiscal years subsequent to the filing of a bankruptcy petition from attaching and becoming a lien so long as the property was a part of the estate in bankruptcy. However, the *Glasply* holding was for the most part subsequently rendered inoperative with respect to the imposition of a lien for and the collection of *ad valorem* taxes by amendments to the federal Bankruptcy Code (Title 11 U.S.C.) which were part of the Bankruptcy Reform Act of 1994 (the "Bankruptcy Reform Act") passed by Congress during the later part of 1994. The Bankruptcy Reform Act added a provision to the automatic stay section of the Bankruptcy Code which, pursuant to Section 362(b)(18) thereof, excepts from the Bankruptcy Code's automatic stay provisions, "the creation of a statutory lien for an *ad valorem* property tax imposed by . . . a political subdivision of a state, if such tax comes due after the filing of the petition" by a debtor in bankruptcy court. The effect of this provision is to continue the secured interest of *ad valorem* taxes on real property (i.e., post-petition taxes) in effect during the period following the filing of a bankruptcy petition, including during the period bankruptcy proceedings are pending.

Without further clarification by the courts or Congress, the original rationale of the *Glasply* holding could, however, still result in the treatment of post-petition special taxes as "administrative expenses," rather than as tax liens secured by real property, at least during the pendency of bankruptcy proceedings. This treatment might result from the fact that, although the lien of special taxes is of record from the date of the filing of a Notice of Special Tax Lien, the actual special tax is levied annually. As noted above, special taxes have a different lien date than the lien date for general *ad valorem* taxes in the State of California noted above. The lien of a Mello-Roos special tax attaches upon recordation of the notice of the special tax lien, as provided for in Section 53328.3 of the Act, as opposed to the annual January 1 lien date for general *ad valorem* taxes. Thus, in deciding whether the original *Glasply* ruling is applicable to a bankruptcy proceeding involving special taxes rather than general *ad valorem* property taxes, a court might consider the differences in the statutory provisions for creation of the applicable tax lien (general *ad valorem* or special tax) in determining whether there is a basis for post petition special taxes to be entitled to a lien on the property during pending bankruptcy proceedings. If a court were to apply *Glasply* to eliminate the priority of the special tax lien as a secured claim against property with respect to post-petition levies of the Special Taxes made against property owners within Improvement Area No. 1 who file for bankruptcy, collections of the Special Taxes from such property owners could be reduced as the result of being treated as "administrative expenses" of the bankruptcy estate. Also, and most importantly, is the fact that the original holding in *Glasply* and the mitigation of that holding by the Bankruptcy Reform Act of 1994 both appear to be applicable only to general *ad valorem* taxes, and, therefore, the exemption from the automatic stay in Section 362(b)(18) discussed above may not be applicable to special taxes since they were not expressly mentioned or provided for in this section, nor defined to be included within the term "*ad valorem* taxes."

Disclosure to Future Purchasers

The City has recorded a notice of the Special Tax lien in the Office of the County Recorder. While title companies normally refer to such notices in title reports, there can be no

guarantee that such reference will be made or, if made, that a prospective purchaser or lender will consider such special tax obligation in the purchase of a parcel of land or a home in Improvement Area No. 1 or the lending of money secured by property in Improvement Area No. 1. The Mello-Roos Act and the City's Mello-Roos Act Goals and Policies require the subdivider of a subdivision (or its agent or representative) to notify a prospective purchaser or long-term lessor of any lot, parcel, or unit subject to a Mello-Roos special tax of the existence and maximum amount of such special tax using a statutorily prescribed form. California Civil Code Section 1102.6b requires that in the case of transfers other than those covered by the above requirement, the seller must at least make a good faith effort to notify the prospective purchaser of the special tax lien in a format prescribed by statute. Failure by an owner of the property to comply with these requirements, or failure by a purchaser or lessor to consider or understand the nature and existence of the Special Tax, could adversely affect the willingness and ability of the purchaser or lessor to pay the Special Tax when due.

No Acceleration Provisions

The 2022 Bonds do not contain a provision allowing for their acceleration in the event of a payment default or other default under the terms of the 2022 Bonds or the Fiscal Agent Agreement. Under the Fiscal Agent Agreement, a Bondowner is given the right for the equal benefit and protection of all Bondowners similarly situated to pursue certain remedies. So long as the 2022 Bonds are in book-entry form, DTC will be the sole Bondowner and will be entitled to exercise all rights and remedies of Bondholders, in accordance with its procedures and rules.

Loss of Tax Exemption

As discussed under the caption "TAX MATTERS," interest on the 2022 Bonds might become includable in gross income for purposes of federal income taxation retroactive to the date the 2022 Bonds were issued as a result of future acts or omissions of the City in violation of its covenants in the Fiscal Agent Agreement. The Fiscal Agent Agreement does not contain a special redemption feature triggered by the occurrence of an event of taxability. As a result, if interest on the 2022 Bonds were to become includable in gross income for purposes of federal income taxation, the 2022 Bonds would continue to remain outstanding until maturity unless earlier redeemed pursuant to optional redemption, mandatory sinking fund redemption or special mandatory redemption upon prepayment of the Special Taxes. See "THE 2022 BONDS – Redemption."

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the 2022 Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Bondowners from realizing the full current benefit of the tax status of such interest.

IRS Audit of Tax-Exempt Bond Issues

The Internal Revenue Service (the "IRS") has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the 2022 Bonds will be selected for audit by the IRS. It is also possible that the market value of such 2022 Bonds might be affected as a result of such an audit (or by an audit of similar bonds or securities).

Voter Initiatives

Under the California Constitution, the power of initiative is reserved to the voters for the purpose of enacting statutes and constitutional amendments. Since 1978, the voters have exercised this power through the adoption of Proposition 13 and similar measures, including Proposition 218, which was approved in the general election held on November 5, 1996, and Proposition 26, which was approved on November 2, 2010.

Any such initiative may affect the collection of fees, taxes and other types of revenue by local agencies such as the City. Subject to overriding federal constitutional principles, such collection may be materially and adversely affected by voter-approved initiatives, possibly to the extent of creating cash-flow problems in the payment of outstanding obligations such as the 2022 Bonds.

Proposition 218 – Voter Approval for Local Government Taxes—Limitation on Fees, Assessments, and Charges—Initiative Constitutional Amendment, added Articles XIII C and XIII D to the California Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges.

On November 2, 2010, California voters approved Proposition 26, entitled the “Supermajority Vote to Pass New Taxes and Fees Act.” Section 1 of Proposition 26 declares that Proposition 26 is intended to limit the ability of the State Legislature and local government to circumvent existing restrictions on increasing taxes by defining the new or expanded taxes as “fees.” Proposition 26 amended Articles XIII A and XIII C of the State Constitution. The amendments to Article XIII A limit the ability of the State Legislature to impose higher taxes (as defined in Proposition 26) without a two-thirds vote of the Legislature. Article XIII C requires that all new local taxes be submitted to the electorate before they become effective. Special Taxes for general governmental purposes require a majority vote and taxes for specific purposes (“special taxes”) require a two-thirds vote.

The Special Taxes and the bond authorization for Improvement Area No. 1 were each authorized by not less than a two-thirds vote of the landowners within Improvement Area No. 1 who constituted the qualified electors at the time of such voted authorization. The City believes, therefore, that issuance of the 2022 Bonds does not require the conduct of further proceedings under the Act, Proposition 218 or Proposition 26.

Case Law Related to the Mello-Roos Act Voting

On August 1, 2014, the California Court of Appeal, Fourth Appellate District, issued its opinion in *City of San Diego v. Melvin Shapiro, et al.* (D063997). The case involved a Convention Center Facilities District (the “CCFD”) established by the City of San Diego. The CCFD is a financing district established under the City’s charter (the “Charter”) and was intended to function much like a community facilities district established under the Mello-Roos Act. The CCFD was comprised of all of the real property in the entire City. However, the CCFD special tax was to be levied only on properties in the CCFD that were improved with a hotel.

At the election to authorize the CCFD special tax, the CCFD proceedings limited the electorate to owners of hotel properties and lessees of real property owned by a governmental entity on which a hotel was located. Registered voters in the City of San Diego were not permitted to vote. This definition of the qualified electors of the CCFD was based on Section 53326(c) of the Mello-Roos Act, which generally provides that, if a special tax will not be

apportioned in any tax year on residential property, the legislative body may provide that the vote shall be by the landowners of the proposed community facilities district whose property would be subject to the special tax.

The *San Diego* Court held that the CCFD special tax election did not comply with the City's Charter and with applicable provisions of the California Constitution -- specifically Article XIII A, section 4 ("Cities, Counties and special districts, by a two-thirds vote of the qualified electors of such district, may impose special taxes on such district...") and Article XIII C, section 2(d) ("No local government may impose, extend, or increase any special tax unless and until that tax is submitted to the electorate and approved by a two-thirds vote.") -- because the electors in the CCFD election should have been the registered voters residing within the CCFD (the boundaries of which were coterminous with the boundaries of the City of San Diego).

As to Improvement Area No. 1, there were fewer than 12 registered voters within Improvement Area No. 1 at the time of the election to authorize the Special Taxes. Significantly, the *San Diego* Court expressly stated that it was not addressing the validity of a landowner election to impose special taxes on residential property pursuant to the Mello-Roos Act in situations where there are fewer than 12 registered voters. Therefore, by its terms, the *San Diego* Court's holding does not apply to the special tax election in Improvement Area No. 1.

Moreover, Sections 53341 and 53359 of the Act establish a limited period of time in which special taxes levied under the Mello-Roos Act may be challenged by a third party:

53341. Any action or proceeding to attack, review, set aside, void, or annul the levy of a special tax or an increase in a special tax pursuant to [the Mello-Roos Act] shall be commenced within 30 days after the special tax is approved by the voters....

53359. An action to determine the validity of bonds issued pursuant to [the Mello-Roos Act] or the validity of any special taxes levied pursuant to [the Mello-Roos Act] ... shall be commenced within 30 days after the voters approve the issuance of the bonds or the special tax ...

Section 53326(b) of the Mello-Roos Act defines the authorized voters for an election in which the special taxes will be levied on residential property: "Except as otherwise provided in subdivision (c), if at least 12 persons, who need not necessarily be the same 12 persons, have been registered to vote within the territory of the proposed community facilities district for each of the 90 days preceding the close of the protest hearing, the vote shall be by the registered voters of the proposed district, with each voter having one vote. Otherwise, the vote shall be by the landowners of the proposed district and each person who is the owner of land at the close of the protest hearing, or the authorized representative thereof, shall have one vote for each acre or portion of an acre of land that he or she owns within the proposed community facilities district not exempt from the special tax...."

Landowner voters approved the Special Taxes and the issuance of bonds for Improvement Area No. 1 in compliance with all applicable requirements of the Mello-Roos Act and, pursuant to Sections 53341 and 53359 of the Mello-Roos Act, the statute of limitations period to challenge the validity of the special tax has expired. Because the *San Diego* Court expressly stated that it did not consider the facts presented by Improvement Area No. 1 and the District, and because the period for challenging the Special Taxes has passed, the City believes the Special Taxes are valid and cannot be challenged.

Secondary Market for Bonds

There can be no guarantee that there will be a secondary market for the 2022 Bonds or, if a secondary market exists, that any 2022 Bonds can be sold for any particular price. Prices of bond issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

No assurance can be given that the market price for the 2022 Bonds will not be affected by the introduction or enactment of any future legislation (including without limitation amendments to the Internal Revenue Code), or changes in interpretation of the Internal Revenue Code, or any action of the IRS, including but not limited to the publication of proposed or final regulations, the issuance of rulings, the selection of the 2022 Bonds for audit examination, or the course or result of any IRS audit or examination of the 2022 Bonds or obligations that present similar tax issues as the 2022 Bonds.

COVID-19 Pandemic

The ongoing COVID-19 coronavirus pandemic, and responses intended to slow its spread, may result in negative impacts to the homebuilding operations and sales of homes within Improvement Area No. 1. In addition, no assurance can be given that the property tax payment dates will not be deferred in the future, which may cause a delay in the receipt of Special Tax Revenues by the City for the payment of the 2022 Bonds.

The COVID-19 outbreak is ongoing, and its duration and severity and economic effects are uncertain in many respects. Uncertain too are the additional actions that may be taken by federal, State and local governmental authorities to contain or mitigate the effects of the outbreak. Negative impacts on the collection of Special Taxes could occur because Special Tax payments are deferred, or some taxpayers may be unable to make their property and special tax payments. The negative impacts of COVID-19 and efforts to contain its spread may reduce or negatively affect the pace of development activity in Improvement Area No. 1, as well as home sales, home prices, property values and/or the ability or willingness of property owners to pay Special Taxes levied upon their property, all of which could impact the City's ability to pay debt service on the 2022 Bonds.

Cyber Security

The City, like many other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other sensitive electronic information, the City is potentially subject to multiple cyber threats, including without limitation hacking, viruses, ransomware, malware and other attacks. No assurance can be given that the City's efforts to manage cyber threats and attacks will be successful in all cases, or that any such attack will not materially impact the operations or finances of the City or Improvement Area No. 1, or the administration of the 2022 Bonds. The City is also reliant on other entities and service providers in connection with the administration of the 2022 Bonds, including without limitation the County tax collector for the levy and collection of Special Taxes, the Fiscal Agent, and the dissemination agent. No assurance can be given that the City, Improvement Area No. 1 and these other entities will not be affected by cyber threats and attacks in a manner that may affect the Bond owners.

Potential Early Redemption of Bonds from Prepayments

Property owners within Improvement Area No. 1, including K. Hovnanian and individual homeowners, are permitted to prepay their Special Tax obligation at any time. Such prepayments could also be made from the proceeds of bonds issued by or on behalf of an overlapping special assessment district or community facilities district. Such prepayments will result in a redemption of the 2022 Bonds on the interest payment date for which timely notice may be given under the Fiscal Agent Agreement following the receipt of the prepayment. The resulting redemption of 2022 Bonds that were purchased at a price greater than par could reduce the otherwise expected yield on such 2022 Bonds.

LEGAL MATTERS**Legal Opinion**

The legal opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, approving the validity of the 2022 Bonds will be made available to purchasers at the time of original delivery and is attached in substantially final form as APPENDIX E.

Jones Hall, A Professional Law Corporation, San Francisco, California, has served as Disclosure Counsel to the City. Meyers Nave, A Professional Law Corporation, Sacramento, California, will pass upon certain legal matters for the City as its City Attorney. Kutak Rock LLP, Irvine, California, is serving as counsel to the Underwriter.

No Litigation

At the time of delivery of the 2022 Bonds, the City will certify that there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending with respect to which the City has been served with process or threatened, which (i) in any way questions the powers of the City Council or the City, (ii) in any way questions the validity of any proceeding taken by the City Council in connection with the issuance of the 2022 Bonds, (iii) wherein an unfavorable decision, ruling or finding could have a material adverse effect on the transactions contemplated by the purchase contract with respect to the 2022 Bonds, (iv) which, in any way, could adversely affect the validity or enforceability of the resolutions of the City Council adopted in connection with the formation of the District or Improvement Area No. 1, or the issuance of the 2022 Bonds, the Fiscal Agent Agreement, the Continuing Disclosure Agreement or the purchase contract with respect to the 2022 Bonds, (v) to the knowledge of the City, which in any way questions the exclusion from gross income of the recipients thereof of the interest on the 2022 Bonds for federal income tax purposes, or (vi) in any other way questions the status of the 2022 Bonds under State tax laws or regulations.

TAX MATTERS

Federal Tax Status. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the 2022 Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. For tax years beginning after December 31, 2022, interest on the Bonds may be subject to the corporate alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended (the “**Tax Code**”) that must be satisfied subsequent to the issuance of the 2022 Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the 2022 Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a 2022 Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes “original issue discount” for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a 2022 Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes “original issue premium” for purposes of federal income taxes and State of California personal income taxes. *De minimis* original issue discount and original issue premium are disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the 2022 Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such 2022 Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such 2022 Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the 2022 Bonds who purchase the 2022 Bonds after the initial offering of a substantial amount of such maturity. Owners of such 2022 Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2022 Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering to the public at the first price at which a substantial amount of such 2022 Bonds is sold to the public.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the 2022 Bond (said term being the shorter of the 2022 Bond’s maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the 2022 Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a 2022 Bond is amortized each year over the term to maturity of the 2022 Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized bond premium is not deductible for federal income tax purposes. Owners of premium 2022 Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such 2022 Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the 2022 Bonds is exempt from California personal income taxes.

Other Tax Considerations. Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the 2022 Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the 2022 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the 2022 Bonds, or as to the consequences of owning or receiving interest on the 2022 Bonds, as of any future date. Prospective purchasers of the 2022 Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the 2022 Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 2022 Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the 2022 Bonds, the ownership, sale or disposition of the 2022 Bonds, or the amount, accrual or receipt of interest on the 2022 Bonds.

CONTINUING DISCLOSURE

The City

The City has covenanted for the benefit of owners of the 2022 Bonds to provide certain financial information and operating data relating to Improvement Area No. 1 by not later than nine months after the end of the City's fiscal year (presently June 30) in each year (the "**City Annual Report**") commencing with its report for the 2021-22 fiscal year (due by April 1, 2023) and to provide notices of the occurrence of certain enumerated events. Additionally, K. Hovnanian has covenanted for the benefit of owners of the 2022 Bonds to provide certain information with respect to the property owned by it and its Affiliates (as defined in the Continuing Disclosure Certificate) within Improvement Area No. 1 (the "**Developer Annual Report**") to owners of the 2022 Bonds (so long as it is responsible for a certain percentage of the Special Taxes), as described in the Developer Annual Report, and to provide notices of the occurrence of certain enumerated events.

The City Annual Report and the Developer Annual Report and notices of listed events will be filed with the Municipal Securities Rulemaking Board. The covenants of the City have been made in order to assist the Underwriter in complying with Securities Exchange Commission Rule 15c2-12(b)(5) (the "**Rule**"). The specific nature of the information to be contained in the Annual Report or the notices of listed events by the City and K. Hovnanian is summarized in "APPENDIX F – Form of Continuing Disclosure Undertakings."

A review of the City's compliance with prior continuing disclosure undertakings in the last five years indicates that the City has been in compliance during such period.

The City retains Goodwin Consulting Group, Inc. to serve as dissemination agent with respect to the filings to be made with respect to the 2022 Bonds and its other undertakings under the Rule.

K. Hovnanian

K. Hovnanian is not an obligated party under the Rule but has voluntarily agreed to provide annual continuing disclosure for the benefit of Bondowners. K. Hovnanian will enter into a Continuing Disclosure Certificate (Developer) covenanting to provide certain information regarding the development of its property and notice of certain material events as they occur until such time as K. Hovnanian owns property in Improvement Area No. 1 responsible for less than 20% of the special tax levy for Improvement Area No. 1.

K. Hovnanian represents that to the Actual Knowledge of K. Hovnanian, K. Hovnanian is not aware of any material failures by it within the past five years to comply with previous undertakings to provide continuing disclosure reports or notices of certain listed material events with respect to community facilities districts or assessment districts in California.

NO RATING

The City has not obtained a formal credit rating on the 2022 Bonds and does not anticipate obtaining one on the 2022 Bonds in the future. Prospective purchasers of the 2022 Bonds are required to make independent determinations as to the credit quality of the 2022 Bonds and their appropriateness as an investment.

UNDERWRITING

The 2022 Bonds are being purchased by Piper Sandler & Co., as underwriter (the “Underwriter”), at a purchase price of \$_____ (which represents the aggregate principal amount of the 2022 Bonds (\$_____), [plus/minus][net] original issue [premium/discount] of \$_____, and less an Underwriter’s discount of \$_____).

The purchase agreement relating to the 2022 Bonds provides that the Underwriter will purchase all of the 2022 Bonds, if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in such purchase agreement.

The Underwriter may offer and sell the 2022 Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page hereof. The offering prices may be changed from time to time by the Underwriter.

PROFESSIONAL FEES

In connection with the issuance of the 2022 Bonds, some or all of fees or other compensation payable to certain professionals is contingent upon the issuance and delivery of the 2022 Bonds. Those professionals include:

- Piper Sandler & Co., as the Underwriter;

- Jones Hall, A Professional Law Corporation, as Bond Counsel and Disclosure Counsel;
- Kutak Rock LLP, as Underwriter's Counsel;
- Goodwin Consulting Group, Inc., as Special Tax Consultant;
- NHA Advisors, LLC, as Municipal Advisor; and
- U.S. Bank Trust Company, National Association, as Fiscal Agent for the 2022 Bonds.

EXECUTION

The execution and delivery of the Official Statement by the City has been duly authorized by the City Council, acting as the legislative body of the District and Improvement Area No. 1.

CITY OF RANCHO CORDOVA

By: _____
Chief Financial Officer

APPENDIX A

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

APPENDIX B
THE APPRAISAL

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE FISCAL AGENT AGREEMENT

APPENDIX D

**SACRAMENTO COUNTY AND CITY OF RANCHO CORDOVA
DEMOGRAPHIC INFORMATION**

The following information concerning the City of Rancho Cordova (the “City”) and the County of Sacramento (the “County”) is included only for the purpose of supplying general information regarding the area of the City and County. The 2022 Bonds are not a debt of the City, the County, the State of California (the “State”) or any of its political subdivisions, and neither the City, the County, the State nor any of its political subdivisions is liable therefor.

General

The City. The City was incorporated on July 1, 2003, is located in the northeastern portion of the County, 10 miles east of downtown Sacramento and 90 miles northeast of San Francisco. Organized as a General Law City under State law, the City operates under the Council-Manager form of government with five members elected to the Council, one of which serves as mayor for a year.

The County. The County was incorporated in 1850 as one of the original 27 counties of the State. The County’s largest city, the City of Sacramento serves as the seat of government for both the County and the State. Sacramento became the State Capital in 1854. The County is the major component of the Sacramento Metropolitan Statistical Area (“**SMSA**”), which includes Sacramento, El Dorado, and Placer Counties.

The County encompasses approximately 994 square miles in the northern portion of the Central Valley, which is California’s prime agricultural region. The County is bordered by Contra Costa and San Joaquin Counties on the south, Amador and El Dorado Counties on the east, Placer and Sutter Counties on the north, and Yolo and Solano Counties on the west. The County extends from the low delta lands between the Sacramento and San Joaquin rivers north to about ten miles beyond the State Capitol and east to the foothills of the Sierra Nevada Mountains. The southernmost portion of the County has direct access to San Francisco Bay.

Population

The following table lists population estimates for the City, the County and the State for the last five calendar years, as of January 1, 2022.

**CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO
AND STATE OF CALIFORNIA
Population Estimates
Calendar Years 2018 through 2022, as of January 1**

<u>Calendar Year</u>	<u>City of Rancho Cordova</u>	<u>County of Sacramento</u>	<u>State of California</u>
2018	75,815	1,525,099	39,519,535
2019	77,259	1,538,054	39,605,361
2020	78,333	1,553,157	39,648,938
2021	79,536	1,580,624	39,303,157
2022	80,359	1,576,618	39,185,605

Source: State Department of Finance.

Employment and Industry

The unemployment rate in the Sacramento--Roseville--Arden-Arcade MSA was 3.4 percent in June 2022, up from a revised 2.9 percent in May 2022, and below the year-ago estimate of 7.2 percent. This compares with an unadjusted unemployment rate of 4.0 percent for California and 3.8 percent for the nation during the same period. The unemployment rate was 2.9 percent in El Dorado County, 2.6 percent in Placer County, 3.6 percent in Sacramento County, and 3.4 percent in Yolo County.

The table below provides information about employment rates and employment by industry type for the Sacramento MSA (which includes Sacramento, Placer, Yolo and El Dorado Counties) for the calendar years 2017 through 2021.

**SACRAMENTO-ARDEN ARCADE-ROSEVILLE MSA
(El Dorado, Placer, Sacramento, Yolo Counties)
Employment by Industry
(March 2021 Benchmark)**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Civilian Labor Force ⁽¹⁾	1,074,000	1,088,300	1,100,800	1,091,700	1,099,300
Employment	1,024,800	1,046,900	1,060,300	994,000	1,028,800
Unemployment	49,200	41,500	40,500	97,700	70,500
Unemployment Rate	4.6%	3.8%	3.7%	9.0%	6.4%
Wage and Salary Employment ⁽²⁾					
Agriculture	9,800	9,100	8,700	8,300	9,000
Mining and Logging	400	500	500	600	700
Construction	58,700	64,500	69,400	70,200	74,100
Manufacturing	35,700	36,000	36,800	36,100	37,500
Wholesale Trade	26,500	28,400	28,600	26,500	26,400
Retail Trade	101,400	102,000	100,500	95,200	101,100
Transportation, Warehousing and Utilities	27,400	29,500	32,200	34,300	37,100
Information	12,600	12,400	11,900	10,200	10,000
Finance and Insurance	37,400	36,700	35,200	34,800	34,300
Real Estate and Rental and Leasing	15,200	16,800	17,300	16,900	17,400
Professional and Business Services	132,400	136,000	137,200	132,500	136,700
Educational and Health Services	153,600	159,800	166,600	164,000	168,400
Leisure and Hospitality	103,300	106,200	109,600	83,900	92,800
Other Services	33,000	34,200	35,400	31,000	32,600
Federal Government	14,200	14,100	14,200	14,800	14,500
State Government	118,400	120,400	121,900	121,700	126,800
Local Government	102,600	103,500	105,300	98,900	98,000
Total, All Industries ⁽³⁾	982,500	1,009,900	1,031,300	979,700	1,017,200

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Totals may not add due to rounding.

Source: State of California Employment Development Department.

Principal Employers

The following table shows the principal employers in the City, as shown in the City's Comprehensive Annual Financial Report for fiscal year ending June 30, 2021.

CITY OF RANCHO CORDOVA
Principal Employers
As of June 2021

Employer	Number of Employees	Percent of Total Employment
VSP Global	1,639	4.00%
Franklin Templeton	1,476	3.60
Health Net Federal Services	1,177	2.90
Cordova Folsom Unified School District	1,150	2.80
Accentcare Home Health	742	1.80
The Permanente Medical Group	628	1.50
California Dept. of Child Support Services	450	1.10
Nidec Motor Corporation	400	1.00
Dignity Health Medical Foundation	324	0.80

Source: City of Rancho Cordova, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2021.

Major Employers

The following table lists the major employers within the County as of August 2022, in alphabetical order.

**COUNTY OF SACRAMENTO
Major Employers
As of August 2022**

Employer Name	Location	Industry
Aerojet Rocketdyne Inc	Rancho Cordova	Aerospace Industries (mfrs)
Agreeya Solutions	Folsom	Information Technology Services
AMPAC FINE CHEMICALS LLC	Rancho Cordova	Electronic Equipment & Supplies-Mfrs
Apple Distribution Ctr	Elk Grove	Distribution Centers (whls)
California Department-Crrctns	Sacramento	Insurance Agents Brokers & Service
California State Univ Scrmnt	Sacramento	Schools-Universities & Colleges Academic
Corrections Department	Sacramento	State Govt-Correctional Institutions
Dept of Transportation In Ca	Sacramento	Government Offices-State
Disabled American Veterans	Sacramento	Veterans' & Military Organizations
Employment Development Dept	Sacramento	Outplacement Consultants
Environmental Protection Agcy	Sacramento	State Govt-Air/Water/Solid Waste Management
Intel Corp	Folsom	Semiconductor Devices (mfrs)
Kaiser Permanente South	Sacramento	Hospitals
L A Care Health Plan	Sacramento	Health Plans
Mercy General Hospital	Sacramento	Hospitals
Mercy San Juan Medical Ctr	Carmichael	Hospitals
Sacramento Bee	Sacramento	Newspapers (publishers/Mfrs)
Sacramento Municipal Utility	Sacramento	Utility Contractors
Sacramento Municipal Utility	Sacramento	Electric Contractors
Securitas Security Svc USA	Sacramento	Security Guard & Patrol Service
State Compensation Ins Fund	Sacramento	Insurance
Summit Funding Inc	Sacramento	Real Estate Loans
Sutter Medical Ctr-Sacramento	Sacramento	Hospitals
Villara Building Systems	McClellan	Building Contractors
Water Resource Dept	Sacramento	Government Offices-State

Source: State of California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2022 2nd Edition.

Effective Buying Income

“Effective Buying Income” is defined as personal income less personal tax and nontax payments, a number often referred to as “disposable” or “after-tax” income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as “disposable personal income.”

The following table summarizes the total effective buying income for the City, the County, the State and the United States for the period 2018 through 2022.

**CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, THE STATE OF CALIFORNIA
AND THE UNITED STATES
Effective Buying Income
As of January 1, 2018 through 2022**

Year	Area	Total Effective Buying Income (000s’ Omitted)	Median Household Effective Buying Income
2018	City of Rancho Cordova	\$1,670,182	\$52,992
	County of Sacramento	38,238,821	54,343
	California	1,113,648,181	59,646
	United States	8,640,770,229	50,735
2019	City of Rancho Cordova	\$1,747,688	\$54,335
	County of Sacramento	40,651,806	56,387
	California	1,183,264,399	62,637
	United States	9,017,967,563	52,841
2020	City of Rancho Cordova	\$1,882,411	\$57,795
	County of Sacramento	42,705,779	59,288
	California	1,243,564,816	65,870
	United States	9,487,165,436	55,303
2021	City of Rancho Cordova	\$2,040,016	\$62,867
	County of Sacramento	45,067,224	62,945
	California	1,290,894,604	67,956
	United States	9,809,944,764	56,790
2022	City of Rancho Cordova	\$2,246,178	\$68,685
	County of Sacramento	51,287,459	70,279
	California	1,452,426,153	77,058
	United States	11,208,582,541	64,448

Source: The Nielsen Company (US), Inc for year 2018; Claritas, LLC for 2019 through 2022.

Commercial Activity

A summary of historic taxable sales within the City and the County during the past five years in which data is available is shown in the following tables.

Total taxable sales during the first quarter of calendar year 2022 in the City were reported to be \$498,721,705, a 11.73% increase over the total taxable sales of \$446,378,241 reported during the first quarter calendar year 2021.

CITY OF RANCHO CORDOVA
Taxable Transactions
(Dollars in Thousands)

	Retail and Food Services Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2017	1,274	\$1,000,266	2,169	\$1,512,491
2018	1,311	1,101,787	2,345	1,619,685
2019	1,355	1,170,421	2,487	1,672,142
2020	1,512	1,089,203	2,788	1,655,571
2021	1,404	1,341,196	2,597	1,982,420

Source: California Department of Tax and Fee Administration

Total taxable sales during the first quarter of calendar year 2022 in the County were reported to be \$8,519,880,626, a 15.74% increase over the total taxable sales of \$7,360,941,432 reported during the first quarter calendar year 2021.

COUNTY OF SACRAMENTO
Taxable Transactions
(Dollars in Thousands)

	Retail and Food Services Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2017	24,501	\$16,729,885	37,317	\$24,405,149
2018	24,853	17,593,375	39,066	25,443,669
2019	25,530	18,156,992	40,858	26,717,621
2020	28,055	18,488,106	45,361	27,173,406
2021	25,936	23,764,691	42,482	33,875,840

Source: California Department of Tax and Fee Administration

Construction Activity

The following tables show a five-year summary of the valuation of building permits issued in the City and the County.

CITY OF RANCHO CORDOVA
Total Building Permit Valuations
(Dollars in Thousands)

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Permit Valuation</u>					
New Single-family	\$62,318.3	\$104,525.9	\$158,521.8	\$164,435.7	\$171,194.6
New Multi-family	25,608.8	3,069.2	0.0	0.0	0.0
Res. Alterations/Additions	<u>4,198.9</u>	<u>3,798.0</u>	<u>3,492.2</u>	<u>7,657.0</u>	<u>6,503.1</u>
Total Residential	92,126.0	111,393.1	162,014.0	172,092.7	177,697.7
New Commercial	1,740.8	10,152.0	2,320.7	28,635.4	2,672.0
New Industrial	0.0	11,662.0	366.0	0.0	0.0
New Other	1,769.7	805.7	1,336.2	2,150.6	5,970.7
Com. Alterations/Additions	<u>1,579.5</u>	<u>26,283.6</u>	<u>24,046.0</u>	<u>34,812.6</u>	<u>67,569.2</u>
Total Nonresidential	5,090.0	48,903.3	28,068.9	65,598.6	76,211.9
<u>New Dwelling Units</u>					
Single Family	217	217	561	575	552
Multiple Family	<u>199</u>	<u>50</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	316	267	561	575	552

Source: Construction Industry Research Board, Building Permit Summary.

COUNTY OF SACRAMENTO
Total Building Permit Valuations
(Dollars in Thousands)

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Permit Valuation</u>					
New Single-family	\$744,066.3	\$1,069,568.4	\$1,108,399.9	\$1,008,391.7	\$1,310,379.5
New Multi-family	242,222.8	158,647.0	265,188.8	467,418.7	323,462.6
Res. Alterations/Additions	<u>214,028.1</u>	<u>276,723.6</u>	<u>293,210.5</u>	<u>262,864.6</u>	<u>276,570.4</u>
Total Residential	1,200,317.2	1,504,939.0	1,666,799.2	1,738,675.0	1,910,412.5
New Commercial	298,496.5	303,806.0	666,664.3	449,494.3	197,946.8
New Industrial	3,026.0	14,151.1	31,851.4	31,155.0	83,171.4
New Other	112,607.4	128,325.7	105,555.1	75,356.7	104,932.9
Com. Alterations/Additions	<u>265,764.7</u>	<u>518,663.2</u>	<u>700,604.0</u>	<u>335,458.0</u>	<u>320,447.6</u>
Total Nonresidential	679,894.6	964,946.0	1,504,674.8	891,464.0	706,498.7
<u>New Dwelling Units</u>					
Single Family	3,174	3,589	3,981	3,588	4,205
Multiple Family	<u>1,761</u>	<u>1,272</u>	<u>2,008</u>	<u>2,868</u>	<u>2,266</u>
TOTAL	4,935	4,861	5,989	6,456	6,471

Source: Construction Industry Research Board, Building Permit Summary.

APPENDIX E

FORM OF OPINION OF BOND COUNSEL

[Closing Date]

City Council
 City of Rancho Cordova
 2729 Prospect Park Drive
 Rancho Cordova, California 95670

OPINION: \$_____ City of Rancho Cordova
 The Ranch Community Facilities District No. 2021-1
Improvement Area No. 1, Special Tax Bonds Series 2022

Members of the City Council:

We have acted as bond counsel to the City of Rancho Cordova (the "City") in connection with the delivery by the City of the above-referenced bonds (the "Bonds"), issued pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being California Government Code Section 53311, *et seq.* (the "Act"), and pursuant to a Fiscal Agent Agreement, dated October 1, 2022, by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent Agreement"). We have examined the Act, an executed copy of the Fiscal Agent Agreement and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the City contained in the Fiscal Agent Agreement and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based upon our examination we are of the opinion, under existing law, that:

1. The City is duly organized and existing under the laws of the State of California, with power to enter into the Fiscal Agent Agreement, to perform the agreements on its part contained therein, and to issue the Bonds.

2. The Bonds have been duly authorized, executed and delivered by the City and are legal, valid and binding obligations of the City.

3. The Fiscal Agent Agreement has been duly approved by the City and constitutes a legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms.

4. Pursuant to the Act, the Fiscal Agent Agreement establishes a valid lien on and pledge of the Special Tax Revenues (as defined in the Fiscal Agent Agreement) and the other sources pledged for the security of the Bonds.

5. Interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum

tax. It should be noted however that for tax years beginning after December 31, 2022, interest on the Bonds may be subject to the corporate alternative minimum tax. The opinions set forth in the preceding sentences are subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The City has covenanted to comply with each of such requirements. Failure to comply with certain of such requirements may cause the inclusion of such interest in gross income for federal income tax purposes to be retroactive to the date of delivery of the Bonds.

6. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Fiscal Agent Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and may also be subject to the exercise of judicial discretion in accordance with principles of equity or otherwise in appropriate cases.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Moreover, our opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or any court; rather, our opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations, opinions, and covenants referenced above.

Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A Professional Law Corporation

APPENDIX F

FORM OF CONTINUING DISCLOSURE UNDERTAKINGS

CONTINUING DISCLOSURE CERTIFICATE
(City)

\$ _____
CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 1
SPECIAL TAX BONDS
SERIES 2022

THIS CONTINUING DISCLOSURE CERTIFICATE (the “Disclosure Certificate”) is executed and delivered by the City of Rancho Cordova, a public body, corporate and politic, organized and existing under and by virtue of the laws of the State of California (the “City”), in connection with the issuance of the bonds captioned above (the “Bonds”). The Bonds are being issued pursuant to a Fiscal Agent Agreement, dated as of October 1, 2022 (the “Fiscal Agent Agreement”), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the “Fiscal Agent”). The City hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in the Fiscal Agent Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Annual Report Date*” means the date that is nine months after the end of the City’s fiscal year (currently April 1 based on the City’s fiscal year end of June 30).

“*Dissemination Agent*” means Goodwin Consulting Group, or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

“*District*” means the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1.

“EMMA System” means the Electronic Municipal Market Access system of the MSRB or such other electronic system designated by the MSRB or the Securities and Exchange Commission for compliance with the Rule.

“Improvement Area No. 1” means Improvement Area No. 1 of the District.

“Listed Events” means any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“Official Statement” means the final official statement executed by the City in connection with the issuance of the Bonds.

“Participating Underwriter” means Piper Sandler & Co., as the initial underwriter of the Bonds.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing April 1, 2023, with the report for the 2021-22 fiscal year, provide to the MSRB through the EMMA System an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide, or cause the Dissemination Agent to provide, an Annual Report by the Annual Report Date as required in subsection (a) above, the Dissemination Agent shall provide in a timely manner to the MSRB through the EMMA System, in an electronic format as prescribed by the MSRB, a notice to such effect.

(c) The Dissemination Agent shall:

(1) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(2) if the Dissemination Agent is other than the City, file a report with the City and the Participating Underwriter certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following documents and information:

(a) Audited Financial Statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available. This submission should be made with the following caveat:

THE CITY'S ANNUAL FINANCIAL STATEMENT IS PROVIDED SOLELY TO COMPLY WITH THE SECURITIES EXCHANGE COMMISSION STAFF'S INTERPRETATION OF RULE 15c2-12. NO FUNDS OR ASSETS OF THE CITY (OTHER THAN THE PROCEEDS OF THE SPECIAL TAXES LEVIED FOR Improvement Area No. 1 AND SECURING THE BONDS) ARE REQUIRED TO BE USED TO PAY DEBT SERVICE ON THE BONDS AND THE CITY IS NOT OBLIGATED TO ADVANCE AVAILABLE FUNDS FROM THE CITY TREASURY TO COVER ANY DELINQUENCIES. INVESTORS SHOULD NOT RELY ON THE FINANCIAL CONDITION OF THE CITY IN EVALUATING WHETHER TO BUY, HOLD OR SELL THE BONDS.

(b) The following additional items, indicating information as of the previous September 30th, with respect to the Bonds:

(1) Principal amount of Bonds outstanding under the Fiscal Agent Agreement.

(2) Balance in Reserve Fund.

(3) Table indicating Special Tax levy, amount collected, delinquent amount and percent delinquent for the most recent year, and whether the Special Tax levy is covered by the Teeter Plan.

(4) Status of foreclosure proceedings and summary of results of foreclosure sales, if any.

(5) Identity of any delinquent taxpayer representing more than 5% of levy and value-to-lien ratios of applicable properties (using assessed values unless more accurate information is available without charge to the City).

(6) Aggregate assessed value for all parcels in Improvement Area No. 1.

(7) Until the fiscal year in which the Special Tax levied on the developed property in Improvement Area No. 1 is greater than or equal to the annual debt service on the Bonds, the number of building permits issued by the City for single family residential homes in such fiscal year in Improvement Area No. 1.

(c) For so long as there is any owner of property in Improvement Area No. 1 whose properties collectively represent 10% or more of the Special Taxes, the following information regarding the status of development in Improvement Area No. 1:

(1) Significant amendments to land use entitlements.

(2) Status of any legislative, administrative and judicial challenges to the construction of the development known to the City.

(3) Assessed valuation of property shown on County Assessor's tax rolls with no "improvements" value in Improvement Area No. 1 for the current (as of the date of the report) fiscal year.

(4) List of landowners (as shown County Assessor's tax roll) and assessor's parcel number(s) of parcels held by owners whose properties collectively represent 10% or more of the Special Taxes for the current (as of the date of the report) fiscal year.

(d) In addition to any of the information expressly required to be provided under paragraphs (a), (b) and (c) of this Section, the Issuer shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Listed Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Rating Changes.
- (7) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.

- (8) Modifications to rights of security holders, if material.
- (9) Bond calls, if material, and tender offers.
- (10) Defeasances.
- (11) Release, substitution, or sale of property securing repayment of the securities, if material.
- (12) Bankruptcy, insolvency, receivership or similar event of the City.
- (13) The consummation of a merger, consolidation, or acquisition involving the City, or the sale of all or substantially all of the assets of the City (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional Fiscal Agent or the change of name of the Fiscal Agent, if material.
- (15) Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material (for a definition of "financial obligation," see clause (e)).
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties (for a definition of "financial obligation," see clause (e)).

(b) Whenever the City obtains knowledge of the occurrence of a Listed Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB through the EMMA System, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The City acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14) and (a)(15) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the City obtains knowledge of the occurrence of any of these Listed Events, the City will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the City will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization,

arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(e) For purposes of Section 5(a)(15) and (16), “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent will be Goodwin Consulting Group, Inc.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (1) is approved by holders of the Bonds in the manner provided in the Fiscal Agent Agreement for amendments to the Fiscal Agent Agreement with the consent of holders, or (2) does not, in the opinion of the Fiscal Agent or nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be filed in the same manner as for a Listed Event under Section 5(c).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Identifying Information for Filings with EMMA. All documents provided to EMMA under this Disclosure Certificate will be accompanied by identifying information as prescribed by the MSRB.

Section 12. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Fiscal Agent Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 13. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Fiscal Agent, the Bond owners or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Fiscal Agent, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 15. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: _____, 2022

CITY OF RANCHO CORDOVA for and on
behalf of CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES
DISTRICT NO. 2021-1

By: _____
Authorized Officer

AGREED AND ACCEPTED:
GOODWIN CONSULTING GROUP,
as Dissemination Agent

By: _____
Name: _____
Title: _____

**CONTINUING DISCLOSURE CERTIFICATE
(Developer)**

Relating to:

\$ _____
**CITY OF RANCHO CORDOVA
 THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
 IMPROVEMENT AREA NO. 1
 SPECIAL TAX BONDS
 SERIES 2022**

THIS CONTINUING DISCLOSURE CERTIFICATE (Developer) (the "Disclosure Certificate") dated as of _____, 2022, is executed and delivered by K. Hovnanian at Jaeger Ranch, LLC, a California limited liability company (the "Developer") in connection with the issuance by the City of Rancho Cordova (the "City") of its \$_____ City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Improvement Area No. 1 Special Tax Bonds Series 2022 (the "Bonds"). The Bonds are being executed and delivered pursuant to a Fiscal Agent Agreement, dated as of October 1, 2022 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"). The Developer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Developer for the benefit of the holders and beneficial owners of the Bonds.

Section 2. Definitions. In addition to the definitions set forth herein and in the Fiscal Agent Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Disclosure Certificate, the following capitalized terms shall have the following meanings:

"Affiliate" with respect to the Developer, any other Person (i) who directly, or indirectly through one or more intermediaries, is currently controlling, controlled by or under common control with the Developer, and (ii) for whom information, including financial information or operating data, concerning such Person is material to potential investors in their evaluation of Improvement Area No. 1 and investment decision regarding the Bonds (i.e., information regarding such Person's assets or funds that would materially affect the Developer's ability to develop the Property as described in the Official Statement or to pay its Special Taxes on the Property (to the extent the responsibility of the Developer) prior to delinquency). For purposes hereof, the term "control" (including the terms "controlling," "controlled by" or "under common control with") means the present possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise AG is not an Affiliate of the Developer.

"AG" means AG EHC II (HOV) CA 1, L.P., a Delaware limited partnership, the land bank for the Developer pursuant to the Option Agreements.

"Assumption Agreement" means an undertaking of a Major Owner, or an Affiliate thereof, for the benefit of the holders and beneficial owners of the Bonds containing terms substantially similar to this Disclosure Certificate (as modified for such Major Owner's development and financing plans with respect to Improvement Area No. 1), whereby such Major Owner or Affiliate agrees to provide Periodic Reports and notices of significant events, setting forth the information

described in sections 4 and 5 hereof, respectively, with respect to the portion of the property in Improvement Area No. 1 owned by such Major Owner and its Affiliates and, at the option of the Developer or such Major Owner, agrees to indemnify the Dissemination Agent (if any) pursuant to a provision substantially in the form of Section 11 hereof.

“Dissemination Agent” means the entity acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Developer and which has filed with the Developer, the City, and the Participating Underwriter a written acceptance of such designation, and which is experienced in providing dissemination agent services such as those required under this Disclosure Certificate. The Initial Dissemination Agent is the Developer.

“District” means the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1.

“EMMA” shall mean the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System for municipal securities disclosures, maintained on the Internet at <http://emma.msrb.org/>.

“Improvement Area No. 1” means Improvement Area No. 1 of the District.

“Listed Events” means any of the events listed in Section 5(a) of this Disclosure Certificate.

“Major Owner” means, as of any Report Date, an owner of land in Improvement Area No. 1 that is responsible in the aggregate for 20% or more of the Special Taxes anticipated to be levied at any time during the then-current fiscal year.

“Official Statement” means the final official statement executed by the City in connection with the issuance of the Bonds.

“Option Agreements” means, collectively, (i) that certain Option Agreement dated August 27, 2021, between AG and the Developer regarding the 209 finished lots in Villages 4 (Unit 1), 5, 6, and 9, and (ii) that certain Option Agreement dated January 2022, between AG and the Developer regarding the 130 finished lots in Villages 8,

“Participating Underwriter” means Piper Sandler & Co., the original underwriter of the Bonds.

“Periodic Report” means any Periodic Report provided by the Developer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Person” means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof.

“Property” means the real property in Improvement Area No. 1 that is owned by (i) the Developer, (ii) any Affiliate of the Developer, and (iii) AG (during the term of the Option Agreements).

“Report Date” means April 1 of any fiscal year. If, in any year, the Report Date falls on a Saturday, Sunday, or a holiday, such Report Date shall be extended to the next following day that is not a Saturday, Sunday, or holiday.

“Special Taxes” means the special taxes levied on taxable property in Improvement Area No. 1.

Section 3. Provision of Periodic Reports.

(a) The Developer shall, or, upon written direction of the Developer the Dissemination Agent shall, not later than the Report Date, commencing April 1, 2023, file or cause to be filed with EMMA a Periodic Report which is consistent with the requirements of Section 4 of this Disclosure Certificate with a copy to the Participating Underwriter and the City. Not later than 15 calendar days prior to the Report Date, the Developer shall provide the Periodic Report to the Dissemination Agent (if different from the Developer). The Developer shall provide a written certification with (or included as a part of) each Periodic Report furnished to the Dissemination Agent (if different from the Developer), the Participating Underwriter and the City to the effect that such Periodic Report constitutes the Periodic Report required to be furnished by it under this Disclosure Certificate. The Dissemination Agent, the Participating Underwriter and the City may conclusively rely upon such certification of the Developer and shall have no duty or obligation to review the Periodic Report. The Periodic Report may be submitted as a single document or as separate documents comprising a package and may incorporate by reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the Dissemination Agent does not receive a Periodic Report by 15 calendar days prior to the Report Date, the Dissemination Agent shall send a reminder notice to the Developer that the Periodic Report has not been provided as required under Section 3(a) above. The reminder notice shall instruct the Developer to determine whether its obligations under this Disclosure Certificate have terminated (pursuant to Section 6 below) and, if so, to provide the Dissemination Agent with a notice of such termination in the same manner as for a Listed Event (pursuant to Section 5 below). If the Developer does not provide, or cause the Dissemination Agent to provide, a Periodic Report to EMMA by the Report Date as required in subsection (a) above, the Dissemination Agent shall send a notice to EMMA in the format prescribed by the MSRB, with a copy to City and the Participating Underwriter.

(c) With respect to the Periodic Report, the Dissemination Agent shall, to the extent the Periodic Report has been furnished to it, file the Periodic Report with EMMA and file a report with the Developer (if the Dissemination Agent is other than the Developer), the City and the Participating Underwriter certifying that the Periodic Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided to and filed with EMMA.

Section 4. Content of Periodic Reports. The Developer's Periodic Report shall contain or incorporate by reference the information set forth in Exhibit A relating to the Developer, any or all of which may be included by specific reference to other documents, including official statements of debt issues of the Developer or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from EMMA. The Developer shall clearly identify each such other document so included by reference.

In addition to any of the information expressly required to be provided in Exhibit A, the Developer's Periodic Report shall include such further information, if any, as may be necessary

to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Section 5. Reporting of Significant Events.

(a) The Developer shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to itself or the Property, if material:

(i) bankruptcy or insolvency proceedings commenced by or against the Developer and, if known, any bankruptcy or insolvency proceedings commenced by or against any Affiliate of the Developer that is reasonably likely to have a significant impact on the Developer's ability to pay Special Taxes on the Property or to sell or develop the Property;

(ii) failure to pay any taxes, special taxes (including the Special Taxes) or assessments due with respect to the Property on or prior to the delinquency date to the extent such failure is not promptly cured by the Developer upon discovery thereof;

(iii) filing of a lawsuit of which the Developer is aware against the Developer or an Affiliate seeking damages, which is reasonably likely to have a significant impact on the Developer's ability to pay Special Taxes on the Property or to sell or develop the Property;

(iv) material damage to or destruction of any of the improvements on the Property; and

(v) any payment default or other material default by the Developer on the Option Agreements or any loan with respect to the construction of improvements on the Property.

(b) Whenever the Developer obtains knowledge of the occurrence of a Listed Event, the Developer shall as soon as possible determine if such event would be material under applicable Federal securities law.

(c) If the Developer determines that knowledge of the occurrence of a Listed Event would be material under applicable Federal securities law, the Developer shall, or shall cause the Dissemination Agent to, promptly file a notice of such occurrence with EMMA, with a copy to the City and the Participating Underwriter.

Section 6. Duration of Reporting Obligation.

(a) All the Developer's obligations hereunder shall commence on the date hereof and terminate (except as provided in Section 11) on the earliest to occur of the following:

(i) upon the legal defeasance, prior redemption or payment in full of all the Bonds, or

(ii) at such time as Property owned by the Developer and AG (during the term of the Option Agreements) is no longer responsible for payment of 20% or more of the Special Taxes levied in Improvement Area No. 1, or

(iii) the date on which the Developer prepays in full all of the Special Taxes attributable to the Property.

The Developer shall give notice of the termination of its obligations under this Disclosure Certificate in the same manner as for a Listed Event under Section 5.

(b) If a portion of the Property owned by the Developer, or any Affiliate of the Developer, is conveyed to a Person that, upon such conveyance, will be a Major Owner, the obligations of the Developer hereunder with respect to the property in Improvement Area No. 1 owned by such Major Owner and its Affiliates may be assumed by such Major Owner or by an Affiliate thereof, and if so assumed the Developer's obligations hereunder with respect to such portion of the Property will be terminated. In order to effect such an assumption, such Major Owner or Affiliate shall enter into an Assumption Agreement. If not so assumed, the Developer shall report the information, as applicable to the transferee, required herein so long as the transferee is a Major Owner.

Section 7. Dissemination Agent. The Developer may, from time to time, appoint or engage a Dissemination Agent to assist the Developer in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be the Developer. The Dissemination Agent may resign by providing thirty days' written notice to the City, the Participating Underwriter and the Developer. The acquisition of any portion of the Property by the Developer pursuant to the Option Agreements shall not require any assumption by the Developer.

Section 8. No Amendment. The Developer may not amend this Disclosure Certificate.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Developer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Periodic Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Developer chooses to include any information in any Periodic Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Developer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Periodic Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Developer to comply with any provision of this Disclosure Certificate, the Participating Underwriter and any holder or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Developer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Fiscal Agent Agreement, and the sole and exclusive remedy under this Disclosure Certificate in the event of any failure of the Developer to comply with this Disclosure Certificate shall be an action to compel performance. Neither the Developer nor the Dissemination Agent shall have any liability to any holder or beneficial owner of the Bonds or any other party for monetary damages or financial liability of any kind whatsoever arising from or relating to this Disclosure Certificate.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure

Certificate, and the Developer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents (each, an "Indemnified Party"), harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the reasonable costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding loss, liabilities, costs and expenses due to an Indemnified Party's negligence or willful misconduct or failure to perform its duties hereunder. The Dissemination Agent shall be paid compensation for its services provided hereunder in accordance with its schedule of fees as amended from time to time, which schedule, as amended, shall be reasonably acceptable, and all reasonable expenses, reasonable legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Developer, the Fiscal Agent, the Bond owners, or any other party. The obligations of the Developer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Notices. Any notice or communications to be among any of the parties to this Disclosure Certificate may be given by regular, overnight or electronic mail as follows:

To the Developer K. Hovnanian at Jaeger Ranch, LLC
 3721 Douglas Blvd., Suite 150
 Roseville, CA 95661
 Email: OSciorelli@KHOV.com

To the City: City of Rancho Cordova
 Attn: CFD Administrator
 2729 Prospect Park Drive
 Rancho Cordova, CA 95670
 Email: Kjurran@cityofranhocordova.org;
 mmingay@cityofranhocordova.org

To the Participating
 Underwriter: Piper Sandler & Co.
 3626 Fair Oaks Boulevard, Suite 100
 Sacramento, CA 95864
 Email: Dennis.McGuire@psc.com

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Developer (its successors and assigns), the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds and shall create no rights in any other person or entity. All obligations of the Developer hereunder shall be assumed by any legal successor to the obligations of the Developer as a result of a sale, merger, consolidation or other reorganization.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Developer has executed this Disclosure Certificate as of the date first above written.

K. HOVNANIAN AT JAEGER RANCH, LLC,
A California limited liability company

By: _____

Name: _____

Title: _____

EXHIBIT A
PERIODIC REPORT

Relating to:

\$ _____
CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
SPECIAL TAX BONDS
SERIES 2022

This Periodic Report is hereby submitted under Section 4 of the Continuing Disclosure Certificate (Developer) (the "Disclosure Certificate") dated _____, 2022 executed by K. Hovnanian at Jaeger Ranch, LLC, a California limited liability company (the "Developer") in connection with the issuance of special tax bonds by the City of Rancho Cordova (the "City") with respect to the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (the "District").

Capitalized terms used in this Periodic Report but not otherwise defined have the meanings given to them in the Disclosure Certificate.

I. Property Ownership and Development

The information in this section is provided as of _____ (this date must be not more than 60 days before the date of this Periodic Report).

A. Property currently owned by the Developer or its Affiliates (if any) and AG in Improvement Area No. 1 (the "Property"):

Development name: _____

Number of lots (acreage if not subdivided): _____

B. Status of land development or construction activities:

C. Number of building permits pulled during the reporting period and the aggregate number of building permits for the Property developed by the Developer or an Affiliate (if any), and any significant amendments to land use or development entitlements:

D. Aggregate property sold, optioned or leased by the Developer or an Affiliate (if any) to end users or merchant builders:

Since the Reported Date of Information in the Official Statement	Since the Last Periodic <u>Report</u>
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Lots	_____	Lots	_____
------	-------	------	-------

E. Any updates to ownership of the Property by the Developer or an Affiliate (if any), as stated in the Official Statement, and any other changes in ownership, whether acquisition of land in Improvement Area No. 1 by the Developer or an Affiliate (if any), or sales of land in Improvement Area No. 1 to other property owners, distinguishing between (i) end users (e.g., single family homeowners), (ii) developers and (iii) merchant builders.

II. Legal and Financial Status of Developer

Unless such information has previously been included or incorporated by reference in a Periodic Report, describe any change in the legal structure of the Developer or the financial condition and financing plan of the Developer that would materially and adversely interfere with its ability to complete its development plan described in the Official Statement.

III. Change in Development or Financing Plans

Unless such information has previously been included or incorporated by reference in a Periodic Report, describe any development plans or financing plans relating to the Property *that are materially different from* the proposed development and financing plan described in the Official Statement.

IV. Official Statement Updates

Unless such information has previously been included or incorporated by reference in a Periodic Report, describe any other significant changes in the information relating to the Developer or the Property contained in the Official Statement under the heading "IMPROVEMENT AREA NO. 1 – Development in the District" that would materially and adversely interfere with the Developer's ability to develop and sell the Property as described in the Official Statement.

V. Other Material Information

In addition to any of the information expressly required above, provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Certification

The undersigned Developer hereby certifies that this Periodic Report constitutes the Periodic Report required to be furnished by the Developer under the Disclosure Certificate.

ANY STATEMENTS REGARDING THE DEVELOPER, THE DEVELOPMENT OF THE PROPERTY, THE DEVELOPER'S FINANCING PLAN OR FINANCIAL CONDITION, OR THE BONDS, OTHER THAN STATEMENTS MADE BY THE DEVELOPER IN AN OFFICIAL RELEASE, OR FILED WITH THE MUNICIPAL SECURITIES RULEMAKING BOARD, ARE NOT AUTHORIZED BY THE DEVELOPER. THE DEVELOPER IS NOT RESPONSIBLE FOR THE ACCURACY, COMPLETENESS OR FAIRNESS OF ANY SUCH UNAUTHORIZED STATEMENTS.

THE DEVELOPER HAS NO OBLIGATION TO UPDATE THIS PERIODIC REPORT OTHER THAN AS EXPRESSLY PROVIDED IN THE DISCLOSURE CERTIFICATE.

Dated: _____

K. HOVNANIAN AT JAEGER RANCH, LLC,
A California limited liability company

By: _____

Name: _____

Title: _____

APPENDIX G

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company (“DTC”), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

*Neither the issuer of the Bonds (the “**Issuer**”) nor the trustee, fiscal agent or paying agent appointed with respect to the Bonds (the “**Agent**”) take any responsibility for the information contained in this Appendix.*

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is

a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices will be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI

Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner will give notice to elect to have its Securities purchased or tendered, through its Participant, to the Agent, and will effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to the Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to the Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

MEMORANDUM



ITEM 12.2.

DATE: September 6, 2022

TO: Honorable Mayor and Council Members

FROM: Albert Stricker, Public Works Director
Edgar Medina, Principal Engineer

SUBJECT: **A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT NO. 2022-180 WITH MARK THOMAS & COMPANY, INC. IN AN AMOUNT NOT TO EXCEED \$9,672,794 FOR FINAL CIVIL ENGINEERING/STRUCTURAL DESIGN, ENVIRONMENTAL AND RIGHT OF WAY SUPPORT FOR THE US50/RANCHO CORDOVA PARKWAY INTERCHANGE PROJECT THAT WILL PROVIDE A CRITICAL TRANSPORTATION LINK FOR THE CITY AND REGION**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of Resolution would authorize the City Manager to execute Contract No. 2022-180 with Mark Thomas & Company Inc. in an amount not to exceed \$9,672,794 to provide final civil engineering/structural design, environmental, and right of way support for the US50/Rancho Cordova Parkway Interchange Project that will promote livability, increase safety, and provide a critical transportation link for the City and region.

BACKGROUND

The US50/Rancho Cordova Parkway Interchange Project (Project) is a critical transportation link and project for the City of Rancho Cordova and the Sacramento Region that will alleviate regional congestion, improve roadway safety, support economic development, and promote the livability and quality of life in the City.

The City of Rancho Cordova contains one of the region's largest employment centers, second to Downtown Sacramento, with over 60,000 commuters coming into the City daily with projected growth currently under way south of the Project Area. The Project proposes a new interchange on U.S 50 at Rancho Cordova Parkway (Refer to Project Map) at the midpoint between the Sunrise Boulevard and Hazel Avenue interchanges. The interchange project will be a "south-only" connection and include the design and construction of an approximate 2-mile stretch of Rancho Cordova Parkway that connects to the newly constructed segment of White Rock Road towards the south.

The project would help to achieve the following objectives:

1. Improve circulation on US-50, Sunrise Boulevard, White Rock Road, Hazel Avenue and White Rock Road;
2. Improve traffic operations at the US-50/Sunrise Boulevard and US-50/Hazel Avenue interchanges;
3. Provide additional access from US-50 to needed and planned housing development and employment centers;
4. Increase emergency and evacuation alternatives;
5. Catalyze housing developments and job creation;
6. Reduce vehicle miles travelled; and
7. Enhance opportunities to regional transit facilities

The Project will also expand the bike network on Rancho Cordova Parkway south of US 50 with the intent of connecting planned bicycle trails and connections along Rancho Cordova Parkway between White Rock Road and Easton Valley Parkway, ultimately connecting to the bicycle lane and trail system in the future Westborough development. When combined with the Westborough system, the project bicycle facilities will allow access to residential and commercial properties making several connections to the City's main trail system and the Folsom South Canal trail which facilitates safe pedestrian/bicycle modes of travel.

The City conducted a Request for Qualifications (RFQ) for final civil & structural design, land surveying, environmental revalidation, public outreach and engineering construction support services for the U.S. 50/Rancho Cordova Parkway Interchange Project. The solicitation was advertised on the City's website, CIPList.com, and the Sacramento, Placer, and El Dorado County Builders Exchanges on March 14, 2022 with submittal deadline on April 19, 2022. A total of four Statement of Qualifications (SOQ's) were received and reviewed as part of the first round of the selection process. On May 23, 2022, Staff conducted a panel interview of all four consulting teams as part of the second round of the selection process.

As a result of the two rounds of the selection process, staff recommends awarding the design service contract to Mark Thomas & Company Inc. and authorizing the City Manager to execute the agreement.

The proposed schedule is to initiate final civil and structural design, environmental re-validation and right of way support in Fall 2022 and design completion in end of 2024. The construction schedule will be developed as the design advances and the funding sources are finalized.

FISCAL IMPACT AND FUNDING SOURCE

Funding for this project will consist of SD Traffic Mitigation Impact Fees, Traffic Mitigation Fees, Supplemental Transportation Fee, Sunridge Anatolia CFC, Sunridge Park CFD, Sunridge North Douglas CFD and Federal Grants, There are no impacts to the City's General Fund.

This project is included in the City's current approved 2021/22 – 2025/26 Capital Improvement Plan and in the 2022/23 budget.

ATTACHMENT(S)

1. Resolution
2. Project Location Map
3. Contract No. 2022-180
4. Presentation

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT 2022-180 WITH MARK THOMAS & COMPANY, INC. IN AN AMOUNT NOT TO EXCEED \$9,672,794 FOR FINAL DESIGN SERVICES FOR THE US50/RANCHO CORDOVA PARKWAY INTERCHANGE PROJECT THAT WILL PROMOTE LIVABILITY, INCREASE SAFETY AND PROVIDE A CRITICAL TRANSPORTATION LINK FOR THE CITY AND REGION

WHEREAS, the City of Rancho Cordova desires to enter into Contract No. 2022-180 with Mark Thomas & Company, Inc. in an Amount not to Exceed \$9,672,794 for Final Civil Engineering/Structural Design, Environmental and Right of Way Support for the US50/Rancho Cordova Parkway Interchange Project that will Promote Livability, Increase Safety, and Provide a Critical Transportation Link for the City and Region; and

WHEREAS, the Project proposes a new interchange on U.S 50 at Rancho Cordova Parkway at the midpoint between the Sunrise Boulevard and Hazel Avenue interchanges. The interchange project will be a “south-only” connection and include the design and construction of an approximate 2-mile stretch of Rancho Cordova Parkway that connects to White Rock Road; and

WHEREAS, The City conducted a Request for Qualifications for the U.S. 50/Rancho Cordova Parkway Interchange Project. The solicitation was publicly advertised on March 14, 2022 with a submittal deadline on April 19, 2022. A total of four Statement of Qualifications were received and reviewed as part of the first round of the selection process. On May 23, 2022, Staff conducted a panel interview of all four consulting teams as part of the second round of the selection process. As a result of the two rounds of the selection process, staff recommends a design contract with Mark Thomas & Company, Inc for this project; and

WHEREAS, this contract will be funded through SD Traffic Mitigation Impact Fees, Traffic Mitigation Fees, Supplemental Transportation Fee, Sunridge Anatolia CFC, Sunridge Park CFD, Sunridge North Douglas CFD and Federal Grants, The contract does not impact the general fund and is included in the City’s current approved 2021/22 – 2025/26 Capital Improvement Plan and in the 2022/23 budget.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager to execute Contract No. 2022-180 with Mark Thomas & Company Inc.in an amount not to exceed \$9,672,794 for the US50/Rancho Cordova Parkway Interchange Project and in a form approved by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by following vote:

AYES:

NOES:

ITEM 12.2.

ATTACHMENT 1

ABSENT:

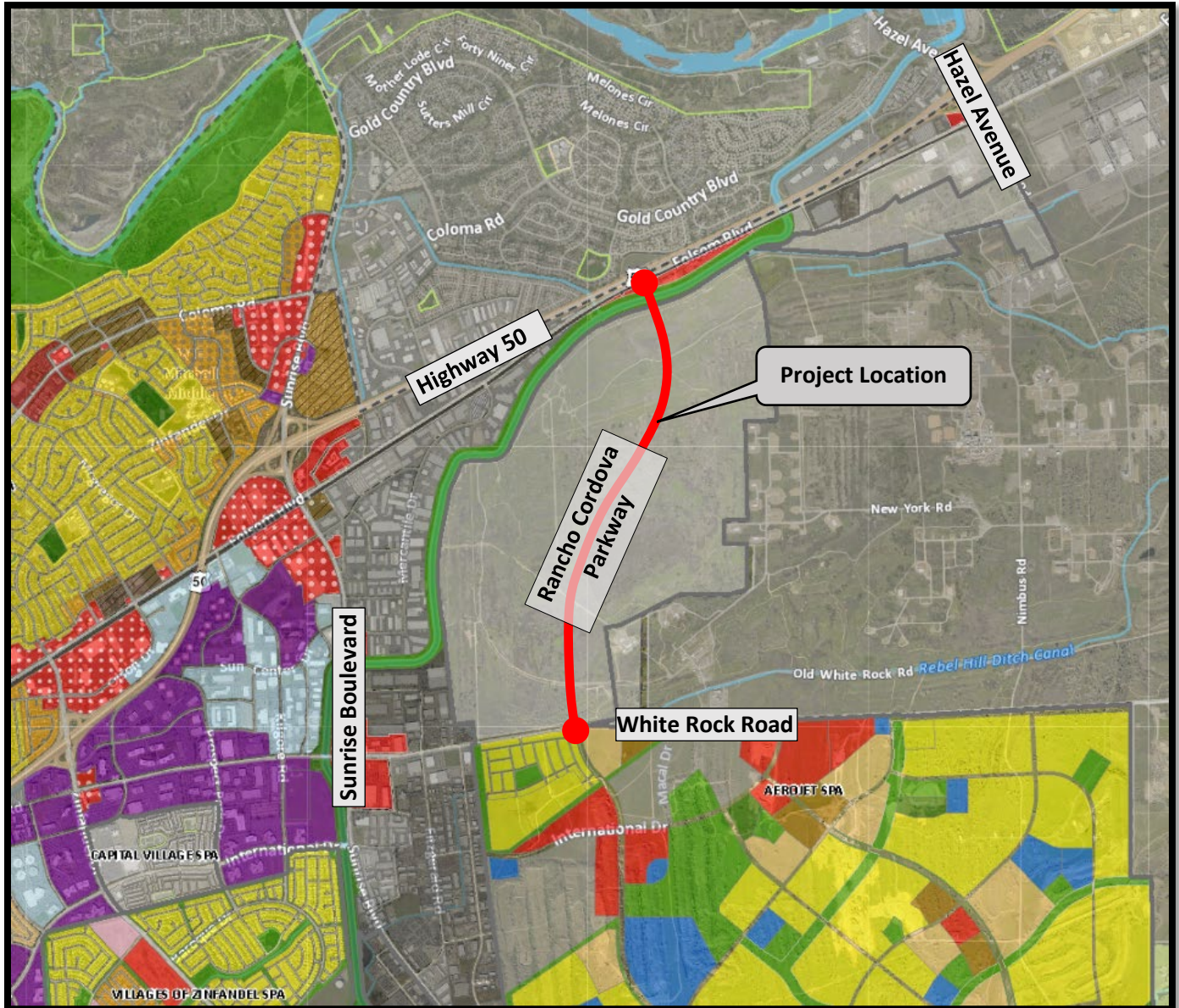
ABSTAIN:

ATTEST:

Stacy Leitner, CMC
City Clerk

Donald Terry, Mayor

Project Location Map



**PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND
MARK THOMAS & COMPANY, INC. FOR THE
US50/RANCHO CORDOVA PARKWAY INTERCHANGE PROJECT**

THIS AGREEMENT for professional services is made by and between the City of Rancho Cordova, a California municipal corporation ("City"), and Mark Thomas & Company, a California General Stock Corporation, ("Professional") as of September ____, 2022.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Professional shall provide to City the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 **Term of Services.** The term of this Agreement shall begin on the date first noted above and shall end on June 30, 2029, the date of completion specified in Exhibit A. Professional shall complete the work described in Exhibit A prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Professional to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.
- 1.2 **Standard of Performance.** Professional shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Professional is engaged in the geographical area in which Professional practices its profession. Professional shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Professional's profession.
- 1.3 **Assignment of Personnel.** Professional shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Professional shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 **Time.** Professional shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.2 above and to satisfy Professional's obligations hereunder.

Section 2. COMPENSATION. City hereby agrees to pay Professional a sum not to exceed **Nine Million Six Hundred Seventy-Two Thousand Seven Hundred Ninety-Four Dollars and Zero Cents (\$9,672,794.00)**, notwithstanding any contrary indications that may be contained in Professional's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Professional's proposal, attached as Exhibit B, regarding the amount of compensation, the Agreement shall prevail. City shall pay Professional for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Professional for services rendered pursuant to this Agreement. Professional

shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Professional shall not bill City for duplicate services performed by more than one person.

Professional and City acknowledge and agree that compensation paid by City to Professional under this Agreement is based upon Professional's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Professional. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Professional and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Professional shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Professional and each employee, agent, and subcontractor of Professional performing services hereunder, as well as a separate notice when the total number of hours of work by Professional and any individual employee, agent, or subcontractor of Professional reaches or exceeds 800 hours, which shall include an estimate of the time necessary to complete the work described in Exhibit A;
- The Professional's signature.

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Professional.

2.3 Final Payment. City shall make the final payment within sixty (60) days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.

2.4 Total Payment. City shall pay for the services to be rendered by Professional pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Professional in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Professional submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.

- 2.5 **Hourly Fees.** Fees for work performed by Professional on an hourly basis shall not exceed the amounts shown on the fee schedule set forth in Exhibit B.
- 2.6 **Reimbursable Expenses.** Reimbursable expenses, if any, are set forth in Exhibit B. Expenses not listed in Exhibit B are not chargeable to City. Reimbursable expenses are included in the total amount of compensation provided under this Agreement that shall not be exceeded.
- 2.7 **Payment of Taxes.** Professional is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.
- 2.8 **Payment upon Termination.** In the event that the City or Professional terminates this Agreement pursuant to Section 8, the City shall compensate the Professional for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Professional shall maintain adequate logs and timesheets in order to verify costs incurred to that date.
- 2.9 **Authorization to Perform Services.** The Professional is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Professional shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Professional only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Professional's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Professional, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Professional and its agents, representatives, employees, and subcontractors. Professional shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the City. Professional shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such

insurance shall be included in the Professional's bid. Professional shall not allow any subcontractor to commence work on any subcontract until Professional has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Professional shall maintain all required insurance listed herein for the duration of this Agreement.

- 4.1 Workers' Compensation.** Professional shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Professional. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative, Professional may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or the Professional, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

The requirement to maintain Statutory Worker's Compensation and Employer's Liability Insurance may be waived by the City upon written verification that Professional does not have any employees.

4.2 Commercial General and Automobile Liability Insurance.

- 4.2.1 General requirements.** Professional, at its own cost and expense, shall maintain commercial general liability insurance for the term of this Agreement in an amount not less than TWO MILLION DOLLARS (\$2,000,000.00) and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00). The commercial general liability and automobile liability insurance shall be per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a commercial general liability insurance or an automobile liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from

activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 Minimum scope of coverage. Commercial general liability coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an “occurrence” basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition), Code 1 (any auto). No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. City and its officers, employees, agents, and volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of activities performed by or on behalf of Professional, including the insured's general supervision of Professional; products and completed operations of Professional; premises owned, occupied, or used by Professional; and automobiles owned, leased, or used by the Professional. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the City and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.
- d. Any failure of Professional to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.
- e. An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

4.3 Professional Liability Insurance. Professional, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less

than TWO MILLION DOLLARS (\$2,000,000) covering the licensed professionals' errors and omissions.

4.3.1 Any deductible or self-insured retention shall not exceed \$150,000 per claim.

4.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

4.3.3 The following provisions shall apply if the professional liability coverages are written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Professional must provide extended reporting coverage for a minimum of five (5) years after completion of the Agreement or the work. The City shall have the right to exercise, at the Professional's sole cost and expense, any extended reporting provisions of the policy, if the Professional cancels or does not renew the coverage.
- d. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

4.4 All Policies Requirements.

4.4.1 Acceptability of insurers. All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.2 Verification of coverage. Prior to beginning any work under this Agreement, Professional shall furnish City with certificates of insurance and with original endorsements effecting coverage required herein. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

4.4.3 Subcontractors. Professional shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each

subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

- 4.4.4 Deductibles and Self-Insured Retentions.** Professional shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.

During the period covered by this Agreement, only upon the prior express written authorization of Contract Administrator, Professional may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Professional procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

- 4.4.5 Waiver of Subrogation.** Professional hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the entity for all work performed by the Professional, its employees, agents, and subcontractors.

- 4.4.6 Notice of Reduction in Coverage.** In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Professional shall provide written notice to City at Professional's earliest possible opportunity and in no case later than five (5) days after Professional is notified of the change in coverage.

- 4.5 Remedies.** In addition to any other remedies City may have if Professional fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Professional's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Professional to stop work under this Agreement or withhold any payment that becomes due to Professional hereunder, or both stop work and withhold any payment, until Professional demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 5. INDEMNIFICATION AND PROFESSIONAL'S RESPONSIBILITIES.

5.1 General Requirement. Professional shall indemnify, defend with counsel selected by the City, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Professional or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Professional shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Professional or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Professional to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Professional from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Professional acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

5.2 PERS Indemnification. In the event that Professional or any employee, agent, or subcontractor of Professional providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System ("PERS") to be eligible for enrollment in PERS as an employee of City, Professional shall indemnify, defend, and hold harmless City for the payment of any and all employee and/or employer contributions for PERS benefits on behalf of Professional or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City, and any attorneys' fees and costs incurred by the City to enforce this Section.

5.3 Design Professionals. To the extent that the services under this Agreement include design professional services subject to California Civil Code Section 2782.8, as may be amended from time to time, Professional's duty to indemnify under Sections 5.1 and 5.2 shall only be to the maximum extent permitted by California Civil Code Section 2782.8.

Section 6. STATUS OF PROFESSIONAL.

6.1 Independent Contractor. At all times during the term of this Agreement, Professional shall be an independent contractor as defined in Labor Code Section 3353, and shall not be an employee of City. Nothing contained in this Agreement shall be construed to be inconsistent with the foregoing relationship or status. City shall have the right to control Professional only insofar as the results of Professional's services rendered pursuant to this

Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means and methods by which Professional accomplishes services rendered pursuant to this Agreement. Professional shall have no power or authority by this Agreement to bind the City in any respect. All employees and agents hired or retained by Professional are employees and agents of Professional and not of the City. The City shall not be obligated in any way to pay any wage claims or other claims made against Professional by any such employees or agents, or any other person resulting from performance of this Agreement.

Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Professional and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Professional shall not allow any employee, agent or subcontractor to become eligible for a claim for PERS benefits.

- 6.2 Professional Not an Agent.** Except as City may specify in writing, Professional shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Professional shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Professional and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to, the California Building Code, the Americans with Disabilities Act, and any copyright, patent or trademark law. Professional's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Professional and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** Professional represents and warrants to City that Professional and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Professional represents and warrants to City that Professional and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals

that are legally required to practice their respective professions. In addition to the foregoing, Professional and any subcontractors shall obtain and maintain valid Business Licenses from City during the term of this Agreement.

- 7.5 Nondiscrimination and Equal Opportunity.** Professional shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Professional under this Agreement. Professional shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Professional thereby.

Professional shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** City may cancel this Agreement at any time and without cause upon written notification to Professional.

Professional may cancel this Agreement upon 30 days' written notice to City and shall include in such notice the reasons for cancellation.

In the event of termination, Professional shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Professional delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Professional or prepared by or for Professional or the City in connection with this Agreement.

- 8.2 Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Professional understands and agrees that, if City grants such an extension, City shall have no obligation to provide Professional with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Professional for any otherwise reimbursable expenses incurred during the extension period.

- 8.3 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.

- 8.4 Assignment and Subcontracting.** City and Professional recognize and agree that this Agreement contemplates personal performance by Professional and is based upon a determination of Professional's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Professional. Professional may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Professional shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.
- 8.5 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Professional shall survive the termination of this Agreement.
- 8.6 Options upon Breach by Professional.** If Professional materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:
- 8.6.1** Immediately terminate the Agreement;
 - 8.6.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Professional pursuant to this Agreement;
 - 8.6.3** Retain a different Professional to complete the work described in Exhibit A not finished by Professional; or
 - 8.6.4** Charge Professional the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Professional pursuant to Section 2 if Professional had completed the work.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Professional's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Professional prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Professional hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Professional agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties.

- 9.2 **Professional's Books and Records.** Professional shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Professional pursuant to this Agreement.
- 9.3 **Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Professional to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 **Attorneys' Fees.** If a Party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that Party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 **Venue.** In the event that either Party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Sacramento or in the United States District Court for the Eastern District of California.
- 10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 **Use of Recycled Products.** Professional shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.

- 10.7 Conflict of Interest.** Professional may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Professional in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Professional shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Professional hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Professional was an employee, agent, appointee, or official of the City in the previous twelve months, Professional warrants that it did not participate in any manner in the forming of this Agreement. Professional understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and Professional will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Professional will be required to reimburse the City for any sums paid to the Professional. Professional understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

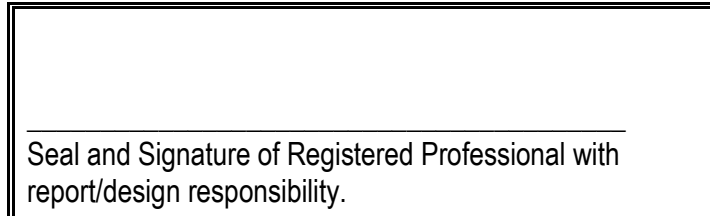
- 10.8 Solicitation.** Professional agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.
- 10.9 Contract Administration.** This Agreement shall be administered by Edgar Medina, P.E. ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.
- 10.10 Notices.** Any written notice to Professional shall be sent to:

Zach Siviglia, PE President, CEO
Mark Thomas & Company, Inc
701 University Ave, Ste 200
Sacramento, Ca. 95825
(916) 390-5131
Email Address (for Insurance Update Requests): zsiviglia@markthomas.com

Any written notice to City shall be sent to:

Edgar Medina
Public Works Department
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
(916) 851-8907, emedina@cityofranchocordova.org

- 10.11 Professional Seal.** Where applicable in the determination of the Contract Administrator or when required by law, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility," as in the following example.



- 10.12 Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibit A, and the compensation schedule attached hereto and incorporated herein as Exhibit B, represents the entire and integrated agreement between City and Professional and supersedes all prior negotiations, representations, or agreements, either written or oral.
- 10.13 IRS Form W-9.** Professional shall complete and submit Internal Revenue Service Form W-9 to the City before execution of this Agreement. The City's Finance Director shall have authority to waive this requirement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above, which date shall be considered by the Parties to be the effective date of this Agreement.

CITY OF RANCHO CORDOVA

MARK THOMAS & COMPANY, INC.

Cyrus Abhar, City Manager

Zach Siviglia, P.E., President, CEO

Date: _____

Date: _____

Attest:

Stacy Leitner, CMC, City Clerk

Date: _____

Approved as to Form:

Adam U. Lindgren, City Attorney

EXHIBIT A
SCOPE OF SERVICES

SCOPE OF WORK

The US 50/Rancho Cordova Parkway Interchange Project (Project) will construct a new interchange on US 50 along with an extension of Rancho Cordova Parkway south to White Rock Road.

CONSULTANT will complete Plans, Specifications & Estimate (PS&E), prepare various supporting documents, prepare various environmental permit applications, technical studies, identify and determine biological and mitigation required, perform right of way engineering, right of way acquisition support and utility relocation coordination and prepare various utility agreements according to Caltrans, Federal Highway Administration (FHWA), local agencies and utility owners standards & requirements. CONSULTANT will perform, but not limited to, the following tasks.

TASK 1. PROJECT MANAGEMENT AND COORDINATION

Task 1.1. Project Management

The CONSULTANT Project Manager shall coordinate with the City Project Manager or designated staff on a day-to-day basis; prepare agendas and records of meetings for monthly Project Development Team meetings (PDT) and focus meetings; prepare and maintain a project schedule, risk management plan; prepare project status and financial reports; prepare presentations and/or handouts for various meetings; coordinate with other agencies and consultants; and other general project management activities. This task will also include coordination with the Construction Manager/General Contractor (CMGC) and Caltrans, should the City decide to pursue alternative delivery options for the project.

CONSULTANT will provide support and participate in coordination and presentations to City of Rancho Cordova and other stakeholders as necessary.

Task 1.2. Meetings

CONSULTANT will lead the overall coordination effort with the project team in consultation with and under the direction of the City assigned Project Manager. CONSULTANT will schedule, prepare for, and attend project team meetings with City and Caltrans to share project information, make decisions, assign project tasks, and identify items critical to project delivery. Key team members will be present at each team meeting depending on the items to be discussed. CONSULTANT will prepare and distribute agendas prior to each meeting and prepare meeting minutes with action items within one week after the meeting. It is assumed there will approximately twenty seven (27) PDT meetings held in a virtual or in person format. Additional focus meetings will be held as necessary.

Task 1.3. Progress Reports and CPM Schedule

CONSULTANT will develop a milestone schedule and incorporate the activities in an overall schedule for the project. The project schedule should show all the expected sequence of tasks and subtasks and include durations for the performance of each task, subtask, milestones, submittal dates and review periods for each submittal. Working with

the City Project Manager and other project team members, CONSULTANT shall prepare, maintain and use critical action items list to monitor project progress and to implement recovery action plans.

Task 1.4. QA/QC

CONSULTANT will implement an established Quality Assurance (QA) Procedures, which includes performing Quality Control (QC) and QA Audits for the project. The QA/QC program is overseen by a companywide QA Manager, whose role is to implement companywide QC standards, confirm and audit QC procedures on projects, and to verify that all finished products meet the current standard of practice.

Independent QC reviews will be performed at each level of completion by an experienced staff member not directly involved with the project. QC Checklists specific to the discipline involved in creating the deliverable will be used, with comments, responses by the design team, and verification of implementation fully documented.

QA audits will be performed at major milestones at least twice on the project by a QA Auditor, who is not directly involved with the project. The QA Audits will review all records of QC on the project and will provide feedback to the PM and Principal-in-Charge (PIC). QA Audits review everything from completions of QC reviews to project budget, schedule, incorporation of client and stakeholder comments, and other tasks pertinent to the successful completion of the work on time and within budget.

TASK 1 DELIVERABLES

- Deliverable 1A: Project status reports and other documents outlined in Task 1.
- Deliverable 1B: Agendas and Meeting Minutes for twenty seven (27) PDT Meetings
- Deliverable 1C: QA/QC Reviews
- Deliverable 1D: Monthly CPM Schedule Updates

TASK 2. PRELIMINARY ENGINEERING AND TECHNICAL REPORTS

Task 2.1. Base Mapping

It is assumed existing photogrammetric base mapping prepared in the PA&ED phase will be used in preparing the plans. The existing 2-dimensional photogrammetric linework will be updated to reflect the existing conditions using current high-resolution aerial imagery. Recent projects which have been constructed since the photogrammetry was prepared will be reflected in the base mapping. The photogrammetry will also be updated with supplemental topographic surveys as outlined in the scope of work below. Supplemental Topographic Surveys will be conducted to facilitate design efforts. It is assumed encroachment permits will allow access of local roads and Caltrans right of way.

Task 2.1.1. Supplemental Topographic Surveys

CONSULTANT will provide all topographic surveys necessary for the Project Design. The Consultant will obtain aerial planimetrics which will be used as background for base mapping. This task will include field topography for up to 20 days to supplement the photogrammetric planimetrics. The Consultant will search for monuments and tie existing monuments to use City and Caltrans record mapping in addition to record maps and corner records available from

the County to delineate existing rights of way with the proposed project footprint. It is assumed the Aerojet Boundary will be resolved by the developer.

CONSULTANT will perform utility research to identify existing utility locations based on record drawings and should provide supplemental services as necessary to establish ground control and obtain detailed photogrammetric mapping for the entire Project area (at a scale of 50 scale with 1 foot contour interval which will be processed through Caltrans ABC photogrammetry review, including specific design surveys for roadway connections, drainage features, and conforms to match existing improvements on public and private properties that may be affected by the construction of the Project.

CONSULTANT will blend the supplemental topo into the existing planimetrics and surface to provide a single AutoCAD drawing base map.

Task 2.1.2. Existing Highway Right of Way Delineation (Land Net)

CONSULTANT will perform field surveys, research and define existing record right-of-way and necessary easement areas for 8 parcels including Caltrans right of way. PTRs will be requested to provide record ownership, rights of way and easements. File pre-construction record of survey consisting of not more than 15 sheets with county of Sacramento and reviewed by Caltrans to delineate existing right of way before construction and preserve monumentation that may be disturbed or destroyed during construction. At a minimum, the work will include:

- All existing record interfacing roadway, drainage facilities, right-of-way, railroad, and control systems, etc. All existing nearby structures, fences, driveways, poles, roadway signs, streetlights, traffic signals, trees, and vegetation, etc.
- All existing record utility facilities; including high pressure gas, petroleum, electrical, communication, fiber, sewer, storm drain and water systems, etc. Existing utility mapping shall be based on as-built plans, utility maps, field observation and topographic surveys of above ground facilities.
- Adjacent property information such as assessor's parcel number and street address will be shown.

CONSULTANT will then resolve Caltrans and local right-of-way lines impacted by potential acquisitions.

Task 2.1.3. Utility Base Mapping

CONSULTANT will verify the location of record underground/overhead utilities and determine utility coordination and relocation requirements consistent with the State of California Policy on "High and Low Risk Underground Facilities within Highway Rights of Way". Utility data compiled will be reviewed with the utility company and updated to reflect current conditions. Consultant SOQ shall include exploratory potholing or onsite locator services as appropriate. CONSULTANT shall coordinate with Utility companies prior to any potholing. CONSULTANT surveyor will locate surface visible evidence of utilities as requested for project design

CONSULTANT will coordinate with a utility potholing company to positively locate underground utilities. CONSULTANT has assumed approximately fifty (50) potholes will be required to positively locate existing high and low risk utilities. The utility base mapping will be updated to reflect the positive locations.

Task 2.2. Geometric Refinement

Task 2.2.1. Revised Geometric Drawings

The existing GADs will be updated to reflect proposed design modifications, including a Diverging Diamond interchange, and the format will be updated to 11x17 sheets which will ultimately serve as the basis for the plans.

Task 2.2.2. Supplemental Design Standard Decision Document

As design progresses, additional nonstandard features may be identified. If design exceptions are required, CONSULTANT will prepare supplemental Design Standard Decision Document (DSDD). The supplemental DSDD will be submitted to Caltrans for approval.

Task 2.2.3. Phasing Analysis

CONSULTANT will develop phasing concepts for discussion with the City, Caltrans, and Value Analysis team. The phasing analysis will include geometric refinements, structure modifications, and traffic analysis. All proposed phasing concepts will be developed to meet Caltrans requirement for a minimum 10-year service life of the facility and discussed in the Supplemental Project Report.

Task 2.3. Technical Reports

Task 2.3.1. Structure Type Selection Report

CONSULTANT will prepare a combined Structure Type Selection Report for all the bridge structures according to Memo to Designer 1-29. A separate Type Selection Report will be prepared for all the nonstandard retaining walls for the project. The Type Selection Report will document the bridge and retaining wall types and alternatives considered, construction phasing and constructability, proposed aesthetics, estimated costs, foundation recommendations, and the preferred structure types. A structure General Plan and draft Foundation Plan will be prepared for each structure. Effort will include attendance at a Type Selection Meeting with Caltrans and updating the General Plan and Foundation Plan sheets after the Type Selection meeting.

Task 2.3.2. Develop Aesthetic Guidelines

CONSULTANT will develop aesthetic guidelines to provide overall themes for application on structural elements, pavements, landscaping, materials, colors, and details. The guidelines will provide recommendations for features such as: bridge railings, barriers, pilasters, slope paving, wall treatments, fencing, and landscaping. The guidelines will be submitted to the Caltrans Landscape Architect and the City for review and approval. Approximately three (3) rounds of review and revisions are assumed with this scope. CONSULTANT landscape architecture staff will coordinate with the structures division to develop costs estimates. This scope assumes approximately five (5) meetings with the project stakeholders.

Task 2.3.3. Supplemental Traffic Operations Analysis Report

CONSULTANT will support with the project team in the development of an initial phase for the project. Traffic forecasts for interim year conditions will be developed based on linear interpolation between the opening and design year forecasts and adjustments to account for planned land use development and roadway network changes. Then,

we will analyze intersection and freeway operations for the AM and PM peak hours under interim year conditions. With a focus on operations at the US 50/Rancho Cordova Parkway interchange. Up to three versions of the interim phase alternative will be analyzed.

At intersections, the AM and PM peak hour intersection delay and level of service will be reported for each movement. At the Rancho Cordova Parkway intersections, average maximum queue length by movement will be reported. For freeway segments, the AM and PM peak hour average density and level of service will be reported.

CONSULTANT will prepare a draft transportation analysis report that documents the data collection, existing conditions analysis, travel demand forecasts, and future conditions analysis. The report will provide tables that summarize the analysis findings and figures to show traffic volumes.

Task 2.3.4. Supplemental Project Report

CONSULTANT will prepare a Supplemental Project Report documenting changes made during the PS&E and ROW phase. The intent is to capture major elements, such as additional design exceptions. It is assumed that the Supplemental Project Report will be minimal document of approximately 20-25 pages that will summarize the project changes. This task also assumes that the 11-page estimate, ROW Data sheet, and other supporting documentation will not have to be updated or recreated to gain approval. This scope does not include a major re-write of the approved Final Project Report.

Task 2.3.5. Bridge Design Hydraulic Study / Location Hydraulic Study

This task covers the work for the hydraulic subconsultant to prepare the final pre- and post-project hydraulic modeling, with an emphasis on identifying the post-project bridge hydraulics within the Folsom South Canal and Buffalo Creek. Final anticipated scour depths will be reported to the bridge design team to aid in the design of bridge abutments and foundations. Bridge hydraulics will be summarized in a formal Bridge Design Hydraulics Study (BDHS).

Building off the information gathered during the PA&ED phase, the hydraulic subconsultant will prepare a draft and final LHS that summarizes the impacts (if any) due to the encroachment and places the overall project in context with respect to flood control issues. The draft LHS will be submitted for review, comment and approval. Comments and suggested edits will be included in a final LHS.

This scope of work assumes that a formal conditional and final Letter of Map Revision (CLOMR and LOMR) submittal to FEMA is not required.

Task 2.3.6. Preliminary Foundation Reports

CONSULTANT will coordinate with the City of Rancho Cordova and the design team to discuss the project issues and schedule; review preliminary project data and documents; review published geologic mapping and literature; and perform a site review.

CONSULTANT will prepare Preliminary Foundation Reports (PFR) for the bridges and a PFR for the retaining walls as part of Type Selection. The Rancho Cordova Parkway ramp and overcrossing bridges will be included in one PFR. A separate PFR will be prepared for the Fair Oaks OH Widening. The PFRs will be based on existing subsurface data,

published geologic mapping and seismicity data, aerial photographs, preliminary project data, and a site review. No subsurface exploration will be completed for this task.

The PFRs will summarize anticipated earth materials and conditions based on reference data and site exposures; provide seismic input parameters (including ARS Curve consistent with current Caltrans practice); discuss preliminary foundation types (e.g., spread footings, driven piling and CIDH piling); provide preliminary foundation recommendations for bridge and retaining wall foundations; and discuss liquefaction potential.

TASK 2 DELIVERABLES

- Deliverable 2A: Geometric Approval Drawings (GAD)
- Deliverable 2B: Revised Environmental Footprints
- Deliverable 2C: Updated Topographic Base Mapping (1"=50' Scale) (ACAD Civil 3D)
- Deliverable 2D: Existing Right of Way Delineation (Land Net) (ACAD Civil 3D)
- Deliverable 2E: Updated Utility Base Mapping (ACAD Civil 3D); Pothole Report (PDF)
- Deliverable 2F: Supplemental DSDD (PDF)
- Deliverable 2G: Phasing Analysis
- Deliverable 2H: Structure Type Selection Report (PDF)
- Deliverable 2I: Aesthetic Guidelines (PDF)
- Deliverable 2J: TOAR (PDF)
- Deliverable 2K: Supplemental Project Report
- Deliverable 2L: Bridge Design Hydraulic Study / Location Hydraulic Study
- Deliverable 2M: Preliminary Foundation Reports
- Deliverable 2N: Preliminary Utility Conflict and Relocation Map (PDF)
- Deliverable 2O: Right of Way Requirement Map (PDF)
- Deliverable 2P: Revised Right of Way Data Sheet (PDF)

TASK 3. PREPARE 65% PS&E FOR CALTRANS REVIEW

Task 3.1. 65% Roadway PS&E

The CONSULTANT team will prepare 65% PS&E for the interchange, structure design, local roadway approaches, traffic signals, and landscaping. Plans shall be prepared per the Caltrans Plan Preparation Manual. It is anticipated that the following sheets will be prepared:

Description	Scale	Estimate Sheet Count
Title Sheet	N/A	1
Typical Cross Sections	N/A	12
Key Map and Line Index	1"=200'	2
Project Control	1"=200'	2
Layouts	1"=50'	14
Profile and Superelevation	1"=50'(H); 1"=5'(V)	18
Construction Details	Varies	22
Contour Grading	1"=50'	14
Drainage Plans	1"=50'	14
Drainage Profiles	1"=50'(H); 1"=5'(V)	18
Drainage Details	Varies	8
Drainage Quantities	N/A	3
Retaining Wall Plan	1"=20'	12
Utility Plans and Details	1"=50' and varies	12
Utility Quantities	N/A	2
Construction Area Signs	1"=200'	3
Motorist Information / Detour Plan	1"=500'	1
Stage Construction Plans	1"=200'	8
Traffic Handling Plans	1"=50'	24
Traffic Handling Quantities	N/A	2
Water Pollution Control Plans	1"=50'	14
Water Pollution Control Quantities	N/A	2
Pavement Delineation Plans	1"=50'	14
Pavement Delineation Details	N/A	3
Pavement Delineation Quantities	N/A	2
Sign Plan	1"=50'	14
Sign Details	N/A	10
Sign Quantities	N/A	2
Summary of Quantities	N/A	3
Planting and Irrigation (Task 3.3)	1"=50' and varies	30
Electrical Plans (Task 3.2)	1"=50' and varies	40
Structure Plans	1"=30' and varies	120
Total Estimated Plan Sheets		446

Task 3.2. 65% Signal and Lighting PS&E

Based on the comments by the review agencies (Caltrans and City), CONSULTANT will prepare 65% plans, specifications, and cost estimates (PS&E) for both the permanent electrical equipment as well as the temporary electrical equipment during construction stages. CONSULTANT will also coordinate with SMUD in identifying new electrical service point locations as needed and provide technical data such as electrical loading and voltage for electrical service application, which will be submitted by the electrical equipment owner.

Task 3.3. 65% Planting and Irrigation PS&E

CONSULTANT will prepare 65% level landscape and irrigation PS&E. Irrigation plans will identify points of connection to the water meters, mainlines, and other master overall system elements. Comments received on the conceptual planting palette and landscape guidelines will be considered and addressed in the 65% PS&E and responded to in the comment response matrix. Draft specifications will be provided for landscape and irrigation elements. Landscape and irrigation details and specifications will be provided. Erosion control seed mix will be recommended for approval by the Caltrans Landscape Architect.

The planting and irrigation subconsultant will provide recommendations for the pedestrian lighting luminaire and pole styles and colors, as well as develop the design intent and conceptual design of the artistic lighting for use in the electrical plans (Task 3.2). CONSULTANT will coordinate with team members on the integration of pedestrian and artistic lighting, and with the electrical and civil design efforts to facilitate pedestrian and artistic lighting character. Comments received on the pedestrian and artistic lighting concepts related to design intent will be considered and responded to in the comment response matrix.

Task 3.4. 65% Structure PS&E

CONSULTANT will prepare structural calculations and structure plans for the selected bridge and wall types. At the 65% submittal, CONSULTANT will submit a complete, unchecked set of structure plans to Caltrans for review. The structure design will be performed in accordance with American Association of State Highway and Transportation Officials (AASHTO) Load Resistance Factor Design (LRFD) Bridge Design Specifications, 8th Edition with California Amendments and Caltrans Seismic Design Criteria, Version 2.0. The latest Caltrans Bridge Design manuals will be used. A draft marginal structure cost estimate will be included. The structure design includes the five (5) separate bridges: US 50 eastbound off-ramp, US 50 eastbound on-ramp, US 50/Rancho Cordova Parkway overcrossing, Rancho Cordova Parkway overhead, and a pedestrian/trail crossing over Buffalo Creek and USBR Canal.

Task 3.5. Life Cycle Cost Analysis

CONSULTANT will prepare a Life Cycle Cost Analysis (LCCA) to compare the life-cycle costs of different pavement types and design strategies including: 1) Pavement types (flexible, rigid, or composite and 2) Pavement design lives comparisons (e.g., 20 vs. 40 years). LCCA will be performed and documented, using the procedures and data in the Caltrans LCCA Procedures Manual.

Task 3.6. Stage Construction Traffic / Detour Operations Memorandum

CONSULTANT will prepare a traffic operations memorandum documenting intersection operations for stage construction. The analysis will be based on Highway Capacity Manual (HCM) 6th Edition methodologies for assessing intersection operations at signalized intersections during the AM and PM peak hours on a typical weekday. Current freeway mainline demand volume will be determined using Caltrans' Performance Measurement System (PeMS).

Task 3.7. Lane Closure Report

CONSULTANT will prepare a traffic operations report documenting the effect on the freeway of mainline lane closures to accommodate construction. Hourly freeway mainline demand volume will be determined using PeMS for the proposed hours of lane closure. The anticipated queue length and delay will then be quantified based on an assumed per lane capacity and queue spacing between vehicles. The lane closure report will then document the anticipated demand, estimate queue length, and delay for freeway mainline lane closures. It will also estimate these performance measures assuming a reduction in demand volume due to implementation of the traffic management plan.

Task 3.8. Traffic Management Plan

CONSULTANT will prepare a Transportation Management Plan (TMP) for the project that will conform to Caltrans' TMP Guidelines (November 2015). The TMP will address project strategies and approaches to reduce traffic impact of construction through Public Information, Motorist Information, Incident Management Strategies, Construction Strategies, and Alternative Route Strategies. The TMP will incorporate information from the Lane Closure Report to calculate delay and queue lengths and include lane closure charts detailing the hours for which lane closures are proposed. A draft TMP will be prepared at the 65% project completion milestone and finalized at the 95% project completion milestone.

Task 3.9. Draft Storm Water Data Report (PS&E Phase)

CONSULTANT will prepare a PS&E Phase Draft Storm Water Data Report (SWDR) per Chapter 6 of the Caltrans Project Planning and Design Guide. The draft will be submitted for Caltrans review and comment.

Task 3.10. Draft Drainage Report

CONSULTANT will develop a draft drainage report using the Rational Method to analyze the existing drainage facilities and drainage patterns in the area and to determine the proposed facilities needed to effectively manage roadway runoff and accommodate the proposed improvements. The report will be coordinated with the development drainage masterplan and analysis will be separated by Caltrans and City right-of-way.

The existing storm drainage system will be mapped from topographic surveys and as-built information from the City and Caltrans. Proposed drainage shed areas will be developed from topography, field reviews, and the proposed roadway improvements in the project area. Supplemental mapping (adjacent project mapping, drainage master plans, etc., if available) will be evaluated with available topographic mapping. Tributary areas will be defined, and flow rates calculated for inlets and pipelines. The calculations will define pipe/culvert lengths, sizes, peak flow velocities, and hydraulic grade lines.

Task 3.11. Draft Geotechnical Design/Foundation Reports

CONSULTANT will coordinate with the client to discuss the project issues and schedule. CONSULTANT will review the site for drill rig access, mark exploratory boring locations and notify Underground Service Alert (USA). We will obtain the required Caltrans encroachment permit, County environmental health permit, and City Encroachment Permit.

Subsurface Exploration: To assess the subsurface soil conditions, CONSULTANT plans to perform the following explorations.

Location	Type of Exploration	Number of Explorations	Depth Below Existing Grade (ft)
Rancho Cordova Parkway OH	Boring	13 to 15 ¹	80 to 90
Rancho Cordova Parkway EB Off-Ramp		10 to 12 ¹	100 to 120
Rancho Cordova EB Parkway On-Ramp			
Fair Oaks OH Widen	Boring	14 to 20 ²	10 to 15
Retaining Wall / Sound Wall		20 to 28 ²	20 to 25
Overhead Signs		5 ³	40 to 50
Culvert Extension	Boring	1	40 to 50
Roadway Approach	Boring	1	40 to 50
Bike Path At-Grade Crossings	Boring	3 to 4 ¹	40 to 50
At-Grade Roadway/Bike Path	Test Pit	24 to 30 ⁴	3 to 10
Drainage Basins	Boring	3 to 5	3 to 5
HOV Lane Widening	Boring	15 to 20 ⁵	10 to 15

- Results in one boring per bridge support location following Caltrans guidelines.
- Results in one boring every 200 ft following Caltrans guidelines.
- Number of overhead signs is yet to be established. Caltrans typically requires one boring per overhead sign.
- Results in a spacing of approximately 3,000 ft.
- Results in a spacing of approximately 500 ft, staggered between east and westbound lanes.

CONSULTANT will advance the borings with 4 to 6-inch diameter solid-auger and/or mud-rotary drilling methods. Due to the difficult soil and drilling conditions, diamond core drilling may be utilized. A sonic drill rig may be utilized at some of the boring locations if refusal is encountered on the gravel/cobbles. A engineer/geologist will log the borings and direct the sampling in accordance with the Caltrans Logging Manual (2010 Edition). Groundwater elevations will be noted, where encountered. We will collect bulk and relatively “undisturbed” soil/ samples from the borings for laboratory testing. Drive samples will be taken at approximate 2.5 ft to 5 ft intervals using a 2.0” O.D. “Standard Penetration” (ASTM D1586) or 3.0” O.D. “Modified California” sampler (ASTM D3550), driven with a standard 350 ft-lb automatic or manually operated hammer per ASTM D1586. If “slickens” are encountered within roadway approach, Crawford will use helby thin-wall sampling for consolidation testing.

We will complete a boring at each bridge support, a boring every 200 linear ft along the retaining walls and sound walls, and a boring every 500 linear ft along the HOV widen. CONSULTANT will also complete 3 to 5 falling head infiltration tests at identified drainage basins at or nearby Caltrans R/W. The borings will be cement-grout backfilled per Sacramento County permit requirements.

At the proposed Rancho Cordova Parkway and bike paths, CONSULTANT will complete test pits to obtain soil samples and observe the cobble/gravel distribution. Test pit excavation will be loosely backfilled and tamped with the backhoe bucket. The test pits will be spaced approximately every 3,000 ft.

We assume traffic control will consist of temporary single lane closures with flaggers and shoulder closures. We will complete borings/test pits off of the road where access is possible. If determined appropriate, field exploration could be included as part of the preliminary foundation report.

Laboratory Testing: We propose the following laboratory tests, as appropriate, on representative soil samples obtained from the exploratory borings: moisture content and dry density; direct shear or unconfined compression; grainsize analysis; plasticity index; consolidation, R-value, and soil corrosion.

Engineering Analysis / Foundation Reports: CONSULTANT will review available geotechnical, geologic, and seismic information for the site including geologic maps, fault maps, and seismic hazard maps.

For each bridge (five total), a Draft Foundation Report consistent with current Caltrans guidelines. Each report will provide a site/project description, summarize site geology, groundwater, corrosivity, subsurface exploration, field and laboratory soil tests, soil engineering properties, seismic data and evaluation, liquefaction, axial and lateral analysis, foundation recommendations (e.g., spread footings, driven piling, and cast-in-drilled-hole piling), approach recommendations, construction considerations; Log of Test Borings; etc. A Final Foundation Report incorporating the review comments will be completed for each site.

CONSULTANT will prepare a Draft Earth Retaining Systems Report consistent with current Caltrans guidelines. The report will provide a site/project description, summarize site geology, groundwater, corrosivity, subsurface exploration, field and laboratory soil tests, soil engineering properties, bearing stress, settlement, footing/foundation embedment depth, Log of Test Borings, and construction considerations. The Earth Retaining Systems Report will address all retaining walls throughout the project. A Final Earth Retaining Systems Report will be signed and stamped by Crawford after addressing written comments.

CONSULTANT will prepare a Draft Geotechnical Design/Materials Report consistent with current Caltrans guidelines. The reports will provide a site/project description, summarize site geology, groundwater, subsurface exploration, field and laboratory soil tests, soil engineering properties, liquefaction potential, infiltration rates, cut/fills, subgrade preparation, pavement recommendations, sound wall foundation recommendations, culvert foundation recommendations, and construction considerations. A Final Geotechnical Design/Materials Report incorporating the review comments will be completed.

Task 3.12. Hazardous Materials Evaluations

Based on our understanding of the provided information and our familiarity with similar projects in the City of Rancho Cordova and the County of Sacramento, we propose to prepare a limited Phase 1 Initial Site Assessment (ISA) to help identify Recognized Environmental Conditions (RECs) and hazardous materials conditions that might

affect the project. In addition to the ISA, we propose to conduct a limited Preliminary Site Assessment (PSA) to assess if metals (lead from the use of leaded gasoline, mercury and arsenic from past dredging operations) are present at concentrations above their hazardous waste thresholds.

The ISA will include the following elements:

1. Records review: Crawford will contract with Environmental Risk Information Service (ERIS) to conduct a computerized search of federal, state, local, and tribal environmental agency database records. These database records will be reviewed for information pertaining to the project site and properties within ASTM standard search radii applicable to each database.
2. Physical Site Review: The ISA will include a summary of geologic and hydrogeologic conditions underlying the project.
3. Historical Land Use Review: ERIS will provide historical aerial photographs and historical USGS topographic maps for the project site and vicinity. Crawford will review these to develop a history of general property uses for the project site and surrounding parcels.
4. Site reconnaissance: Crawford will perform a walking reconnaissance of the project alignment to identify visual evidence of current or past uses of the project alignment and adjacent properties, including visual evidence of the following: above or below ground fuel storage tanks, vehicle maintenance areas, oil and gas operations, dump sites, discolored soils or stressed vegetation, surface discharge of fluids, stockpiled soil, discharges, odors, transformers, wells, standing water, hazardous substance containers or unidentified containers, etc. A driving reconnaissance (windshield survey) will observe conditions at other properties in the area to identify conditions that might affect the project alignment.
5. Interviews – Where warranted by the research and observation, Crawford will make reasonable attempts to conduct interviews with persons identified as knowledgeable about potentially contaminated facilities adjacent to the project site. Interviews may be conducted in person, by telephone, or in writing. Individuals interviewed might include owners, occupants, local government officials, or others.

The current routes of U.S. Highway 50, Folsom Boulevard, and White Rock Road have been utilized since the early part of the 20th century, throughout the period of leaded gasoline usage (1920s into the early 1980s). Use of leaded gasoline may have resulted in deposition of aerally deposited lead (ADL) along the roadways at concentrations that now exceed hazardous waste thresholds. As a cost-saving measure, Crawford will collect these samples at the same time geotechnical exploration is being conducted. Utilizing the same encroachment permit and traffic control setup.

The area of the proposed Rancho Cordova Parkway alignment has previously been dredged for gold. Mercury has historically been utilized in dredging operations, and may be present in the soil beneath the proposed project alignment. Dredging operations can artificially concentrate naturally occurring arsenic. Crawford proposes to screen shallow soil within the proposed project alignment for the presence of mercury and arsenic at concentrations exceeding hazardous waste thresholds.

The PSA will consist of the following elements.

1. Connection of the proposed parkway with both U.S. 50 and White Rock Road may call for removal of existing thermoplastic traffic striping. Samples of the traffic striping will be collected to assess if the lead concentration in the white paint, or the lead and cadmium concentrations in the yellow paint, exceed hazardous waste limits.
2. Construction of the parkway may require demolition of existing concrete flatwork, curbing, or other concrete structures. Demolition of these concrete structures will require inspection for the presence of asbestos and notification of the Sacramento Metropolitan Air Management District. For budgeting purposes, we assume collection and analysis of up to ten samples by a certified asbestos consultant.
3. To evaluate if ADL has impacted soil along the existing roads, Crawford will collect soil samples from up to eight locations along U.S. Highway 50, up to four locations along Folsom Boulevard, and up to four locations along White Rock Road. At each sample location, a hand auger will be used to advance a shallow boring (about 30 inches deep in the road shoulder). From each boring, discrete soil samples will be collected at 0 to 6 inches, 12 to 18 inches, and 24 to 30 inches below ground surface. Cuttings and base material will be returned to the boring, and the pavement restored with concrete.
4. To evaluate if mercury and arsenic have impacted soil on the Aerojet property, Crawford will collect soil samples from up to twenty locations along the route of the proposed Parkway route. Samples will be collected during the test pit excavation in Task 2. Discrete soil samples will be collected from 0 to 12 inches and 24 to 30 inches below ground surface.
5. Proposed analytical testing will be submitted to an accredited analytical lab under chain-of-custody and will include:
 - Total lead by EPA Method 6010, using metals extraction by EPA method 3050A.
 - Samples with reported total lead concentrations exceeding 50 mg/kg lead (or 10 mg/kg cadmium) will be re-analyzed for soluble metals using both the CA Waste Extraction Test (WET) and Toxicity Characteristic Leaching Potential (TCLP) methods.
 - pH analysis will be performed on one soil sample.

TASK 3 DELIVERABLES

- Deliverable 3A: 65% PS&E, inclusive of:
 - 65% Roadway Plans (11x17 PDF and Hard Copies as Requested by Caltrans)
 - 65% Signal & Lighting Plans (11x17 PDF and Hard Copies as Requested by Caltrans)
 - 65% Planting & Irrigation Plans (11x17 PDF and Hard Copies as Requested by Caltrans)
 - 65% Structures Plans and Calculations (11x17 PDF and Hard Copies as Requested by Caltrans)
 - 65% Engineers Estimate in BEES Format (MS Excel, PDF, and Hard Copies as Requested by Caltrans)
 - 65% Draft Standard Special Provisions (SSP's) (Unedited) and Listing of Proposed Nonstandard Special Provisions (NSSP's) (MS Word)
- Deliverables 3B: Technical Reports, inclusive of:
 - Draft Drainage Report (PDF)
 - Draft Storm Water Data Report (PDF)
 - Draft Hazardous Materials Investigation (PDF)

- Draft Foundation Report (PDF)
- Stage Construction / Detour Operations Memorandum (PDF)
- Draft Transportation Management Plan (PDF)
- Draft Lane Closure Report (PDF)
- Draft Pavement Design and Materials Report (PDF)
- Draft Geotechnical Design Report (PDF)
- Life Cycle Cost Analysis (PDF)

TASK 4. PREPARE AND OBTAIN ENVIRONMENTAL PERMITS AND PERFORM ENVIRONMENTAL REVALIDATION

Task 4.1. Environmental Revalidation

CONSULTANT will use the provided final project design information and description of construction phasing and schedule to re-evaluate and re-validate both the NEPA and CEQA impact conclusions and findings.

CEQA – CONSULTANT will assist the City with review of the EIR to determine whether the final project design is adequately addressed by it and whether construction of an interim-year project phase can be found consistent with it so that none of the conditions in CEQA Guidelines Sections 15162, 15163 or 15164 apply to the project, eliminating the need for additional CEQA documentation. After the CEQA review is complete, ICF will provide conclusions, supported by substantial evidence, for the City's files.

NEPA – CONSULTANT will review NEPA findings to confirm that the conclusions in the EA are still valid and apply to the final project design. ICF will prepare summary memoranda, as described below, that document re-evaluation efforts and re-validation of each NEPA resource topic and federal authorization already received.

Air Quality – CONSULTANT will prepare a brief memorandum documenting that the original EIR/EA conclusions relating to construction and operational emissions impacts are still valid. The reevaluation will include review of the air quality study, traffic data, and current plans for construction phasing. The scope assumes no design changes have occurred since the previous environmental analysis and that the relative magnitude of operational emissions between the build and no build alternatives is the same as evaluated in the EIR/EA. The scope also assumes that the air quality conformity determination for the original EIR/EA is still valid and does not need to be updated for NEPA re-validation.

Noise – CONSULTANT will prepare a brief technical memorandum to validate the original noise analysis conclusions in the EIR/EA relating to construction and operational impacts and evaluated mitigation. The validation will include a review of the project noise study report, land use surrounding the project, and traffic volumes on project roads, using the traffic data provided. This approach assumes that any changes to the project design would not affect the conclusions of the original noise analysis. This scope does not include noise monitoring and assumes previous noise monitoring conducted for the project is sufficient for the purpose of traffic noise model validation in the original analysis.

Cultural Resources – CONSULTANT will confirm that the Area of Potential Effects (APE) encompasses the provided current limits of permanent and temporary ground disturbance. The archaeologist will review the EIR/EA and HPSR conclusions to confirm that the current project design is consistent with the original cultural resource findings. ICF will prepare a brief memorandum documenting the review and confirming the validity of the No Historic Properties Affected finding. Based on the original analysis, this scope assumes there are no built resources in the APE 45 years old or older that now require consideration or evaluation. Consultation with SHPO and Native American Tribes under Section 106 is presumed complete. If additional efforts such as a records search update, field survey, or resource evaluations are required by Caltrans to validate the cultural resource conclusions, this scope can be amended. The memorandum will reference the previous consultation efforts and will be provided for purposes of Section 106 and NEPA re-validation.

Biological Resources – CONSULTANT will obtain and review updated versions of California Natural Diversity Database species lists for special-status species that have been recorded in the project vicinity, the California Native Plant Society species list for special-status plants in the project vicinity, and USFWS species list for the project area. The previous environmental documentation prepared for the project will also be reviewed. The botanist and wildlife biologist will conduct a reconnaissance site visit to review the current conditions in the project area, confirm land cover mapping (no new map), assess habitat for special-status plants and wildlife from updated species lists that were not previously addressed, and assess any changes in potential impacts from the project. An accounting of the number and location of elderberry shrubs (but not stem counts) will be made during the field survey. Photographs of current conditions will be taken, including culverts and other aquatic resources.

In support of state and federal permit applications (see below) and to verify that no new compensatory mitigation would be required, the aquatic resource delineation data, including data collected more recently than what is shown in the EIR/EA, will be reviewed during a site visit. The previously approved Jurisdictional Determination for aquatic resources is expired. The boundary of each aquatic feature in the biological study area will be compared to current visible boundaries, and any new or altered aquatic resource boundaries will be mapped in the field. Up to 10 new delineation sampling points (excavated soil pits) will be taken if needed to revise the established aquatic feature boundaries. ICF will notify USA North 811: DigAlert prior to the field survey. A map and letter report with the current findings will be prepared for the Permit Applications, described below.

A brief memorandum describing the results of the updated species lists and the methods and results of the reconnaissance survey will be prepared. The memorandum also will compare the previous impact limits and results in the EIR/EA to the current design. The biologists also will evaluate and document that the conclusions in the previous USFWS consultation are still valid.

Community Impacts, Section 4(f), Growth, Aesthetics, Hydrology and Floodplain, Water Quality and Storm Water Runoff, Traffic – For NEPA topics not addressed in the individual memoranda above, CONSULTANT will prepare a memorandum that will briefly describe the history of the project, summarize the current conditions and project design and describe why there are no substantial changes to the earlier analyses.

Re-validation Form – CONSULTANT will complete the latest version of the Re-validation Form to provide the NEPA conclusion and prepare the form for Caltrans to finalize and sign.

Task 4.2. Prepare 401/404/1600/US Bureau of Reclamation Permits

CONSULTANT will review the provided project description for Rancho Cordova Parkway and, if necessary, assist with the development of new or updated written descriptions based on information provided by the project engineers specific to each project action needing authorization by regulatory agencies. Once the technical project activity descriptions, disturbance boundaries, staging/laydown areas, and construction methods are complete and approved for use in applications, ICF will use them to determine the extent of impacts to jurisdictional resources and use GIS to create the impact maps needed for each permitting task described below.

Aquatic Resources Delineation Map and Letter Report – The boundaries of all potential aquatic resources will be mapped and documented according to the Sacramento District’s 2016 Minimum Standards for Acceptance of Aquatic Resources Delineation Reports and Updated Map and Drawing Standards for the South Pacific Division Regulatory Program (February 2016). A cover letter including the methods and results of the updated mapping will be prepared for submittal to the U.S. Army Corps of Engineers along with the digital data for the site, aquatic resource boundaries, any new data point locations in a geographic information system format, and a completed and current Aquatic Resources Excel spreadsheet. CONSULTANT will submit the updated delineation to the USACE and request a preliminary Jurisdictional Determination concurrent with the request for CWA 404 authorization.

Clean Water Act Section 404 Permit – CONSULTANT will prepare and submit a pre-construction notification (PCN) demonstrating compliance with the 2021 NWP 14 (Linear Transportation Projects) conditions including Water Quality Certification (WQC), the federal Endangered Species Act (ESA), and Section 106 of the National Historic Preservation Act (NHPA). The original outcome of ESA and NHPA consultations overseen by Caltrans will provide ESA and NHPA compliance.

Clean Water Act Section 401 Water Quality Certification – CWA Section 401 prohibits Federal permitting or licensing agencies from issuing authorizations for construction activities having discharges into waters of the U.S., until the appropriate water quality certifying agency has issued a WQC or waiver procedures have been satisfied. CONSULTANT will prepare and submit a current Application for Water Quality Certification and/or Waste Discharge Requirements Package to the RWQCB. An application fee provided by the City, copies of the PCN submitted to the Corps, and the notification to CDFW will be included.

Streambed Alteration Agreement Notification – CONSULTANT will complete an online streambed alteration notification describing the project features within the onsite drainages, including construction period; construction methods; impacts to vegetation, fish, and wildlife; and the proposed mitigation and monitoring plans; and upload the supporting documents into CDFW’s Environmental Permit Information Management System (EPIMS) permitting portal. The City will need to register for an EPIMS account and allow ICF to fill out information and upload documents into EPIMS on behalf of the City. The City will also be required to pay the notification fee to CDFW.

U.S. Bureau of Reclamation Easement – CONSULTANT will prepare the application for easement from the U.S. Bureau of Reclamation (Reclamation).

Task 4.3. CPUC Formal Application

The California Public Utilities Commission is charged with the public safety of railroad – highway crossings. The grade separation will require the City to submit a formal application to the CPUC, which will ultimately result in a decision by the Commission that the crossing is acceptable. During the development of the design, the project team will meet on site in a diagnostic meeting with the CPUC, JPA, SacRT, UPRR, and other stakeholders to identify key issues to be addressed by the project design. The application will be submitted accompanied by a scoping memo which will indicate the category of the application, discuss whether hearings are expected to be necessary and describe the issues that the CPUC needs to consider in approving the crossing. The application will describe the grade separation and present reasons why it is necessary. It will have three Exhibits. Exhibit A will be a vicinity map of the grade separation. Exhibit B will contain a drawing of the grade separation showing the plan, a profile of the street and a profile of the tracks. Exhibit C will be a legal description of the crossing.

TASK 4 DELIVERABLES

- Deliverable 4A: Environmental (NEPA) Revalidation
 - Environmental Technical Memoranda Under Task 4.1
- Deliverable 4B: Permit Applications and Permits, inclusive of:
 - Aquatic Resource Delineation Update Report, including geodata, data sheets, maps, and reporting spreadsheet
 - Clean Water Act Section 404 U.S. Army Corps of Engineers Individual Permit Application Package
 - Clean Water Act Section 401 Water Quality Certification Package, for San Francisco RWQCB
 - California Fish and Game Code Section 1600 Lake or Streambed Alteration Notification Application Package, for California Department of Fish and Wildlife
 - US Bureau of Reclamation Encroachment Permit.
- Deliverable 4C: CPUC Formal Application

TASK 5. RIGHT OF WAY ENGINEERING, UTILITY AGREEMENTS

This scope assumes right of way engineering, and utility coordination will be performed by CONSULTANT. Right of way appraisals and acquisitions are not included in this scope of work.

Task 5.1. Right of Way Engineering

Right of Way Engineering services are anticipated to be needed for easements and temporary construction permits (TCEs). Consultant shall prepare plat maps and legal descriptions for these acquisitions and TCEs. The Consultant shall develop required documentation to purchase these permanent and/or temporary rights and facility appraisal and acquisition process in conformance with all applicable standards. It is assumed the extension through Aerojet will be dedicated to the City via an IOD prepared by the developer.

- Appraisal Maps: 7 Sheets at 50 scale to Caltrans Standards
- Acquisition 10 Plats & descriptions for temporary and permanent acquisitions from 5 owners to the City.

- JUA / CCUA: create 6 plats & descriptions to facilitate JUA / CCUA
- Transfer to State: Create 2 descriptions to facilitate transfer from City to State
- Record Map: 7 sheets at 50 scale documenting acquisitions
- Record of Survey: Create 10 sheet post-construction Record of survey, set up to 24 monuments, documenting final configuration and preserving monuments. It is assumed the extension will be monumented on the Final Map prepared by the developer and will not be shown on the post construction ROS.

Task 5.2. Utility Certification and Coordination

Task 5.2.1. Prepare Utility Conflict Maps / Reports of Investigations

CONSULTANT will provide final utility coordination for the project. Utility coordination services will be conducted in general conformance with Caltrans Local Assistance and Utility Relocation Manuals, and applicable local agencies and utility owners' requirements.

Conflict Mapping – Using the 65% plan package, CONSULTANT will prepare conflict mapping (“B” plans) and “B” Letters. The conflict mapping will be sent to each utility showing their facilities and anticipated conflicts. CONSULTANT will draft signature-ready utility notification letters to utility companies.

Reports of Investigation – Based on the approved relocation plan from each owner and the agreed liability split, CONSULTANT will prepare Report of Investigations as required by the Caltrans Right of Way Manual.

Task 5.2.2. Relocation Plan Coordination / Liability Determinations

It is the burden of the utility owner to provide claims for relocation costs. To facilitate the determination of costs, CONSULTANT will work closely with the affected utility owners to develop relocation plans that will clear the project. Based on the existing rights of installation of each owner (easement, lease, permit, prior right), CONSULTANT will prepare our recommendations for liability split. In the event of disagreement on the liability split with the owner, these recommendations will be used for discussion with the Owner and Caltrans. This scope assumes approximately eight (8) meetings with each affected owner as listed on the ROW data sheet in the project report.

Task 5.2.3. Prepare Utility Agreements and Notices to Owner

CONSULTANT will work with the City and Caltrans to finalize all utility agreements and certifications. This will include preparing Utility “B” and “C” letters along with Notice to Owners, Reports of Investigations, and Utility Agreements to satisfy Caltrans requirements. Once completed, Utility Certification packages will be sent to the City and Caltrans for approval and included in the Right of Way Certification package.

When the relocation plans are received, CONSULTANT will check the relocation design against the latest project plans for conflicts. CONSULTANT will then send a copy of the Final Plans (“C” Plans) along with a Notice to Owner (NTO) directing the utility company to initiate relocation construction. It is assumed that these designs will be provided by the private utility company.

TASK 5 DELIVERABLES

- Deliverable 5A: Right of Way Engineering Maps and Supporting Documentation, inclusive of:
 - Right of Entry Letters (PDF)
 - Boundary Resolution (Land Net) (ACAD Civil 3D)
 - Draft and Final Appraisal Maps (PDF)
 - Legal Descriptions (PDF)
- Deliverable 5B: Utility Agreements, inclusive of:
 - Utility “A” Letters (PDF)
 - Conflict Maps / Utility “B” Letter (PDF)
 - Report of Investigation Maps / Liability Split Estimates (PDF)
 - Reports of Investigation (PDF)
 - Utility Agreements (PDF and MS Word)
 - Notice to Owners (PDF)

TASK 6. PREPARE 95% PS&E FOR REVIEW**Task 6.1. 95% Roadway PS&E**

Under this task, CONSULTANT will review comments on the 65% Roadway PS&E from the City and Caltrans and incorporate the comments into the 95% PS&E submittal. Consultant will also prepare any Non-Standard Special Provisions (nSSP) during this stage as well, for review by Caltrans and the City. Quality Control reviews will be performed.

Task 6.2. 95% Signal and Lighting PS&E

CONSULTANT will respond to the comments on 65% submittal and incorporate the resolved comments into 95% PS&E.

Task 6.3. 95% Planting and Irrigation PS&E

Based on comments received from the 65% PS&E documents, the planting and irrigation subconsultant will refine the 65% PS&E documents and further develop the plans and details in preparing 95% PS&E landscape and irrigation drawings, specifications and estimate of probable costs. The planting and irrigation subconsultant will review and respond to landscape and irrigation comments received in the provided comment response matrix. Assumes no significant change and/or redirection in the design concept.

The planting and irrigation subconsultant will review pedestrian and artistic lighting plans and specifications by others and provide comment. Budget assumes no significant change and/or redirection in the design.

Task 6.4. 95% Structures PS&E

CONSULTANT and the pump station design subconsultant will incorporate Caltrans' comments from the 65% submittal and provide comment responses for the 95% submittal. After the independent design check has been

completed, the structure plans will be updated. Structure specifications and structure cost estimates will be prepared according to the latest Caltrans standard special provisions and BEES estimate format. 95% plans, specifications, estimates, calculations, and responses to comments will be submitted to Caltrans for review and approval.

Task 6.5. Constructability Review

CONSULTANT will perform an internal constructability review satisfying Caltrans requirements. The review will be performed by construction management staff who are independent of the project design team. Constructability Review comments provided by Caltrans will also be addressed. Comments will be documented and resolved as part of the 100% submittal.

Task 6.6. Traffic Safety Review

CONSULTANT will coordinate with Caltrans Traffic Safety to conduct a traffic safety review. Based on comments from Caltrans, CONSULTANT will address and resolve the comments as part of the 100% submittal.

Task 6.7. Structure Independent Check

The structure independent check subconsultant will perform an independent design check of each structure in conformance with Caltrans bridge design procedures. The independent check will be completed by a registered engineer who was not involved in the original design of the structure. Calculations and computer analyses will be performed to check the bridge layout, structural integrity, and design details. Upon completion of the design check, discrepancies between the designer and checker will be reconciled and plans updated for preparation of final quantities, estimate and specifications.

Task 6.8. Final Drainage Report

Based on comments received on the draft drainage report, CONSULTANT will update and finalize the report. Comments will be addressed and documented in a matrix.

Task 6.9. Final SWDR

Based on comments received on the draft SWDR, CONSULTANT will update and finalize the report. Comments will be addressed and documented in a matrix.

Task 6.10. Storm Water Information Handout

CONSULTANT will prepare a Storm Water Information Handout to meet the following objectives: to summarize the water quality information of the project; to summarize the updated requirements per the current Construction General Permit (CGP); to provide general guidelines for contractors to bid on the project; to aid in developing the Storm Water Pollution Prevention Plan; and to highlight information necessary to register with the State Water Resources Control Board via the Stormwater Multi Application Reporting and Tracking System (SMARTS) and file the Notice of Intent at the start of construction.

Task 6.11. Final Foundation Reports

Based on comments received on the draft FRs, the geotechnical subconsultant will update and finalize the reports. Comments will be addressed and documented in a matrix. The geotechnical subconsultant will prepare approximately ten draft FRs. The draft FRs will include detailed design recommendations for the selected foundation types. Ten final FRs will be prepared, addressing agency comment to the Draft FRs.

Task 6.12. Freeway Agreement Support

The interchange will require amendments to the existing freeway agreements. CONSULTANT will support the effort to amend the agreements by providing supporting exhibits showing the new ramp, revised ramp locations, and post-mile limits for the amendment.

Task 6.13. Maintenance Agreement Support

The project will require amendments to the existing freeway maintenance agreements. CONSULTANT will support the effort to amend the agreements by providing supporting exhibits showing the maintenance responsibilities of the local agencies.

TASK 6 DELIVERABLES

- Deliverable 6A: 95% PS&E and Final Technical Reports and Other Supporting Documentation, inclusive of:
 - 95% Plans (PDF and 11x17 hard copies as requested by Caltrans)
 - 95% Engineer's Estimate in BEES Format (PDF and MS Excel)
 - 95% Standard Special Provisions (MS Word)
 - NSSPs for review and approval by Caltrans
 - Structure Independent Check Calculations (PDF)
 - Constructability Review and Response to Comment Matrix (PDF)
 - Traffic Safety Review and Response to Comment Matrix (PDF)
 - Office Engineer Review Response to Comment Matrix and Red-Lines (PDF)
 -
 - Quality Control Certification of First Submittal to DOE
 - 95% PS&E Submittal to DOE Checklist (After District Circulation)
 - Construction Contract Submittal Memorandum (Draft)
 - Draft Freeway Agreement Amendment Exhibit
 - Draft Freeway Maintenance Agreement Amendment Exhibit
 - Storm Water Information Handout
 - Final Storm Water Data Report

TASK 7. PREPARE 100% PS&E

Task 7.1. 100% Roadway PS&E

Under this task, CONSULTANT will review comments on the 95% Roadway PS&E from the City and Caltrans and incorporate the comments into the 100% PS&E submittal. Quality Control reviews will be performed.

Task 7.2. 100% Signal and Lighting PS&E

The electrical subconsultant will respond to the comments on 95% submittal and incorporate the resolved comments into 100% PS&E.

Task 7.3. 100% Planting and Irrigation PS&E

Based on comments received from the 95% PS&E documents, the planting and irrigation subconsultant will refine the 95% PS&E documents and further develop the plans and details in preparing 100% PS&E landscape and irrigation drawings, specifications, and estimate of probable costs. The planting and irrigation subconsultant will review and respond to landscape and irrigation comments received in the provided comment response matrix. Assumes no significant change and/or redirection in the design.

The planting and irrigation subconsultant will review pedestrian and artistic lighting plans and specifications by others and provide comment.

Task 7.4. 100% Structures PS&E

Comments from the 95% PS&E package will be addressed and incorporated into the 100% PS&E package. Responses to comments will be prepared and all plan revisions will be made. Updates to the specifications and estimate will be completed. Revised documents will be submitted to Caltrans for review.

Task 7.5. Caltrans OE Review

Following the approval of the 100% plans by Caltrans, the PS&E package will undergo two Office Engineer reviews. This task includes documenting comments and responses, updating plans, and preparing clean red-line drawings showing changes in-between submittals.

TASK 7 DELIVERABLES

- Deliverable 6A: 100% PS&E and Final Technical Reports and Other Supporting Documentation, inclusive of:
 - 100% Plans (PDF and 11x17 hard copies as requested by Caltrans)
 - 100% Engineer's Estimate in BEES Format (PDF and MS Excel)
 - 100% Standard Special Provisions (MS Word)
 - Quality Control Certification of First Submittal to DOE
 - 100% PS&E Submittal to DOE Checklist (After District Circulation)
 - NSSPs for review and approval by Caltrans

TASK 8. FINAL PS&E

Task 8.1. Final PS&E

Task 8.1.1. Final Roadway PS&E

Under this task, CONSULTANT will review comments on the 100% Roadway PS&E from the City and Caltrans and incorporate the comments into the Final PS&E submittal. Quality Control reviews will be performed.

Task 8.1.2. Final Signal and Lighting PS&E

CONSULTANT will respond to the comments on 100% submittal and incorporate the resolved comments into final PS&E.

Task 8.1.3. Final Planting and Irrigation PS&E

Based on comments received from the 100% PS&E documents, CONSULTANT will prepare final landscape drawings, specifications, and estimate of probable costs and will prepare final irrigation drawings, specifications, and estimate of probable costs. The planting and irrigation subconsultant will review and respond to one set of consolidated and non-conflicting actionable landscape and irrigation comments received in the provided comment response matrix. Assumes no significant change and/or redirection in the design concepts.

CONSULTANT will review pedestrian and artistic lighting plans and specifications by others and provide comment.

Task 8.1.4. Final Structures PS&E

Any outstanding comments will be addressed. Plans, specifications, and cost estimates will be finalized. Any outstanding items will be submitted to Caltrans for PS&E approval. The final PS&E documents will be submitted to Caltrans for incorporation into the Office Engineer process for project advertisement.

Task 8.2. Right of Way Certification

Task 8.2.1. Hazardous Materials Disclosure Document

Based on the site investigations prepared in Task 5, CONSULTANT will prepare the Hazardous Materials Disclosure Document (HMDD) for attachment to the right of way certification.

Task 8.2.2. Right of Way Certification Support

CONSULTANT will support the right of way consultant on the right of way certification, including the following activities:

- Coordinate with Project team members for preparation of the Right of Way Certification.
- Provide Draft Right of Way Certification for approval by the City, in accordance with the Caltrans Right of Way Manual.
- Coordinate processing of the Right of Way Certification with Caltrans.

Task 8.3. Final PS&E Supporting Documentation

Task 8.3.1. Cost Estimate Certification

CONSULTANT will prepare the Cost Estimate Certification as required by the Caltrans RTL Guide. This scope assumes two (2) rounds of Caltrans review.

Task 8.3.2. Supplemental Work / State Furnished Materials Justification

CONSULTANT will prepare memoranda justifying the Supplemental Work and State Furnished Materials costs for the project. This scope assumes two (2) rounds of Caltrans review.

Task 8.3.3. Ready to List Package

CONSULTANT will prepare the Ready to List Certification Form and compile the required documents.

Task 8.3.4. Risk Register

The risk register will be updated and included in the RTL package.

Task 8.3.5. PIF's / Proprietary Projects

CONSULTANT will prepare a Public Interest Finding, if needed. The PIF will be included in the RTL package.

Task 8.3.6. Cal OSHA Tunnel Classification (Gassy / Non-Gassy)

CONSULTANT will submit plans to Cal OSHA to obtain the tunneling classification for the project. The determination will be included with the RTL package.

Task 8.3.7. RE Pending File

CONSULTANT will prepare and compile the required information for the RE pending file. The RE file will include project correspondence and memorandums that are important for the Resident Engineer to know approximately decisions, etc. that CONSULTANT were made during project development.

Task 8.3.8. Survey File

The Surveyor's file will include pertinent information needed to establish project control. Caltrans Project Development Manual, latest edition will be used as a guideline. Construction Staking Notes are not included within this task.

Task 8.3.9. Slope Stake Notes

The Surveyor's file will include slope stake notes for the proposed interchange improvements and will comply with the Caltrans Construction Manual.

TASK 8 DELIVERABLES

- Deliverable 8A: Final PS&E and Supporting Documentation, inclusive of:
 - Final Plans (PDF and 11x17 hard copies as requested by Caltrans)
 - Final Engineer's Estimate (PDF and MS Excel)

- Final Technical Specifications (MS Word)
- Deliverable 8B: Right of Way Certification
 - Hazardous Materials Disclosure Document
 - Project status report spreadsheets.
 - Draft Right of Way Certification.
- Deliverable 8C: RTL Certification, inclusive of:
 - RTL Certification Form
 - Cost Estimate Certification (CEC) Form
 - Supplemental Work – Justification to Exceed 5% Non-excluded
 - Supplemental Work – Need & Justification Memorandum
 - State Furnished Materials Memorandum
 - Proprietary Product (Brand or Trade Name) – Approval to Use
 - Proprietary & Sole Source Item – PIF for Each
 - Cal Osha Tunneling Classification
 - RE Pending File
 - Survey File and Slope Stake Notes
 - Quality Control Certification of First Submittal to DOE
 - NSSP Approvals
 - 100% PS&E Submittal to DOE Checklist (After District Circulation)
 - Construction Contract Submittal Memorandum
 - Project Delivery Asset Form
 - Time Related Overhead (TRO) Bid Item – Approval to Exclude from a Qualify Project
 - Maintaining Existing TMS Elements During Construction
 - Crumb Rubber Usage Reporting Form
 - Damage Clause Recommendation for Late Lane Closure Pick-Up
 - Contingencies – Justification to Differ from 5%
 - Survey File Delivery Form – Final Verification
 - Funding Package
 - Cross Sections
 - Site Investigation Report

TASK 9. STAKEHOLDER COORDINATION

Task 9.1. Stakeholder Coordination / Public Workshops

The outreach subconsultant will lead the outreach effort for the PS&E phase. During PS&E, the outreach efforts are envisioned to be more focused and occur primarily at the “back-end” of the project to inform key stakeholders and communities of any changes in the project design, receive input approximately the project, and prepare for the construction phase. Activities envisioned include the following:

Stakeholder Database and On-Going Communications

AIM will develop and maintain a stakeholder database throughout the project’s duration. This database will include

stakeholder names, contact information as well as the preferred method of contact, and potential key concerns and/or areas of project interest. AIM will work with the City to further identify key stakeholders.

AIM will document and respond to all electronic inquiries received through email, social media channels, and text.

Project Webpage Content

AIM will design and develop a project webpage, to be hosted on the City of Rancho Cordova's official website. AIM will prepare accurate and timely updates to inform users of important project information and events throughout the project. The webpage content will include project information, schedules, upcoming meetings, renderings, and/or design images.

Direct Mailer Notification (2)

AIM will prepare and mail project information flyers to properties and tenants in the vicinity of the project at least two times during the project development, to update the constituents of the project. The mailer will include but is not limited to project description, mitigation measures, aesthetics, access issues, schedule, the anticipated date for public meetings, and schedule. AIM will mail the postcard to residents and property owners in the vicinity identified by the City.

Public Information Meetings: key stakeholder meeting and community-wide workshops (Up to 8)

AIM will coordinate and facilitate eight in-person or hybrid public outreach meetings (6 of those meetings will be for key stakeholders including nearby residents and businesses and 2 community-wide workshops). Key stakeholders will be contacted early in the project development to share project information and to understand and collaborate on possible concerns and opportunities to improve design to fit within the context of the community. Once the project team has worked with the key stakeholders, then the project team will host a community-wide workshop to introduce the project and explore existing conditions (travel patterns, areas of concerns and opportunities for improving conditions for all modes of travel.). Further key stakeholder meetings will be held during the project development to assure communication throughout the design development. A second community-wide workshop will be held after design concepts have been developed.

Key areas to address during the public meetings:

- Provide a project design update and any associated impacts
- Provide an update on the construction phase
- Consideration of alternative bridge railings
- Consideration of aesthetic features

Notifications Community Workshops (2): AIM will coordinate with the City of Rancho Cordova and the project team to ensure that each workshop is well advertised. In addition, AIM will work with the City's existing communication channels to disseminate project information and ensure that the community is informed throughout the project's duration. AIM will provide content to the City for posting to the project webpage, calendar, and social media channels.

City Council Presentations (2): Consultant will prepare and attend two (2) City Council meetings to present the project status and collect feedback from the Council.

TASK 9 DELIVERABLES

- Deliverable 9A: Stakeholder Outreach Summary
- Deliverable 9B: Project Webpage

- Deliverable 9C: Direct Mailers
- Deliverable 9D: Public Meeting Content (agendas, visuals, notifications, and minutes)

TASK 10. FUNDING SUPPORT

Task 10.1. Funding Strategy Support

CONSULTANT will support the City in preparing a comprehensive funding strategy for the project, including coordination with regional, state, and federal funding partners. CONSULTANT will also prepare four (4) separate funding applications for the project, including preparing exhibits, writing grant application, developing benefit/cost models, etc.

TASK 10 DELIVERABLES

- Deliverable 10A: Funding Support (Preparation of 4 funding applications and supporting documents)

TASK 11. SUPPORT DURING BIDDING AND AWARD

Task 11.1. Bidding Assistance

The CONSULTANT team will assist the City during the bidding process; this scope assumes that the City will advertise, award, and administer the construction contract. The work may include, but not limited to, answering bid inquiries from prospective bidders, attending pre-bid meetings, and preparing addenda to the PS&E documents during the advertisement period.

TASK 11 DELIVERABLES

- Deliverable 10A: Bid and Award Support

. EXHIBIT B
COMPENSATION SCHEDULE

MARK THOMAS																								Subconsultants							TOTAL COST		
		Principal \$438	Sr. Engineering Manager \$368	Engineering Manager \$312	Sr. Project Manager \$270	Technical Lead \$242	Sr. Project Engineer \$200	Project Engineer \$173	Design Engineer II \$147	Design Engineer I \$121	Sr. Technician \$147	Technician \$105	Survey Manager \$215	Sr. Project Surveyor \$200	Sr. Surveyor \$160	Survey Technician \$120	2 Person Field Crew \$295	LAUD Project Manager \$216	Landscape Architect \$162	Landscape Designer I \$103	Sr. Project Accountant \$165	Sr. Project Coordinator \$154	Total Hours	Total MT Cost	AIM Consulting	Crawford & Associates	Fehr & Peers	ICF	Towill	TyLin		MBK Engineers	
1.0 PROJECT MANAGEMENT & COORDINATION																																	
1.1 Project Management		240			160																		400	\$148,320	-	-	-	13,640	-	-	-	\$161,960	
1.2 Meetings		100			100	100		100										40			50	100	590	\$144,590	-	-	-	-	-	-	-	\$144,590	
1.3 Progress Reports and CPM Schedule		160																					160	\$70,080	-	-	-	-	-	-	-	\$70,080	
1.4 QA/QC		40		300	200	200																	740	\$213,520	-	-	-	-	-	-	-	\$213,520	
Subtotal Phase 1		540	0	300	460	300	0	100	0	0	0	0	0	0	0	0	0	40	0	0	50	100	1890	\$576,510	\$0	\$0	\$0	\$13,640	\$0	\$0	\$0	\$590,150	
2.0 PRELIMINARY ENGINEERING & TECHNICAL REPORTS																																	
2.1 Base Mapping																							0	\$0	-	-	-	-	-	-	-	\$0	
2.1.1 Supplemental Topographic Surveys					4	20		40		160		40	80		160	240						16	760	\$149,264	-	-	-	-	40,640	-	-	-	\$189,904
2.1.2 Existing Highway Right of Way Delineation (Land Net)												40	160	140	140	90						16	586	\$108,814	-	-	-	-	-	-	-	\$108,814	
2.1.3 Utility Base Mapping						8		20		160													188	\$24,756	-	-	-	-	-	-	-	\$24,756	
2.2 Geometric Refinement																							0	\$0	-	-	-	-	-	-	-	\$0	
2.2.1 Revised Geometric Drawings		20		8	80	160	80	160	200	360													1068	\$188,216	-	-	-	-	-	-	-	\$188,216	
2.2.2 Supplemental Design Standard Decision Document																																	
2.2.2 Document		16		4	40	80	60	160		160													520	\$97,456	-	-	-	-	-	-	-	\$97,456	
2.2.3 Phasing Analysis		20		4	20	80	40	120	120														404	\$81,168	-	-	55,433	-	-	-	-	\$136,601	
2.3 Technical Reports																							0	\$0	-	-	-	-	-	-	-	\$0	
2.3.1 Structure Type Selection Report			80		120	200			120		400												920	\$186,680	-	-	-	-	-	-	-	\$186,680	
2.3.2 Develop Aesthetic Guidelines		4			8												80	160	200				452	\$67,712	-	-	-	-	-	200,000	-	\$267,712	
2.3.3 Supplemental Traffic Operations Analysis Report		8			16	16																	40	\$11,696	-	-	-	-	-	-	-	\$11,696	
2.3.4 Supplemental Project Report		16			40	80	40	120		160													456	\$85,288	-	-	-	-	-	-	-	\$85,288	
2.3.5 Bridge Design Hydraulic Study / Location Hydraulic Study						40																	40	\$9,680	-	-	-	-	-	-	45,200	\$54,880	
2.3.6 Preliminary Foundation Reports					8	40																	48	\$11,840	-	15,612	-	-	-	-	-	\$27,452	
Subtotal Phase 2		84	80	16	336	724	220	620	440	1000	400	0	80	240	140	300	330	80	160	200	0	32	5482	\$1,022,570	\$0	\$15,612	\$55,433	\$0	\$40,640	\$200,000	\$45,200	\$1,379,455	
3.0 PREPARE 65% PS&E FOR CALTRANS REVIEW																																	
3.1 65% Roadway PS&E		40		40	240	400	700	1000	1200	1200		800											5620	\$910,200	-	-	-	-	-	-	-	\$910,200	
3.2 65% Signal & Lighting PS&E		4			8	100		160	300		300												872	\$131,392	-	-	-	-	-	-	-	\$131,392	
3.3 65% Planting & Irrigation PS&E		4			8													160	320	320			812	\$123,272	-	-	-	-	-	-	-	\$123,272	
3.4 65% Structure PS&E			120		300	1400	600		800		1800												5020	\$966,160	-	-	-	-	-	-	-	\$966,160	
3.5 Life Cycle Cost Analysis					4	8		40		40													92	\$14,776	-	-	-	-	-	-	-	\$14,776	
3.6 Stage Construction Traffic / Detour Operations Memorandum		4				16	40		80														140	\$25,384	-	-	-	-	-	-	-	\$25,384	
3.7 Lane Closure Report		2			4	24																	30	\$7,764	-	-	-	-	-	-	-	\$7,764	
3.8 Traffic Management Plan					4	8	40																52	\$11,016	-	-	-	-	-	-	-	\$11,016	
3.9 Draft Storm Water Data Report (PS&E Phase)		4		4	8	24	40	80		100									80				340	\$57,868	-	-	-	-	-	-	-	\$57,868	
3.10 Draft Drainage Report		8			24	80	160	240	360	360													1232	\$199,344	-	-	-	-	-	-	-	\$199,344	
3.11 Draft/Final Geotechnical Design Report					16	60																	76	\$18,840	-	328,644	-	-	-	-	-	\$347,484	
3.12 Hazardous Materials Evaluation					2	4																	6	\$1,508	-	38,273	-	-	-	-	-	-	\$39,781
Subtotal Phase 3		66	120	44	618	2124	1580	1520	2740	1700	1800	1100	0	0	0	0	0	160	400	320	0	0	14292	\$2,467,524	\$0	\$366,917	\$0	\$0	\$0	\$0	\$0	\$2,834,441	
4.0 PREPARE & OBTAIN ENVIRONMENTAL PERMITS & PERFORM ENVIRONMENTAL REVALIDATION																																	
4.1 Environmental Revalidation		8			4	16																	28	\$8,456	-	-	-	36,730	-	-	-	\$45,186	
4.2 Prepare 401/404/1600/US Bureau of Reclamation Permits		4			16	40		80															140	\$29,592	-	-	-	45,505	-	-	41,760	\$116,857	
4.3 CPUC Form Application		4	40		8	16		40	24		24												156	\$35,472	-	-	-	-	-	-	-	\$35,472	
Subtotal Phase 4		16	40	0	28	72	0	120	24	0	0	24	0	0	0	0	0	0	0	0	0	0	324	\$73,520	\$0	\$0	\$0	\$82,235	\$0	\$0	\$41,760	\$197,515	
5.0 RIGHT OF WAY ENGINEERING, UTILITY AGREEMENTS																																	
5.1 Right of Way Engineering												80	300	500	600	40						8	1528	\$242,232	-	-	-	-	-	-	-	\$242,232	
5.2 Utility Certification & Coordination																							0	\$0	-	-	-	-	-	-	-	\$0	
5.2.1 Prepare Utility Conflict Maps / Reports of Investigations					4	8		24	80		80												196	\$27,328	-	-	-	-	-	-	-	\$27,328	
5.2.2 Relocation Plan Coordination / Liability Determinations					16	24	80	80	160														360	\$63,488	-	-	-	-	-	-	-	\$63,488	
5.2.3 Prepare Utility Agreements and Notices to Owner					8	16	40	80	80														224	\$39,632	-	-	-	-	-	-	-	\$39,632	
Subtotal Phase 5		0	0	0	28	48	120	184	320	0	0	80	80	300	500	600	40	0	0	0	0	8	2308	\$372,680	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$372,680	

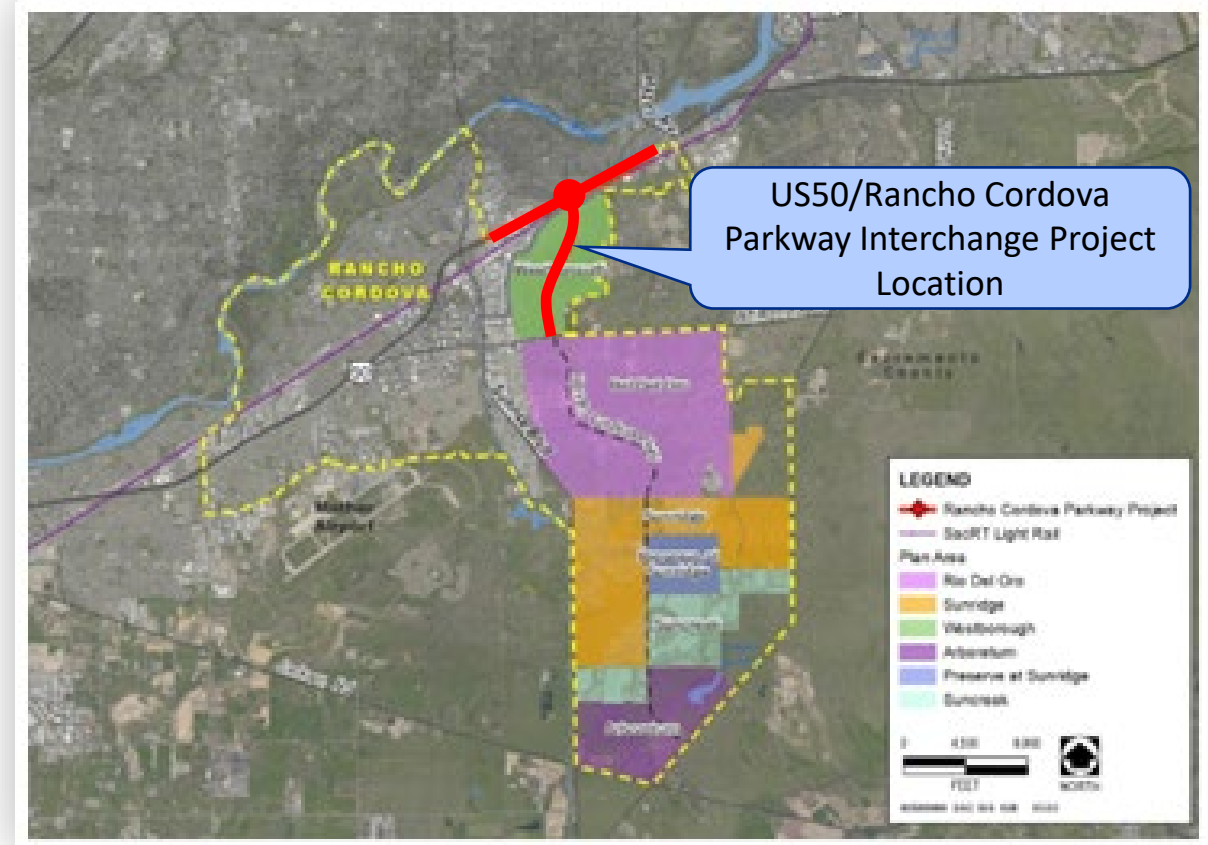
MARK THOMAS																								Subconsultants							TOTAL COST	
		Principal \$438	Sr. Engineering Manager \$368	Engineering Manager \$312	Sr. Project Manager \$270	Technical Lead \$242	Sr. Project Engineer \$200	Project Engineer \$173	Design Engineer II \$147	Design Engineer I \$121	Sr. Technician \$147	Technician \$105	Survey Manager \$215	Sr. Project Surveyor \$200	Sr. Surveyor \$160	Survey Technician \$120	2 Person Field Crew \$295	LAUD Project Manager \$216	Landscape Architect \$162	Landscape Designer I \$103	Sr. Project Accountant \$165	Sr. Project Coordinator \$154	Total Hours	Total MT Cost	AIM Consulting	Crawford & Associates	Fehr & Peers	ICF	Towill	TyLin		MBK Engineers
6.0 PREPARE 95% PS&E FOR REVIEW																																
6.1	95% Roadway PS&E	40		40	160	400	500	700	800	800		700											4140	\$679,000	-	-	-	-	-	-	-	\$679,000
6.2	95% Signal & Lighting PS&E	4			8	80		160	300		300												852	\$126,552	-	-	-	-	-	-	-	\$126,552
6.3	95% Planting & Irrigation PS&E	4			8												160	240	240				652	\$102,072	-	-	-	-	-	-	-	\$102,072
6.4	95% Structures PS&E		80		160	400	400		500	1000													2540	\$469,940	-	-	-	-	-	-	-	\$469,940
6.5	Constructability Review	4		40																			44	\$14,232	-	-	-	-	-	-	-	\$14,232
6.6	Traffic Safety Review	2			8	8																	18	\$4,972	-	-	-	-	-	-	-	\$4,972
6.7	Structure Independent Check					160																	160	\$38,720	-	-	-	-	-	300,000	-	\$338,720
6.8	Final Drainage Report	8			24	60	160	240	360	240													1092	\$179,984	-	-	-	-	-	-	-	\$179,984
6.9	Final SWDR	4			8	24	40	80		80													236	\$41,240	-	-	-	-	-	-	-	\$41,240
6.10	Storm Water Information Handout					4	16																20	\$4,168	-	-	-	-	-	-	-	\$4,168
6.11	Final Foundation Reports	2		8	20	80																	110	\$28,132	-	28,948	-	-	-	-	-	\$57,080
6.12	Freeway Agreement Support	2				4			20														26	\$4,784	-	-	-	-	-	-	-	\$4,784
6.13	Maintenance Agreement Support	2				4			20														26	\$4,784	-	-	-	-	-	-	-	\$4,784
Subtotal Phase 6		72	80	88	396	1224	1116	1180	2000	1120	1000	1000	0	0	0	0	0	160	240	240	0	0	9916	\$1,698,580	\$0	\$28,948	\$0	\$0	\$0	\$300,000	\$0	\$2,027,528
7.0 PREPARE 100% PS&E																																
7.1	100% Roadway PS&E	20		20	80	200	300	400	500	500		350											2370	\$384,950	-	-	-	-	-	-	-	\$384,950
7.2	100% Signal & Lighting PS&E	2			4	40		80	160		160												446	\$65,796	-	-	-	-	-	-	-	\$65,796
7.3	100% Planting & Irrigation PS&E	2			4												80	160	160				406	\$61,636	-	-	-	-	-	-	-	\$61,636
7.4	100% Structures PS&E		80		120	300	200		200	600													1500	\$292,040	-	-	-	-	-	-	-	\$292,040
7.5	Caltrans OE Review				8	40		80	80														208	\$37,440	-	-	-	-	-	-	-	\$37,440
Subtotal Phase 7		24	80	20	216	580	500	560	940	500	600	510	0	0	0	0	0	80	160	160	0	0	4930	\$841,862	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$841,862
8.0 FINAL PS&E																																
8.1	Final PS&E																						0	\$0	-	-	-	-	-	-	-	\$0
8.1.1	Final Roadway PS&E	4			20	80	80	160	160	160		160											824	\$129,872	-	-	-	-	-	-	-	\$129,872
8.1.2	Final Signal & Lighting PS&E				2	20		40	80		80												222	\$32,460	-	-	-	-	-	-	-	\$32,460
8.1.3	Final Planting & Irrigation PS&E				2	4											20	80	80				186	\$27,028	-	-	-	-	-	-	-	\$27,028
8.1.4	Final Structures PS&E		60		120	200	200		120	300													1000	\$204,620	-	-	-	-	-	-	-	\$204,620
8.2	Right of Way Certification																						0	\$0	-	-	-	-	-	-	-	\$0
8.2.1	Hazardous Materials Disclosure Document				2	4																	6	\$1,508	-	-	-	-	-	-	-	\$1,508
8.2.2	Right of Way Certification Support	2				4																	6	\$1,844	-	-	-	-	-	-	-	\$1,844
8.3	Final PS&E Supporting Documentation																						0	\$0	-	-	-	-	-	-	-	\$0
8.3.1	Cost Estimate Certification				4	8		40	40														92	\$15,816	-	-	-	-	-	-	-	\$15,816
8.3.2	Supplemental Work / State Furnished Materials Justification				2	4																	6	\$1,508	-	-	-	-	-	-	-	\$1,508
8.3.3	Ready to List Package	2			4	16		40															62	\$12,748	-	-	-	-	-	-	-	\$12,748
8.3.4	Risk Register	2				8																	10	\$2,812	-	-	-	-	-	-	-	\$2,812
8.3.5	PIF's / Proprietary Projects	2				4																	6	\$1,844	-	-	-	-	-	-	-	\$1,844
8.3.6	Cal OSHA Tunnel Classification (Gassy / Non-Gassy)					2																	2	\$484	-	-	-	-	-	-	-	\$484
8.3.7	RE Pending File				20	160	40	120															340	\$72,880	-	-	-	-	-	-	-	\$72,880
8.3.8	Survey File				2	24	40		160														226	\$37,868	-	-	-	-	-	-	-	\$37,868
8.3.9	Slope Stake Notes	2			4	40	40	80	160														326	\$56,996	-	-	-	-	-	-	-	\$56,996
Subtotal Phase 8		14	60	0	182	578	400	480	720	160	300	240	0	0	0	0	0	20	80	80	0	0	3314	\$600,288	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600,288
9.0 STAKEHOLDER COORDINATION/FUNDING SUPPORT																																
9.1	Stakeholder Coordination / Public Workshops	40			20														40				100	\$29,400	80,224	-	-	-	-	-	-	\$109,624
9.2	Funding Strategy Support				160				160														320	\$66,720	-	-	-	-	-	-	-	\$66,720
Subtotal Phase 9		40	0	0	180	0	0	0	160	0	0	0	0	0	0	0	0	0	40	0	0	0	420	\$96,120	\$80,224	\$0	\$0	\$0	\$0	\$0	\$0	\$176,344
10.0 SUPPORT DURING BIDDING & AWARD																	</															

US50/Rancho Cordova Parkway Interchange Project

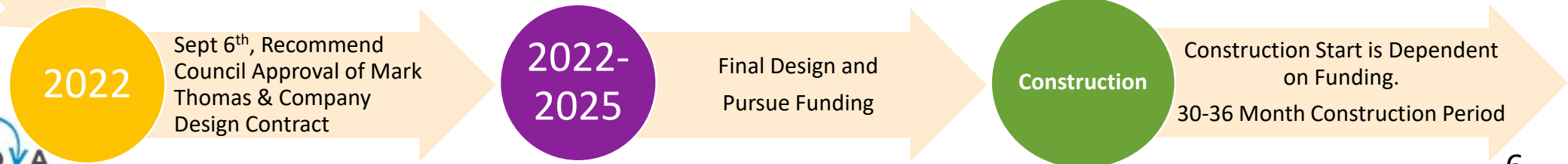
September 6, 2022

- Inform City Council and Provide a Project Update
- Recommend Approval of a Professional Services Contract with Mark Thomas & Company, Inc. for final civil design services for the US50/Rancho Cordova Parkway Interchange Project

1. This Project proposes **new interchange** at US50 on the north, a **new 2-mile section** of Rancho Cordova Parkway that connects to the newly construction White Rock Road on the south.
2. The proposed interchange will include eastbound and westbound US 50 auxiliary lanes between the Sunrise Blvd. and Hazel Ave. interchanges.
3. The overcrossing structure will span US 50, Folsom Blvd., the SacRT light rail and Union Pacific Railroad tracks, Folsom South Canal, and Buffalo Creek.
4. The new interchange will be a “south-only” connection that serves the City’s growth area immediately south of US 50.



Preliminary Design, Right of Way and Environmental

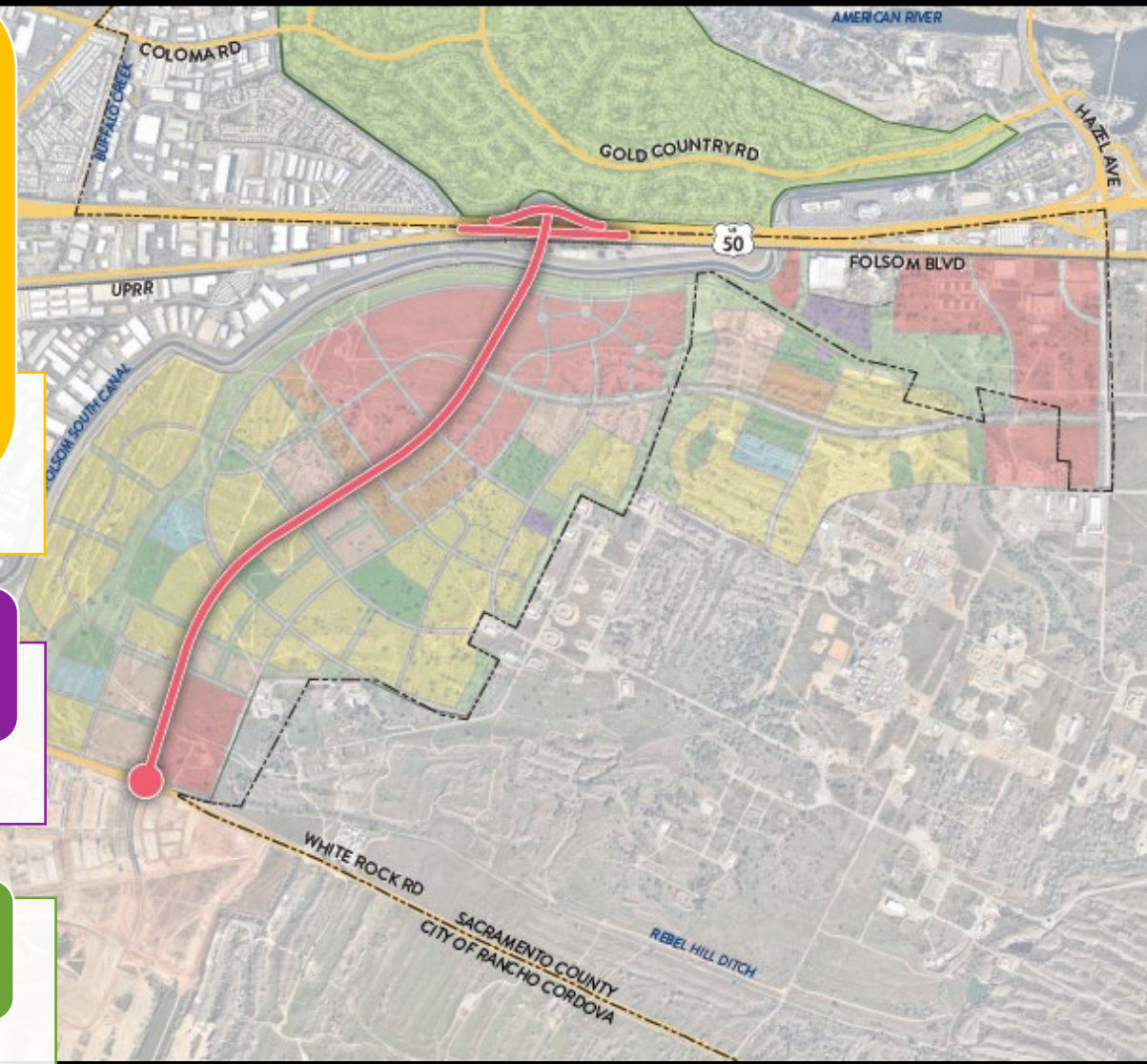




Preliminary Design and Environmental:	\$ 8,000,000
<u>Right of Way and Final Design:</u>	<u>\$18,000,000</u>
Fully Funded By Traffic Impact Fees	\$26,000,000

Construction Phase (Funding Gap)	\$127,000,000
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Estimated Total Project Cost:	\$153,000,000
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- Recommended Action:

A Resolution Authorizing the City Manager to Execute Contract No. 2022-180 with Mark Thomas & Company, Inc. in an Amount not to Exceed \$9,672,794 for Final Civil Engineering/Structural Design, Environmental and Right of Way Support for the US50/Rancho Cordova Parkway Interchange Project

- Next Steps:

1. Begin Final Civil Engineering Design
2. Continue Right of Way Services
3. Pursue Grant Funding Opportunities for Construction

- Questions?



MEMORANDUM



ITEM 12.3.

DATE: September 6, 2022

TO: Honorable Mayor and Council Members

FROM: Albert Stricker, Public Works Director
Kristine Courdy, Senior Civil Engineer

SUBJECT: **A RESOLUTION AUTHORIZING THE CITY MANAGER TO APPROVE COST ALLOCATION AGREEMENT CONTRACT NO. 2022-89 WITH SACRAMENTO COUNTY IN AN AMOUNT NOT TO EXCEED \$2,400,000 FOR THE DESIGN PHASE OF THE SUNRISE IMPROVEMENT PROJECT FROM KIEFER BOULEVARD TO JACKSON ROAD TO WIDEN THE ROAD AND INTERSECTION**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would authorize the City Manager to execute cost allocation agreement Contract No. 2022-89 to allow Sacramento County to reimburse the City of Rancho Cordova an Amount not to Exceed \$2,400,000 for the County's share of the design phase of the Sunrise Improvement Project from Kiefer Boulevard to Jackson Road to widen the road and intersection, increase safety and promote livability.

BACKGROUND

The Sunrise Boulevard Improvement Project from Kiefer Boulevard to Jackson Road (Project) is part of an innovative planning effort to alleviate regional congestion, improve roadway safety, nurture economic development, and promote the livability and quality of life in Rancho Cordova and the greater Sacramento region. The current road condition is poor which impedes safe and efficient transportation and economic growth. The purpose of this Project is to rehabilitate and widen this 1.3 mile stretch of roadway with an average daily trip of 17,000 vehicles.

The Project will improve approximately 1.3 miles of undivided 2-lane rural road of Sunrise Boulevard and the intersection of Sunrise Boulevard and Jackson Road by replacing a deteriorating segment of roadway, realigning and widening the road from two to four travel lanes to add capacity, low impact developed landscaped median, drainage facilities, bike lanes, bridge structures, traffic signals, and incorporate Intelligent Transportation Systems and smart controllers that will communicate with the traffic management center.

The Project includes improvements to the Sunrise Boulevard and Jackson Road Intersection

with shared right of way between the City and County and is on the State Highway System under California Department of Transportation (Caltrans) jurisdiction. On November 15, 2021, the City Council approved Copperative Agreement Number 2021-322 with Caltrans for this Project.

The proposed Cost Allocation Agreement Number 2022-89 with the County will allow the County to reimburse the City \$2,400,000 for their portion of the project engineering and environmental phase expenses over the next three years of the Project design.

On June 21, 2021, the City Council awarded a professional services contract with Dewberry Engineers, Inc. to perform the Project Civil Engineering and Environmental Services. Dewberry initiated environmental, right of way services and civil engineering design in summer of 2021 with expected design completion in 2025.

FISCAL IMPACT AND FUNDING SOURCE

Funding for this project will consist of SD Traffic Mitigation Impact Fees, Traffic Mitigation Fees, Measure A and Sacramento County traffic impact fees that will be reimbursed to the City through cost allocation agreement 2022-89.

This project is included in the City's current approved 2021/22 – 2025/26 Capital Improvement Plan and in the 2022-23 budget. There is no impact to the City's General Fund.

ATTACHMENT(S)

1. Resolution
2. Sunrise Project Cost Allocation Agreement
3. Presentation

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE COST ALLOCATION AGREEMENT NUMBER 2022-89 WITH SACRAMENTO COUNTY IN AN AMOUNT NOT TO EXCEED \$2,400,000 FOR THE DESIGN PHASE OF THE SUNRISE IMPROVEMENT PROJECT FROM KIEFER BOULEVARD TO JACKSON ROAD TO WIDEN THE ROAD AND INTERSECTION

WHEREAS, the Sunrise Improvement Project from Kiefer Boulevard to Jackson Road has shared jurisdiction between the City of Rancho Cordova (City) and County of Sacramento (County); and

WHEREAS, this Project will alleviate regional congestion, improve roadway safety, nurture economic development, and promote the livability and quality of life in Rancho Cordova and the greater Sacramento region; and

WHEREAS, design elements include replacing a deteriorating segment of roadway, realigning and widening the road from two to four travel lanes to add capacity, intersection improvements, low impact developed landscaped median, drainage facilities, bike lanes, bridge structures, traffic signals, and incorporating Intelligent Transportation Systems and smart controllers that will communicate with the traffic management center; and

WHEREAS, on June 21, 2021, the City Council awarded a professional services contract with Dewberry Engineers, Inc. to perform the Project Civil Engineering and Environmental Services; and

WHEREAS, there are shared costs for this Project between the City and County; and

WHEREAS, executing a cost allocation agreement will allow the County to reimburse the City as the Project lead for their portion of the project engineering and environmental phase; and

WHEREAS, adoption of this resolution authorizes the City Manager to execute the Cost Allocation Agreement Contract No. 2022-89 in an amount not to exceed \$2,400,000 with the County for the purposes of reimbursing the City for the County's portion of the Sunrise Improvement Project engineering and environmental phases.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager to execute Cost Allocation Agreement Number 2022-89 for an amount not to exceed \$2,400,000 in a form approved by the City Attorney for the Sunrise Boulevard Improvement Project from Kiefer Boulevard to Jackson Road.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 6th day of September 2022 by the following vote:

AYES:

ITEM 12.3.

ATTACHMENT 1

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Donald Terry, Mayor

Stacy Leitner, CMC
City Clerk

**AGREEMENT BETWEEN THE COUNTY OF SACRAMENTO AND THE CITY
OF RANCHO CORDOVA FOR THE SUNRISE BOULEVARD IMPROVEMENT
PROJECT BETWEEN KIEFER BOULEVARD TO JACKSON ROAD AND
INTERSECTION IMPROVEMENT OF SUNRISE BOULEVARD AND JACKSON
ROAD FOR ENGINEERING AND ENVIRONMENTAL PHASES**

THIS AGREEMENT is made and entered into on August 23, 2022, by and between the COUNTY OF SACRAMENTO, a political subdivision of the State of California, hereinafter referred to as "COUNTY" and the CITY OF RANCHO CORDOVA, a California municipal corporation, hereinafter referred to as "CITY." Each entity is referred to as a Party ("Party") to this Agreement and collectively both entities are referred to as the Parties ("Parties").

RECITALS

WHEREAS, CITY intends to rehabilitate and widen Sunrise Boulevard from Kiefer Boulevard to Jackson Road (approximately 1.3 miles) and improve the intersection of Sunrise Boulevard and Jackson Road ("Project"), with sections of the roadway and intersection having a shared boundary between CITY and COUNTY; and

WHEREAS, the Project will include replacement of a deteriorating segment of Sunrise Boulevard from Kiefer Boulevard to Jackson Road (approximately 1.3 miles); realignment and widening of the road from two to four travel lanes, which includes paving and striping, construction of a landscaped median, installation of drainage facilities, bike lanes, bridge structures, and interconnects; utility relocations; and improvement of the intersection of Sunrise Boulevard and Jackson Road to accommodate planned infrastructure and traffic signal in their ultimate location as more particularly described in Exhibit B attached hereto; and

WHEREAS, COUNTY has jurisdiction over the west side of Sunrise Boulevard and the south side of Jackson Road, while CITY has jurisdiction over the east side of Sunrise Boulevard and the north side of Jackson Road ; and

WHEREAS, CITY and COUNTY jointly desire to advance the Project through the Project approval and environmental review phases with their respective governing bodies; and

WHEREAS, CITY proposes to be the lead agency for the engineering and environmental review required by the Project; and

WHEREAS, it is in the public interest to complete all roadway improvements on both sides of the road and all four legs of the intersection at the same time, or alternatively in a phased approach that is coordinated between CITY and COUNTY; and

WHEREAS, the CITY is proposing to enter into this Agreement to clarify and delineate each agency's respective responsibilities in administering, conducting environmental review (including preparation of an environmental document), and engineering for the Project, which will be funded by the CITY and COUNTY; and

WHEREAS, CITY and COUNTY desire to enter into this Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, CITY and COUNTY agree as follows:

1. **RECITALS**

The foregoing recitals are hereby incorporated by reference.

2. **TERM**

This Agreement shall be effective and commence as of the date first written above and shall remain in effect until completion of environmental and engineering of the Project.

3. **NOTICE**

Any notice, demand, request, consent, or approval that either party hereto may or is required to give the other pursuant to this Agreement shall be in writing and shall be either personally delivered or sent by mail or e-mail, addressed as follows:

To COUNTY:

Attn: Steve White, Division Chief
Engineering & Planning Division
Department of Transportation
COUNTY of Sacramento
4111 Branch Center Road
Sacramento, CA 95827
WhiteSt@SacCounty.net

To CITY:

Attn: Albert Stricker
Public Works Director
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
astricker@cityofranhocordova.org

Either party may change the address to which subsequent notice and/or other communications can be sent by giving written notice designating a change of address to the other party, which shall be effective upon receipt.

4. **SCOPE OF WORK**

The scope of work for this Agreement includes administering, conducting environmental review (including preparation of the environmental document), and engineering for the Project (the "Work"). The boundaries for the Project are more particularly delineated in the map attached hereto as Exhibit A and incorporated herein by this reference. Detailed information concerning the Project is also set forth in Exhibit B.

5. **COSTS AND RESPECTIVE OBLIGATIONS**A. **CITY Obligations:**

- 1) The CITY shall serve as the Lead Agency for the Project for purposes of CEQA.
- 2) The CITY shall direct, supervise, and otherwise take the lead on performance of the Work.
- 3) The CITY shall consult with COUNTY regarding all material decisions concerning the Work, including, but not limited to, consultant selection, design review, and project phasing.
- 4) The CITY shall provide to COUNTY, for review and consultation, the following Work deliverables:
 - i. Design Criteria Memo
 - ii. Design Exceptions
 - iii. Geometric Approval Drawings
 - iv. Advanced Planning Studies
 - v. Bridge Type Selection Report(s)
 - vi. Traffic Studies

- vii. Administrative Draft, Draft, and Final Project Reports
 - viii. Administrative Draft, Draft, and Final Environmental Documents
 - ix. Plans, Specifications, and Estimates
 - x. Administrative Draft, Draft, and Final Permits
- 5) The CITY shall provide COUNTY with at least 14 days' advance written notice of any planned public outreach efforts and notices concerning the Project, and shall provide to COUNTY, upon request, copies of any presentation and outreach materials proposed to be provided to the public.

B. COUNTY Obligations:

- 1) The County shall serve as a responsible agency for the Project for purposes of CEQA.
- 2) The COUNTY shall collaborate with CITY on the Work and shall complete reviews of plans, documents, specifications, and similar documents requested by CITY within a reasonable time.
- 3) COUNTY shall contribute an amount not to exceed Two Million Four Hundred Thousand Dollars (\$2,400,000) to fund the Work.
- 4) The COUNTY shall issue to CITY, at no cost to CITY, an encroachment permit for Project activities required to be performed as part of the Work.

C. Mutual Obligations:

- 1) COUNTY and CITY shall work cooperatively to ensure the Project is well coordinated and the Work is performed in a timely and efficient manner.
- 2) COUNTY and CITY agree that the acquisition of real property interests for the Project, and construction thereof, is not contemplated in this Agreement and will require a separate agreement or amendment to this Agreement.

6. PAYMENT OF INVOICE

Payment by COUNTY to CITY under this Agreement shall be limited to the maximum total payment amount of \$2,400,000.00 for the Work. The CITY shall submit an accurate and complete invoice to COUNTY documenting all costs incurred by CITY on the Project. CITY shall submit quarterly invoices to COUNTY, and the COUNTY shall pay CITY within thirty (30) days after receipt of such invoice up to the amount then currently available for payment of this Agreement in COUNTY's annual budget for the Project.

7. COMPLIANCE WITH LAWS

Each of the Parties hereto shall observe and comply with all applicable Federal, State, COUNTY and City laws, regulations and ordinances.

8. GOVERNING LAWS AND JURISDICTION

This Agreement shall be deemed to have been executed and will be performed within the State of California and shall be construed and governed by the internal laws of the State of California. Any legal proceedings arising out of or relating to this Agreement shall be brought in Sacramento COUNTY, California.

9. LICENSES AND PERMITS

- A. Contractors for each of the parties shall possess and maintain all necessary licenses, permits, certificates, and credentials required by the laws of the United States, the State of California, County of Sacramento and all other appropriate governmental agencies, including any certification and credentials required by either Party. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a

breach of this Agreement and constitutes grounds for the termination of this Agreement.

- B. Each of the Parties further certifies to the other party that it and its principals and construction contractor are not debarred, suspended, or otherwise excluded from or ineligible for, participation in federal, state or COUNTY government contracts.

10. **INDEMNIFICATION**

- A. CITY shall defend, indemnify and hold harmless COUNTY, its Board of Supervisors, officers, directors, agents, employees and volunteers from and against all demands, claims, actions, liabilities, losses, damages, and costs, including reasonable attorneys' fees, arising out of or resulting from the performance of the Agreement, caused in whole or in part by the negligent or intentional acts or omissions of CITY'S officers, directors, agents, employees, volunteers or contractors.
- B. COUNTY shall defend, indemnify, and hold harmless CITY, its officers, directors, agents, employees, volunteers and contractors from and against all demands, claims, actions, liabilities, losses, damages and costs, including reasonable attorneys' fees, arising out of or resulting from the performance of the Agreement, caused in whole or in part by the negligent or intentional acts or omissions of COUNTY'S Board of Supervisors, officers, directors, agents, employees, contractors or volunteers.
- C. It is the intention of CITY and COUNTY that the provisions of this paragraph be interpreted to impose on each party responsibility to the other for the acts and omissions of their respective officers, directors, agents, employees, volunteers, contractors, and the COUNTY'S Board of Supervisors and/or CITY'S Council. It is also the intention of CITY and COUNTY that, where comparative fault is determined to have been contributory, principles of comparative fault will be followed and each party shall bear the proportionate cost of any damage attributable to the fault of that party, its officers, directors, agents, employees, volunteers, contractors, and the COUNTY'S Board of Supervisors and/or CITY'S Council.
- D. The provisions of this indemnity shall survive the expiration or termination of the Agreement.

11. **INSURANCE**

Each Party, at its sole cost and expense, shall carry insurance –or self-insure - its activities in connection with this Agreement, and obtain, keep in force and maintain, insurance or equivalent programs of self-insurance, for general liability, workers compensation, and business automobile liability adequate to cover its potential liabilities hereunder. Each Party agrees to provide the other Party thirty (30) days' advance written notice of any cancellation, termination or lapse of any of the insurance or self-insurance coverages.

12. **SUBCONTRACTS, ASSIGNMENT**

- A. CITY and COUNTY remain legally responsible for the performance of all contract terms including work performed by third parties under subcontracts. Any subcontracting will be subject to all applicable provisions of this Agreement.
- B. This Agreement is not assignable by either Party in whole or in part, without the prior written consent of the other Party.

13. **AMENDMENT AND WAIVER**

Except as provided herein, no alteration, amendment, variation, or waiver of the terms of this Agreement shall be valid unless made in writing and signed by both Parties. Waiver by either Party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent, or any other right hereunder. No interpretation of any provision of this Agreement shall be binding upon either Party unless agreed in writing by both the Party's Director and counsel.

14. **SUCCESSORS**

This Agreement shall bind the successors of each Party in the same manner as if they were expressly named.

15. **TIME**

Time is of the essence of this Agreement.

16. **INTERPRETATION**

This Agreement shall be interpreted and construed as a whole, according to its fair meaning and not strictly for or against any Party, and without regard to which Party drafted the Agreement. All of the promises, representations, and warranties contained herein shall survive the execution of this Agreement. Each of the Parties agrees that his Agreement is the product of joint draftsmanship and negotiation and that should any of the terms be determined by a court to be vague, ambiguous, and/or unintelligible, that the same sentences, phrases, clauses, or other wording or language of any kind shall not be construed against the drafting party in accordance with California Civil Code Section 1654, and that each Party to this Agreement waives the effect of such statute.

17. **DIRECTOR**

As used in this Agreement, "Director" shall mean, as context determines, the Director of COUNTY'S Department of Transportation or the Director of CITY'S Department of Public Works, or their designees. COUNTY's Director shall administer this Agreement on behalf of COUNTY, and is authorized to make administrative amendments including, but not limited to, scope of work, pricing, management practices, performance timelines and milestones, etc. provided such amendments do not change COUNTY's maximum contribution amount as described in section 5. Amendments requiring changes to the maximum contribution require Board approval. Unless otherwise provided herein or required by applicable law, COUNTY's Director shall be vested with all the rights, powers, and duties of COUNTY herein. With respect to matters herein subject to the approval, satisfaction, or discretion of COUNTY, the decision of COUNTY's Director in such matters shall be final.

18. **DISPUTES**

- A. In the event of any dispute arising out of or relating to this Agreement, the Parties shall attempt, in good faith, to promptly resolve the dispute mutually between themselves. If the dispute cannot be resolved by mutual agreement, nothing herein shall preclude either Party's right to pursue remedy or relief by civil litigation, pursuant to the laws of the State of California.
- B. In the event that any proceedings, judicial or otherwise, are brought to enforce the terms of this Agreement, each Party shall bear its own attorney fees and costs in prosecuting or defending such proceedings.

19. **TERMINATION**

- A. This Agreement may be terminated by mutual written consent of the Parties.
- B. Either Party may terminate this Agreement for cause upon providing thirty (30) days written notice to the other Party stating the cause and giving a reasonable period in which to cure the default, which period shall be stated in the notice.
- C. The Director for either Party has authority to terminate this Agreement provided such termination is accomplished in accordance with either subparagraph A or B, above.

20. **AUDITS AND RECORDS**

Upon either Party's request, the other Party or its designee shall have the right at reasonable times and intervals to audit financial and program records as such requesting Party deems necessary to determine compliance with legal and contractual requirements and the correctness of claims. Each Party shall maintain such records for a period of four years following termination of the Agreement, and shall make them available for copying upon request at the requesting Party's expense.

21. **PRIOR AGREEMENTS**

This Agreement constitutes the entire understanding between CITY and COUNTY regarding the subject matter of this Agreement. Any prior agreements, whether oral or written, between the Parties regarding the subject matter of this Agreement are hereby terminated effective immediately upon full execution of this Agreement.

22. **SEVERABILITY**

If any term or condition of this Agreement or the application thereof to any person(s) or circumstance is held invalid or unenforceable, such invalidity or unenforceability shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Agreement are declared severable.

23. **FORCE MAJEURE**

Neither Party shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control of such party and without fault or negligence of such party. Such events shall include but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism, or other disasters, whether or not similar to the foregoing, and acts or omissions or failure to cooperate of the other Party or third parties (except as otherwise specifically provided herein).

24. **SURVIVAL OF TERMS**

All services performed and deliverables provided pursuant to this Agreement are subject to all of the terms, conditions, price discounts and rates set forth herein, notwithstanding the expiration of the initial term of this Agreement or any extension thereof. Further, the terms, conditions and warranties contained in this Agreement that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Agreement shall so survive.

25. AUTHORITY TO EXECUTE

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement for or on behalf of the Parties to this Agreement. Each Party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such Party's obligations hereunder have been duly authorized.

26. COUNTERPARTS

This Agreement may be executed in counterparts. The Agreement shall be deemed executed when it has been signed by both parties. Signatures scanned and transmitted electronically shall be deemed original signatures for purposes of this Agreement, with such scanned signatures having the same legal effect as original signatures. This Agreement may be executed through the use of an electronic signature and will be binding on each party as if it were physically executed.

(SIGNATURE PAGE FOLLOWS)

ITEM 12.3.

ATTACHMENT 2
COUNTY Contract No. 52533
City Contract No. 2022-89

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

COUNTY OF SACRAMENTO, a political
subdivision of the State of California

CITY OF RANCHO CORDOVA,
a municipal corporation

By: _____
Ron E. Vicari, Director
Department of Transportation

By: _____

Name: _____

Title: _____

Date: _____

Date: _____

Agreement approved by
Board of Supervisors with authority delegated
to the Director to execute:

Agenda Date: August 23, 2022

Item Number: 19

Resolution Number: _____
(4/5th Vote Required)

Reviewed and Approved by COUNTY
Counsel

Approved as to Form by City Attorney:

By: _____
Katrina G. Nelson, Deputy COUNTY
Counsel

By: _____

Date: _____

Date: _____

EXHIBIT A LOCATION MAP

(Agreement for allocation of costs of a joint roadway rehabilitation and widen both sides of Sunrise Boulevard from Kiefer Boulevard to Jackson Road (approximately 1.3 miles) and improve the intersection of Sunrise Boulevard and Jackson Road (Project))

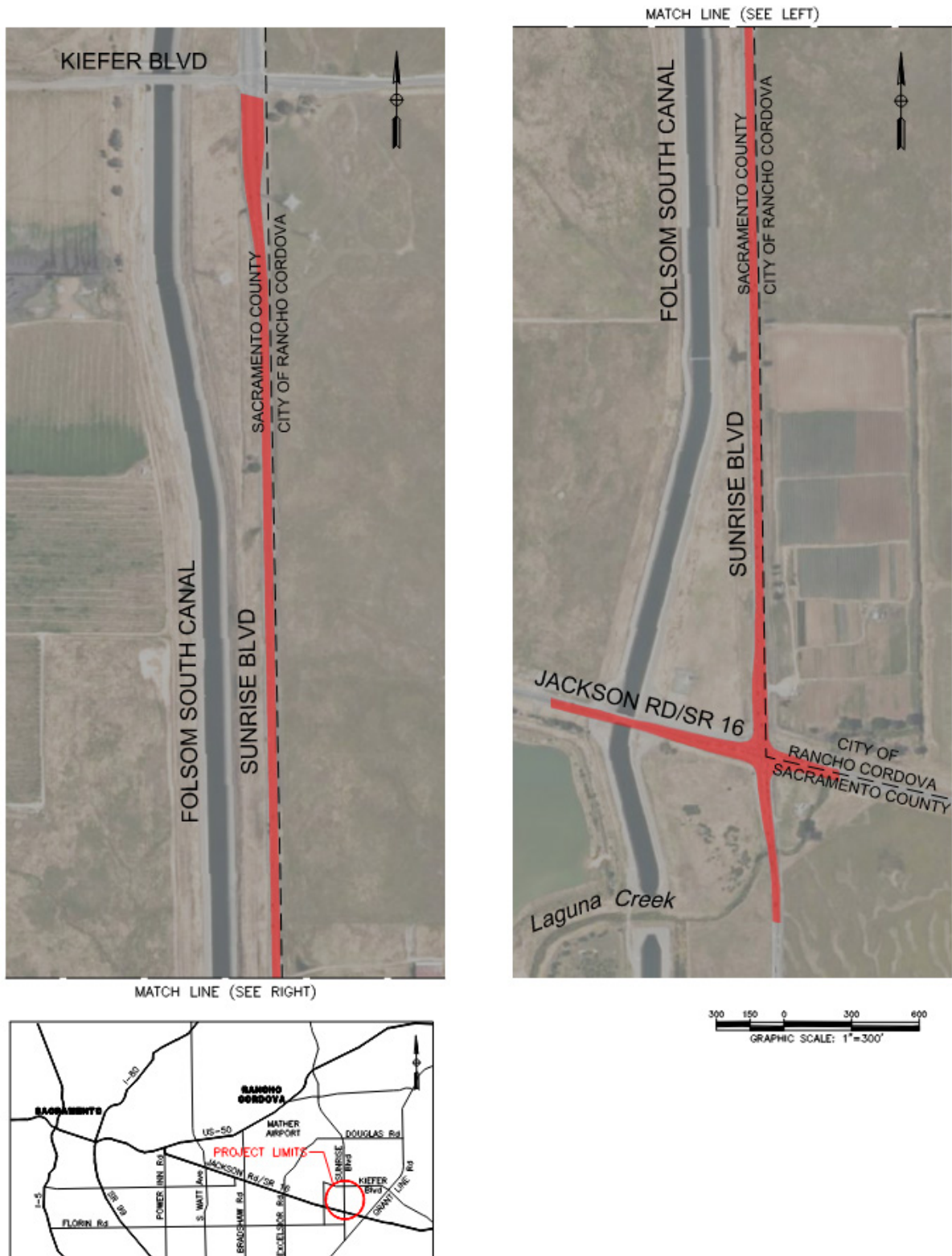


EXHIBIT B

SCOPE OF WORK

The Sunrise Boulevard Widening from Kiefer Boulevard to Jackson Road Project includes:

- 1) Roadway Widening: Sunrise Boulevard between Kiefer Boulevard to Jackson Road (1.3 miles) is currently two lanes with a 17,000 ADT. This Project will include 65% design of the ultimate alignment of Sunrise Boulevard: six travel lanes, a median, and sidewalks and bike lanes in each direction. The final construction documents will include widening Sunrise Boulevard to four travel lanes with a median and utility relocations outside of the ultimate alignment. This segment has a shared responsibility of 50% City and 50% County of Sacramento (County); and
- 2) Intersection Improvements: At full buildout, the intersection of Sunrise Boulevard and Jackson Road will be a six by six configuration. The construction documents will consider the full buildout condition to situate the traffic signals and underground infrastructure in their ultimate locations. The striping and pavement configuration will be based on the interim four by four intersection configuration with associated tapers to minimize impacts. There are four bridges at the intersection: Jackson Road over Laguna Creek Bridge, Jackson Road over Folsom Canal Bridge, Sunrise Boulevard over Laguna Creek Bridge, and bridge north of Jackson Road over Laguna Creek. All structures will need to be evaluated in conjunction with intersection geometric design, as some structures may need to be reconstructed and/or widened to accommodate the interim four by four or the ultimate six by six intersection configuration. The intersection of Sunrise Boulevard and Jackson Road is shared 25% City and 75% County. Jackson Highway is under the jurisdiction of Caltrans, therefore a Caltrans encroachment permit is required to make the intersection improvements.

The aesthetics of Sunrise Boulevard should be like the remainder of the corridor. The proposed median landscaping shall match the existing medians between White Rock Road and Folsom Boulevard. The ultimate alignment shall have future electrical duct banks to plan for lighting connections and monument signs at the City limits.

Utilities shall be relocated outside of the ultimate six-lane configuration of Sunrise Boulevard. Folsom South Canal, which is under the jurisdiction of the Federal Bureau of Reclamation (USBR), lies west of Sunrise Boulevard and runs parallel to the roadway throughout the project area. An encroachment permit from USBR will be required to accommodate the widening at the north end of project on west side near Kiefer Boulevard.

Jackson Road is under the jurisdiction of the Caltrans. As such, the City would need to obtain an encroachment permit from Caltrans to make improvements to the Sunrise Boulevard and Jackson Road intersection. In addition, this intersection will need to be designed in accordance with Caltrans standards. The City anticipates obtaining grant funds for the Project, so the Consultant shall follow Caltrans LAPM project delivery.

The western half of the Sunrise Boulevard and Jackson Road Intersection and the area south of Jackson Road are under the jurisdiction of the County. The City in coordination with the County would be necessary for reconstruction of the intersection, construction of the bridge structure(s), and installation of the roadway taper(s) south and west of the intersection.

The majority of right-of-way required to accommodate the four-lane roadway widening is currently held by the City of Rancho Cordova, however, coordination with the USBR, Caltrans, and Sacramento County will be required to allow for the roadway widening and conform tapers, extension of drainage culverts, construction of the Sunrise Boulevard/ Jackson Road intersection improvements, and reconstruction of the Sunrise Bridge over Laguna Creek. In addition, land acquisition will be required from some private property owners within the proposed right-of-way.

The Engineering and Environmental Services Tasks include:

A. Preliminary Design and Studies: This work shall include, but will not be limited to:

- a. Records Research
- b. Topographic Survey
- c. Utility Research
- d. Geotechnical Report
- e. Hydrology Study
- f. Traffic Analysis

B. Environmental Services: Environmental studies and permits shall be prepared to develop the necessary documentation to obtain National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA) clearances. Federal funds may become available and administered through the Caltrans Local Assistance Program, therefore the required technical analyses in Caltrans accepted format are required to facilitate review and approval. This work shall include, but will not be limited to:

- a. Research of Existing Environmental Work
- b. Preliminary Environmental Analysis Report (PEAR)
- c. Environmental Field Review
- d. Technical Studies
- e. Environmental Monitoring and Mitigation Plans
- f. Initial Study/Mitigated Negative Declaration
- g. Community Outreach
- h. CEQA
- i. NEPA
- j. Environmental Permits

C. Civil Engineering Services: Civil engineering services shall be performed to achieve final plans, specifications and estimates following the Caltrans LAPM project delivery procedures. This work shall include, but will not be limited to:

- a. Caltrans Coordination
 - i. Project Initiation Document (PID)
 - ii. Project Report (PR)

1. Geometrical Approval Document (GAD) develop geometric alternatives for the intersection
2. Structure Advance Planning Studies
3. Traffic Analysis (City to provide traffic data and the City can perform updated traffic counts as required)
4. Design Standard Decision Document
 - iii. Caltrans Encroachment Permit
 - iv. Freeway and Maintenance Agreement
- b. Utility Coordination
 - i. A, B, and C Letters
 - ii. Utility Relocations
 - iii. Utility Certification
- c. Structural Engineering for Bridge Structures
 - i. Foundation Report
- d. 35% Design
- e. 65% Design
- f. Engineer's Estimate
- g. Special Provisions & Project Specifications
- h. 90% PS&E Submittal
- i. Final PS&E Submittal
- j. US Bureau of Reclamation Encroachment Permit

Sunrise Improvement Project: Kiefer Blvd to Jackson Rd

September 6, 2022



CityOfRanchoCordova.org

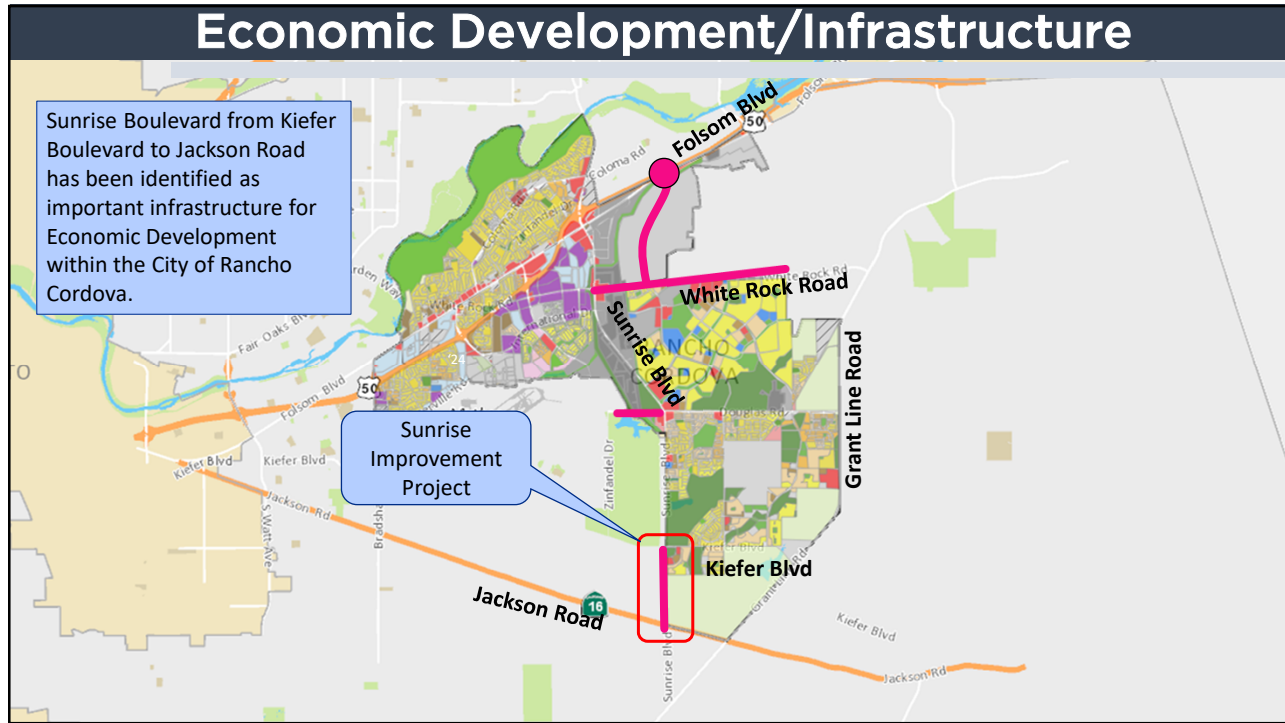
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MEETING GOALS

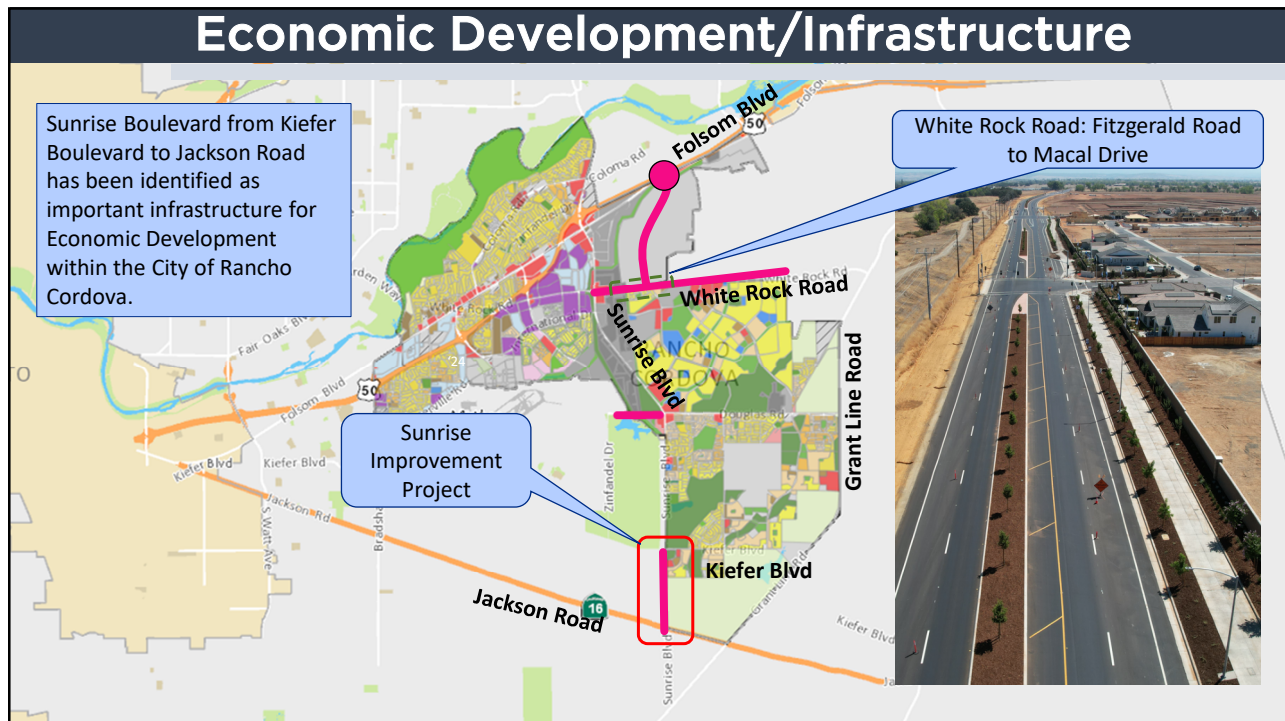
- Inform City Council and Provide a Project Update
- Recommend Approval of the Cost Allocation Agreement with Sacramento County to Reimburse the City for their share of the Sunrise Improvement Project Design.



2

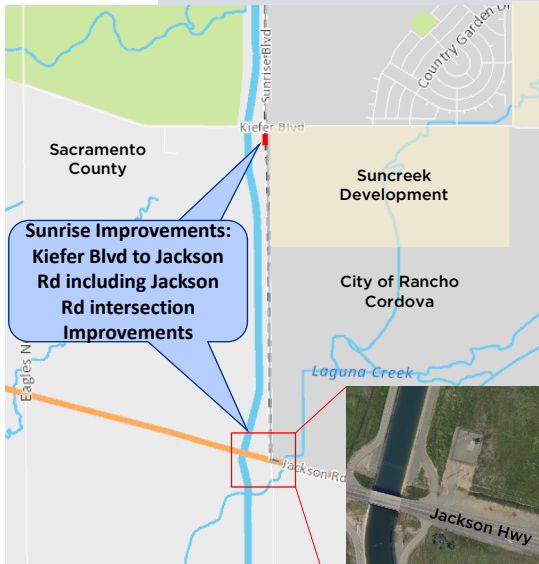


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Sunrise Improvement: Kiefer Blvd to Jackson Rd



Sunrise Improvements:
Kiefer Blvd to Jackson Rd including Jackson Rd intersection Improvements

Intersection Improvements at Jackson Hwy and Sunrise Blvd

- **Project Goals:**
 - Improves safety
 - Creates regional connections
 - Alleviates regional congestion
 - Supports the City's development
 - Promotes livability
- Project elements includes pavement rehabilitation, roadway widening from two to four travel lanes, utility relocations, median landscaping, bike lanes, bridge structures, intelligent transportation systems, and drainage facilities.
- Shared jurisdiction between City, County and Caltrans.
- Beautifies the Sunrise Blvd corridor.
- Total Project Cost Estimate: \$36M

DESIGN PHASE FUNDING	
Sacramento County Funds:	\$2,400,000
City Traffic Mitigation Impact Fees:	\$1,094,525
TOTAL DESIGN:	\$3,494,525

5

5

Sunrise Improvement: Kiefer Blvd to Jackson Hwy



EXISTING SUNRISE BLVD: 2 Travel Lanes



**PROPOSED: 4 Travel Lanes, Median and Bike Lane
(Similar to White Rock Road)**

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STAFF RECOMMENDATION

- Recommended Action:
 - Approve the Resolution to authorize the City Manager to execute cost allocation agreement Contract No. 2022-89 to allow Sacramento County to reimburse the City of Rancho Cordova an Amount not to Exceed \$2,400,000 for the County's share of the design phase of the Sunrise Improvement Project from Kiefer Boulevard to Jackson Road to widen the road and intersection.
- Next Steps:
 - Continue Project Environmental, Right of Way Services and Civil Engineering Design
 - Pursue Grant Funding for Construction

